



**UUE HOLDINGS  
BERHAD**

Registration No. 202201026669 (1472366-A)

**ANNUAL REPORT**

**2025**



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# ABOUT US

**UUE Holdings Berhad** is principally an investment holding company, listed on the ACE Market of Bursa Malaysia Securities Berhad since 2 July 2024. Through our subsidiaries, our core expertise includes the provision of underground utilities engineering solutions as well as the manufacturing and trading of high-density polyethylene ("HDPE") pipes.

Business Segments	Underground utilities engineering solutions	Manufacturing and trading of HDPE pipes
Industry Coverage	<ul style="list-style-type: none"> <li>• Electricity</li> <li>• Telecommunications</li> </ul>	<ul style="list-style-type: none"> <li>• Electricity</li> <li>• Telecommunications</li> <li>• Water</li> </ul>
Geographical Market	Malaysia and Singapore	

## Underground Utilities Engineering Solutions

Since 2009, we have primarily engaged in providing solutions for underground utilities engineering, with a specialisation in the trenchless Horizontal Directional Drilling ("HDD") method for pipes installation. This method minimises surface disruption and enhances infrastructure efficiency. We also employ open cut and micro trenching excavation methods to meet diverse project requirements and adapt to various ground conditions.

We also offer a comprehensive range of other services, which include power cable installation, Telecommunication Outside Plant ("OSP"), Fiber to the Home ("FTTH"), underground utility detection mapping ("UUDM"), tracing, gyroscope mapping and geographical information system ("GIS").

Our clients primarily include main contractors, property developers and utility infrastructure companies, covering a wide array of industries with a strong emphasis on electricity and telecommunications.



HDD



Open cut



Micro trenching



Power cable installation



Gyroscope mapping



UUDM

## ABOUT US (continued)

### Manufacturing and Trading of HDPE Pipes

In 2019, we expanded our Group's operations into the manufacturing of HDPE pipes. This expansion aims to meet the demand for HDPE pipes within our Group and among our valued customers across Malaysia and Singapore.

Our HDPE pipes can be used for electrical conduits, telecommunication and water supply applications. Our HDPE pipes are certified compliant to the standards of ISO 4427-2 : 2019, MS 1058 : Part 2 : 2005, SIRIM 52 : 2022, ISO 9001 : 2015 and ISO 14001 : 2015. These certifications ensure the durability, reliability and safety of our products.



## OUR VISION AND MISSION

### Vision

We aspire to become an international leader in underground utilities engineering solution provider and HDPE pipes manufacturer.

### Mission

- ✓ To achieve excellence in project execution, quality, reliability, safety, and operational efficiency for total customer satisfaction.
- ✓ To consistently enhance our competitiveness and deliver profitable growth to our shareholders and fulfilment of our corporate social responsibility.
- ✓ To develop our highly valued human capital to ensure growth for both business and stakeholder.

# CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	<b>Lee Chye Tee</b> Independent Non-Executive Chairman	<b>Vincent Wong Soon Choy</b> Executive Director
	<b>Datuk Dr. Ting Kok Hwa</b> Managing Director	<b>Ng Lee Thin</b> Independent Non-Executive Director
	<b>Hin Wai Mun</b> Executive Director	<b>Latha A/P Dhamodaran Pillay</b> Independent Non-Executive Director
	<b>Chong Tuoo Choi</b> Executive Director	<b>Goh Lei Lei</b> Independent Non-Executive Director

## AUDIT AND RISK MANAGEMENT COMMITTEE

Ng Lee Thin (Chairman)  
 Latha A/P Dhamodaran Pillay  
 Goh Lei Lei

## NOMINATING COMMITTEE

Latha A/P Dhamodaran Pillay  
 (Chairman)  
 Ng Lee Thin  
 Goh Lei Lei

## REMUNERATION COMMITTEE

Goh Lei Lei (Chairman)  
 Ng Lee Thin  
 Latha A/P Dhamodaran Pillay

## COMPANY SECRETARIES

Pow Juliet  
 (MAICSA 7020821 / SSM Practicing Cert.  
 No. 202008001248)  
 An Yu Qing  
 (MAICSA 7076459 / SSM Practicing Cert.  
 No. 202108000205)

## PRINCIPAL PLACE OF BUSINESS

No. 55 & 57, Jalan Teratai 7,  
 Taman Johor Jaya, 81100  
 Johor Bahru, Johor.  
 Tel: +607-3350 028  
 Fax: +607-3510 145  
 Email: info@uue-holdings.com  
 Website: www.uue-holdings.com

## REGISTERED OFFICE

Suite 5.11 & 5.12, 5<sup>th</sup> Floor,  
 Menara TJB, No. 9, Jalan Syed  
 Mohd. Mufti, 80888 Ibrahim  
 International Business District, Johor.  
 Tel: +607-2242 823  
 Email: plc@cisgroup93.com

## SHARE REGISTRAR

AscendServ Capital Markets Services  
 Sdn. Bhd.  
 [Reg No. 202401031272 (1577121-P)]  
 Office Suite No. 603 Block C,  
 Pusat Dagangan Phileo Damansara 1,  
 No. 9, Jalan 16/11, Off Jalan Damansara,  
 46350 Petaling Jaya, Selangor.  
 Tel: +603-7890 0238  
 Email: investor.enquiry@ascendserv.com

## AUDITORS

BDO PLT  
 201906000013 (LLP0018825-LCA) &  
 (AF 0206)  
 Suite 18-04, Menara Zurich,  
 15 Jalan Dato' Abdullah Tahir,  
 Taman Abad, 80300 Johor Bahru, Johor.  
 Tel: +607-3319 815

## SPONSOR

M & A Securities Sdn. Bhd.  
 [Reg No. 197301001503 (15017-H)]  
 45 & 47, Levels 3 and 7,  
 The Boulevard, Mid Valley City,  
 Lingkaran Syed Putra,  
 59200 Kuala Lumpur.  
 Tel: +603-2284 2911

## PRINCIPAL BANKERS

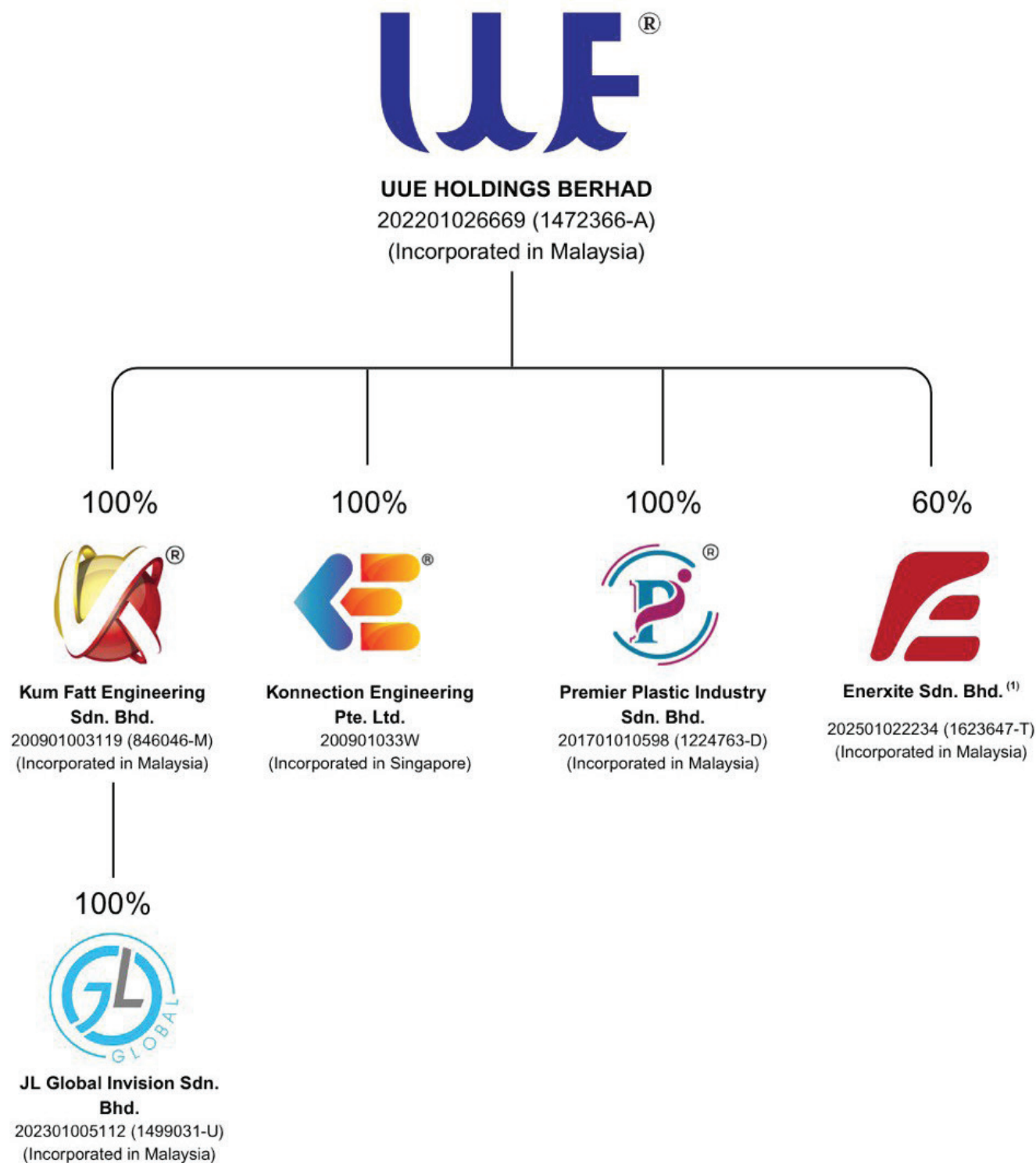
Alliance Bank Malaysia Berhad  
 Hong Leong Bank Berhad  
 HSBC Bank Malaysia Berhad  
 OCBC Bank (Malaysia) Berhad  
 United Overseas Bank (Malaysia) Bhd.  
 Malayan Banking Berhad

## STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities  
 Berhad  
 Stock Code : 0310  
 Stock Name : UUE  
 Date of Listing : 2 July 2024



# CORPORATE STRUCTURE



**Note:**

(1) Enerxite Sdn. Bhd. was incorporated on 20 May 2025, which is intended to be involved in provision of engineering, procurement, construction and commissioning (EPCC) for solar photovoltaic systems and investment in solar plant.

# IPO LISTING HIGHLIGHTS

UUE Holdings Berhad ("UUE" or "the Company") marked a significant milestone with its successful listing on the ACE Market of Bursa Malaysia Securities Berhad on 2 July 2024.

## Key Milestones of the IPO Journey:

### 3 May 2024

UUE entered into an Underwriting Agreement with M & A Securities Sdn. Bhd. for its initial public offering ("IPO").



### 28 May 2024

UUE officially launched its Prospectus to the public.



### 2 July 2024

UUE was successfully listed on the ACE Market of Bursa Malaysia Securities Berhad.





## IN THE NEWS

### 2 July 2024 – The Edge

Source: <https://theedgemaalaysia.com/node/717525>

#### UUE is best IPO YTD, gains 189% on ACE Market debut



From left: UUE Holdings Bhd directors Ng Lee Thin and Goh Lei Lei, director/CFO Vincent Wong, director Hin Wai Mun, chairman Lee Chye Tee, MD Datuk Dr Ting Kok Hwa, directors Chong Tuoo Chai and Latha Pillay, M&A Securities head of corporate finance Rachel Ho and head of corporate finance Gary Ting (Photo by Zahid Izzah/The Edge)

KUALA LUMPUR (July 2): UUE Holdings Bhd (KL:UUE) made a strong debut on the ACE Market of Bursa Malaysia on Tuesday as its share price shot up 189.58% or 45.5 sen to settle at 69.5 sen, versus its initial public offering (IPO) price of 24 sen.

After opening 175% higher at 66 sen, the ACE Market stock moved to its highest at 70.5 sen, while its intraday low was 61 sen.

At the closing price of 69.5 sen, UUE's market capitalisation stands at RM422.76 million — four times higher than its expected market capitalisation of RM146 million during its prospectus launch.

Trading volume rose to 212.32 million, making it the most active stock and biggest gainer on Bursa.

The big jump in share price makes UUE, whose core business is involved in underground utility engineering solutions, the best-performing IPO so far this year, followed by Main Market-listed oil and gas firm Keyfield International Bhd (KL:KEYFIELD) and ACE Market's building support services provider KJTS Group Bhd (KL:KJTS).

UUE's was also the fourth-best maiden day trading performance of an ACE Market IPO stock in the past one year, after Oppstar Bhd (KL:OPPSTAR), TT Vision Holdings Bhd (KL:TTVHB) and Edeltec Holdings Bhd (KL:EDELTEQ).

UUE's issued share capital stood at 608.29 million shares. The company offered 162.37 million shares for its listing exercise.

Worth noting that the top five best-performing IPO companies in 2024 have issued share capital below one billion shares, while the top five worst-performing IPO companies have over one billion issued share capital, except for property developer KTI Landmark Bhd (KL:KTI), according to data compiled by The Edge.

Companies with higher number of shares issued translate to more shares available for trading, which could potentially put downward pressure on the share price should demand remain constant or lacklustre.

Conversely, for those with a lower number of shares issued and available for trading, the limited supply could push share prices higher with even a small number of buyers bidding for the shares.

Three research houses — Apex Securities Bhd, Mercury Securities Bhd and TA Securities Holdings Bhd — have all urged investors to participate in UUE's IPO, citing the company attractive valuations and promising growth prospects, as it rides on rapid growth in the utility industry from the electricity and telecommunication sectors.

Commenting on the company's strong debut at a press conference following the listing ceremony, UUE managing director Datuk Dr Kenny Ting Kok Hwa said the group is "truly honoured by investors' confidence and trust in our business model. We will work hard to deliver our growth strategy and deliver back to our shareholders," he said.

Demand from investors during its IPO was strong with the public tranche oversubscribed by 103.83 times. The Bumiputera portion was oversubscribed by 74.03 times, while the remaining public portion was oversubscribed by 133.64 times.

Shares set aside for eligible persons, Bumiputera investors and select investors offered through private placement were fully taken up.

The sale of new shares raised RM29.98 million, which has been earmarked for the purchase of machinery and equipment, such as horizontal directional drilling (HDD) machines, lorries and excavators to cater for its ongoing projects as well as new ones to be secured.

UUE also wants to buy a maxi-rig drilling machine to venture into subsea works and expand its existing suite of underground utilities engineering offerings.

The remaining gross proceeds have been earmarked for general working capital, and to offset expenses in relation to the IPO.

The offer-for-sale, meanwhile, raised RM8.99 million, which will accrue entirely to the selling shareholders, including managing director Datuk Dr Ting Kok Hwa.

M&A Securities is the adviser, sponsor, underwriter and placement agent for the IPO.

### 2 July 2024 – The Star

Source: <https://www.thestar.com.my/business/business-news/2024/07/02/uue-holdings-makes-ace-market-debut-at-175-premium>

#### UUE Holdings makes ACE Market debut at 175% premium



From left: UUE Holdings Bhd independent non-executive director Ng Lee Thin, UUE independent non-executive director Goh Lei Lei, UUE executive director/chief financial officer Vincent Wong, UUE executive director Hin Wai Mun, UUE chairman Lee Chye Tee, UUE managing director Datuk Dr Kenny Ting, UUE executive director Chong Tuoo Chai, UUE independent non-executive director Latha Pillay, M & A Securities head of corporate finance Rachel Ho and M & A Securities head, corporate finance Gary Ting.

KUALA LUMPUR: UUE Holdings Bhd made a strong debut on the ACE Market, opening at 66 sen per share or 175% over its initial public offering price (IPO) of 24 sen per share.

The underground utilities engineering solutions provider raised a total of RM29.98mil through the public issue of 124.9 million new ordinary shares priced at RM0.24 per share.

In a statement, it said 52.5% or RM15.75mil of the utilisation of proceeds will be utilised for the purchase of machinery and equipment, and with 36.3% or RM10.89mil channelled for the working capital. The remaining proceeds of RM3.33mil have been earmarked for listing expenses.

Independent non-executive chairman Lee Chye Tee said the group plans to acquire more machinery to expand its range of underground utilities engineering solutions and the scale of its projects.

"This includes acquiring a maxi rig horizontal directional drilling (HDD) machine to venture into subsea HDD works, thereby broadening our service offerings. To supplement our existing assets, we lease additional machinery, including HDD machines, excavators, and lorries. We are also committed to further expanding our services in Singapore.

"The demand for underground utilities engineering solutions is driven by Singapore's plans to increase its population to between 6.5 million and 6.9 million by 2030. We intend to leverage our track record and expertise to actively participate in tenders for electricity distribution projects in Singapore," Lee said.

M & A Securities Sdn Bhd is the adviser, sponsor, underwriter, and placement agent for UUE's IPO exercise.

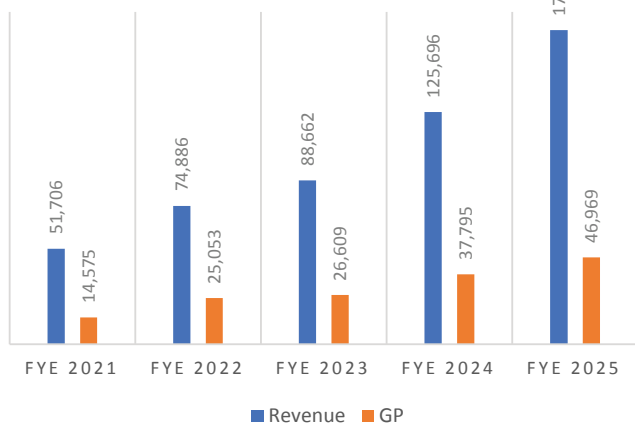


# FINANCIAL HIGHLIGHTS

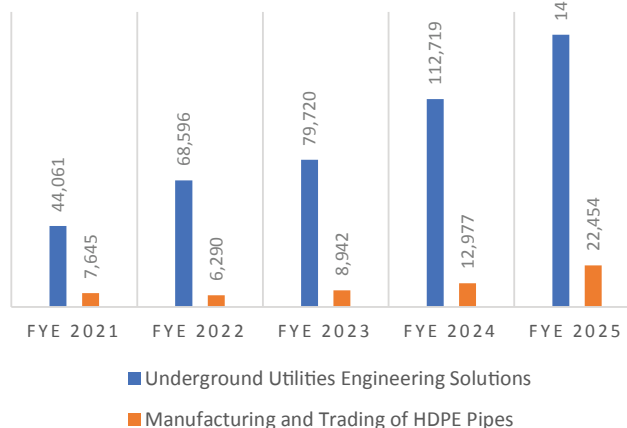
		FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
<b>Financial Results</b>						
Revenue	(RM'000)	51,706	74,886	88,662	125,696	170,024
Gross Profit ("GP")	(RM'000)	14,575	25,053	26,609	37,795	46,969
Profit Before Tax ("PBT")	(RM'000)	9,428	18,565	17,174	21,236	30,194
Profit After Tax ("PAT")	(RM'000)	7,367	14,567	14,117	15,907	22,972
Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA")	(RM'000)	12,684	21,846	21,176	26,450	36,143
Total Assets	(RM'000)	57,585	71,598	85,792	119,361	179,761
Total Equity	(RM'000)	26,313	35,765	48,506	62,879	113,097
Total Liabilities	(RM'000)	31,272	35,833	37,286	56,482	66,663
Cash And Bank Balances	(RM'000)	7,194	9,588	15,273	18,149	25,071
Total Borrowings and Lease Liabilities (excluding lease liabilities arising from lease of premises)	(RM'000)	16,069	20,740	23,381	28,684	36,215
<b>Financial Ratios</b>						
GP Margin	(%)	28.19	33.45	30.01	30.07	27.62
PBT Margin	(%)	18.23	24.79	19.37	16.89	17.76
PAT Margin	(%)	14.25	19.45	15.92	12.66	13.51
EBITDA Margin	(%)	24.53	29.17	23.88	21.04	21.26
Effective Tax Rate	(%)	21.86	21.54	17.80	25.09	23.92
Return On Equity	(%)	28.00	40.73	29.10	25.30	20.31
Gearing Ratio	(times)	0.61	0.58	0.48	0.46	0.32
Net Gearing Ratio	(times)	0.34	0.31	0.17	0.17	0.10
<b>Revenue by Business Segment</b>						
Underground Utilities Engineering Solutions	(RM'000)	44,061	68,596	79,720	112,719	147,570
Manufacturing and Trading of HDPE pipes	(RM'000)	7,645	6,290	8,942	12,977	22,454
<b>Revenue by Geographical Market</b>						
Malaysia	(RM'000)	43,249	57,278	65,774	95,374	144,264
Singapore	(RM'000)	8,457	17,608	22,888	30,322	25,760

# FINANCIAL HIGHLIGHTS (continued)

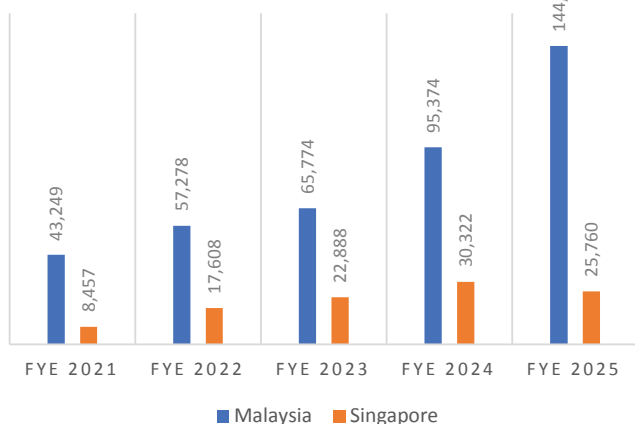
**REVENUE AND GP  
(RM'000)**



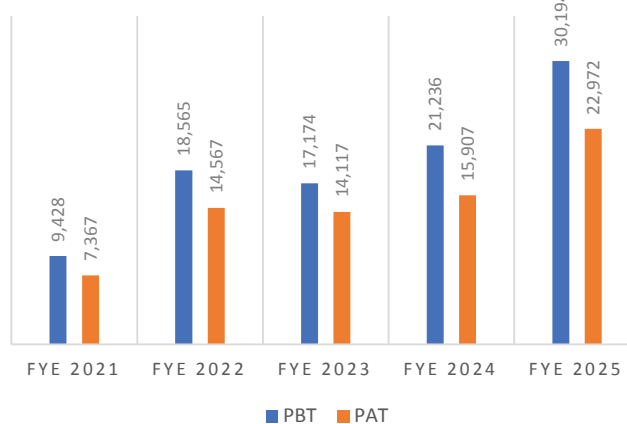
**REVENUE BY BUSINESS SEGMENT  
(RM'000)**



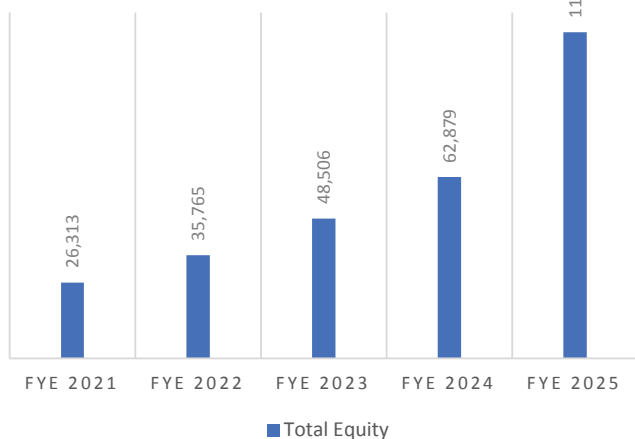
**REVENUE BY GEOGRAPHICAL MARKET  
(RM'000)**



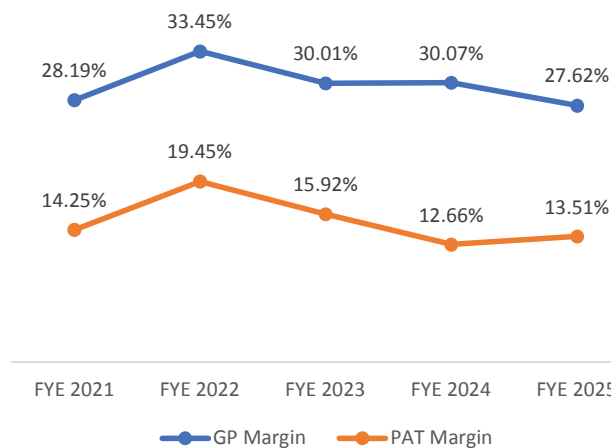
**PBT AND PAT  
(RM'000)**



**TOTAL EQUITY  
(RM'000)**



**GP AND PAT MARGIN**





# MANAGEMENT DISCUSSION AND ANALYSIS

On behalf of the Board of Directors of UUE Holdings Berhad ("UUE" or "the Company"), we are pleased to present the Management Discussion and Analysis ("MD&A") of UUE and its subsidiaries (the "Group") on their overall performance for the financial year ended ("FYE") 28 February 2025.

FYE 2025 was a watershed year for the Group which witnessed its founders, promoters, directors and management's hardwork and dedication over the past 15 years culminate in the successful listing and quotation of UUE on the ACE Market of Bursa Malaysia Securities Berhad on 2 July 2024.

UUE achieved a spectacular debut on the ACE Market of Bursa Malaysia Securities Berhad on 2 July 2024. The stock opened at RM0.66 per share, representing a 175% premium over its IPO price of RM0.24, and closed at RM0.695, a 189.58% increase.

## OVERVIEW OF BUSINESS AND OPERATIONS

Our Group is principally engaged in two business segments, namely underground utilities engineering solutions as well as manufacturing and trading of high-density polyethylene ("HDPE") pipes.

As at the end of FYE 2025, the Group comprised of four wholly-owned subsidiaries, where three subsidiaries were incorporated locally in Malaysia and one subsidiary was incorporated in Singapore, reflecting the Group's cross-border presence and operational reach.

The Group's business objectives are to maintain sustainable growth and create long-term shareholder value by adopting the following business strategies:

- (i) Pursue opportunities to expand regionally in Malaysia, specifically targeting the northern, east coast and southern region of Peninsular Malaysia, by securing electricity supply and telecommunications projects. This will allow us to create presence and identify other potential business opportunities across the key regions of Peninsular Malaysia;
- (ii) Acquire more machinery to expand our range of underground utilities engineering solutions and scale of projects. We have acquired a maxi rig Horizontal Directional Drilling ("HDD") machine that will enable us to venture into the provision of subsea HDD works, thereby expanding our Group's range of underground utilities engineering solutions. The acquisition of machineries including HDD machines, excavators and lorries allows our Group to secure and deliver more underground utilities engineering projects. As we frequently use these machinery, we believe that our investment in machineries will place us in a more competitive position to undertake underground utilities engineering projects of different scale and complexities. In addition, we believe that the acquisition of these machinery will allow us to scale up our resources and project capabilities in undertaking projects of similar scale and complexities as our existing and past projects; and
- (iii) Expand our range of underground utilities engineering solutions in Singapore and leverage on the growth prospects of the Singapore market by actively participating in tenders and/or requests for quotations in Singapore for HDD works for electricity distribution projects by leveraging on our project track record, technical expertise and experience of our employees.

## REVIEW OF FINANCIAL RESULTS

	FYE 2025	FYE 2024
GROUP FINANCIAL RESULTS	RM'000	RM'000
Revenue	170,024	125,696
Gross profit ("GP")	46,969	37,795
Profit before tax ("PBT")	30,194	21,236
Profit after tax ("PAT")	22,972	15,907
GP Margin (%)	27.6	30.1
PBT Margin (%)	17.8	16.9
PAT Margin (%)	13.5	12.7

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## REVIEW OF FINANCIAL RESULTS (continued)

Our Group's revenue breakdown by business segment and geographical market for the FYE 2025 and FYE 2024 are as follows:

BUSINESS SEGMENT	FYE 2025		FYE 2024	
	RM'000	%	RM'000	%
Underground utilities engineering solutions	147,570	86.8	112,719	89.7
Manufacturing and trading of HDPE pipes	22,454	13.2	12,977	10.3
	<b>170,024</b>	<b>100.0</b>	<b>125,696</b>	<b>100.0</b>

COUNTRY	FYE 2025		FYE 2024	
	RM'000	%	RM'000	%
Malaysia	144,264	84.8	95,374	75.9
Singapore	25,760	15.2	30,322	24.1
	<b>170,024</b>	<b>100.0</b>	<b>125,696</b>	<b>100.0</b>

For the FYE 2025, our Group recorded total revenue of RM170.0 million, representing an increase of RM44.3 million or 35.2%, (FYE 2024: RM125.7 million). The revenue growth was primarily attributed to the strong performance in both business segments:

- (i) Revenue from underground utilities engineering solutions segment increased by RM34.9 million or 31.0% to RM147.6 million in the FYE 2025 (FYE 2024: RM112.7 million). Such increase was primarily due to higher volume of work executed during the year. Therefore, we expanded our in-house resources and engaged additional subcontractors, which enable us to accelerate project delivery and manage the growing business volume, thereby contributing to higher revenue recognition during the financial year; and
- (ii) Revenue from manufacturing and trading of HDPE pipes segment increased by RM9.4 million or 72.3% to RM22.4 million in the FYE 2025 (FYE 2024: RM13.0 million). The growth was attributed to higher sales volume and increased demand from both the Group's own projects as well as those from its external customers in Malaysia.

Revenue from Malaysia increased by RM48.9 million or 51.3% to RM144.3 million in FYE 2025 (FYE 2024: RM95.4 million). Such increase was attributed to the higher revenue from underground utilities engineering solutions segment and manufacturing and trading of HDPE pipes segment of RM38.4 million and RM10.5 million respectively. However, the increase was partially offset by the decline in revenue from Singapore, which decreased by RM4.6 million or 15.2% to RM25.7 million in FYE 2025 (FYE 2024: RM30.3 million). Such decrease was primarily due to the completion of an existing work cycle in our Singapore operations during the last quarter of FYE 2025, while new projects are scheduled to commence.

Our Group's GP increased by RM9.2 million or 24.3% to RM47.0 million in FYE 2025 (FYE 2024: RM37.8 million), which was in tandem with the higher revenue recorded during the financial year. However, the overall GP margin declined from 30.1% in FYE 2024 to 27.6% in FYE 2025 mainly due to the slowdown in Singapore projects during the last quarter of FYE 2025, as previously mentioned.



# MANAGEMENT DISCUSSION AND ANALYSIS

## (continued)

### REVIEW OF FINANCIAL RESULTS (continued)

We recorded an increase in PBT of RM9.0 million or 42.5% to RM30.2 million in FYE 2025 (FYE 2024: RM21.2 million). The PBT margin also improved from 16.9% in FYE 2024 to 17.8% in FYE 2025. Such increase was mainly due to higher revenue and GP generated in FYE 2025 as well as absence of impairment loss on receivables and contract assets during the financial year. However, this was partially offset by the increase in administrative expenses and finance costs of RM2.0 million and RM0.2 million respectively.

Correspondingly, our PAT increased by RM7.1 million or 44.7% to RM23.0 million in FYE 2025 (FYE 2024: RM15.9 million), while PAT margin improved from 12.7% in FYE 2024 to 13.5% in FYE 2025.

GROUP FINANCIAL POSITION	FYE 2025 RM'000	FYE 2024 RM'000
Total assets	179,761	119,361
Total liabilities	66,663	56,482
Total borrowings and lease liabilities (excluding lease liabilities arising from lease of premises)	36,215	28,684
Total equity	113,097	62,879
Current ratio (times)	2.54	2.04
Gearing ratio (times)	0.32	0.46

Our Group's total assets increased by RM60.4 million or 50.6% to RM179.8 million in FYE 2025 (FYE 2024: RM119.4 million). The growth in total assets was primarily attributable to the increase in contract assets of RM23.9 million, mainly due to work performed but not yet billed as it was pending certification by customers. Trade and other receivables increased by RM16.3 million, in line with the higher revenue recognised for FYE 2025. Property, plant and equipment increased by RM9.5 million, mainly from the acquisition of plant and machinery amounting to RM8.2 million, which include HDD machines, pipe extrusion line and excavator. It also includes RM2.5 million worth of payment made for the purchase of two parcels of freehold land and related construction costs, which was recognised as capital work-in-progress. These increases were partially offset by depreciation charges of RM1.6 million. Furthermore, cash and bank balances increased by RM6.9 million, primarily due to proceeds raised from the IPO during the FYE 2025.

The total liabilities increased by RM10.2 million or 18.1% to RM66.7 million in FYE 2025 (FYE 2024: RM56.5 million). This was mainly attributable to increase in borrowings by RM8.0 million, arising from higher utilisation of trade financing facilities for the purchase of materials and payments to subcontractors, which is consistent with the Group's revenue growth. In addition, trade and other payables increased by RM3.4 million, primarily due to a higher volume of subcontractor progress claims pending payment verification at the end of the financial year.

The total equity increased by RM50.2 million or 79.8% to RM113.1 million in FYE 2025 (FYE 2024: RM62.9 million). The increase was primarily attributable to the proceeds raised from the IPO of RM30.0 million and PAT of RM23.0 million recorded for the FYE 2025. These were partially offset by share issuance expenses of RM1.1 million arising from the IPO, which were deducted against share capital and foreign exchange translation loss of RM1.6 million.

Our Group's current ratio improved from 2.04 times in FYE 2024 to 2.54 times in FYE 2025, mainly due to the increase in contract assets and trade receivables in line with business growth. This indicates that our Group is able to meet our short-term obligations as our current assets such as inventory and trade receivables are readily convertible to cash. In addition, our Group also has RM25.1 million of cash and cash equivalent to manage our current liabilities when necessary.

# MANAGEMENT DISCUSSION AND ANALYSIS

## (continued)

### REVIEW OF FINANCIAL RESULTS (continued)

Meanwhile, our Group's gearing ratio decreased from 0.46 times in FYE 2024 to 0.32 times in FYE 2025, mainly due to the increase in total equity as a result of proceeds raised from the IPO and profits generated in FYE 2025.

### DIVIDEND

Our Group presently does not have any formal dividend policy. The declaration of dividends and other distributions are subject to the discretion of our Board. It is our Board's policy to recommend dividends to allow our shareholders to participate in the profits of our Group. However, our ability to pay dividends or make other distributions to our shareholders in future years is subject to various factors such as having profits and excess funds, which are not required to be retained to fund our business.

### REVIEW OF OPERATING ACTIVITIES

Our Group delivered a strong operating performance in FYE 2025, achieving record-high revenue and PAT of RM170.0 million and RM23.0 million respectively. As at 28 February 2025, our unbilled order book was RM212.1 million, which is expected to be recognised as revenue over the next 3 financial years.

During the financial year, we secured several notable contracts, including the letters of award with total contract value of RM27.0 million in the northern region of Peninsular Malaysia, marking a key milestone in our geographical expansion. This expansion not only extended our geographical footprint but also enables our Group to tap into the increasing demand for underground utilities infrastructure in that region. In addition, our Group successfully secured renewal of several existing contracts, reflecting continued confidence from our longstanding customers in our engineering capabilities and service quality. To support the growing volume of work, we also expanded our workforce to over 350 employees, reinforcing and strengthening our execution capacity to meet the demands of our growing project portfolio.

To further strengthen our project delivery capabilities, our Group invested in a maxi rig HDD machine during the financial year. This will enable us to undertake subsea HDD works, thereby expanding our Group's range of underground utilities engineering solutions.

Our Group also acquired a new subsidiary, JL Global Invision Sdn Bhd, to support the expansion of our underground utilities detection services. This acquisition complements our core service offerings and creates synergy within our engineering segment, thereby enhancing our overall service capabilities.

In the manufacturing segment, we enhanced our capabilities by installing a new production line for the manufacturing of smaller-diameter HDPE pipes, which are widely used in telecommunications and water supply applications. This upgrade strengthens our production capacity, expands our product range and allows us to better serve customers in both Malaysia and Singapore.

To support our long-term growth strategy, our Group had entered into two Sale and Purchase Agreements to acquire two parcels of freehold land. One parcel is intended for Premier Plastic Industry Sdn Bhd to construct a new factory, warehouse and office building as part of its business expansion. This expansion will enhance our HDPE pipe manufacturing capabilities and provide additional warehousing space to accommodate the growing volume of raw materials and finished goods to meet the expected growth in demand. The second parcel will be used for warehousing purposes by Kum Fatt Engineering Sdn Bhd, specifically to store construction materials and machinery, thereby improving operational logistics and supporting our expanding project requirements. As at the end of the financial year, the acquisition of both parcels of freehold land had not yet been completed. The said acquisition is expected to be completed by third quarter of year 2025.



# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## ANTICIPATED OR KNOWN RISKS

The following are the key risks that may affect the operations of the Group:

### 1. Project management and execution risk

Incorrect estimations of our project costs may result in cost overruns and hence will affect our profitability and financial performance. If the actual costs to complete the projects were to deviate significantly from the estimated costs when the tenders or quotations were submitted, we will be bound by the contract to undertake the project at a substantial loss and hence our business operations as well as financial performance and profitability may be adversely affected.

We may not be able to complete the project on time or we may be subject to cost overruns due to certain events that are not within our control, such as timing required to obtain the necessary work permits from local authorities, adverse weather conditions and outbreak of diseases.

To mitigate this risk, we adopt stringent project cost estimation procedures and conduct regular project reviews. We also enhance project scheduling and resource planning to manage unforeseen delays.

### 2. Regulatory and compliance risk

Our business, prospects, financial condition and results of operations may be affected by any adverse developments, changes and/or uncertainties in the economic, political and legal environments that are beyond our control in Malaysia and Singapore. These risks include unfavourable changes in political conditions, economic conditions, interest rates, government policies and regulations, import and export restrictions, duties and tariffs, civil unrests, methods of taxation, inflation and foreign exchange controls. All of these changes are beyond our control. To mitigate this risk, we maintain close engagement with regulatory authorities, monitor legislative developments and ensure compliance through internal governance practices.

### 3. Material price fluctuations

Our materials are price sensitive, and we face the risk of obtaining insufficient quantities of materials at competitive prices. Our purchases of HDPE resin are indirectly subjected to the fluctuation of global market commodity prices. Any price fluctuations in HDPE resin caused by demand and supply and price volatility, which are beyond our control, could result in increased costs and have a material adverse effect on our business and financial performance.

Material increases in construction costs arising from materials costs, labour, and/or overheads, will adversely affect our profit margin; particularly in situations where our contracts with our customers prevent us from passing on these increased costs to them. As such, our failure to accurately estimate the resources and time required for a project or our failure to complete our contractual obligations within the timeframe and costs committed could have a material adverse effect on our financial performance.

To mitigate this risk, we monitor price trends and maintain good relationships with multiple suppliers to ensure competitive pricing and availability.

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## ANTICIPATED OR KNOWN RISKS (continued)

### 4. Client dependency risk

A significant portion of our revenue is derived from our major customers. This concentration exposes the Group to client dependency risk, where the loss, reduction or delay of contracts from any major customers could materially impact the Group's financial performance and cash flow. To mitigate this risk, we are actively pursuing diversification strategies, including expanding our customer base, entering new geographical markets and broadening our service offerings to reduce reliance on any single customer or sector.

### 5. Market competition risk

We face competition from companies with longer track records or greater resources. Price competition or failure to match the breadth and quality of services offered by competitors could affect our market share and profitability. To mitigate this risk, we focus on delivering quality and timely project execution, investing in advanced equipment and technologies and enhancing service offerings to differentiate ourselves in a competitive market.

### 6. Wage and labour costs

Increases in minimum wage policies, tightening labour regulations and/or shortages in qualified labour may lead to higher wage and labour-related costs. A significant rise in labour costs without corresponding increases in project value or productivity could adversely affect the Group's profit margins. To mitigate this risk, we continuously monitor labour regulations and optimise resource planning to improve operational efficiency.

## PROSPECTS

We maintain a positive outlook for the energy and utilities sectors in both Malaysia and Singapore. In Malaysia, Tenaga Nasional Berhad ("TNB") has committed to a substantial capital expenditure of approximately RM42.8 billion from 2025 to 2027 under Regulatory Period 4 ("RP4"). This investment is targeted at ensuring the delivery of reliable energy nationwide. Additionally, TNB's long-term capital expenditure plans, extending through 2030, aim to strengthen the national power grid in support of the National Energy Transition Roadmap (NETR).

In Singapore, Building and Construction Authority ("BCA") has projected total construction demand to range between S\$47 billion and S\$53 billion in 2025—surpassing pre-pandemic levels. Over the medium term, BCA expects average annual construction demand to reach between S\$39 billion and S\$46 billion from 2026 to 2029.

We view these developments as strategic opportunities to capitalise and entrench our participation in underground utilities engineering across key infrastructure projects in both markets. The Group's listing following our IPO has provided the impetus and drive to propel the Group to greater heights and capitalise on the growing demand for the Group's product and services.

The Board is confident that with the funds raised during its IPO being invested into new machineries and equipments, increase in manpower resources, geographical expansion to new regions and the addition of new services will provide the spark and drive for the Group to scale itself higher.

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## PROSPECTS (continued)

Looking ahead to the financial year ending 28 February 2026, with the implementation of the Regulatory Period 4 under Incentive-Based Regulation (IBR) by Government of Malaysia, the Group expects to maintain stable performance throughout the financial year. Barring any unforeseen circumstances, the Board is of the view that the Group's overall performance will remain satisfactory for the upcoming financial year.

However, due to the recent uncertainties arising from the increase of tariffs by the United States on the rest of the world, the Group remains cautious and will continue to adopt prudent operational and financial strategies to ensure long-term resilience while staying vigilant in addressing any market challenges that may arise.



# DIRECTORS' PROFILE

## LEE CHYE TEE

Independent Non-Executive Chairman

<b>Nationality</b>	Malaysian
<b>Gender</b>	Male
<b>Age</b>	62
<b>Date of Appointment</b>	25 May 2023

**Mr Lee Chye Tee** graduated with a Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College in 1988. He has been an Associate Member of the Chartered Tax Institute of Malaysia since 1995. He was admitted as an Associate Member and Fellow Member of the Association of Chartered Certified Accountants ("ACCA") in 1993 and 1998 respectively. He was then admitted as a Member of the Malaysian Institute of Accountants in 2001. Subsequently, he was emplaced with the ASEAN Chartered Professional Accountants in 2019.

In 1990, Mr Lee commenced his career with Kalman Blech Co., United Kingdom as a Trainee Certified Accountant where he subsequently progressed from junior audit clerk to semi senior status. In 1991, where he was responsible for auditing small and medium size companies which he reported directly to the audit manager and partner in charge. He left the firm in 1992 as Audit Senior. Upon his return to Malaysia, he joined Visia Finance Berhad in 1992 as Senior Executive Officer, where he was responsible for the accounting and finance matters of the company. In 1993, he left Visia Finance Berhad and joined L.K. Chong & Co as an Audit Manager where he was responsible for managing audit engagements for clients of the firm. In 1999, he left L.K. Chong & Co and joined KSL Group (now known as KSL Holdings Berhad) as the Financial Controller, where he was responsible for overseeing the accounting and corporate finance functions of the company. He was subsequently appointed as an Executive Director cum Financial Controller in 2003, a position that he held until his departure in 2022.

In 2013, he was appointed as a Director of CPL Secretarial Services Sdn Bhd, where he was responsible for providing corporate secretarial advisory services. He continues to hold this position to-date. During the same year, he was appointed as a Director of CPL Taxation Services Sdn Bhd, where he was responsible for providing services such as tax planning, tax advisory, tax audit as well as tax review and compliance to clients of the firm. He continues to hold this position to-date. In 2015, he was appointed as a Director of CPL Consultancy Services Sdn Bhd, where he was responsible for providing accounting advisory services. He continues to hold this position to-date.

He does not hold directorship in any other public companies and listed corporations. He has no family relationship with any other directors and/or major shareholders of the Company. Save as disclosed above, he is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He does not hold any shares of the Company. He is not a member of any of the Company's Board Committees. He has attended all five Board Meetings held during the financial year ended 28 February 2025.

## DIRECTORS' PROFILE (continued)

### DATUK DR. TING KOK HWA

Managing Director

<b>Nationality</b>	Malaysian
<b>Gender</b>	Male
<b>Age</b>	51
<b>Date of Appointment</b>	25 May 2023

**Datuk Dr. Ting Kok Hwa** is responsible for developing the overall strategy and corporate direction of the Group, and implementing business strategies that leverage on the synergies between our subsidiaries to grow the Group and business. Datuk Dr. Ting Kok Hwa graduated with a Bachelor of Engineering in Electrical and Electronic Engineering from the Liverpool John Moores University, United Kingdom in 1997. He completed his Postgraduate Diploma for South East Asian Management Studies from Staffordshire University, United Kingdom in 1999. He then obtained his Master of Business Administration and Doctor of Philosophy in Business Administration from Charisma University, Turks and Caicos Islands, United Kingdom in 2017 and 2021 respectively.

He started his career with Komasi Enterprise Sdn Bhd (currently known as Komasi Engineering Sdn Bhd) in 1999 as a Project Engineer before being promoted to the position of Senior Project Engineer and subsequently as a Senior Project Manager in 2008 and 2009 respectively, where he was primarily involved in overseeing site activities as well as monitoring the progress of projects. Throughout his years in Komasi Enterprise Sdn Bhd, he gained in-depth project management experience and developed technical skills from working on underground utilities engineering projects as well as other civil engineering projects undertaken by the company. In 2009, Datuk Dr. Ting Kok Hwa founded Komasi Construction Pte Ltd (currently known as Konnection Engineering Pte Ltd ("Konnection")), to pursue opportunities in Horizontal Directional Drilling ("HDD") works in Singapore. He is presently the Managing Director of Konnection, where he is responsible for managing and implementing the strategic growth plans of Konnection.

In the later part of 2009, he resigned from Komasi Enterprise Sdn Bhd and joined Kum Fatt Construction Sdn Bhd (currently known as Kum Fatt Engineering Sdn Bhd ("Kum Fatt")) as a Project Manager where he was mainly involved in managing underground utilities engineering projects undertaken by Kum Fatt, as well as supporting his father, the late Dato' Ting Ah Kong in building the business of Kum Fatt. In 2011, he became a shareholder of Bestari Selatan Sdn Bhd ("Bestari Selatan"), and was appointed as an executive director of Bestari Selatan in 2012. Bestari Selatan was previously involved in general construction works and subsequently mainly focused on the purchase and/or rental of its own properties. In 2012, he was appointed as a Director of Kum Fatt, and took over the leadership and daily management of Kum Fatt from the late Dato' Ting Ah Kong. In 2015, he was appointed as a director and became a shareholder of Speedlink Communications Sdn Bhd (currently known as Xenith IG Malaysia Sdn Bhd), a company involved in the provision of fibre optic transmission network services. He mainly plays an advisory role in any technical matters relating to its business. In September 2023, he ceased to be a shareholder and director of Xenith IG Malaysia Sdn Bhd.

In 2017, he co-founded Geo Inspire Sdn Bhd (currently known as Premier Plastic Industry Sdn Bhd ("PPI")) which commenced high-density polyethylene ("HDPE") pipe manufacturing operations in 2019. He is presently the Managing Director of PPI, where he is responsible for overseeing the manufacturing operations and implementing strategic growth plans.

He does not hold directorship in any other public companies and listed corporations. He is the cousin of Mr Hin Wai Mun, the Executive Director and substantial shareholder of the Company, and the brother of Datuk Ting Meng Pheng, the substantial shareholder of the Company. Save as disclosed above and in the Audit and Risk Management Committee Report, he is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He is a major shareholder and holds 285,081,000 ordinary shares, representing 46.866% of the equity share capital of the Company. He is not a member of any of the Company's Board Committees. He has attended all five Board Meetings held during the financial year ended 28 February 2025.

## DIRECTORS' PROFILE (continued)

### HIN WAI MUN

Executive Director

<b>Nationality</b>	Malaysian
<b>Gender</b>	Male
<b>Age</b>	43
<b>Date of Appointment</b>	25 May 2023

**Mr Hin Wai Mun** is responsible for managing the day-to-day operations of our underground utilities engineering projects in Malaysia, including contract and procurement, project, human resource and administration and health and safety. Mr Hin Wai Mun graduated with an International Diploma in Computer Studies from Informatics College, Malaysia in 2005.

Mr Hin Wai Mun started his career at Komasi Enterprise Sdn Bhd (currently known as Komasi Engineering Sdn Bhd) as a Civil Supervisor in 2005, and was subsequently promoted to Civil Project Coordinator in 2009, where he was responsible for monitoring projects development and was also involved in the tender process as well as the logistics aspect of projects. While at the company, he gained exposure in civil and HDD projects undertaken by the company and built his project management skills therefrom. He resigned from Komasi Enterprise Sdn Bhd in 2009. In 2010, he co-founded Bestari Selatan and was appointed as a director of the company. Bestari Selatan was then involved in general construction works, and he oversaw the project management of civil and HDD projects undertaken by the company as a Project Director. He then resigned as a director of Bestari Selatan in 2016. During his tenure with Bestari Selatan, in 2015, he was appointed as an Executive Director cum Project Director of TSE Jaya Sdn Bhd, where he was primarily involved in identifying business development opportunities for the company. He resigned as a director and Project Director of TSE Jaya Sdn Bhd in 2021. In 2016, Mr Hin Wai Mun was appointed as an Executive Director and subsequently appointed as General Manager of Kum Fatt in 2021, a position that he continues to hold to-date. In 2016, he became a shareholder of Kum Fatt. In 2018, he returned to Bestari Selatan as a non-executive director and shareholder to venture into property investment to-date. For avoidance of doubt, he is not involved in managing and handling of any property-related transactions or documentation of Bestari Selatan (save for signing of documents such as sale and purchase agreements and rental agreements).

He does not hold directorship in any other public companies and listed corporations. He is the cousin of Datuk Dr. Ting Kok Hwa, the Managing Director and major shareholder of the Company, and Datuk Ting Meng Pheng, the substantial shareholder of the Company. Save as disclosed above, he is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He is a substantial shareholder and holds 46,042,000 ordinary shares, representing 7.569% of the equity share capital of the Company. He is not a member of any of the Company's Board Committees. He has attended all five Board Meetings held during the financial year ended 28 February 2025.



## DIRECTORS' PROFILE (continued)

### CHONG TUOO CHOI

Executive Director

<b>Nationality</b>	Malaysian
<b>Gender</b>	Male
<b>Age</b>	52
<b>Date of Appointment</b>	25 May 2023

**Mr Chong Tuoo Choi** is responsible for managing the day-to-day operations of our underground utilities engineering projects in Singapore, including contract and procurement, project, human resource and administration and health and safety. He attended NCC Education & Training and obtained an International Diploma in Computer Studies in 1994. He started his career as a General Operator with Highway Brick Sdn Bhd in 1994, where he was tasked to operate brick production machines. In 1997, he left Highway Brick Sdn Bhd and joined Casbina Sdn Bhd as an HDD operator cum Supervisor where he was tasked to operate HDD machines and supervise progress of HDD projects undertaken by the company. In 1999, he left Casbina Sdn Bhd and joined Cabaran Panglima Sdn Bhd as an HDD operator cum Supervisor and subsequently appointed as Project Director in 2001, where he was responsible for managing the business of the company in HDD works. He left Cabaran Panglima Sdn Bhd in 2001 to pursue his own personal interest. In 2003, he joined Komasi Enterprise Sdn Bhd (currently known as Komasi Engineering Sdn Bhd) as a Site Supervisor where he assisted and supported the project manager in managing and monitoring projects undertaken by the company. In 2008, he left Komasi Enterprise Sdn Bhd.

In 2009, he joined Komasi Construction Pte Ltd (currently known as Konnection) as a HDD Machine Operator Trainee before being promoted to various positions and finally appointed as a Project Director in 2022, a position he continues to hold to-date. During his tenure with Konnection, he was involved in the planning and overseeing of daily construction activities, project management as well as ensuring the timely requisition of resources for Konnection's projects in Singapore.

He does not hold directorship in any other public companies and listed corporations. He has no family relationship with any other directors and/or major shareholders of the Company. Save as disclosed above, he is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He is a substantial shareholder and holds 38,619,000 ordinary shares, representing 6.349% of the equity share capital of the Company. He is not a member of any of the Company's Board Committees. He has attended all five Board Meetings held during the financial year ended 28 February 2025.

## DIRECTORS' PROFILE (continued)

### VINCENT WONG SOON CHOY

Executive Director / Chief Financial Officer

<b>Nationality</b>	Malaysian
<b>Gender</b>	Male
<b>Age</b>	56
<b>Date of Appointment</b>	25 May 2023

**Mr Vincent Wong Soon Choy** is responsible for the Group's accounting and financial matters, including financial reporting, taxation, budgeting, financing as well as overseeing the Accounts department. Vincent Wong graduated with a Bachelor of Commerce from Flinders University, Australia in 1994. He was admitted as a Member of the Malaysian Institute of Accountants in 1999 and a Member of the CPA Australia in 1997.

He began his career in audit in 1993 and has over 30 years of experience in the accounting and finance field. Throughout his career, he has held various senior finance positions, including Accountant, Assistant Finance Manager, Group Accountant and Head of Operations. In these roles, he was responsible for financial reporting, treasury, payroll, compliance, taxation and overall operational oversight. His previous roles have provided him with extensive exposure across multiple industries, including auditing, construction, financial services and property development. In 2018, he joined Kum Fatt as Chief Financial Controller, a position he continues to hold to date.

In 2019, he was appointed as the Independent Non-Executive Director of Cabnet Holdings Berhad (listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities")). In 2023, he was appointed as the Independent Non-Executive Director of Kia Lim Berhad (listed on the Main Market of Bursa Securities), a position he held until his resignation on 30 May 2025.

He has no family relationship with any other directors and/or major shareholders of the Company. Save as disclosed above, he is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He holds 6,000,000 ordinary shares of the Company. He is not a member of any of the Company's Board Committees. He has attended all five Board Meetings held during the financial year ended 28 February 2025.

## DIRECTORS' PROFILE (continued)

### NG LEE THIN

Independent Non-Executive Director

<b>Nationality</b>	Malaysian
<b>Gender</b>	Female
<b>Age</b>	58
<b>Date of Appointment</b>	25 May 2023

**Ms Ng Lee Thin** graduated with a Bachelor of Economics (Honours) from Universiti Utara Malaysia in 1992. In 2000, she was admitted as a Member and subsequently as a Fellow Member of the ACCA in 2005. She was admitted as a Member of the Malaysian Institute of Accountants in 2000.

Ms Ng commenced her career in 1992 with Artwright Marketing Sdn Bhd as an Assistant Business Executive and subsequently promoted as a Business Executive after her probationary period. During her tenure with Artwright Marketing Sdn Bhd, she was responsible for project tendering and supporting marketing and sales activities to promote the company's products. In 1994, she left Artwright Marketing Sdn Bhd and joined Chiang & Chiang as an Audit Associate, where she was involved in audit engagements for clients of the firm. She left Chiang & Chiang in 1995. In 1996, she joined Ernst & Young as an Audit Assistant, where she was involved in audit engagements for clients of the firm. In 1999, she was promoted to the position of Audit Senior. In 2001, she left Ernst & Young and joined Binaik Equity Berhad as Finance Manager, where she was involved in all finance and accounting matters of the group and the company including the preparation of quarterly and annual report. In 2009, she was redesignated to the position of Financial Controller, where she oversaw the finance and accounts department of the group and the company. She left Binaik Equity Berhad in 2009. In 2008, she founded Yellow Business Solution, a sole proprietorship business offering company secretarial services, and was managing the daily operations of the business, including business development. In 2012, she co-founded Yellow Tax Services Sdn Bhd, a licensed tax firm offering tax services. In 2015, she transferred her sole proprietorship in Yellow Business Solution to her brother-in-law and ceased to be a sole practitioner in the said firm. In the same year, she set up an audit firm known as NLT & Co where she is a sole practitioner holding position as a Partner. As a Partner, she is responsible for managing audit engagements for clients of the firm. She continues to hold this position until to-date. In 2020, she co-founded Wang Premier Assets Sdn Bhd, a company involves in buying, selling, renting and operating of self-owned or lease real estate (non-residential buildings) and was concurrently appointed as a director, where she is responsible for the daily operations of the company. In 2023, she co-founded Wang Asset Solutions Sdn Bhd, a company involves in real estate activities and buying, selling, renting and operating of self-owned or leased real estate – non-residential buildings and she was appointed as a director, where she oversees the daily operations of the company.

Presently, she serves as an Independent Non-Executive Director of Able Global Berhad and Axteria Group Berhad (both listed on Main Market of Bursa Securities).

She has no family relationship with any other directors and/or major shareholders of the Company. Save as disclosed above, she is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

She has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

She holds 250,000 ordinary shares of the Company. She is the Chairman of Audit and Risk Management Committee and a member of Nominating Committee and Remuneration Committee. She has attended all five Board Meetings held during the financial year ended 28 February 2025.



## DIRECTORS' PROFILE (continued)

### LATHA A/P DHAMODARAN PILLAY

Independent Non-Executive Director

<b>Nationality</b>	Malaysian
<b>Gender</b>	Female
<b>Age</b>	60
<b>Date of Appointment</b>	25 May 2023

**Ms Latha A/P Dhamodaran Pillay** graduated from the National University of Singapore with a Bachelor of Laws in 1988. She was admitted as a Member of The Law Society of Singapore in 1989. She was called to the Malaysian Bar and admitted as an Advocate and Solicitor of the High Court of Malaya in 1994.

She began her career with Lam, Kumar, Ng & Naidu, a law firm in Singapore, as an Associate in 1989 which she was subsequently made a Partner in 1992 until her departure in 1993. During her tenure there, her main areas of practice included corporate, conveyancing and banking. In 1993, she returned to Malaysia with the intention to practice law in Malaysia by joining a Johor-based law firm, Syed Alwi, Ng & Co as a Legal Assistant. Subsequently in 1994, she was admitted as an Advocate and Solicitor by the High Court of Malaya and she was made a Partner in the same year. In 2004, she was made the Managing Partner of Syed Alwi, Ng & Co, a position she continues to hold to-date. Her main areas of practice include corporate and commercial laws including restructuring, joint ventures, conveyancing, banking and litigation.

She does not hold directorship in any other public companies and listed corporations. She has no family relationship with any other directors and/or major shareholders of the Company. Save as disclosed above, she is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

She has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

She does not hold any shares of the Company. She is the Chairman of Nominating Committee and a member of Audit and Risk Management Committee as well as Remuneration Committee. She has attended all five Board Meetings held during the financial year ended 28 February 2025.

## DIRECTORS' PROFILE (continued)

### GOH LEI LEI

Independent Non-Executive Director

<b>Nationality</b>	Malaysian
<b>Gender</b>	Female
<b>Age</b>	54
<b>Date of Appointment</b>	25 May 2023

**Ms Goh Lei Lei** graduated with a Bachelor of Urban and Regional Planning from Universiti Teknologi Malaysia in 1995. She is a Corporate Member of Malaysian Institute of Planners since 2002. She is registered as a Registered Town Planner with Lembaga Perancang Malaysia since 2009. Upon graduation in 1995, Ms Goh joined P & D Consultants Sdn Bhd as an Assistant Town Planner where she was tasked to provide consultancy services for town planning works until her departure in 2002. In 2002, she co-founded P & D Planners Sdn Bhd and was appointed as the Managing Director, a position which she continues to hold to-date. As a Managing Director, she is responsible for managing the daily operations of the company, including business development.

She does not hold directorship in any other public companies and listed corporations. She has no family relationship with any other directors and/or major shareholders of the Company. Save as disclosed above and in the Audit and Risk Management Committee Report, she is not involved in any business which will give rise to competition/ conflict or potential conflict of interest with the current business of the Group during the financial year and up to the date of this Report.

She has had no convictions for any offences within the past 5 years (other than traffic offences, if any) or subject to public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

She holds 250,000 ordinary shares of the Company. She is the Chairman of Remuneration Committee and a member of Audit and Risk Management Committee as well as Nominating Committee. She has attended all five Board Meetings held during the financial year ended 28 February 2025.

# SUSTAINABILITY STATEMENT

Dear Valued Stakeholders,

UUE Holdings Berhad ("UUE" or "the Company") and its subsidiaries ("UUE Group" or "the Group") recognise the growing importance of conducting business in a sustainable, ethical, and responsible manner. The Group is committed to embedding sustainability into its business strategy and operations to deliver long-term value for all stakeholders, while contributing positively to the economy, environment and society.

The Board of Directors ("the Board") of UUE is pleased to present the Sustainability Statement ("Statement") for the financial year ended 28 February 2025 ("FY2025"). This Statement outlines the Group's key sustainability efforts, priorities, and performance in addressing material economic, environmental, social and governance ("EESG") matters.

## SCOPE AND REPORTING PERIOD

This Statement covers UUE's sustainability initiatives across all entities and operations in Malaysia and Singapore for the period from 1 March 2024 to 28 February 2025, unless otherwise specified. This report highlights our performance and progress in meeting our commitments outlined in our Sustainability Framework.

Nonetheless, our recently acquired indirect subsidiary in Malaysia, acquired in October 2024, is excluded from this reporting cycle and will be included in the next cycle.

## REPORTING GUIDELINES, FRAMEWORKS AND STANDARDS

This Statement is prepared pursuant to Guidance Note 11 and 11A of the ACE Market Listing Requirements ("ACE LR") issued by Bursa Securities Malaysia Berhad ("Bursa Securities") and several international reporting guidelines, guiding principles, frameworks and standards as follows:

- Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition);
- United Nations Sustainable Development Goals ("UNSDGs");
- Malaysian Code on Corporate Governance 2021 ("MCCG") of Securities Commission Malaysia ("SC")

## BOARD OF DIRECTORS' APPROVAL

This Statement has been reviewed and approved by the Board on 6 June 2025.

## INDEPENDENT ASSURANCE

This Statement has not been subjected to an assurance process.

## FEEDBACK

We welcome all stakeholders' feedback on this Sustainability Statement and/or other aspects of our sustainability management, as we strive for continuous improvement in our sustainability practices and reporting standards. All relevant comments, inquiries or suggestions can be directed to [info@uue-holdings.com](mailto:info@uue-holdings.com).

## SUSTAINABILITY GOVERNANCE STRUCTURE

At UUE Group, our sustainability efforts are guided by a top-down governance structure, with the Board of Directors holding ultimate accountability for setting the Group's sustainability direction, approving strategic initiatives, and overseeing performance. The Board ensures that sustainability is firmly embedded in the Group's long-term vision and decision-making processes.



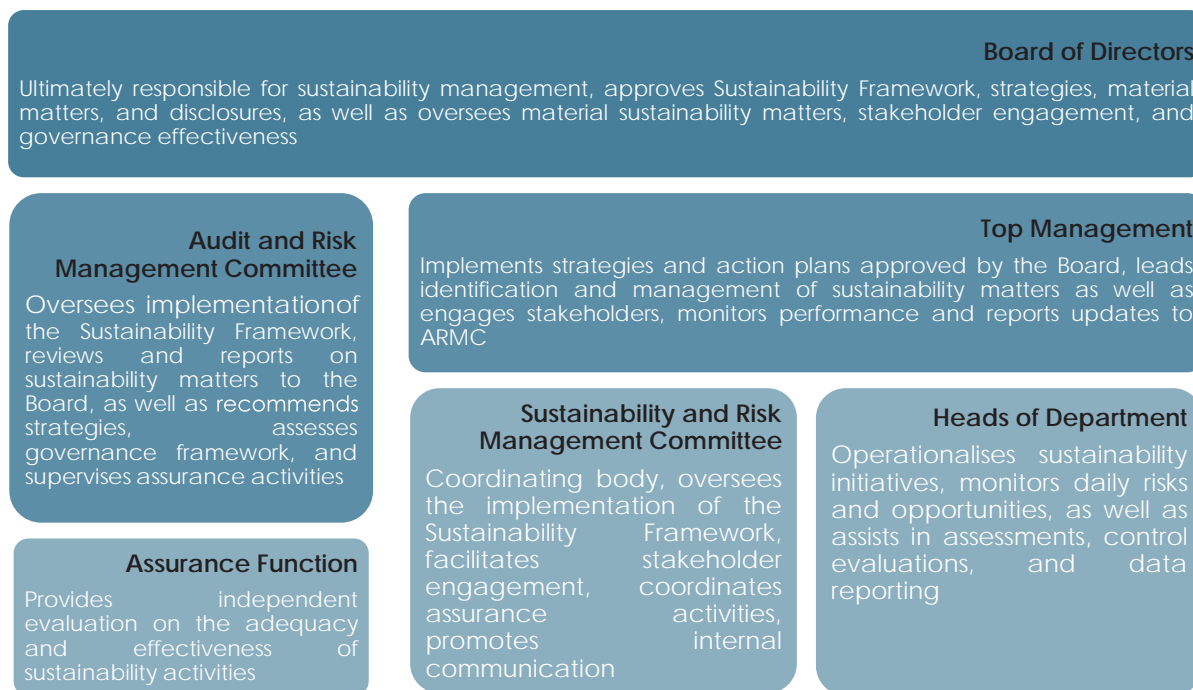
## SUSTAINABILITY STATEMENT (continued)

Supporting the Board is the Audit and Risk Management Committee (“ARMC”), which provides governance oversight on the implementation of sustainability initiatives by Top Management. The ARMC plays a key role in ensuring that the Group’s sustainability strategies are effectively executed and that related risks are appropriately managed.

Top Management, jointly led by the Group’s Managing Director (“MD”) and Executive Directors (“EDs”) and supported by heads of department, is responsible for:

- Developing and executing sustainability strategies in alignment with the Group’s overall agenda,
- Identifying and mitigating sustainability-related risks,
- Monitoring performance, and
- Evaluating the impact of sustainability policies and initiatives.

Under the purview of the ARMC is the Sustainability and Risk Management Committee (“SRMC”), which is tasked with overseeing the implementation of the Group’s Sustainability Framework. The SRMC ensures that sustainability practices are effectively integrated into operational activities and that progress is tracked against established goals.



### STAKEHOLDER ENGAGEMENT

At UUE Group, we prioritise active and transparent communication with our stakeholders to ensure we understand their expectations, address concerns effectively, and foster collaborative solutions. We recognise that meaningful engagement is integral to our sustainability journey and critical in building a resilient, responsible, and trusted business.

To strengthen relationships and promote mutual understanding, we maintain open lines of communication through both formal and informal channels, tailored to the needs and expectations of each stakeholder group.

## SUSTAINABILITY STATEMENT (continued)

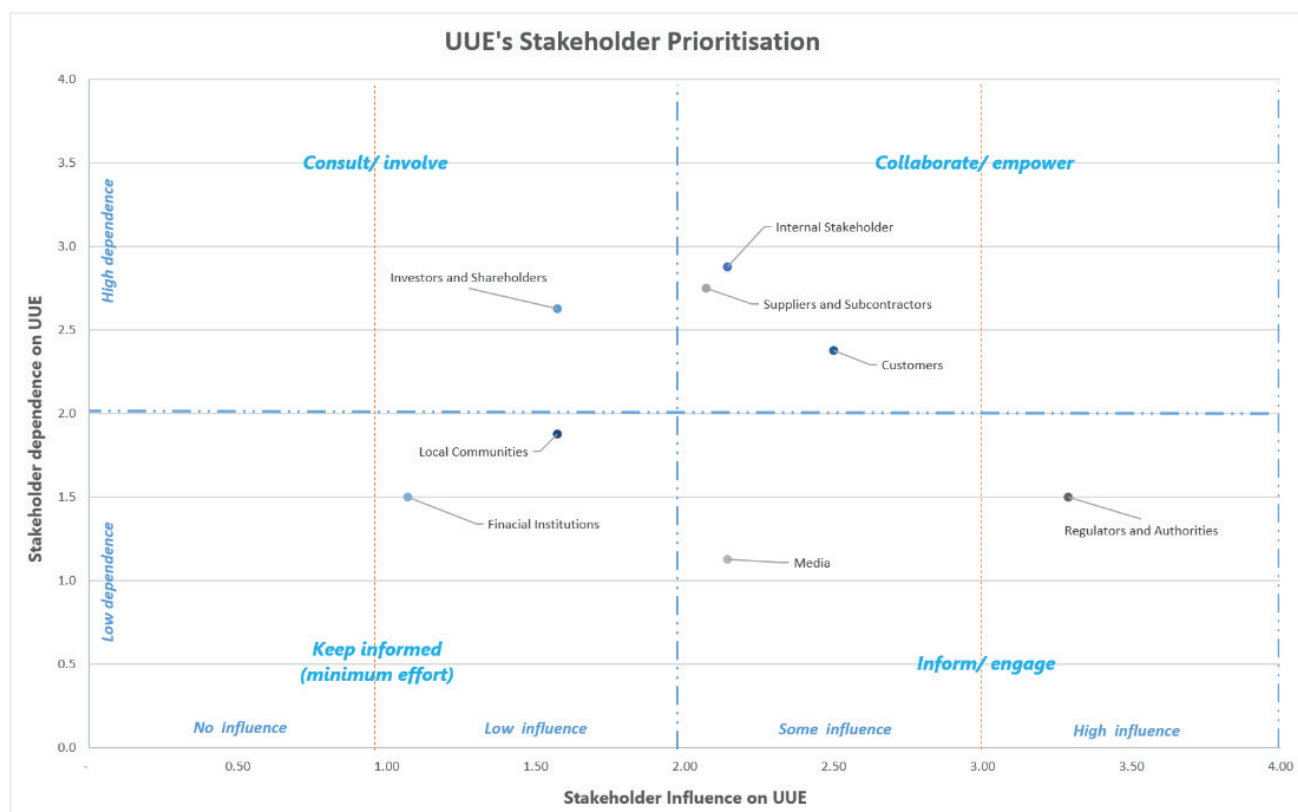
The table below outlines our key stakeholder groups, their main areas of concern and the engagement methods we employ to ensure consistent, relevant and effective communication:

Stakeholder Group	Key Focus Area	Type of Engagement
Investors and Shareholders	<ul style="list-style-type: none"> <li>Long-term sustainable growth</li> <li>Return on investments</li> <li>Financial performances</li> <li>Responsible governance</li> <li>EESG initiatives</li> </ul>	<ul style="list-style-type: none"> <li>✓ Annual reports</li> <li>✓ Annual General Meeting</li> <li>✓ Quarterly financial report announcements</li> <li>✓ Announcement through Bursa Securities</li> <li>✓ Corporate website</li> <li>✓ Press releases and public announcements</li> </ul>
Internal Stakeholders	<ul style="list-style-type: none"> <li>Governance and strategic direction</li> <li>Occupational health &amp; safety</li> <li>Fair work practices</li> <li>Training and career development</li> <li>Employee welfare and benefits</li> <li>Employee wellness</li> <li>Equal opportunities</li> <li>Human rights</li> </ul>	<ul style="list-style-type: none"> <li>✓ Board meetings</li> <li>✓ Management, operational and committee meetings</li> <li>✓ Briefing and training</li> <li>✓ Events, celebrations and sporting activities</li> <li>✓ Grievance channel</li> <li>✓ Employee survey</li> <li>✓ Annual performance appraisal</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Project reliability and technical capabilities</li> <li>Project/Product delivery and timeliness</li> <li>Regulatory coordination</li> <li>Product/Service quality and pricing</li> <li>Innovation and technology</li> <li>After-sales support and warranty</li> <li>Safety and health</li> </ul>	<ul style="list-style-type: none"> <li>✓ Face-to-face meetings</li> <li>✓ Client feedback</li> <li>✓ Corporate website</li> <li>✓ Electronic mail and phone calls</li> <li>✓ Site visits</li> <li>✓ WhatsApp communication</li> <li>✓ Annual reports</li> </ul>
Suppliers and Subcontractors	<ul style="list-style-type: none"> <li>Ethical sourcing and supply chain practices</li> <li>Fair contract practices</li> <li>Fair pricing and payment terms</li> <li>Prompt settlement of payment</li> <li>Work scope clarity and allocation</li> </ul>	<ul style="list-style-type: none"> <li>✓ Face-to-face meetings</li> <li>✓ Site visits</li> <li>✓ Technical meetings</li> <li>✓ Toolbox meetings</li> <li>✓ Electronic mail and phone calls</li> <li>✓ WhatsApp communication</li> <li>✓ Supplier/Subcontractor evaluation and appraisal</li> </ul>
Regulators and Authorities	<ul style="list-style-type: none"> <li>Compliance with various laws and regulations</li> <li>Approvals and permits</li> <li>Adherence to standards and certification</li> <li>Corporate governance compliance</li> </ul>	<ul style="list-style-type: none"> <li>✓ Face-to-face meeting</li> <li>✓ Electronic mail</li> <li>✓ Permit or licence application</li> <li>✓ Site visits and audits</li> <li>✓ Official submissions and letters</li> <li>✓ Corporate website</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>Indirect economic impact</li> <li>Environmental impact of operations</li> <li>Social impact and responsibility</li> <li>Contribution to community well-being</li> </ul>	<ul style="list-style-type: none"> <li>✓ CSR initiatives</li> <li>✓ Face-to-face meeting</li> <li>✓ Press release and announcements</li> <li>✓ Corporate website</li> <li>✓ Annual reports</li> </ul>

## SUSTAINABILITY STATEMENT (continued)

Stakeholder Group	Key Focus Area	Type of Engagement
Media	<ul style="list-style-type: none"> <li>Corporate reputation and image</li> <li>Corporate social responsibility initiatives</li> <li>Environmental impact</li> <li>Ethical business practices</li> </ul>	<ul style="list-style-type: none"> <li>✓ Press release and public announcements</li> <li>✓ Interviews</li> <li>✓ Media briefings</li> <li>✓ Corporate website</li> </ul>
Financial Institutions	<ul style="list-style-type: none"> <li>Financial health and creditworthiness</li> <li>Business viability and growth potential</li> <li>Risk management and governance</li> </ul>	<ul style="list-style-type: none"> <li>✓ Face-to-face meeting</li> <li>✓ Electronic mail and phone calls</li> <li>✓ Annual reports</li> </ul>

We assessed the significance of each stakeholder group based on their influence and dependency on the Group. The results are illustrated in the stakeholder prioritisation matrix below:



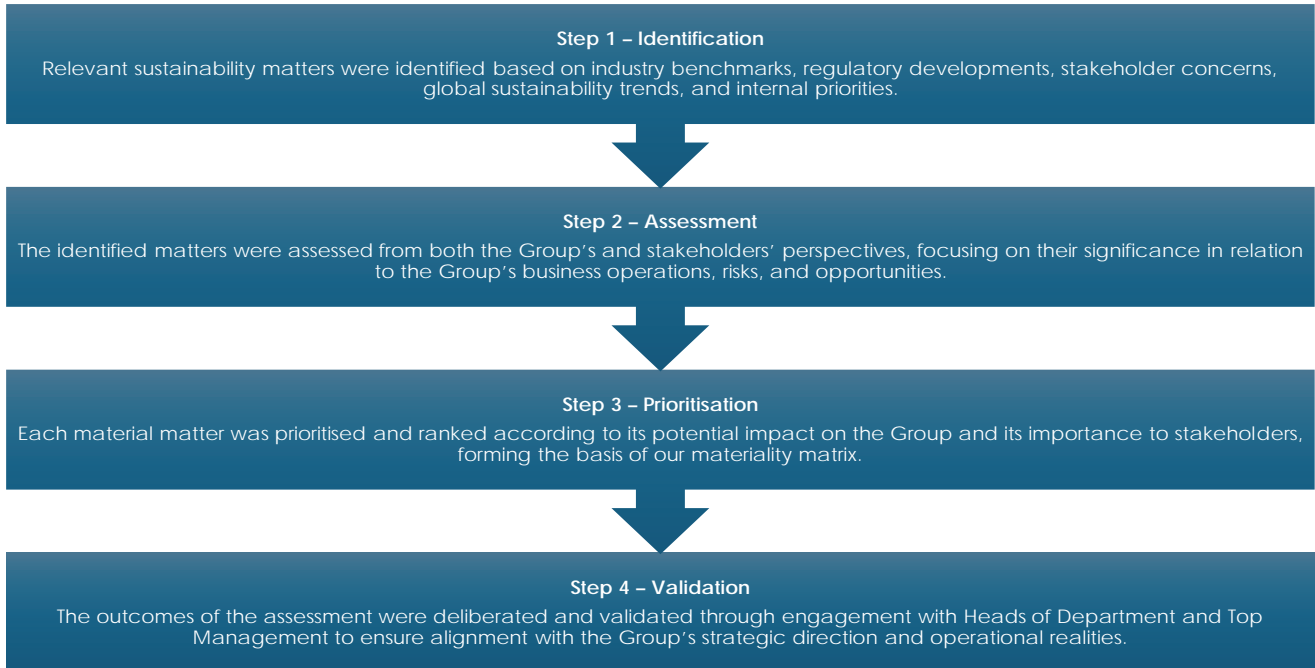
### MATERIALITY ASSESSMENT

The Board recognises the materiality assessment as a critical process for identifying, evaluating, and prioritising the sustainability risks and opportunities most relevant to the Group and its stakeholders. During the financial year under review, the Group conducted its first materiality assessment to identify and assess material sustainability matters across ESG dimensions.



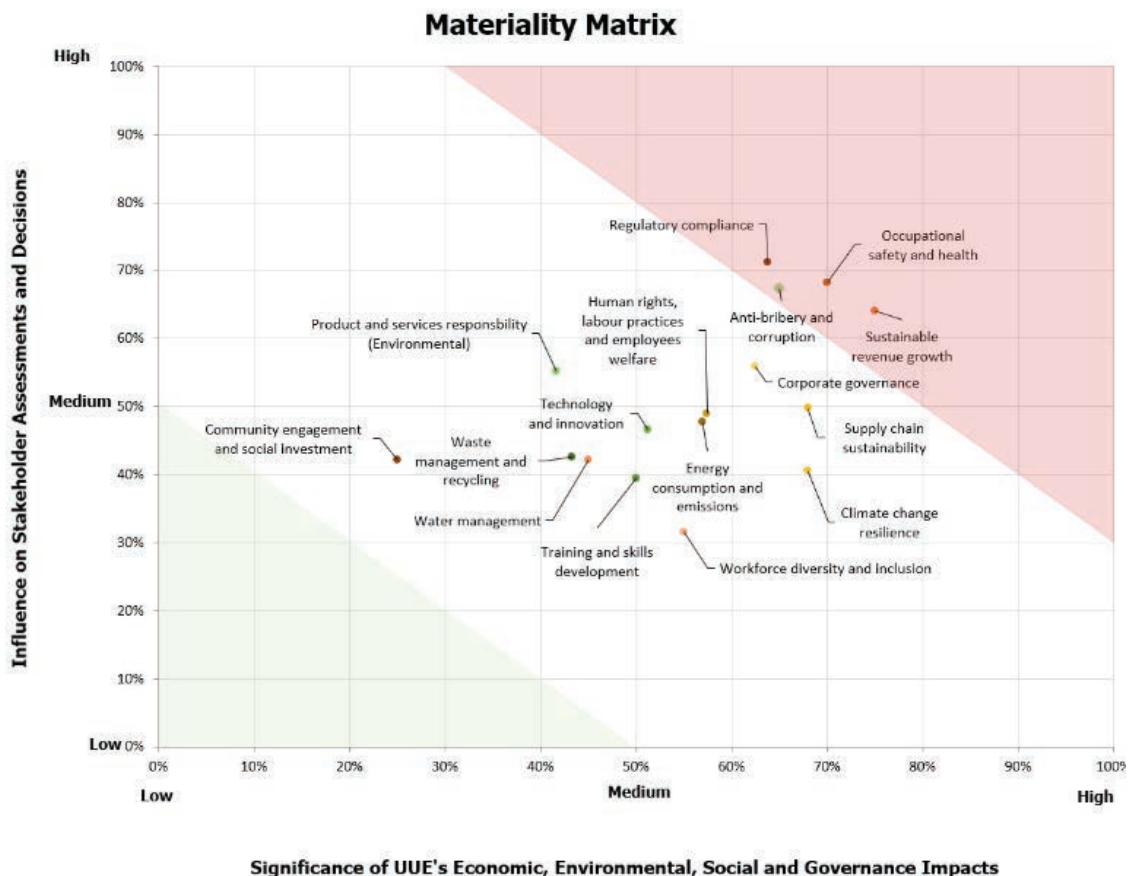
# SUSTAINABILITY STATEMENT (continued)

We adopted a consistent four-step approach to carry out the materiality assessment, as illustrated below:



Based on the materiality assessment conducted, we identified a total of sixteen (16) sustainability matters relevant to our operations and stakeholders. From the list, four (4) matters were determined to be material, based on their significance to both the Group's business operations and stakeholder expectations.

These key matters are presented in the Materiality Matrix below, which illustrates the relative importance of each sustainability matter from both the stakeholder perspective and the Group's business impact.



# SUSTAINABILITY STATEMENT (continued)

## SUSTAINABILITY FRAMEWORK

Through our Sustainability Framework, we aim to meet the evolving needs of our stakeholders by embedding responsible and sustainable practices across every aspect of our operations. The Sustainability Framework is anchored by four key focus areas, i.e., Economic, Environmental, Social and Governance, with each supported by a dedicated policy that guides our actions and decision-making.

We are committed to achieving the objectives under each focus area by proactively addressing stakeholder expectations and effectively managing the material sustainability matters identified through our materiality assessment.



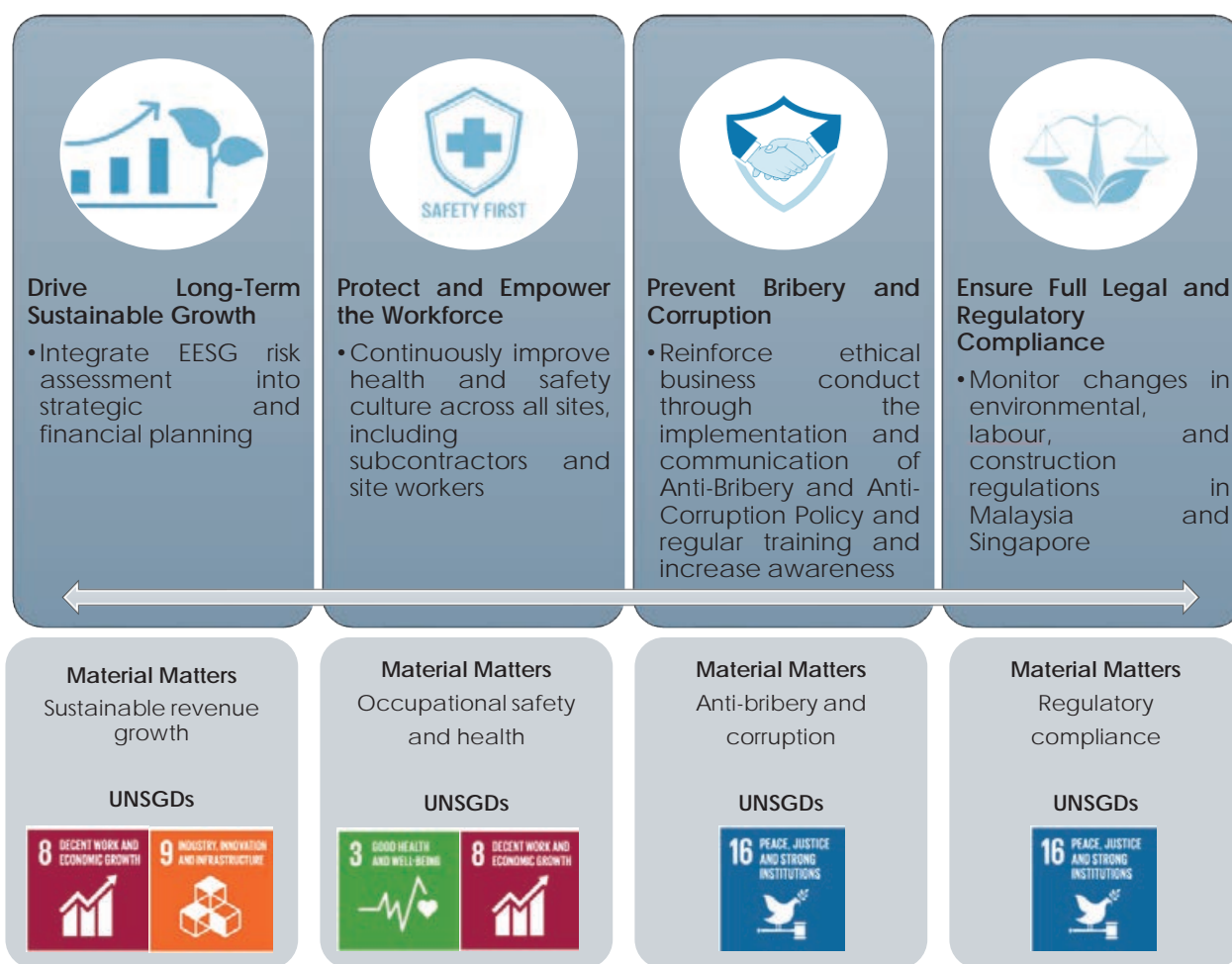
# SUSTAINABILITY STATEMENT (continued)

## SUSTAINABILITY STRATEGIES AND UNSDGs MAPPING

At UUE Group, sustainability is integral to our long-term strategy. We recognise that as a provider of underground utilities engineering services and HDPE pipe manufacturer and trader, our operations impact not just the economy, but also the environment, workforce and society at large. Our sustainability strategies are focused on driving responsible business practices that support resilient infrastructure, empowered people, and ethical governance.

Guided by the material sustainability matters identified through our assessments, we have aligned our strategies with the seventeen (17) UNSDGs. Through this process, we have prioritised and mapped four (4) UNSDGs that are most relevant to our business operations and stakeholder expectations.

The alignment of our material matters, sustainability strategies and the relevant UNSDGs is summarised below:



## SUSTAINABILITY FOCUS

### ECONOMIC - Sustainable Revenue Growth

At UUE Group, we are committed to building long-term economic value by progressively embedding sustainability into our business strategy. Our focus is on delivering consistent value to customers, supporting job creation, and contributing to the local economy through responsible and resilient growth.

We continue to broaden our reach within Malaysia by expanding the range and scale of our underground utilities engineering solutions, while also strengthening our presence in Singapore.

# SUSTAINABILITY STATEMENT (continued)

These efforts are aimed at enhancing operational efficiency and sustaining business performance.

In FY2025, we recorded revenue of RM170.0 million, representing a 35.2% increase compared to the previous financial year. This growth was primarily driven by our strategic expansion initiatives undertaken during the year. Approximately 86.8% of the Group's revenue was generated from our underground utilities engineering solutions, while 13.2% was derived from the manufacturing and trading of HDPE pipes. Through prudent resource management and continuous stakeholder engagement, we strive to align our growth ambitions with positive social and environmental outcomes. We remain focused on steady, thoughtful progress ensuring that our growth benefits both our stakeholders and the communities in which we operate.

## ECONOMIC - Supply Chain Sustainability

At UUE Group, we are committed to fostering a sustainable and resilient supply chain that aligns with our core values. Recognising the significance of local sourcing, we prioritise procuring goods and services from domestic suppliers and vendors who meet our quality, ethical and environmental standards.

To ensure our suppliers and subcontractors adhere to our Group's expectations, we conduct annual performance evaluations. Collaborative engagement with our suppliers and subcontractors is central to our strategy. Supporting local businesses is integral to our approach. Local procurement contributes to community development, enhances supply responsiveness and reduces logistics costs. Moreover, it minimises our reliance on distant suppliers, thereby lowering the risk of supply chain disruptions and reducing transportation-related carbon emissions.

In FY 2025, our Group remains committed to prioritising local suppliers and subcontractors to support the domestic economy and reduce our carbon footprint.

	FY2025
Proportion of spending on local suppliers	99.5%

## ECONOMIC - Community Engagement and Social Investment

At UUE Group, we recognise that the success and sustainability of our business are closely tied to the well-being of the communities in which we operate. As a provider of underground utilities engineering solutions and HDPE pipe manufacturing and trading, our operations have both direct and indirect impacts on local communities. Meaningful community engagement and social investment enable us to build trust, contribute to local development and strengthen our social licence to operate. These efforts support long-term value creation, reduce operational risks and align with national and global sustainability goals.

Guided by our commitment to responsible business practices, our Group adopts a proactive approach to community engagement and social investment. We identify community needs through ongoing stakeholder engagement and support initiatives that deliver long-term social value. Our areas of focus include education, health and safety, environmental stewardship, disaster relief, and livelihood enhancement.

In FY2025, we further deepened our community engagement efforts. We surpassed our annual goal of visiting at least two beneficiaries by engaging with a total of 23 beneficiaries throughout the year—demonstrating our continued dedication to meaningful outreach and creating a positive social impact.



# SUSTAINABILITY STATEMENT (continued)

Key highlights include:

- Program Sinar Kasih Aidilfitri:**

In conjunction with the Hari Raya Aidilfitri celebrations, we participated in the Program Sinar Kasih Aidilfitri organised by SMK Taman Johor Jaya as part of our commitment to giving back to the community. This initiative aimed to spread festive cheer and offer meaningful support to underprivileged students.

A total of 14 selected students from the school benefited from the program, each receiving groceries and duit raya to assist them and their families in preparing for Hari Raya. This heartfelt gesture was intended to bring joy and comfort during the festive season while reinforcing the values of compassion and community spirit.

- Community Health Initiatives:**

To support public health and safety, we distributed the following items to various local organizations:

- > 100 cartons of alcohol-based hand sanitizers to SJK (C) Foon Yew 5, Pasir Gudang.
- > 500 packs of disposable face masks to Persatuan Penganut Sam Poh Tang Kuan Yin Ge.
- > 790 packs of disposable face masks to Persatuan Kebajikan Orang Tua Ceria, an elderly care home.
- > 10,000 disposable face masks and 50 bottles of hand sanitizers to the National Stroke Association of Malaysia ("NASAM").

Additionally, we sponsored T-shirts for the NASAM Johor Walk 2024, further demonstrating our commitment to promoting community health and wellness.

As the actual number of individual beneficiaries for these sponsorship events could not be determined, each event has been conservatively recorded as benefiting one collective recipient for reporting purposes.



*Spreading festive cheer through Program Sinar Kasih Aidilfitri at SMK Taman Johor Jaya*



*Distribution 500 packs of disposable face masks to Persatuan Penganut Sam Poh Tang Kuan Yin Ge*



*Distribution 790 packs of disposable face masks to Persatuan Kebajikan Orang Tua Ceria*



*T-Shirt Sponsorship for NASAM Johor Walk 2024 and distribution of 10,000 disposable face masks and 50 bottles of alcohol-based hand sanitisers to Nasam National Stroke Association of Malaysia*



## SUSTAINABILITY STATEMENT (continued)

### • **Charitable Contributions:**

We extended financial support to various non-profit initiatives aimed at enhancing community welfare. Key contributions during the year included:

- > Sponsorship of a fund raising dinner organised by Agape Counselling Centre Malaysia (Johor Bahru), supporting mental health awareness and initiatives.
- > Donation to the 2024 UOB Heartbeat Run Fundraiser for the SOLS Foundation, supporting free education for underprivileged B40 communities.
- > Contribution to the Tzu-Chi Jing Si Hall Building Fund for the construction of Jing Si Hall in Bandar Botanic Klang, a center for spiritual and community activities.
- > Sponsorship of the Good Shepherd Service Recipe Book project, aimed at raising funds and awareness for social support programs.



*Fund raising sponsorship for building Jing Si Hall at Bandar Botanic Klang of Tzu-Chi Foundation*



*Fund raising dinner sponsorship for Agape Counselling Centre*

These efforts reflect our ongoing commitment to supporting education, mental health, spiritual development, and overall community well-being.

As the actual number of individual beneficiaries from these sponsorships could not be ascertained, each event has been conservatively recorded as benefiting one collective recipient for the purposes of reporting.

### • **Environmental Awareness:**

We participated in the Recycling Day for Environment Protection program organised by the Taiwan Buddhist Tzu-Chi Foundation Malaysia, promoting environmental responsibility and encouraging community-based conservation efforts. This initiative reflects our commitment to raising environmental awareness and supporting sustainable practices at the grassroots level.



# SUSTAINABILITY STATEMENT (continued)



*Recycling Day for Environment Protection organised by Taiwan Buddhist Tzu-Chi Foundation Malaysia*

	FY2025
<b>Total amount invested in the community where the target beneficiaries are external to the Group</b>	RM27,955
<b>Total number of beneficiaries of the investment in communities</b>	23

## ENVIRONMENTAL - Energy Consumption and Emissions

Energy consumption and greenhouse gas (“GHG”) emissions are key environmental impacts associated with our operations, particularly in manufacturing and engineering works. As the world transitions toward a low-carbon economy, managing energy usage and reducing emissions is essential for climate resilience, regulatory compliance and long-term cost savings.

At UUE Group, we understand that addressing our carbon footprint not only aligns with global efforts to combat climate change but also enhances our operational efficiency and reputation as a responsible business.

To support this commitment, our manufacturing plant is accredited with ISO 14001:2015 Environmental Management System certification, which provides a systematic framework for sustainably managing environmental responsibilities. This certification reflects our dedication to continuous improvement, regulatory compliance, and minimisation of adverse environmental impacts.

We are committed to continuously improving energy efficiency and minimising environmental impact through a structured energy and emissions management strategy, which includes:

- Investing in renewable energy, including the installation of solar photovoltaic (“PV”) systems at our headquarters office and manufacturing facility to reduce dependency on grid electricity.
- Promoting energy-efficient technologies and practices across our operations to reduce energy intensity.
- Raising awareness among employees through engagement and behavioural change initiatives that foster a culture of sustainability.

# SUSTAINABILITY STATEMENT (continued)

## Energy Efficiency

Electricity is the primary source of energy used across our operations, powering both our manufacturing plant and office facilities. To reduce reliance on grid electricity, we have installed solar PV systems at both our headquarters office and manufacturing facility, enabling us to generate a portion of our electricity from renewable sources and lower our carbon footprint.

In August 2022, we commissioned our first solar PV system at our manufacturing facility, with a generation capacity of 139.32 kilowatt peak (kWp). During the financial year, in October 2024, we expanded our renewable energy efforts with the installation of a second PV system at our headquarters office, rated at 23.6 kWp. Both systems are connected to Tenaga Nasional Berhad's Net Energy Metering scheme, allowing us to export excess electricity back to the grid and further optimise energy efficiency.



*Solar PV system installed at our manufacturing plant*

We are pleased to report that we achieved our objective of increasing solar-generated energy in FY2025 to reduce both our carbon footprint and electricity expenses. This resulted in the self-generation of 134,419 kilowatt hours (kWh) of solar energy. This led to a reduction in net energy consumption and contributed to total electricity cost savings of RM54,214. This progress underscores our commitment to integrating renewable energy into our operations and strengthening our environmental responsibility.

In addition to electricity, our operations consume diesel fuel, primarily in our fleet vehicles and machinery and equipment used in engineering and manufacturing operations. We also use petrol for company-owned cars and certain machinery. Both diesel and petrol usage are monitored as part of our energy and emissions tracking efforts to ensure responsible fuel consumption and identify opportunities for further efficiency improvements.

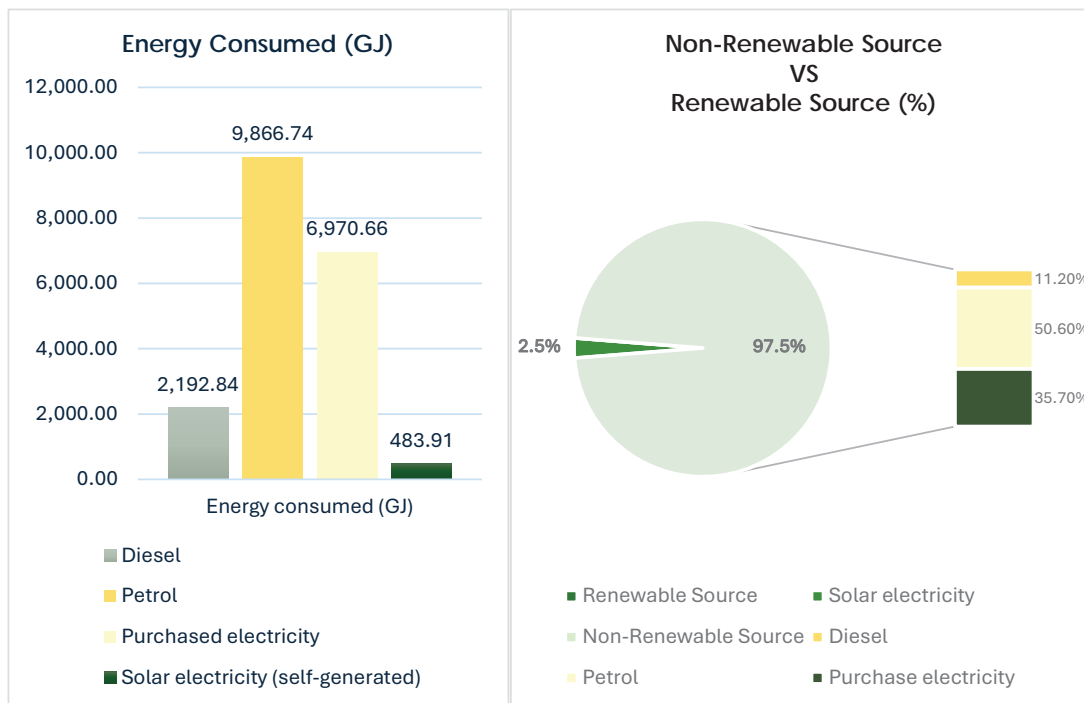
In FY2025, the Group recorded a total energy consumption of 19,514.14 gigajoules (GJ), equivalent to 5,420.59 megawatt. The breakdown of energy sources is as follows:

	FY2025		
	Non-renewable source	Renewable source	Total
Total energy consumed (GJ)	19,030.23	483.91	19,514.14
Total energy consumed (Megawatt)	5,286.18	134.41	5,420.59



## SUSTAINABILITY STATEMENT (continued)

While the majority of energy consumed was from non-renewable sources, we have made progress in incorporating renewable energy into our operations, reflecting our ongoing efforts to transition to cleaner energy.



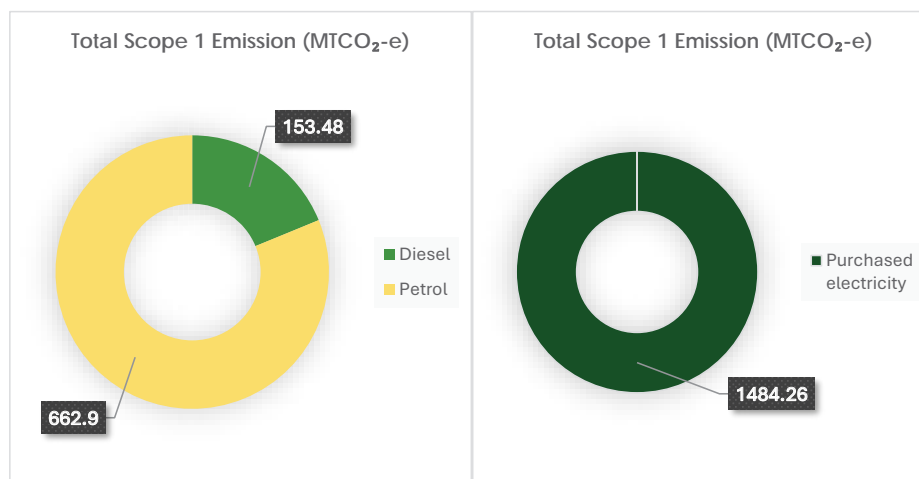
Note: The reporting of energy data above is computed based on UK Government GHG Conversions Factors Company Reporting 2024.

### Carbon emissions

Our GHG emissions are categorised in accordance with internationally recognised standards:

- Scope 1 emissions arise from direct fuel combustion, including diesel used in our fleet vehicles and machinery as well as petrol used in company-owned cars.
- Scope 2 emissions are associated with indirect energy consumption, primarily from purchased electricity supplied by TNB.

In FY2025, our total GHG emissions amounted to 2,300.64 metric tonnes of carbon dioxide equivalent (MTCO<sub>2</sub>-e). Through our investment in renewable energy sources, particularly the installation of PV systems at our headquarters and manufacturing facility, we successfully avoided an estimated 104.4 MTCO<sub>2</sub>-e in emissions.



Note: The reporting of GHG data above is in accordance with the GHG Protocol Corporate Standard. Our Scope 1 and 3 data are computed based on UK Government GHG Conversions Factors Company Reporting 2024 whereas Scope 2 data are based on Grid Emission Factor (GEF) Malaysia from Energy Commission of Malaysia and GEF Singapore from Energy Market Authority.

# SUSTAINABILITY STATEMENT (continued)

## ENVIRONMENTAL - Water Management

Water is an essential resource in both our underground utility engineering solutions and HDPE pipe manufacturing operations. At UUE Group, we recognise the importance of managing water usage responsibly, not only to ensure business continuity but also to minimise our environmental impact and contribute to sustainable water resource stewardship.

Water plays a vital role in our underground utility engineering works, particularly in Horizontal Directional Drilling ("HDD"), which is a water-intensive method used to install underground utilities with minimal surface disruption. HDD method relies significantly on water for drilling, soil removal and slurry management. These processes require high volumes of water to maintain drilling fluid consistency, ensure borehole stability and facilitate safe and efficient underground installations. In contrast, open cut and micro trenching methods require significantly less water.

In FY2025, water consumption for underground utility engineering solutions operations totalled 3.227 megalitres, reflecting the scale and scope of our infrastructure projects across Malaysia and Singapore. We are actively exploring ways to optimise drilling fluid usage and implement water recycling systems where feasible to minimise consumption.

Water is also used in our HDPE pipe manufacturing process, particularly for cooling extruded pipes during production. In line with our commitment to reducing environmental impact, we achieved our objective of introducing an environmental initiative by implementing a rainwater collection system. The collected rainwater is channelled into a water circulation system for use in cooling operations to reduce the need for freshwater input.

In FY2025, total water consumed in manufacturing operations amounted to 1.025 megalitres. This initiative has helped to lower freshwater dependency and improve overall resource efficiency, contributing to a more sustainable production process.

Beyond our operational sites, we also promote water conservation at our office premises. Employees are encouraged to adopt water-saving practices, such as reporting leaks promptly, using water efficiently in pantry and restroom areas, and conducting regular inspections and preventive maintenance of water fixtures to avoid leaks and inefficiencies.

While water usage at our offices represents a smaller proportion of total consumption, fostering a culture of sustainability among employees strengthens our overall environmental performance and reinforces our values as a responsible corporate citizen.

	FY2025
<b>Annual Water Consumption - (Megalitre)</b>	4.252

## SOCIAL – Occupational Safety and Health

At UUE Group, we are committed to upholding the highest standards of occupational safety and health. Ensuring the safety, health, and well-being of our employees and contractors is fundamental to our operations. We strive to cultivate a workplace culture where safety is prioritised at every level, across all activities and locations.

We strive to cultivate a safety-first culture, where every individual is empowered and responsible for maintaining a safe working environment. This commitment is embedded in our daily operations and reinforced through policies, procedures, training and compliance with health and safety standards.

## SUSTAINABILITY STATEMENT (continued)

To demonstrate our commitment to safety excellence, our Group has obtained key safety certifications across our regional operations:

- Our Singapore underground utilities engineering operation is certified with ISO 45001:2018 – Occupational Health and Safety Management System and accredited with bizSafe Level Star, the highest level of certification awarded by the Workplace Safety and Health Council of Singapore.
- Our Malaysia underground utilities engineering operation is accredited with ISO 45001:2018 – Occupational Health and Safety Management Systems.

To maintain a high level of safety awareness and preparedness across the Group, we have established a structured approach that emphasises proactive training and emergency readiness:

- Refresher Safety and Health Training: Employees were provided with refresher training on safety and health to reinforce their knowledge and ensure continued adherence to our safety protocols and regulatory requirements..
- Safety Induction for New Employees: All new hires undergo safety and health briefings as part of their induction programme, ensuring they are aware of potential workplace hazards, emergency procedures and their responsibilities before commencing work.



*Orientation program for new employees*

- Emergency Preparedness Drills: In FY2025, a fire drill was conducted at our Headquarters office to assess the effectiveness of our emergency response procedures and ensure that employees are well-prepared to respond to fire-related incidents.



*Fire Drill at our Headquarter's office*

## SUSTAINABILITY STATEMENT (continued)

Despite our concerted efforts, we regret to report that we did not meet our FY2025 objective of achieving zero occupational health and safety incidents and zero fatalities. During the year, one work-related fatality was recorded involving an employee under our Malaysia operations. An investigation is currently ongoing to determine the root cause of the incident. However, immediate corrective and preventive measures have already been implemented to prevent recurrence. We remain deeply committed to learning from this tragedy and strengthening our safety protocols to better protect our workforce.

On a positive note, no fines or penalties were imposed on the Group for non-compliance with health and safety regulations during the financial year, underscoring our adherence to statutory requirements and our proactive approach to compliance.

	FY2025
<b>Number of work-related fatalities</b>	1
<b>Lost Time Incident Rate ("LTIR")</b>	0.43

In FY2025, we are pleased to report that 100% of targeted employees received training on safety and health standards, underscoring our commitment to fostering a safe and compliant work environment across all levels of the organisation.

<b>Employee Category</b>	<b>Number of employees trained on safety and health standards</b>
	FY2025
<b>Management &amp; above</b>	18
<b>Executive &amp; Supervisory</b>	34
<b>Non-executive</b>	211
<b>Operators</b>	68
<b>Total</b>	<b>331</b>

Although our "zero incident" target was not achieved this year, we remain firmly committed to continuous improvement in our occupational safety and health performance. Moving forward, we will continue to strengthen our safety framework through shared accountability, ongoing employee engagement, and investment in safer technologies and work practices.

### SOCIAL – Human Rights, Labour Practices and Employee Welfare

At UUE Group, we are committed to upholding and protecting the fundamental human rights and dignity of all employees, in alignment with international human rights standards and applicable labour laws in Malaysia and Singapore. Our approach is guided by our governance frameworks, including established policies, codes and procedures to promote ethical, fair and respectful treatment across all our workplaces.

Our Group has adopted a Board Policy on Code of Business Conduct and Ethics, reflecting our zero-tolerance stance on discrimination, harassment, and unethical behaviour. We are committed to upholding fundamental human rights and labour practices across all our operations, ensuring a workplace environment that respects the dignity, privacy and personal rights of every individual.



## SUSTAINABILITY STATEMENT (continued)

The Group is dedicated to providing equal opportunities and fair treatment, free from any form of discrimination based on gender, race, religion, nationality, age, or any other protected characteristic. This commitment is part of our broader responsibility to support employee welfare and create a safe, inclusive and respectful working environment.

To operationalise these principles, the Employee Handbooks of the respective entities within the Group incorporate key policies, including the Code of Ethics or Conduct Policy, Personal Data Protection Policy and Conflict of Interest Policy. These policies serve as practical tools to guide employees in ethical decision-making, protect personal data, and avoid conflicts of interest, while reinforcing our commitment to responsible labour practices and the well-being of our workforce.

We place a strong emphasis on compliance with all relevant labour laws and employment standards in both Malaysia and Singapore. Our labour practices are guided by a commitment to fairness, respect and human dignity and focus on the following key principles:

- Fair recruitment: All hiring decisions are merit-based, transparent and free from recruitment fees.
- Equitable remuneration: Employees are paid fairly, with clear employment contracts and adherence to minimum wage laws, including overtime pay and statutory benefits.
- Safe working conditions: We maintain rigorous Health, Safety and Environmental standards at our project sites and manufacturing facilities through regular training and provision of personal protective equipment.
- Non-discrimination and equal opportunity: We actively promote an inclusive environment with equal access to growth and development opportunities for all employees regardless of age, gender, ethnicity, religion, nationality, sexual orientation, or disability.
- Upholding fundamental workers' rights: We are committed to respecting and upholding the fundamental rights of all workers. This includes the strict prohibition of child labour and forced labour.

Employee welfare and well-being are central to our people-centric approach. We are committed to providing a supportive, inclusive, and empowering work environment that safeguards both the physical and mental health of our workforce. This includes access to healthcare, a healthy work-life, fair treatment and clear grievance mechanisms to ensure employees can voice concerns without fear of retaliation.

As part of our commitment to fostering a caring and respectful workplace culture, we celebrate key cultural and religious occasions to promote inclusivity, unity and appreciation among our diverse workforce. During the financial year, we host a Chinese New Year celebration with all employees at our headquarters, encouraging cross-cultural understanding and strengthening team spirit. In recognition of our foreign employees' contributions, we also organise Hari Raya celebrations at their dormitory, creating a warm, inclusive environment that nurtures a strong sense of community and belonging.



*Hari Raya Celebration with foreign employees*

## SUSTAINABILITY STATEMENT (continued)



*Chinese New Year Celebration at our Headquarter's office*

In FY2025, we are pleased to report that our Group received zero complaints related to human rights violations in both Malaysia and Singapore. Consequently, no fines or penalties associated with labour or human rights violations were imposed on the Group during the year.

	FY2025
<b>Number of substantiated complaints concerning human rights violations</b>	0

Through these practices and continuous engagement, we strive to cultivate a workplace where every employee feels safe, valued and respected, contributing not only to individual development but also to the long-term sustainability and success of our Group.

### **SOCIAL – Training and Skills Development**

At UUE Group, we recognise that the growth and success of our business are deeply rooted in the capabilities and commitment of our workforce. As we operate in a technically demanding and safety-critical industry, we are committed to continuously investing in the training, upskilling and professional development of our employees to ensure they remain competent, safe and future-ready.

We are committed to investing in structured training, upskilling and professional development programmes to diverse needs of our employees. These initiatives include on-the-job training, safety and compliance training, technical skills certification and leadership development programmes.



## SUSTAINABILITY STATEMENT (continued)

In November 2024, our Group demonstrated its ongoing dedication to talent development by collaborating with the Johor Talent Development Council ("JTDC") under the Retaining Skilled Workers initiative. This partnership reflects our proactive approach to enhancing workforce capabilities, strengthening employee retention, and contributing to the broader development of skilled talent in the region.



*Launching of Johor Talent Development Council*

In FY2025, we invested a total of 2,516 training hours across various programs to support employee growth and capability building. Notably, 1,332 hours were dedicated to the Project Department and 208 hours to the Production Department, reflecting our strong emphasis on enhancing technical competencies, operational excellence and occupational safety and health knowledge for teams operating in high-risk and technically intensive environments.



*Leadership Training*



*E-invoice Training*



## SUSTAINABILITY STATEMENT (continued)

The breakdown of training hours by employee category is as follows:

Employee Category	Total Hours of Training
	FY2025
Management & above	543
Executive & Supervisory	619
Non-executive	938
Operators	416
<b>Total</b>	<b>2,516</b>

Employee Category	Total Hours of Training
	FY2025
Director	96
Project	1,332
Accounts and Finance	161
Health and Safety	48
Human Resource and Administration	281
Contract and Procurement / Purchasing and Logistic	325
Quality Management	65
Production	208
Marketing	0
<b>Total</b>	<b>2,516</b>

	FY2025
Average training hours per employee (hours)	7.6
Average training days per employee (days)	1

While we continue to improve our labour practices and invest in individual development to retain talent, employee turnover remains a natural part of workforce dynamics. In FY2025, our overall turnover rate stood at 16%. The turnover by employee category is shown below:

Employee Category	Total Number of Employee Turnover
	FY2025
Management & above	0
Executive & Supervisory	3
Non-executive	32
Operators	12
<b>Total</b>	<b>47</b>

Through these initiatives, our Group ensures that our employees are empowered to grow professionally and contribute meaningfully to our operations. We remain committed to cultivating a competent, motivated, and high-performing workforce to support operational excellence and sustainable growth.



# SUSTAINABILITY STATEMENT (continued)

## SOCIAL – Workforce Diversity and Inclusion

At UUE Group, we believe that a diverse and inclusive workforce is a key driver of innovation, collaboration and sustainable business success. Operating in an industry traditionally dominated by male and migrant workers, we are committed to fostering a work environment that values differences and ensures equal opportunity for all employees.

Our workforce comprises individuals from various nationalities, ethnicities, age groups and backgrounds, including both local and foreign employees. We recognise the strength that this diversity brings and strive to create a culture where every individual feels respected, supported, and empowered to contribute their unique perspectives and skills.

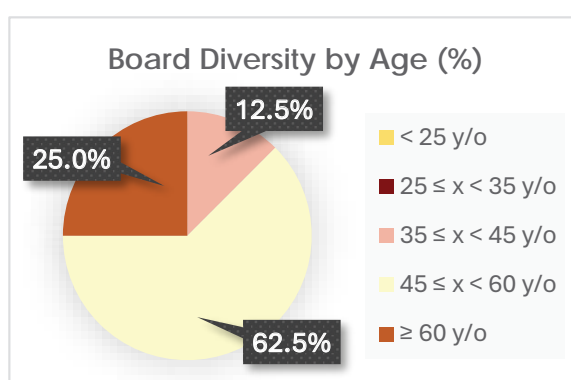
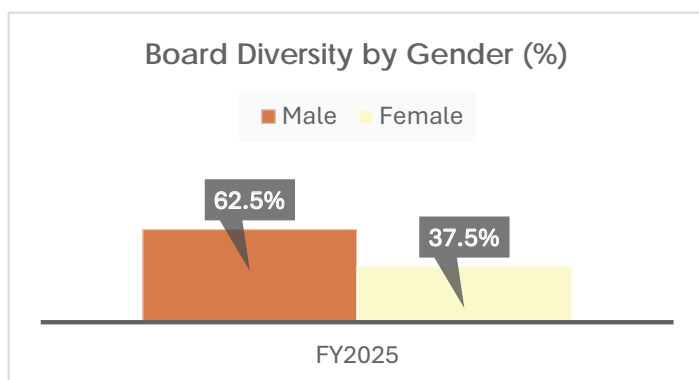
Our approach is grounded in the following principles:

- **Respect for individual differences:** We value the unique backgrounds, experiences, and perspectives each employee brings. Our policies and practices promote equal opportunity and fairness in hiring, development and advancement.
- **Creating an inclusive culture:** We strive to foster a work environment where every employee feels welcomed, respected, and empowered to contribute fully, regardless of gender, age, ethnicity, nationality or employment status.
- **Celebrating diversity through cultural events:** By commemorating key cultural and religious celebrations such as Chinese New Year and Hari Raya with our employees, we strengthen unity, foster mutual respect and reinforce our values of cultural inclusion.

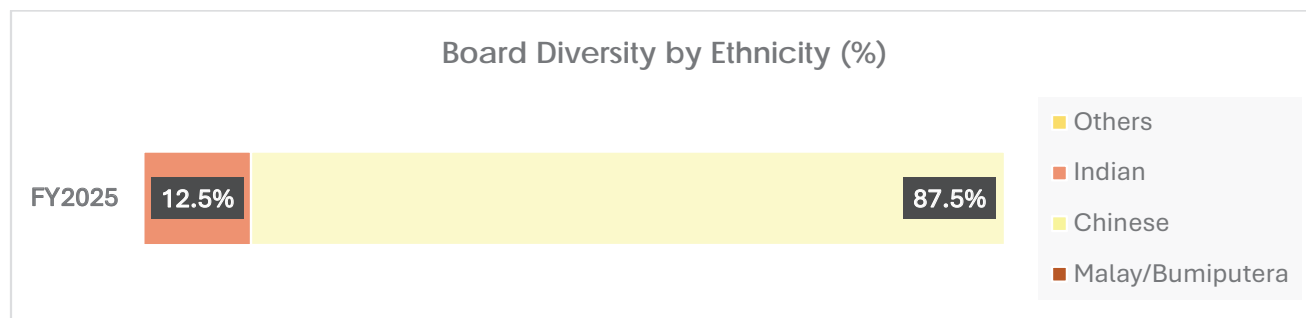
## Board Diversity

As of FY2025, the Board of UUE comprises 62.5% male and 37.5% female members, surpassing the 30.0% target for women directors under Practice 5.9 of the MCG 2021. The Board has adopted a Board Diversity Policy to formalise its commitment to gender balance and broader inclusivity. Beyond compliance, we are committed to strengthening gender diversity across all levels of the organisation. This includes cultivating an inclusive leadership pipeline that enables capable female employees to advance into senior management roles.

The Board also values a balanced mix of experience and fresh perspectives. Directors aged 35 to 45 are actively sought to inject new ideas, while senior directors with deep industry knowledge offer essential strategic insight and oversight.



## SUSTAINABILITY STATEMENT (continued)



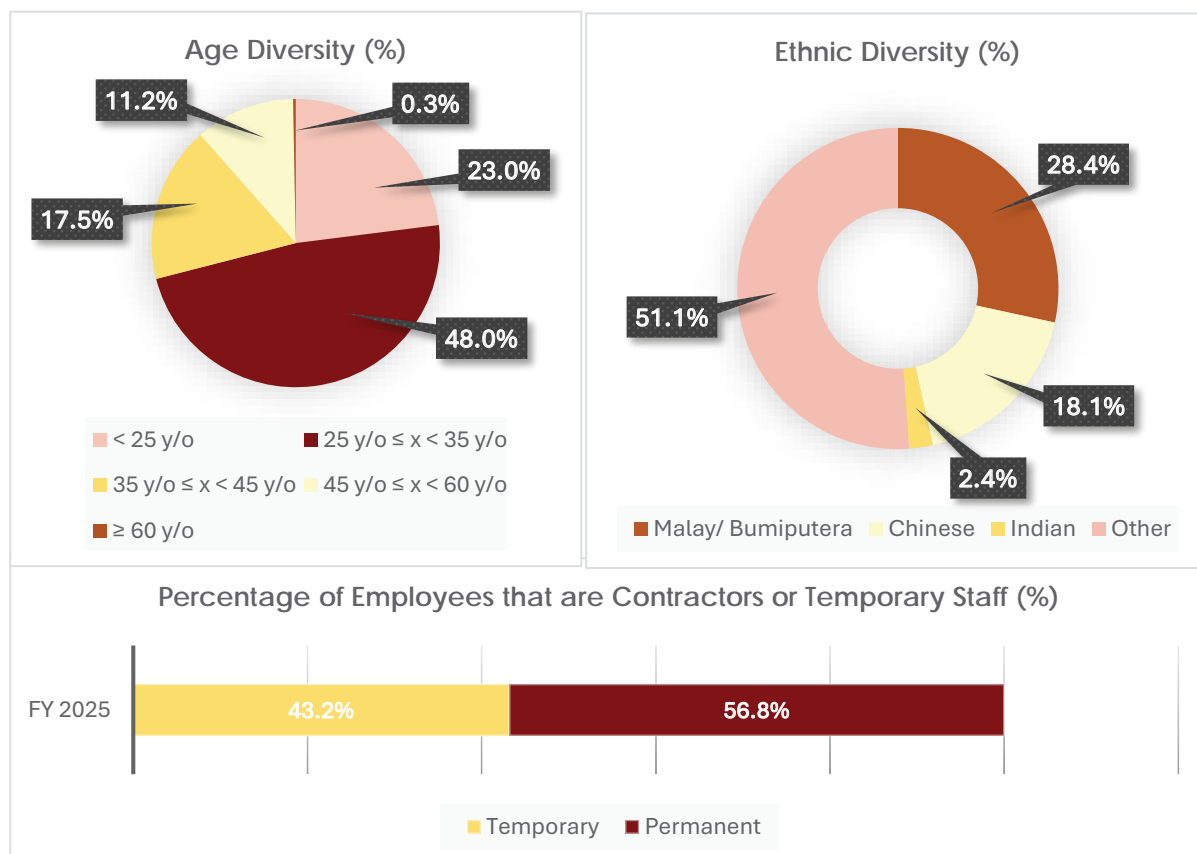
### Workforce Diversity

**331 Total Employees**      **85.8% Male**      **Female 14.2%**  
*As of 28 February 2025*

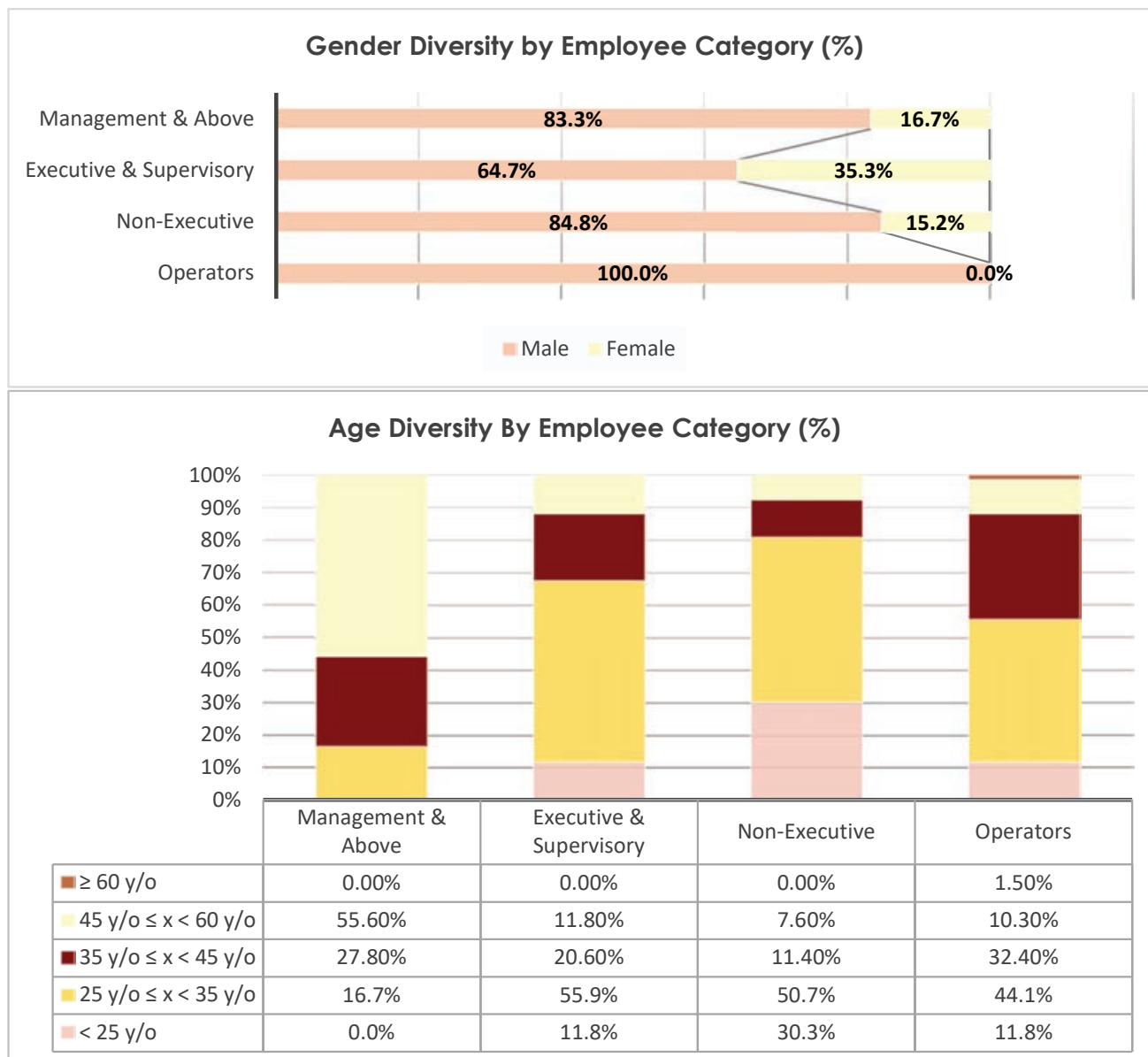
As of FY2025, UUE's workforce reflects a diverse mix of gender, age, ethnicity, nationality and employment type, in line with the operational nature of its industry. We believe that combining the energy and innovation of younger employees with the experience and insights of seasoned professionals promotes teamwork, knowledge transfer and resilience in a rapidly evolving business environment.

While this reflects broader industry norms, we acknowledge the importance of gender balance. Nonetheless, we recognise the importance of promoting greater equality and are committed to creating more opportunities for women in the workplace.

Our workforce includes a wide representation of ethnicities and nationalities, which enhances cultural awareness and broadens perspectives within the Group. To meet operational demands while maintaining workforce stability, our employee mix includes 56.8% permanent employees and 43.2% temporary employees.



## SUSTAINABILITY STATEMENT (continued)



### GOVERNANCE – Anti-Bribery and Corruption

UUE Group is firmly committed to upholding the highest standards of integrity, transparency, and ethical conduct in all business dealings. We adopt a zero-tolerance approach towards bribery and corruption, in line with our commitment to responsible corporate governance and regulatory compliance.

To formalise our stance, we have established a comprehensive Anti-Bribery and Anti-Corruption Policy (“ABC”) and a Whistleblowing Policy, which are communicated across all levels of the organisation and publicly available on our corporate website. These policies outline our expectations for ethical behaviour, mechanisms for reporting misconduct and the consequences of non-compliance.

Our Whistleblowing Policy provides employees and stakeholders with a secure and confidential channel to report any unethical or unlawful conduct. We uphold a strict non-retaliation principle, ensuring that the identity and rights of whistleblowers are fully protected.

# SUSTAINABILITY STATEMENT (continued)

As part of our onboarding and governance practices:

- All employees are required to sign an ABC Commitment Declaration upon employment, affirming their understanding of and adherence to our anti-corruption principles.
- We conduct mandatory ABC training for all employees within the first six months of employment to ensure a consistent understanding of bribery risks, preventive measures, and appropriate responses to unethical conduct.

In FY2025, we are proud to report that 100% of our employees across all categories have been communicated with and trained on our Anti-Bribery and Anti-Corruption Policy within six months of their employment, in line with our sustainability and governance objectives.

Employee Category	Completion Rate (%)
	FY2025
Management & above	100
Executive & Supervisory	100
Non-executive	100
Operators	100

Furthermore, to proactively manage and mitigate potential corruption risks, 100% of our operations were assessed for corruption-related risks. We are proud to report that zero confirmed incidents of corruption were recorded during the financial year.

	FY2025
Percentage of operations assessed for corruption-related risks	100%
Number of confirmed corruption incidents	0

Our Group remains committed to the continuous enhancement of our anti-bribery framework. We will continue to align our policies and practices with international standards, foster a strong culture of ethics and compliance, and uphold stakeholder trust.

## GOVERNANCE – Regulatory Compliance

At UUE Group, regulatory compliance is a cornerstone of our governance framework and a critical enabler of sustainable business operations. We recognise that adherence to applicable laws, regulations, and industry standards is essential for maintaining our license to operate, building stakeholder trust, and mitigating legal, financial and reputational risks.

Our operations across Malaysia and Singapore are governed by stringent technical, safety, environmental, and labour regulations. Non-compliance in any of these domains could result in operational disruptions, financial penalties, or reputational harm. By embedding a strong compliance culture, we reaffirm our commitment to ethical business conduct and responsible corporate citizenship.

As part of our commitment to compliance and continuous improvement, our Group has obtained several internationally and nationally recognised certifications. These certifications reinforce our commitment to upholding high standards of quality, safety, and regulatory compliance across all our operations.

- In Malaysia, both our underground utilities engineering and manufacturing operations are accredited with ISO 9001:2015 – Quality Management System, reflecting our focus on consistent quality, customer satisfaction and regulatory alignment.



## SUSTAINABILITY STATEMENT (continued)

- Our Malaysian underground utilities engineering entity also holds the G7 certification from the Construction Industry Development Board (CIDB), enabling us to undertake large-scale infrastructure projects under the highest contractor grading.
- Our manufactured HDPE pipes are certified by SIRIM QAS International and comply with the following standards:
  - ISO 4427-2:2019 – *Polyethylene (PE) Pipes for Water Supply*
  - MS 1058: Part 2:2005 – *Polyethylene (PE) Pipes for Water Supply*
  - SIRIM 52:2022 – *Polyethylene (PE) Smooth Wall Pipes for Electrical Cable Installation*

To ensure effective compliance across all operations, we have implemented a structured compliance management system with the following key elements:

- Legal and regulatory monitoring: Continuous monitoring of applicable laws and regulatory updates relevant to our industry and operations in Malaysia and Singapore.
- Policies and procedures: Various internal policies and procedures have been developed and implemented to guide employee behaviour and business decision-making in line with statutory obligations.
- Training and awareness: Regular training and communication initiatives are conducted to keep employees informed about legal obligations, regulatory changes and ethical expectations.
- Oversight and governance: Our Board and Top Management are actively involved in overseeing regulatory compliance as part of our broader risk management and governance responsibilities.

In FY2025, our Group reported zero complaints related to privacy breaches and no incidents of data leakage or customer information loss. These results reflect our ongoing commitment to robust data protection practices.

	FY2025
<b>Number of substantiated complaints concerning breaches in customer privacy or data loss</b>	0

Moving forward, UUE Group remains committed to fostering a culture of compliance by continuously reviewing our policies, strengthening internal controls, and engaging proactively with regulators.

# SUSTAINABILITY STATEMENT (continued)

## Performance Data Table

Indicator	Measurement Unit	2025
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management & Above	Percentage	100.00
Executive & Supervisory	Percentage	100.00
Non-executive	Percentage	100.00
Operators	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	-
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	27,955.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	23.00
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
<u>Age Group by Employee Category</u>		
Management & Above <25 y/o	Percentage	-
Management & Above 25 y/o ≤ x < 35 y/o	Percentage	16.70
Management & Above 35 y/o ≤ x < 45 y/o	Percentage	27.80
Management & Above 45 y/o ≤ x < 60 y/o	Percentage	55.60
Management & Above ≥ 60 y/o	Percentage	-
Executive & Supervisory <25 y/o	Percentage	11.80
Executive & Supervisory 25 y/o ≤ x < 35 y/o	Percentage	55.90
Executive & Supervisory 35 y/o ≤ x < 45 y/o	Percentage	20.60
Executive & Supervisory 45 y/o ≤ x < 60 y/o	Percentage	11.80
Executive & Supervisory ≥ 60 y/o	Percentage	-
Non-executive <25 y/o	Percentage	30.30
Non-executive 25 y/o ≤ x < 35 y/o	Percentage	50.70
Non-executive 35 y/o ≤ x < 45 y/o	Percentage	11.40
Non-executive 45 y/o ≤ x < 60 y/o	Percentage	7.60
Non-executive ≥ 60 y/o	Percentage	-
Operators <25 y/o	Percentage	11.80
Operators 25 y/o ≤ x < 35 y/o	Percentage	44.10
Operators 35 y/o ≤ x < 45 y/o	Percentage	32.40
Operators 45 y/o ≤ x < 60 y/o	Percentage	10.30
Operators ≥ 60 y/o	Percentage	1.50
<u>Gender Group by Employee Category</u>		
Management & Above Male	Percentage	83.30
Management & Above Female	Percentage	16.70
Executive & Supervisory Male	Percentage	64.70
Executive & Supervisory Female	Percentage	35.30
Non-executive Male	Percentage	84.80
Non-executive Female	Percentage	15.20
Operators Male	Percentage	100.00
Operators Female	Percentage	-
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	62.50
Female	Percentage	37.50
<25 y/o	Percentage	-
25 y/o ≤ x < 35 y/o	Percentage	-
35 y/o ≤ x < 45 y/o	Percentage	12.50
45 y/o ≤ x < 60 y/o	Percentage	62.50
≥ 60 y/o	Percentage	25.00

# SUSTAINABILITY STATEMENT (continued)

Indicator	Measurement Unit	2025
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	5,420.59
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	1.00
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.43
Bursa C5(c) Number of employees trained on health and safety standards	Number	331.00
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management & Above	Hours	543.00
Executive & Supervisory	Hours	619.00
Non-executive	Hours	938.00
Operators	Hours	416.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	43.20
Bursa C6(c) Total number of employee turnover by employee category		
Management & Above	Number	-
Executive & Supervisory	Number	3.00
Non-executive	Number	32.00
Operators	Number	12.00
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	-
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.50
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	-
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	4.252
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	816.38
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	1,484.26

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee ("ARMC") was established by the Board of Directors ("the Board") of UUE Holdings Berhad ("UUE" or "the Company") on 28 August 2023. The ARMC is guided by its Terms of Reference which sets out the composition, duties and functions, authority and procedures of the ARMC. The ARMC assists the Board to carry out its responsibilities as set out in the Terms of Reference.

The ARMC Report for the financial year ended 28 February 2025 ("FYE 2025") is prepared in compliance with Rule 15.15 of the ACE Market Listing Requirement ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

## COMPOSITION

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors ("INEDs"). One (1) of the ARMC members is a member of the Malaysian Institute of Accountants ("MIA"). No alternate director is appointed as a member of the ARMC. The ARMC meets the requirements of Rules 15.09(1)(a), (b), (c)(i) and 15.09(2) of the ACE LR of Bursa Securities and Practice 9.4 under Principle B of the revised Malaysian Code on Corporate Governance issued by the Securities Commission of Malaysia ("SC") on 28 April 2021 ("MCCG").

The Chairman of the ARMC is not the Chairman of the Board. This is in line with Practice 9.1 under the MCCG. As at 28 February 2025, UUE is in compliance with Practice 1.4 of the MCCG whereby the Chairman of the Board, Mr Lee Chye Tee is not a member of the ARMC.

The ARMC comprises the following Directors during FYE 2025 and up to the date of this report:

Name of ARMC Members	Designation	Directorate
NG LEE THIN	Chairman	Independent Non-Executive Director
LATHA A/P DHAMODARAN PILLAY	Member	Independent Non-Executive Director
GOH LEI LEI	Member	Independent Non-Executive Director

## ATTENDANCE OF MEETINGS

The ARMC met five (5) times during the FYE 2025. The attendance details of each member of the ARMC at these meetings are as follows: -

Name of ARMC Members	Number of Meetings Attended
NG LEE THIN	5 / 5
LATHA A/P DHAMODARAN PILLAY	5 / 5
GOH LEI LEI	5 / 5

The Board through the Nominating Committee assessed the performance of the ARMC and its members through an annual Board Committee effectiveness evaluation. The Board is satisfied that the ARMC and its members discharged their functions, duties and responsibilities in accordance with the ARMC's Terms of Reference.



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (continued)

## TERMS OF REFERENCE

The Terms of Reference of the ARMC are made available on the Company's website at [www.uue-holdings.com](http://www.uue-holdings.com).

## MEETINGS

The ARMC shall meet at least four (4) times in a year. The Chairman of the ARMC may call at any time for any additional meetings at the Chairman's discretion. The External Auditors ("EA") may request a meeting if they consider that one is necessary and the Chairman upon such request will convene a meeting for the purpose. Any member of the ARMC may at any time and the Secretary shall on such request summon a meeting of the ARMC. The ARMC shall meet with the EA at least once a year and as and when deemed necessary without the presence of any Executive Directors or Management. The ARMC had convened a total of five (5) meetings during FYE 2025.

The agenda for meetings, the relevant reports and papers were furnished to ARMC members by the Secretary after consultation with the ARMC Chairman in advance to facilitate effective deliberation and decision making at the respective meetings. All issues were adequately deliberated during ARMC meetings before arriving at any decisions, conclusions or recommendations and brought to the attention of the Board. Minutes of each ARMC meeting were properly recorded and tabled for confirmation at the following ARMC meeting and subsequently presented to the Board for review and notation.

During its scheduled quarterly meetings, the ARMC reviewed the risk management and internal control processes (with the assistance of its outsourced internal audit function), the interim and year-end financial report, the internal and external audit plans and reports, any related party transactions and all other areas within the scope of responsibilities of the ARMC under its Terms of Reference.

The Chief Financial Officer ("CFO") and the Group Accountant ("GA") were invited to attend all ARMC meetings to facilitate direct communication and interaction as well as provide clarifications on audit, financial and operational issues. The CFO and GA had briefed the ARMC on specific issues and areas arising from the quarterly and audit reports.

The representatives of the outsourced internal audit function attended the ARMC meetings to table their Internal Audit plan and reports. The EA of the Company represented by their Engagement Partner and Audit Manager leading the audit attended the ARMC meeting to present their Audit Planning Memorandum, EA Audit Completion Report and to assist the ARMC in its review of year-end financial statements.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (continued)

## SUMMARY OF ACTIVITIES

In respect of FYE 2025, the ARMC carried out the following activities in discharge of its functions and duties:-

### a) Financial Reporting

In overseeing and discharging its responsibilities in respect of financial reporting, the ARMC:

- i. Reviewed the financial positions, quarterly interim financial reports and announcements for the respective financial quarters prior to submission to the Board for consideration and approval. The Audited Financial Statement for the financial year ended 29 February 2024 based on Company level without consolidation of results of subsidiaries were tabled at the ARMC meeting held on 18 June 2024. The Unaudited Interim Financial Reports for the 4<sup>th</sup> Quarter ended 29 February 2024 was tabled at the ARMC meeting on 26 June 2024 prior to the listing of the Company on the ACE Market of Bursa Securities on 2 July 2024. Whereas, the Unaudited Interim Financial Reports for the 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Quarters ended 31 May 2024, 31 August 2024, 30 November 2024 and 28 February 2025 respectively were tabled at the ARMC meetings held on 29 July 2024, 14 October 2024, 23 January 2025 and 29 April 2025 respectively. In reviewing these unaudited interim financial reports, the ARMC ensured that these reports were prepared in compliance with the Malaysian Financial Reporting Standard ("MFRS") and also took into consideration Rule 9.22 including Appendix 9B of the ACE LR of Bursa Securities;
- ii. Reviewed the Audited Financial Statements for the financial year ended 28 February 2024 and FYE 2025 ("AFSs") on 18 June 2024 and 3 June 2025 respectively. In reviewing these AFSs, the ARMC ensured that these AFSs were prepared in compliance with the MFRS and the requirements of the Companies Act 2016 in Malaysia.
- iii. To ensure the integrity of the financial information, received assurance from the Managing Director and CFO, that: -
  - Appropriate accounting policies had been adopted and applied consistently;
  - The going concern basis applied in the consolidated Annual Financial Statements was appropriate;
  - Prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the MFRSs;
  - Adequate controls and processes were in place for effective and efficient financial reporting and relevant disclosures under MFRSs and Bursa Securities's ACE LR; and
  - The consolidated Annual Financial Statements and the Quarterly Condensed Consolidated Financial Statements did not contain material misstatements and gave a true and fair view of the financial position.
- iv. The ARMC received assurance from the Managing Director and the CFO, being the persons primarily responsible for the management of the financial affairs that the Group's risk management and internal control systems have operated adequately and effectively in all material aspects to meet the Group's objectives during the financial year under review before recommending the Statement to the Board of Directors.
- v. Reviewed the ARMC Report, Corporate Governance Overview Statement, Corporate Governance Report, Management Discussion & Analysis and Statement on Risk Management and Internal Control as well as Sustainability Statement for publication in the Annual Report for FYE 2025.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (continued)

## b) External Audit

- i. The ARMC reviewed the EA's scope of work and Audit Plans which covered the engagement and reporting responsibilities, audit approach, materiality and performance materiality, areas of significant auditor attention, engagement team, reporting, deliverables and independence, assurance, financial reporting, ESG and other updates as well as transparency report for FYE 2025 prior to the commencement of audit. The EA had also declared their independence in relation to their audit for FYE 2025 to the ARMC.
- ii. The ARMC conducted two (2) private meetings with the EA without the presence of the Executive Directors and the Management on 23 January 2025 and 29 April 2025. During these private sessions, the EA conveyed that there were no areas of major concerns that warranted escalation to the Board and they had received full co-operation from the Management during their audit.
- iii. The ARMC reviewed the EA's Audit Completion Report in relation to the EA's findings from the on-going audit of the financial statements for FYE 2025 of the Group.
- iv. The ARMC carried out an assessment of the performance, suitability, objectivity and independence of BDO PLT ("BDO"), based on an assessment questionnaire which took into consideration assessment criteria such as the quality of services, sufficiency of resources, adequate resources and trained professional staff assigned to the audit. BDO also declared their independence to the ARMC as part of these procedures. The ARMC has been generally satisfied with the independence, performance and suitability of BDO based on the assessment and are recommending to the Board and shareholders for approval for the re-appointment of BDO as Auditors of the Company for the financial year ending 28 February 2026 ("FYE 2026"). The Board at its meeting held on 3 June 2025 had approved the ARMC's recommendation, to re-appoint BDO as Auditors of the Company for FYE 2026, subject to the shareholders' approval to be sought at the forthcoming 2<sup>nd</sup> Annual General Meeting.

## c) Internal Audit

- i. The ARMC reviewed the Internal Audit Plan for the FYE 2025 and FYE 2026 presented by the outsource internal audit function to ensure key business risk and processes identified in the Risk Registers were adequately identified and covered in the audit plan before approval.
- ii. The ARMC reviewed the Internal Audit Report in relation to the internal control review of the Project Management of Kum Fatt Engineering Sdn. Bhd. ("Kum Fatt"), a wholly-owned subsidiary of the Company and considered the internal audit findings and the Management's action plan to address the issues and the target date of implementation as set out in the Internal Audit Report.
- iii. The ARMC conducted one (1) private meeting with the outsourced internal audit function without the presence of the Executive Directors and the Management on 23 January 2025. During the private session, the outsourced internal audit function conveyed that there was no restriction to the IA's scope of work.
- iv. The ARMC reviewed the Internal Audit Report in relation to the internal control review of the Human Resource Management of Kum Fatt, a wholly-owned subsidiary of the Company and considered the internal audit findings and the Management's action plan to address the issues and the target date of implementation as set out in the Internal Audit Report.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (continued)

- v. The ARMC carried out an assessment of the performance of the internal audit function by considering and reviewing the internal audit function's qualifications and experience, resources availability and competency, independence, scopes and functions of the internal audit function. The ARMC concluded that the internal audit function had performed and carried out their work professionally and met the expectations of the ARMC. The ARMC were all in favour of the internal audit function continuing and performing their role according to the approved Internal Audit Plan.

## d) Overall Governance Practices in the Group

- i. The ARMC reviewed the Related Party Transactions at every ARMC meeting together with the Management, the detail of which were disclosed in Note 28 to the financial statements included in this Annual Report.
- ii. Reviewed Conflict of Interest ("COI") situation that may arise within the group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts as well as reviewed and assessed on any COI and potential COI involving Directors and Key Senior Management. Other than as disclosed below, none of the Director and Key Senior Management had any COI or Potential COI arising and reviewed by the ARMC:

Name of Director / Key Senior Management	Situation giving rise to COI / Potential COI	Rationale, measures taken to resolve, eliminate or mitigate COI
Datuk Dr. Ting Kok Hwa ("Datuk Kenny")	<p>Acquisition of the entire equity interest in JL Global Invision Sdn. Bhd. ("JL") by Kum Fatt from Mr. Ting Jing Lin ("Mr Ting") and his spouse Ms. Chong Zhi Ming (collectively, "the Vendors") ("the JL Acquisition"), Datuk Kenny, the Group Managing Director and a major shareholder of the Company as well as a Director of Kum Fatt, declared that Mr Ting, the sole director and one of the shareholders of JL, is his cousin, while Ms Chong Zhi Ming, one of the shareholders of JL, is the spouse of Mr Ting.</p> <p>Mr Ting is also the General Manager of Premier Plastic Industry Sdn. Bhd., who has a reporting relationship with Datuk Kenny.</p>	<p>The ARMC had reviewed the COI or potential COI in respect of the JL acquisition and concluded that:</p> <ul style="list-style-type: none"> <li>- The total consideration involved in the JL Acquisition was not material.</li> <li>- Datuk Kenny and Datuk Sharon had abstained from and were not involved in the negotiations, assessment and recommendations to acquire JL and had abstained from any involvement in the said Acquisition.</li> <li>- The conditional SSA entered into between Kum Fatt and the Vendors was on terms not more favourable to the Vendors.</li> <li>- The transaction was fair, reasonable and not detrimental to minority shareholders of the Company as the total purchase price was arrived based on the net tangible asset (adjusted for fair value) of JL.</li> </ul>
Datuk Ting Meng Pheng ("Datuk Sharon")	<p>In relation to the JL Acquisition, Datuk Sharon, a substantial shareholder of the Company and a Director of Kum Fatt, declared that Mr Ting, the sole director and one of the shareholders of JL, is her cousin, while Ms Chong Zhi Ming, one of the shareholders of JL, is the spouse of Mr Ting.</p>	<ul style="list-style-type: none"> <li>- Other than as disclosed, Datuk Kenny and Datuk Sharon do not have any other situations of COI or potential COI with the Group that may arise.</li> <li>- The ARMC also directed the Management to ensure and observe at all times that Datuk Kenny and Datuk Sharon would abstain and would not engage in any discussion or decision making relating to the said Acquisition.</li> </ul>



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (continued)

Name of Director / Key Senior Management	Situation giving rise to COI / Potential COI	Rationale, measures taken to resolve, eliminate or mitigate COI
Ms. Goh Lei Lei ("Ms. Goh")	Ms. Goh is an INED of UUE and also a director and shareholder of P & D Planners Sdn. Bhd. ("P & D"), Ms. Goh declared that P & D had issued a proposal to provide town planning consultancy services to Premier Plastic Industry Sdn. Bhd., a wholly-owned subsidiary of the Company, in respect of the proposed KM building submission for factory on PTD 7274, Mukim of Kota Tinggi, District of Kota Tinggi, Johor Darul Ta'zim.	<p>The ARMC had reviewed the COI or potential COI with the Group and concluded that:</p> <ul style="list-style-type: none"> <li>- The proposed professional fee in respect of the service was at market rate and not material to the Group.</li> <li>- Ms. Goh as an INED was not involved or in a position to influence the Management's decision to engage the services of P &amp; D.</li> <li>- Other than as disclosed, Ms. Goh does not have any other situations of COI or potential COI with the Group that may arise.</li> </ul>

- iii. The ARMC endorsed of the establishment of the Sustainability and Risk Management Committee ("SRMC"), a sub-committee of the ARMC with its own Terms of Reference which would review before escalating and reporting its recommendations to the Board. The principal responsibility of the SRMC is for driving the sustainability governance of the Group. The Board had also delegated the duty of identification, assessment and management of key business risks and opportunities to the SRMC. The SRMC is led by the CFO who is also an Executive Director of the Group.
- iv. The ARMC was briefed by its Assurance Unit, which had been outsourced to an independent professional firm, NeedsBridge Advisory Sdn Bhd on the Sustainability Framework and also received updates from SRMC.
- v. The ARMC had on 29 April 2025 reviewed the Risk Register, the Sustainability Framework and Approved Limit Matrix before recommending the same to the Board for approval.
- vi. The ARMC had reviewed updates of the following policies during the FYE 2025 before recommending to the Board of Directors for adoption :-
  - Whistle Blowing Policy;
  - Conflict of Interest Policy; and
  - Code of Business Conduct & Ethics
- vii. Apart from discharging its duties with respect to the internal and external audits as well as financial reporting, the ARMC also reviewed the disclosures made in respect of the financial results and Annual Report of the Company in line with the principles and spirit set out in the MCCG, other applicable laws, rules, directives and guidelines. In addition, before finalising the various governance disclosures in the Annual Report, the ARMC together with all other Board Members and the Management had reviewed the Management Discussion and Analysis, Sustainability Statement, Corporate Governance Overview Statement, Corporate Governance Report, ARMC Report, Statement on Risk Management and Internal Control together with other compliance disclosures.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (continued)

## INTERNAL AUDIT FUNCTION

The internal audit function is outsourced to an independent professional firm, NeedsBridge Advisory Sdn Bhd, who, through the ARMC, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group's system on the risk management and internal control. To uphold the professional firm's independence and objectivity, the outsourced internal audit function is reporting directly to the ARMC.

During FYE 2025, the outsourced internal audit function carried out audits in accordance with the internal audit plan approved by the ARMC. The internal audit plan was developed taking into consideration the Group's Risk Registers and other risk events identified by the internal audit function relevant to the audit objectives with the input from the Management.

The costs incurred for the outsourced internal audit function for the FYE 2025 was RM20,000.

The detailed elaboration on the Group's internal control system and its effectiveness is set out in the Statement of Risk Management and Internal Control on page 72 to 79 of this Annual Report and the Group's sustainability initiatives is elaborated in detail in the Sustainability Statement on page 25 to 51 of this Annual Report.

This ARMC Report was approved by the Board of Directors on 6 June 2025.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of UUE Holdings Berhad ("the Company" or "UUE") and its subsidiaries ("the Group" or "UUE Group") recognises that good Corporate Governance ("CG") practices is of utmost importance to protect, enhance and support the business affairs and financial performance of the Group to safeguard shareholders' investment and value.

The Board views corporate governance as a crucial and integral part of the Group's long term sustainability initiatives.

This CG Overview Statement is prepared in compliance with Rule 15.25 of the ACE Market Listing Requirements ("ACE LR") of Bursa Securities which provides shareholders and investors with an overview of the application of the three (3) Principles and the Practices ("CG Practices") as set out in the Malaysian Code on Corporate Governance ("MCCG") by the Company throughout the financial year ended 28 February 2025 ("FYE 2025"): -

- a) Principle A: Board Leadership and Effectiveness;
- b) Principle B: Effective Audit and Risk Management; and
- c) Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This CG Overview Statement should be read together with the Corporate Governance Report 2025 ("CG Report 2025") of the Company which provides the details on how the Company has applied each CG Practice. Other than Practice 13.3, the Board is satisfied that it complies substantially with the recommendations of the practices of the MCCG throughout FYE 2025 and up to the date of this Statement.

The CG Report 2025 is made available on the Company's website at [www.uue-holdings.com](http://www.uue-holdings.com) as well as via announcement on Bursa Securities' website.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

#### Roles and Responsibilities of the Board

The roles and responsibilities of the Board, Chairman of the Board, Managing Director of the Group ("MD"), Executive Directors of the Group ("EDs"), the members of the Board, the Board Committees, namely Audit and Risk Management Committee ("ARMC"), Nominating Committee ("NC") and Remuneration Committee ("RC") (collectively "Board Committees"), are set out in the Board Charter which is made available on the Company's website.

All Directors are expected to act with integrity, lead by example, keep abreast of their responsibilities as directors and of the conduct, business activities and development of the Group. The Board assumes ultimate accountability and responsibility for the stewardship of the Group and provides leadership within a framework of prudent and effective controls which enables risk to be appropriately assessed and managed. The powers and duties of the Directors are as set out in the Constitution of the Company and as prescribed under Sub-division 3 of Division 2 of the Companies Act 2016 ("CA2016") and Guidance 1.1 of the MCCG.

The Board provides strategic leadership and business direction, development and control of the Group, management oversight, initiatives to embrace the responsibilities listed in the MCCG as well as integration of sustainability consideration into the Group's corporate strategy, governance and decision-making in order to achieve the Group's long-term objectives, enhance shareholders' value and safeguard the interests of all stakeholders.

UUE's Board is led by an Independent Non-Executive Chairman. The day to day management of the Group is carried out and overseen by the MD and supported by three (3) EDs and assisted by a team of Senior Management Executive of the Group for making and implementing operational and corporate decisions. The Independent Non-Executive Directors ("INEDs") ensure corporate accountability by providing unbiased and independent views, advice and judgement and challenging the Management's assumptions and projections in safeguarding the interests of the shareholders and other stakeholders.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The Board is also assisted by several Board Committees, namely the ARMC, NC and RC to assist in the execution of Board functions. The ARMC and the Board are further assisted by the Sustainability and Risk Management Committee ("SRMC") (a Management level Committee reporting to ARMC) playing a pivotal oversight function as delegated by the Board. These Committees ensure greater focus, objectivity and independence in the deliberation of specific Board agendas. All Board Committees have written terms of reference which are available for reference on the Company's website. These Board Committees were established in order to enhance business and operational efficiency as well as efficacy. The respective Chairman of these Board Committees would report to the Board during the Board meetings on significant and salient matters deliberated in the Board Committees.

Although the Board may delegate powers and responsibilities to these Board Committees, the Board retains ultimate accountability for discharging its duties.

The Board continuously upholds CG standards and values in the organisation and strives to lead by example in strengthening its competitiveness and instil investor confidence in the Group. In discharge of its duties and responsibilities, the applicable CG Practices and guidance are embedded in the terms of reference of the respective Board Committee, the Board's Policies and the Board Charter which clearly delineate relevant matters including those reserved for the Board's approval, and those which the Board may delegate to the Board Committees, the MD, the EDs and the Management.

The Board Charter was reviewed and revised on 18 June 2024 and 3 June 2025 to ensure that it remains consistent with the Board's objectives and responsibilities. On 26 June 2024, the Board approved of the update to Whistle-Blowing Policy. The Board with the recommendation of the ARMC had also reviewed and approved the update of Code of Business Conduct & Ethics Policy and Conflict of Interest Policy on 14 October 2024, Sustainability Framework and Approve Limit Matrix on 29 April 2025, as well as Stakeholder Communications Policy and Group Risk Management Policy on 3 June 2025.

The following documents are made available on the Company's website: -

- Board Charter
- Anti-Bribery and Anti-Corruption Policy
- Board Corporate Disclosure Policy
- Code of Business Conduct & Ethics Policy
- Continuing Education Policy
- Diversity Policy
- Remuneration Policy
- Stakeholder Communications Policy
- Whistle-Blowing Policy
- Fit and Proper Person Policy
- Terms of Reference - Audit and Risk Management Committee
- Terms of Reference - Nominating Committee
- Terms of Reference - Remuneration Committee

## Separation of Position of Chairman and Managing Director

The Chairman is responsible for leadership, governance, orderly conduct of the Board and ensuring the effectiveness of all aspects of the Board's role. The Chairman represents the Board alongside the MD in meeting with shareholders and acts as facilitator at the meetings of the Board and ensures that appropriate discussion takes place and no Board member dominates the discussion, relevant opinion among Board members is forthcoming and decisions are arrived after due consideration.

The MD has the executive responsibility for the day-to-day operations of the Group's business and is responsible to implement the Group's policies, strategies and decisions adopted by the Board. The MD shall be the head of the Management of the Group and reports to the Board.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The positions of the Chairman and the MD are separately held ensuring balance of power, accountability and division of roles and responsibilities of the Board and the Management of the Group's business and operations. The Board has developed descriptions for responsibilities of the Board Chairman and MD in the Board Charter.

## Qualified and Competent Company Secretaries

The Board is supported by two (2) External Company Secretaries, both qualified to act as Company Secretary under Section 235 of CA2016 and also registered as holders of the Practising Certificate issued by Suruhanjaya Syarikat Malaysia ("SSM"). Both the Company Secretaries are Associate Members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").

The Company Secretaries provide the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role with regard to the Company's Constitution, Board's policies and procedures as well as compliance with all regulatory requirements, codes, guidance and legislation.

All Directors also have full and unrestricted access to the advice and services of the Company Secretaries. The Board is regularly updated on new guidelines, directives and new regulatory issues affecting the Group by the Company Secretaries as well as external consultants. The Company Secretaries together with the EDs assist the Chairman of the Board and Chairman of Board Committees to deal with the respective agendas and to provide the relevant information and documents to Directors on a timely basis. The Board is satisfied with the support and performance rendered by the Company Secretaries in assisting the Board to discharge its duties.

The Company Secretaries attend all Board and Board Committee meetings and ensure the meetings are properly convened, deliberations and decisions made by the Board are accurately recorded and kept. The Company Secretaries attended relevant development and training programmes to enhance their abilities in discharging their duties and responsibilities.

## Board Meetings

The Board adopted a policy on time commitment to enhance and affirm the Directors' commitment to the Group and ensure their devotion of time towards the affairs of the Group and to continuously improve their knowledge and skillsets. All Directors commit and devote their time to make themselves available to attend to any matters arising which requires their attention individually or collectively.

A corporate calendar of all scheduled meetings and planned events for the coming financial year is furnished to all Directors and the Management by the Company Secretaries normally at the first board meeting of a calendar year to aid and facilitate the Directors in scheduling and meeting their time commitments.

The Board meets regularly on a quarterly basis. Additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters which requires the Board's review or consideration. All Board approvals sought are supported with the relevant information and explanations required for informed decisions to be made. In the intervals between Board meetings, any matters requiring urgent Board decisions and/or approvals will be sought via Directors' Circular Resolutions which are supported with all the relevant information and explanations required for an informed decision to be made.

To facilitate productive and meaningful deliberations, the proceedings of the Board meetings are conducted in accordance with a structured agenda with the supply of complete and timely information to enable the Board to discharge their responsibilities effectively and for them to make informed decisions. The Board reviews and deliberates on the Group's financial performance and results, business operations, reports of the various Board Committees, corporate exercises and strategic financial and investment decisions.

The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes. The Company Secretaries will circulate the draft minutes of meetings for the Board's and Board Committee's review and tabled for the confirmation in the subsequent meeting.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

## Access to Information and Advice

The Board has unrestricted access to all information within the Group and has the authority to seek any information they require from any employee of the Group and all employees must comply with such request. The Board is constantly kept informed of various requirements and updates issued by various regulatory authorities. In addition, the Board may obtain independent professional advice in furtherance of their duties whenever necessary at the Company's expense through an agreed procedure.

The Board is provided with relevant supporting information and data on operational, financial and corporate issues as well as minutes of meetings of the various Board Committees prior to the meetings to enable Directors to obtain further explanations and/or clarifications, if necessary, in order to ensure the effectiveness of the proceeding of the meetings. This information is circulated to the Board members at least seven (7) days prior to the Board meetings so as to provide the Directors with relevant and timely information to enable them to deliberate issues raised during Board meetings more effectively whilst highly sensitive corporate proposals may be circulated during the meeting. Additionally, the Management is also invited to brief and provide additional information or clarification in meetings of the Board and Board Committees.

## Sustainability

The Group acknowledges that it will be judged not solely on its financial performance but on its wider impact and role within the society. The MCGG recommends that the Board ensure that the Group's strategies promote sustainability, especially in the aspects of economic, environmental, social and governance.

As such, the Board assumes the ultimate accountability for the integration of sustainability throughout the organisation, including sustainability-related strategy and performance. The Board is committed to promoting sustainability and continuously integrates it into its working environment, business processes and strategy-making process within the Group.

The Board is committed to promote sustainability practices and had adopted sustainability framework and sustainability objectives which cover economic, environmental, social and governance aspects that embrace themes on community investment, energy, product and services responsibility, diversity, occupational safety and health and anti-corruption as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

Details of the Group's sustainability initiatives are set out in the Sustainability Statement.

## II. BOARD COMPOSITION

UUE is led and managed by a competent and experienced Board of Directors comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and background. The skills and backgrounds collectively represented on the Board should reflect the needs taking into consideration the diverse nature of the business environment in which UUE Group operates. For purposes of Board composition, diversity includes, but is not limited to, skills, experience, nationality, age, cultural background, gender and ethnicity. This enables the Board to carry out its responsibilities effectively and ensures accountability. The current Board is drawn from different ethnic, cultural and socio-economic background with their age ranging from 43 years to 62 years to ensure that different viewpoints are considered in the decision making process.

As at the date of this statement, the Board has eight (8) members, comprising four (4) EDs (including the MD) and four (4) INEDs (including the Chairman of the Board).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The current Directors of the Company as at the date of this statement are as follows and their profile of are set out in pages 17 to 24 of this Annual Report: -

Name of Directors	Gender	Directorate
LEE CHYE TEE	Male	Independent Non-Executive Chairman
DATUK DR. TING KOK HWA	Male	Managing Director
HIN WAI MUN	Male	Executive Director
CHONG TUOO CHOI	Male	Executive Director
VINCENT WONG SOON CHOY	Male	Executive Director
NG LEE THIN	Female	Independent Non-Executive Director
LATHA A/P DHAMODARAN PILLAY	Female	Independent Non-Executive Director
GOH LEI LEI	Female	Independent Non-Executive Director

This composition fulfils the requirements of Rule 15.02(1)(a) of the ACE LR of Bursa Securities which require at least two (2) directors or at least one third (1/3) of the Board members whichever is higher comprised of independent directors as well as Practice 5.2 of the MCCG which recommends that at least half of the Board members comprise of independent directors.

Currently, three (3) members of the Board are of the female gender, which represents 37.5% of the Board's composition. This is in compliance with Rule 15.02(1)(b) of the ACE LR of Bursa Securities which requires at least one (1) woman director on the Board as well as Practice 5.9 of the MCCG which recommends that the Board to have at least 30% women Directors. The Board also adopted Diversity Policy which cover a policy of, at least one (1) member of the Board shall be of the female gender and will actively work towards having more female Directors on the Board and Senior Management.

Based on the results of the evaluation of the performance of the Board as a whole, the performance of the Board Committees and the performance of each individual Director, the NC and the Board were satisfied with the existing size, structure and composition, and were of the view that the existing structure, size, composition, current mix of skills, competence, knowledge, experience and qualities of the existing Board members were appropriate to enable the Board to carry out its responsibilities effectively.

All the Directors of the Company do not hold more than five (5) directorships in listed issuers as required under Rule 15.06 of the ACE LR.

## Attendance of Board and Board Committees Meetings

The Board schedules at least four (4) meetings in a financial year with additional meetings to be convened as and when necessary. During FYE 2025, the Board conducted five (5) Board Meetings where they deliberated and approved various reports and matters, including the quarterly financial results of the Group.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The attendance record of Directors at the Board and Board Committees meetings held during FYE 2025 is set out below: -

Name of Director	Attendance			
	Board	ARMC	NC	RC
LEE CHYE TEE	5/5	-	-	-
DATUK DR. TING KOK HWA	5/5	-	-	-
HIN WAI MUN	5/5	-	-	-
CHONG TUOO CHOI	5/5	-	-	-
VINCENT WONG SOON CHOY	5/5	-	-	-
NG LEE THIN	5/5	5/5	2/2	2/2
LATHA A/P DHAMODARAN PILLAY	5/5	5/5	2/2	2/2
GOH LEI LEI	5/5	5/5	2/2	2/2

## Nominating Committee ("NC")

The NC comprises exclusively of INEDs. The NC of the Company is chaired by the Independent Non-Executive Director.

The primary responsibilities of the NC are set out in detail in its Terms of Reference which is made available on the Company's website.

During FYE 2025, the members of the NC were as follows:

Name of NC Members	Designation	Directorate
LATHA A/P DHAMODARAN PILLAY	Chairman	Independent Non-Executive Director
NG LEE THIN	Member	Independent Non-Executive Director
GOH LEI LEI	Member	Independent Non-Executive Director

The Company is in compliance with Practice 1.4 of the MCCG whereby the Chairman of the Board, Mr Lee Chye Tee is not a member of the ARMC, NC and RC.

In compliance with the provision of Rule 15.08A(3) of the ACE LR of Bursa Securities, the activities of the NC for the FYE 2025 are set out in Practices 5.3, 5.7 and 6.1 of the CG Report 2025.

## Independence of the Board

The Board has also adopted the best practices for assessing the independence of Independent Directors annually and the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. When the Board retains an Independent Director, who has served in that capacity for more than nine (9) years, the Board would justify its decision and seek shareholders' approval.

As the Company was listed on the ACE Market of Bursa Securities on 2 July 2024, none of the Independent Directors has exceeded a cumulative term of more than nine (9) years in the Company as at the date of this Statement.



# CORPORATE GOVERNANCE OVERVIEW

## STATEMENT (continued)

The Board adopted the concept of independence in tandem with the definition of the Independent Directors under Rule 1.01 and Guidance Note 9 of the ACE LR of Bursa Securities.

In addition, all the Independent Directors are independent of Management and have no family or business relationships with the Executive Directors and major shareholders, which would interfere with the execution of their independent judgement.

The Independent Directors provide their independent view, unbiased judgment and knowledge to the management as well as safeguarding the interests of the shareholders and do not participate in the day-to-day management of the Group.

NC had assessed and concluded that all four (4) Independent Directors satisfy the independence test under the ACE LR of Bursa Securities. The Board is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interests of the Company. The Independent Directors constitute half of the current Board structure.

### Appointment to the Board

The Board is committed to upholding high standards of governance in respect of new appointments to the Board to ensure that the Directors of the Company conform with the Company's Fit and Proper Person Policy and that the Directors of the Company are comprised of those, who have the necessary skills, competencies, commitment, character, integrity and experience to complement the efficiency and effectiveness of the Board as a whole. The Board is guided by Board's Procedures for Appointment of Directors, a formal and transparent procedures relating to appointment of Directors.

The Board's Fit and Proper Person Policy and procedures for appointments to the Board are viewed as a vital component of the governance process in determining the composition, size, balance, competencies and ultimately the quality and integrity of the Board.

The NC is responsible for assessing and recommending suitable candidate(s) for directorship to the Board, leveraging on several sources such as recommendation from existing Board members, Senior Management, substantial shareholders, business associates and referrals from third party consultants and independent sources such as professional bodies and organisation to gain access to wide pool of potential candidates, based on the profile and background of the candidate(s).

The NC is mindful of the importance of succession planning for the members of the Board and Senior Management including formalising its stand and approach to boardroom diversity. The NC will where practicable, maintain a database of suitable and potential candidate(s) for meeting the roles identified.

### Re-election of Directors

The re-election of Directors provides an opportunity for shareholders to renew their mandate conferred to the Directors.

Clause 133 of the Company's Constitution provides that all directors shall retire by rotation once in every three (3) years or at least one-third (1/3) of the Board shall retire but shall be eligible to offer themselves for re-election at the Annual General Meeting ("AGM"). Whereas Clause 118 of the Company's Constitution provides that any Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next AGM and shall then be eligible for re-election.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The Director who is subject to re-election and/or re-appointment at the next AGM shall be assessed by the NC before recommendation is made to the Board and shareholders for the re-election and/or re-appointment.

The above provisions are adhered to by the Board. Information on Directors standing for re-election are outlined in the Profile of Directors. These include their age, gender, date of appointment, directorate, details of any board committee, directorships in other public companies and listed corporation, qualification, working experience, and any conflict of interest as well as their shareholdings in the Company is set forth in the Directors' Profiles and the Analysis of Shareholdings while their attendance of the Board meetings are set forth in the Corporate Governance Overview Statement of this Annual Report.

At the forthcoming 2nd AGM, Mr Hin Wai Mun, Ms Ng Lee Thin and Ms Latha A/P Dhamodaran Pillay are due to retire by rotation under Clause 133 of the Company's Constitution and being eligible have offered themselves for re-election.

Following the NC's review on the performance of the Directors and having noted their significant and valued contributions to the Board, the NC had recommended their re-election to the Board and the Board had concurred with such recommendation and are recommending that the shareholders re-elect the retiring Directors at the forthcoming 2nd AGM.

The Directors subject to retirement have completed their respective Declarations in accordance to the Fit and Proper Person Policy to affirm that they have fulfilled the fit and proper person criteria relating to their Probity, Personal Integrity, Reputation and Financial Integrity.

## Fit and Proper Person Policy

The Board had adopted the Fit and Proper Person Policy to ensure that the Board's quality and integrity is maintained and up to expectations. It also serves as guidance for the appointment, re-election of Directors and the appointment of key management personnel to carry out their responsibilities with full competence, character, diligence, integrity and judgement. The main objective of this Policy is to ensure that the Group is led by persons of integrity, credibility and competency as well as to enable the discharge of the responsibilities required of the position in the most effective manner.

The Company's Fit and Proper Person Policy is made available on the Company's website.

## Evaluation of Board Performance

The Board through the NC evaluates the performance of the Board as a whole, the Board Committees, the individual Directors and the independence of the Independent Directors on an annual basis. The evaluation criteria and processes are in accordance with the procedure that has been established, endorsed and approved by the Board following the recommendation made by the NC. The Board evaluation process is carried out by way of peer assessment, in the form of evaluation questionnaires completed, reviewed and deliberated by the NC before its findings and recommendations were tabled to the Board.

As part of the annual assessment of the individual Directors, the NC will review the professionalism, integrity, honesty, competency, time commitment, contribution and performance and ensure no conflict of interest arises that would impair their ability to represent the interest of the Company's shareholders and stakeholders and to fulfil the responsibilities of a director.

The evaluation of the performance of the Chairman of the Board, the Chairman of the ARMC, NC and RC were conducted by NC with each Director abstained from deliberation on his/her own evaluation.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

## Training and Development of Directors

The Board recognises that it is imperative that Directors devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes and had adopted a Continuing Education Policy to set forth the elements of continuing education for Board members in addition to the initial induction process to ensure that Board members maintain and update their skills and knowledge necessary to meet their obligations. Continuing Education Policy is made available on the Company's website.

The Directors are also encouraged to evaluate their own training needs on a continuous basis to determine and attend the relevant training programmes, seminars, briefings or dialogues to further enhance their skills and knowledge in the latest statutory and regulatory requirements as well as to keep abreast with the business development to assist them in discharging their duties and responsibilities more effectively.

During FYE 2025, the Directors had attended the following training programmes: -

Date	Training Programmes	Name of Director
13 – 14 March 2024	Mandatory Accreditation Programme (MAP) by Institute of Corporate Directors Malaysia ("ICDM")	Datuk Dr. Ting Kok Hwa Hin Wai Mun Chong Tuoo Choi Latha A/P Dhamodaran Pillay Goh Lei Lei
29 April 2024	Case Study Series on Directors' and Members' Written Resolutions by MAICSA	Lee Chye Tee
7 May 2024	Digital Signature – Understanding its principles & applications by Malaysian Institute of Accountants ("MIA")	Lee Chye Tee
1 August 2024	Loan to Directors and Other Parties by SSM	Lee Chye Tee
19 August 2024	Understanding of New SST Imposed on Logistics, Repair or Maintenance Services by MIA	Lee Chye Tee
27 – 28 August 2024	SSM National Conference 2024	Lee Chye Tee
18 September 2024	Common Offences under CA2016 by SSM	Lee Chye Tee
24 October 2024	ESG and IFRS S1 & S2 by MIA	Vincent Wong Soon Choy
12 November 2024	Turning Tough into Triumph: Strategic Planning for Malaysia's 2025 Fiscal Shift by Crowe CPE Sdn. Bhd.	Ng Lee Thin
13 November 2024	2025 Budget Seminar by MIA	Lee Chye Tee
14 November 2024	Sustainability – Related Risks & Opportunities by MAICSA	Datuk Dr. Ting Kok Hwa Hin Wai Mun Chong Tuoo Choi Ng Lee Thin Goh Lei Lei
19 November 2024	2025 Budget Seminar by Malaysian Institute of Accountants ("MIA")	Vincent Wong Soon Choy
20 November 2024	Current Issues in Risk Management by MAICSA	Latha A/P Dhamodaran Pillay
20 November 2024	Data Compliance Report (DCR) 2024 by MAICSA	Lee Chye Tee

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

## III. REMUNERATION

### Remuneration Committee ("RC")

The RC comprises exclusively of INEDs as follows:

Name of RC Members	Designation	Directorate
GOH LEI LEI	Chairman	Independent Non-Executive Director
LATHA A/P DHAMODARAN PILLAY	Member	Independent Non-Executive Director
NG LEE THIN	Member	Independent Non-Executive Director

The RC and Board are mindful of the need to remunerate and retain its Directors and Senior Management to ensure that their commitment remains intact as well as to properly motivate, inspire and drive their performance. Their remuneration package is therefore, directly linked to their performance, service, seniority, experience and scope of responsibilities.

The RC is responsible to establish, recommend and constantly review a formal and transparent remuneration policy and terms of employment for the Board to attract and retain directors and Senior Management which is aligned with the business strategy and long-term objectives of the Group taking into consideration that the remuneration of the Directors and Senior Management should reflect the responsibilities, expertise and complexity of the Company's activities.

The Board had formalised and adopted a Remuneration Policy for the Board and Senior Management to attract and retain the Directors and Senior Management required to lead and control the Group effectively. In the case of EDs and Senior Management, the components of the remuneration package are linked to corporate and individual performance. For Non-Executive Directors, the level of remuneration is reflective of their experience, seniority and level of responsibilities.

The Board as a whole will determine the remuneration of the EDs, INEDs and Senior Management, with each individual Director abstaining from deliberation and decision of their own remuneration.

The RC had reviewed the remuneration of the EDs and the Senior Management for FYE 2024 and FYE 2025 and recommended to the Board for approval. The RC had also reviewed the Directors' Benefit for FYE 2026 as well as Directors' Fees for FYE 2025 and 2026 payable to the Directors and the Board as a whole had reviewed and resolved the same for recommendation to the shareholders for consideration and approval at the 2nd AGM.

The Remuneration Policy for Directors and Senior Management is available on the Company's website.

The details of the remuneration and benefits paid to the Directors and Key Senior Management of the Company and the Group for services rendered in all capacities for FYE 2025 are tabulated under Practice 8.1 of the CG Report 2025.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### I. AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC")

The ARMC comprises exclusively of INEDs as follows:

Name of ARMC Members	Designation	Directorate
NG LEE THIN	Chairman	Independent Non-Executive Director
LATHA A/P DHAMODARAN PILLAY	Member	Independent Non-Executive Director
GOH LEI LEI	Member	Independent Non-Executive Director

The ARMC Chairman, Ms Ng Lee Thin is a member of the Malaysian Institute of Accountants and is not the Chairman of the Board.

The ARMC is authorised by the Board to investigate any activity within its Terms of Reference. It shall have full and unrestricted access to any information pertaining to the Company and the Group and is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the ARMC.

The detailed Terms of Reference of the ARMC outlining the composition, duties and functions, authority and procedures of the ARMC is made available on the Company's website. The independence, objectivity and integrity of the members of the ARMC are the key requirements which the Board recognises as essential for an effective and independent ARMC. None of the members of the Board is a former key audit partner. As a measure to safeguard the independence and objectivity of the audit process, the ARMC has incorporated a policy stipulation that governs the appointment of a former key audit partner to the ARMC. The policy which is codified in the ARMC's Terms of Reference requires a former key audit partner to observe a cooling-off period of at least three (3) years before he can be considered for appointment as a committee member.

Further information on the summary of activities of the ARMC are set out in the Audit and Risk Management Committee Report of this Annual Report.

#### Assessment of External Auditor

The ARMC has adopted a procedure to assess the suitability, objectivity and independence of the External Auditors. The ARMC continues assessing the level of non-audit services rendered by the External Auditor to ensure that such services will not impair their objectivity and independence. Being satisfied with the performance, technical competence and audit independence, the ARMC will then recommend any reappointment decision to the Board, where the Board will make the appropriate recommendation to seek shareholders' approval in the AGM.

### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board affirms its overall responsibility for maintaining a sound governance, risk management and internal control systems and for reviewing their adequacy and effectiveness so as to provide assurance on the achievement of the Group's corporate objectives and strategies and to safeguard all its stakeholders' interests and protecting the Group's assets as well as to establish the risk appetite of the Group based on the corporate objectives, strategies, external environment, business nature and corporate lifecycle.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The ARMC assists the Board in discharging its roles and responsibilities to oversee the effectiveness and adequacy of the risk management and internal control system of the Group.

To maintain total independence in the management of the Group's internal control environment and ensure compliance with the ACE LR, the Group has an internal audit function which is outsourced to an independent professional service firm, NeedsBridge Advisory Sdn Bhd, who reports directly to the ARMC and assists the ARMC in managing the risks and establishment of the internal control system and processes of the Group by providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes.

Recognising the importance of risk management processes and practices, the Board has formalised a risk management policy to enable management to identify, evaluate, control, monitor and report to the Board the principal business risks faced by the Group on an ongoing basis, including remedial measures to be taken to address the risks.

Further details pertaining to the review on the Group's internal control system and its effectiveness are set out in the Statement on Risk Management and Internal Control of this Annual Report.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### I. COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of communications with its stakeholders and is committed to upholding high standards of transparency and promotion of investor confidence through the provision of comprehensive, accurate and quality information on a timely basis.

The Board has in place the Stakeholders Communication Policy which sets out the aims and practices of the Company in respect of communicating with its shareholders (both current and prospective) and adopted the Corporate Disclosure Policy with the following primary objectives:

- To promote and elevate a high standard of integrity and transparency through timely comprehensive, accurate, quality and full disclosure;
- To promote and maintain market integrity and investor confidence;
- To exercise due diligence to ensure the veracity of the information being disseminated is factual, accurate, clear, timely and comprehensive;
- To build good relationships with all stakeholders based on transparency, openness, trust and confidence;
- To have in place efficient procedures for management of information, which promotes accountability for the disclosure and dissemination of material information; and
- To enable shareholders and stakeholders to assess to the Company's business information including financial reporting and other corporate reporting disclosure.

The detailed Stakeholders Communication Policy and Corporate Disclosure Policy are made available on the Company's website.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

## II. CONDUCT OF GENERAL MEETINGS

As stated earlier, the Board recognises the importance of communications with its shareholders and will take appropriate measures to encourage shareholders' participation at general meetings as recommended under the MCGG.

This includes the Chairman highlighting to shareholders and proxy holders, their right to speak up at general meetings, the conduct of poll voting for all resolutions tabled at general meetings.

In line with the best CG practice, the Notice of AGM and Annual Report were disseminated to shareholders at least 28 days before the AGM in order to provide sufficient time for shareholders to understand and consider the proposed resolutions tabled at the AGM.

This CG Overview Statement was approved by the Board of the Company on 6 June 2025.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

This statement has been prepared pursuant to Rule 15.26(b) of the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guideline") and Malaysian Code on Corporate Governance 2021 ("MCCG"). The Board of Directors ("the Board") of UUE Holdings Berhad ("UUE" or "the Group") is pleased to present the Statement on Risk Management and Internal Control for the financial year ended 28 February 2025.

## BOARD RESPONSIBILITIES

The Board affirms its overall responsibility for maintaining a sound governance, risk management and internal control system and for reviewing their adequacy and effectiveness to provide assurance on the achievement of the Group's mission, vision, core values, strategies and business objectives as well as to safeguard all its stakeholders' interests and protecting the Group's assets. The Board has established the risk appetite of the Group within which the Board expects the management to operate based on the risk capacity, strategies, internal and external business context, business nature and corporate lifecycle. The Board is committed to the establishment and maintenance of an appropriate control environment that is embedded into the corporate culture, strategies and processes of the Group as well as to articulate the importance of adequate and effective risk management and internal control system. The Board delegates the duty of identification, assessment and management of key business risks and opportunities to the Top Management, jointly led by the Managing Director ("MD") and Executive Directors ("EDs"), while the Audit and Risk Management Committee ("ARMC"), through its terms of reference approved by the Board, is delegated with the duty to review the adequacy and effectiveness of risk management and internal control system of the Group. Through the ARMC, the Board is kept informed on all significant risks and control issues brought to the attention of the ARMC by the Top Management, Sustainability and Risk Management Committee ("SRMC"), the outsourced internal audit function and the external auditors.

The system of internal control covers, inter-alia, control environment, risk assessment, control activities, information and communication and monitoring activities. However, in view of the limitations that are inherent in any system of internal control, the system of internal control is designed to manage, rather than to eliminate, the risk of failure to achieve the Group's business objectives. Accordingly, the system of internal control can only provide reasonable and not absolute assurance against material misstatement, loss or fraud.

## RISK MANAGEMENT

The Board recognises risk management as an integral part of the system of internal control and good management practice in the pursuits of its mission, vision, core values, strategies and business objectives. The Board maintains an on-going commitment to systematically identify, analyse, evaluate and manage significant risks and opportunities faced by the Group. The Board has put in place a formal Risk Management Framework for the governance structure, framework and processes for enterprise-wide risk management. This serves to embed the risk management practices into all levels of the Group and to manage key business risks faced by the Group and to optimise key business opportunities available to the Group adequately and effectively as a second-line-of-defence.

The Board delegates the duty of risk management to the Top Management, with further support from the SRMC. It is the duty of the Top Management to ensure that risk management system is implemented across all level of the Group, horizontally and vertically, to ensure all key business risks are identified and managed. The duty for managing risk at operational level lies with Risk Owners identified, who are also responsible for carrying out an on-going process of identifying and assessment of risk, evaluating the adequacy and integrity of the controls and as well as formulating and implementing treatment plan(s) for mitigating the risks identified in line with the risk appetite of the Group.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

The principles, practices and process of the Group Risk Management Framework established by the Board are, in material aspects, guided by the ISO 31000:2018 – Risk Management - Guidelines.

The roles and responsibilities of the Top Management and SRMC are as follows:

## Top Management

- (a) implement the Group Risk Management Framework approved by the Board;
- (b) implement the risk management process which includes the identification of key risks and devising appropriate action plan(s) in cases where existing controls are ineffective, inadequate or non-existence and communicate methodology to the Risk Owners;
- (c) ensure that risk strategies adopted are aligned with the Group's organisational strategies. (e.g. vision/mission, corporate strategies/goals, etc.), Group Risk Management Framework (including policies and processes) and risk appetite;
- (d) continuous review and monitoring of existing and emerging risks and risk and update of the Risk Register (including incorporation new or emerging risks or integration of business risks from implementation and integration of new strategies and business objectives into new key risk registers for monitoring);
- (e) review of risk incidents reported by Risk Owners to ensure that appropriate mitigation plans undertaken and are properly escalated to ARMC if it is material;
- (f) update the ARMC and the Board, via SRMC, on the developments in the Risk Register and Risk Incident reported (at least once annually) or when appropriate (due to significant change to the internal and external business context), the course of action to be taken by management in managing the changes and monitoring activities in relation to compliance of Group Risk Management Framework, Policies and Procedures; and
- (g) to perform strengths, weaknesses, opportunities and threats (SWOT) Analysis for all options of the proposed strategies and business objectives and to monitor and report to the Board on the progress of the implementation and integration for merger & acquisition during the scheduled meetings until it is implemented and integrated completely into the Group.

## SRMC

- (a) acting as central reference and guide for all risk management issues within the Group;
- (b) facilitating, supervising and monitoring the implementation and compliance of Group Risk Management Framework, risk management policy and process (post implementation) in the Group and to report any non-compliance to Top Management (on annual basis or as and when required for material non-compliance) and ARMC (on annual basis);
- (c) facilitating and coordinating all risk management processes and activities (for example, continuous monitoring of risks and risk events identified, identification and incorporation of new or emerging risks into Risk Register, update (including analysis and evaluation) of risks, project leader in dealing with new or changes in material risks, progress of mitigation plans implementation, risk reporting and continuous improvement in risk management process) in the Group;
- (d) documenting all risk management activities in the Group;
- (e) planning or coordinating internal assurance activities in relation to the risk management process and its components and report to Top Management and ARMC on the results of internal assurance activities (with mitigation plans);
- (f) reporting of compliance performance of Group Risk Management Framework, the updates of Risk Register due to new or emerging risks or changes in the existing risks, the mitigation plans (and its progress), Risk Incidents (including its mitigation plans and incidents of material risks not mitigated);
- (g) ensuring the emergence of new business risks or change in the existing risks (and mitigation plans) is properly recorded by Risk Owners in Risk Register with such risks are properly identified, analysed and evaluated on a timely manner and escalated to Top Management and ARMC (as and when required as permitted by the significance of such risks);

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

- (h) reviewing the occurrence of the Risk Incidents and its mitigation plans (as to its adequacy) as reported by the Risk Owners and escalated to ARMC as and when required as permitted by the significance of the key risks or risk events;
- (i) together with the above monitoring and review functions, reviewing and assessing the adequacy and effectiveness of the Group Risk Management Framework (including policies and processes and to recommend continuous improvements as may be deemed necessary to the Top Management and ARMC based on the results of its review;
- (j) ensuring proper reporting and communication of all risk matters at appropriate level, including but not limited to, the use of Risk Register or meetings or other electronic platforms to facilitate the risk management process and reporting are embedded into daily operations to decision making at highest governance body of the Group; and
- (k) ensuring adequacy of appropriate trainings at appropriate level of staffs on risk management process and reporting so that risk awareness is maintained or improved and risk management process and reporting are embedded into daily operations to decision making at highest governance body of the Group.

In addition, the Risk Owners, within their areas of expertise and delegated with operational responsibilities with the following roles and responsibilities:

- (a) manage the risks of the business processes under his / her control;
- (b) continuously identify risks (including feedbacks from engagement with stakeholders) and evaluate existing controls. If controls deemed ineffective, inadequate or non-existent, to establish and implement controls to reduce the likelihood and/or impact as well as to escalate to his superior if the compliance failure is material;
- (c) to report to the SRMC of the emergence of new risks or change in the existing risks (and mitigation plans) through the use of Risk Register on a timely manner;
- (d) to report to the SRMC on the updates on Risk Register annually via Risk Register for risk(s) under his/her responsibility and escalate to SRMC and Top management;
- (e) to escalate to the SRMC and the Top Management (if involving risks with significant impact or above approved risk appetite) or superior (if involving other risks) on the occurrence of the Risk Incidents and its mitigation plans;
- (f) to assist with the development of the management action plans and implement these action plans;
- (g) to update the SRMC on the progress of management action plans and the status of these plans;
- (h) ensure that staffs working under the him/her understand their roles as first-line, risk exposure of the relevant process under his / her duty and the importance of the related controls; and
- (i) ensuring adequacy of training for staff on risk and opportunity management.

The Group Risk Management Framework specifies the structured risk management process, where each step of the risk and opportunity identification, evaluation, control identification, treatment and control activities are laid down for application by the Top Management and Risk Owners.

Based on the risk management process, key risk registers are compiled by SRMC with the participation of the Risk Owners, with relevant key risks identified rated based on the agreed upon risk rating. The key risk registers are used for the identification of high residual risks which is above the risk appetite of the Group that require the Top Management and the Board's immediate attention and risk response(s) as well as for future risk monitoring. As an important risk monitoring mechanism, SRMC is scheduled to review the key risk registers of key operating subsidiaries and assessment of emerging risks identified at strategic and operational level on annual basis or on more frequent basis if circumstances required and to report to the ARMC on the results of the review and assessment. The ARMC met once to review and assess the adequacy and effectiveness of the risk management structure, risk policies, processes and relevant support system. Besides, the ARMC also reviewed, assessed and deliberated risk profile presented with responses and strategies formulated to the key strategic and operational risks deliberated and reported to the Board on the results of its review.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

As the first line of defence, respective Risk Owners are responsible for managing the risks within their responsibilities. Risk Owners are responsible for effective and efficient operational monitoring and management by way of maintaining effective internal controls and executing risk and control procedures on a day-to-day basis. Changes in key risks, or the emergence of new key risks, are identified through daily operational management and controls, as well as the review of financial and operational reports by respective levels of Management. These reports are generated by the internal management information system and are supplemented by relevant external data and information collected. Respective Risk Owners are responsible for assessing changes in both existing and emerging risks, and for formulating and implementing effective controls to manage these risks. Critical or material risks are highlighted to the Top Management for final decision on the formulation and implementation of effective internal controls, and for subsequent reporting to the ARMC and/or the Board.

The monitoring of the risk management by the Group is enhanced by the internal audits carried out by the outsourced internal audit function with specific audit objectives and business risks identified for each internal audit cycles based on the internal audit plan approved by the ARMC.

The above process has been practiced by the Group for the financial year under review and up to the date of approval of this statement.

## INTERNAL CONTROL SYSTEM

The key features of the Group's internal control system are made up of five (5) core components, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities with the principles representing the fundamental concepts associated with each component as follows:

- **Board of Directors and Board Committees**

The role, functions, composition, operations and processes of the Board are guided by a formal Board Charter whereby roles and responsibilities of the Board, the Chairman of the Board, the MD and EDs are specified to preserve the independence of the Board from the Management and to improve the oversight roles of the Board.

Board Committees (i.e. ARMC, Remuneration Committee and Nominating Committee) are established to carry out duties and responsibilities delegated by the Board, governed by written terms of reference.

Meetings of the Board and ARMC are carried out on a quarterly basis to review the performance of the Group, from a financial and operational perspective while meetings for the Remuneration Committee and Nominating Committee are carried out at least once yearly or whenever deemed necessary. Potential business strategies and business plans are proposed by the EDs to the Board for its review and approval, after taking risk into consideration and responses thereto.

- **Organisation Structure and Accountability**

Clearly defined and structured lines of reporting and responsibility for key business units/departments within the Group are established to ensure operational efficiency, accountability and effectiveness with the Board assuming the oversight roles. Suitably qualified employees are employed so that the appropriate level of authority and responsibilities can be delegated while accountability of performance and controls are assigned accordingly.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

- **Human Resource Management**

Job descriptions are established and annual performance appraisals are performed for key positions within the Group in order to ensure employees are equipped with the relevant knowledge and skills required to perform their duties and responsibilities diligently and effectively. Comprehensive guidelines on human resource management are in place to ensure the Group's ability to operate in an effective and efficient manner by employing and retaining adequate competent employees who possess the necessary knowledge, skill and experience (which are enhanced by continuous trainings thereafter) to carry out their duties and responsibilities effectively and efficiently.

- **Policies, Procedures and Authorisation Requirements**

Policies and standard operating procedures for the Group are established to regulate key processes in compliance with International Organisation for Standardisation ("ISO") certifications. Authorisation requirement for key processes is clearly defined in the respective policies and procedures and limit of the authority matrix.

- **Risk Assessment and Control Activities**

Risk assessment is performed by Risk Owners annually or when there is a change in internal and/or business context in accordance with the Group Risk Management Framework. Internal controls, as risk responses, are formulated and put in place to mitigate risks identified to a level acceptable by the Board. Policies and standard operating procedures are regularly reviewed and updated to ensure it is relevant to support the Group's business activities in achieving the Group's business objectives.

- **Integrity and Ethical Value**

The tone from the top on integrity and ethical values are enshrined in the formalised Code of Business Conduct & Ethics updated and approved by the Board. This formal code forms the foundation of integrity and ethical values for the Group.

Integrity and ethical values expected from the employees are incorporated in the Employees Handbook whereby ethical behaviours expected from customers, suppliers, employees, society and the environment are stated. The code of conduct expected from employees to carry out their duties and responsibilities assigned are also established and formalised in the Employees Handbook.

To further enhance the ethical value throughout the Group, a formal Anti-Bribery and Anti-Corruption Policy and Conflict of Interest Policy have been put in place by the Management to prevent the risk of bribery and conflict of interest within the Group with a Whistle-Blowing Policy implemented for all stakeholders to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity.

The Whistle-Blowing Policy is established to facilitate the reporting of improper conduct and other offences to the designated whistle blowing channel. This policy is available for download from the "Corporate Governance" section under "Investor Relations" of the Company's website for ease of access.

Compliance with the Code of Business Conduct & Ethics and Anti-Bribery and Anti-Corruption Policy is monitored via a control activity monitoring mechanism implemented (including but not limited to, Whistle-Blowing Policy) with non-compliances are timely detected and investigated with appropriate corrective action, including but not limited to disciplinary actions, taken to rectify non-compliance.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

- **Information and Communication**

At the operational level, clear reporting lines are established across the Group and operational reports are prepared for dissemination to relevant personnel for effective communication of critical information throughout the Group and for timely decision making and execution in pursuit of business objectives. Matters that require the Board and the Top Management's attention are highlighted for review, deliberation and decision on a timely basis.

The Group puts in place effective and efficient information and communication infrastructures and communication channels (i.e. computerised system, secured intranet, electronic mail system and modern telecommunication and processing system) so that operational data and external data can be collected and processed into relevant management information and communicated in a timely and secure manner to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders.

Communication of policies and procedures of the Group are conducted via written format, information boards, electronic mail system and in-house trainings by respective risk or control owners.

- **Monitoring and Review**

As the second-line-of-defence and at operational level, monitoring activities are embedded into the policies and procedures established by the Management with incidents of non-compliance and exceptions being noted and escalated to the appropriate level of management. Periodic management meetings are held to discuss and review budgets, financial and operational performance of key divisions/departments of the Group.

Apart from the above, quarterly financial statements which contains key financial results, operational and financial management reports are also presented by Group Accountant to the ARMC for review and reporting of the same to the Board to assess the operational performance, business strategies, future prospect and external business conditions. The ARMC also performed the review of the disclosure made by the directors of conflicts of interest or potential conflicts of interest.

In addition to the internal audits, any significant control issues are highlighted by the external auditors as part of their statutory audits. The monitoring of compliance with ISO certification is carried out by external ISO auditors as well as surveillance audit by independent consultants engaged by the Group.

## INTERNAL AUDIT FUNCTION

The review of the adequacy and effectiveness of the Group's risk management and internal control system is outsourced to an independent professional services firm, NeedsBridge Advisory Sdn Bhd, who, through the ARMC, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group's system on risk management and internal control. To uphold the professional firm's independence and objectives, the outsourced internal audit function reports directly to the ARMC.

The audit engagement of the outsourced internal audit function is governed by the engagement letter approved by the ARMC during the financial year under review. Key terms of the engagement include purpose and scope of works, accountability, independence, the outsourced internal audit function's responsibilities, the Management's responsibilities, the authority accorded to the outsourced internal audit function, limitation of scope of works, confidentiality, proposed fees and engagement team.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

The engagement director of the outsourced internal audit function, Ms. Law Su Peng, is a Chartered Accountant certified by the Malaysian Institute of Accountants and an associate member of the Institute of Internal Auditors Malaysia ("IIAM"). The internal audits are carried out, in all material aspects, in accordance with the International Professional Practices Framework ("IPPF"), i.e. Mission, Core Principles for the Professional Practice of Internal Auditing, Code of Ethics and the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors Global ("IIA"). During the financial year under review, the resources allocated to the fieldworks of the internal audit by the outsourced internal audit function were at least one (1) senior consultant and at least one (1) consultant per one (1) engagement with oversight performed by the director.

The risk-based internal audit plan in respect of the FYE 2025 was drafted by the outsourced internal audit function, after taking into consideration the existing and emerging key business risks identified in the Risk Register and was reviewed and approved by the ARMC prior to execution. Each internal audit cycle within the internal audit plan is specific with regards to audit objective, key risks to be assessed and scopes of the internal control review.

As the third-line-of-defence, the internal control review procedures performed by the outsourced internal audit function are designed to understand, document and evaluate risks and related controls in order to determine the adequacy and effectiveness of governance, risk structures, control structures and control processes. The outsourced internal audit function provides recommendations formulated based on the root cause(s) of the internal audit observations. The internal audit procedures applied principally consist of process evaluations through interviews with relevant personnel involved in the process under review, review of the standard operating procedures and/or process flows provided and observations of the functioning of processes against the results of interviews, documented standard operating procedures and/or process flows. Thereafter, testing of controls are carried out for the respective audit areas through the review of the samples selected based on sample sizes calculated in accordance with predetermined formulation, subject to the nature of testing and verification of the samples.

During the FYE 2025, based on the internal audit plan reviewed and approved by the ARMC before reported to the Board, the outsourced internal audit function conducted an audit on project management for one (1) of the key subsidiaries of the Group.

Upon the completion of the internal audit fieldwork, the internal audit report was presented to the ARMC during its scheduled meetings. During the presentation, the internal audit findings, priority level, risk/potential implication, internal audit recommendations, management responses/action plans, person-in-charge and date of implementation were presented and deliberated with the members of the ARMC. This is to enable the ARMC to form an opinion on the adequacy and/or effectiveness of the governance, risk and control of the business process under review. Since only one internal audit was carried out by the outsourced internal audit function following the Company's listing, no follow-up review on prior audit issues was performed during the financial year.

In addition, the outsourced internal audit function also presented its staff strength, qualifications and work experience and its independence for the ARMC's review during its scheduled meetings.

## ASSURANCE PROVIDED BY THE MD AND CHIEF FINANCIAL OFFICER ("CFO")

In line with the Guidelines, the MD, being highest ranking executive in the Group and the CFO, being the person primarily responsible for the management of the financial affairs of the Group have provided assurances to the Board that the Group's risk management and internal control systems have operated adequately and effectively, in all material aspects, to meet the Group's objectives during the financial year under review.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (continued)

Pursuant to Rule 15.23 of the ACE LR of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with the Audit and Assurance Practice Guide ("AAPG") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

Based on their review, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraph 41 and 42 of the Guideline and Practices 10.1 and 10.2 of the MCCG to be set out, nor is factually incorrect.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Directors and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy those problems.

## CONCLUSION

The Board is of the view that the Group's risk management and internal control system are in place for the financial year under review and up to the date of approval of this Statement, is adequate and operating effectively to safeguard the Group's assets, as well as the best interests of its shareholders, investors and other stakeholders, in all material aspects. There were no material weaknesses or failures that would have resulted in significant financial loss or impact.

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 6 June 2025.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. UTILISATION OF PROCEEDS RAISED FROM THE LISTING EXERCISE

The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 2 July 2024 ("Listing"). In conjunction with the Listing, the Company undertook a public issue of 124,902,000 new ordinary shares at an issue price of RM0.24 per share, raising gross proceeds of RM29,976,480 ("IPO Proceeds").

The status of the utilisation of the IPO Proceeds as at 28 February 2025 is as follows:

Utilisation of proceeds <sup>(1)</sup>	Proposed utilisation		Actual utilisation	Deviation	Unutilised amount	Estimated timeframe for utilisation <sup>(2)</sup>
	RM'000	%	RM'000	RM'000	RM'000	
Purchase of machinery and equipment	15,750	52.6	6,568	-	9,182	Within 24 months
General working capital	10,893	36.3	10,893	-	-	Within 12 months
Estimated listing expenses	3,333	11.1	3,333	-	-	Within 1 month
<b>Total</b>	<b>29,976</b>	<b>100.0</b>	<b>20,794</b>	<b>-</b>	<b>9,182</b>	

### Notes:

- <sup>(1)</sup> The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 28 May 2024.
- <sup>(2)</sup> From the date Listing of the Company on 2 July 2024.

## 2. AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable by UUE Holdings Berhad ("the Company" or "UUE") and its subsidiaries ("the Group") to the Group's external auditors and a firm affiliated to the external auditors' firm during financial year ended 28 February 2025 ("FYE 2025") are as follows:

Fees	Fees	
	Company RM	Group RM
Audit fees	30,000	175,894
Non-audit fees	5,000	5,000
<b>TOTAL</b>	<b>35,000</b>	<b>180,894</b>

## 3. MATERIAL CONTRACT INVOLVING THE INTEREST OF THE DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS

Save as disclosed in the audited financial statements for FYE 2025, there were no material contracts (not being contracts entered into in the ordinary course of business) either subsisting as at the financial year end or entered into since the end of the previous financial period by the Company and its subsidiaries involving the interest of the directors, chief executive and major shareholders.

# ADDITIONAL COMPLIANCE INFORMATION

## (continued)

### 4. EMPLOYEE SHARE SCHEME

The Company did not establish any Employees Share Scheme during FYE 2025.

### 5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

There were no recurrent related party transactions entered by the Group during the FYE 2025.

### 6. STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required under Rule 15.26(a) of the ACE Market Listing Requirements of Bursa Securities to issue a statement on its responsibility in the preparation of the annual audited financial statements.

The Directors are responsible for the preparation of the Annual Audited Financial Statements which give a true and fair view of the state of affairs of the Group and will ensure that they are presented in accordance with the provisions of the Companies Act, 2016 and the applicable approved accounting standards in Malaysia.

In the preparation of the Financial Statements for FYE 2025, the Directors are satisfied that the Group had used appropriate accounting policies that were consistently applied and supported by reasonable and prudent judgement and estimates.

### 7. LIST OF PROPERTIES HELD BY THE GROUP AS AT 28 FEBRUARY 2025

Registered Owner	Location	Approximate Land/Built-up Area	Description/ Existing Use	Tenure	Date of Acquisition	Net book value as at 28.2.2025 (RM)	Age of building (years)
Kum Fatt Engineering Sdn Bhd	PTD 204684 Jalan Sungai Tiram, Ulu Tiram, 81800 Ulu Tiram, Johor [GM 4360 Lot 198370 (formerly known as PTD 204684 HSM 4266), Mukim Plentong, District of Johor Bahru, State of Johor]	6,850.4 sq m / 1,441.3 sq m	Single storey open-sided factory building, guard house and bin centre / Tenanted to PPI and used as a factory	Freehold	29 October 2012	3,053,324	10 years

# DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 28 February 2025.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are provision of underground utilities engineering services and solutions as well as manufacturing and trading in plastic pipe. Further details of the subsidiaries are set out in Note 9 to the financial statements.

There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

## RESULTS

	<b>Group RM</b>	<b>Company RM</b>
Profit/(Loss) for the financial year	<u>22,971,935</u>	<u>(971,174)</u>
Profit/(Loss) attributable to owners of the parent	<u>22,971,935</u>	<u>(971,174)</u>

## DIVIDEND

No dividend has been paid, declared or proposed by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial year ended 28 February 2025.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

## ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up share capital of the Group and Company was increased by way of issuance of 608,291,900 new ordinary shares pursuant to the following:

- (i) Issuance of 483,389,900 new ordinary shares at an issue price of RM0.10 per share; and
- (ii) Issuance of 124,902,000 new ordinary shares at an issue price of RM0.24 per share pursuant to its Initial Public Offering exercise.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company. There was no other issuance of shares during the financial year.

The Company did not issue any debentures during the financial year.



# DIRECTORS' REPORT (continued)

## OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

## DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

### UUE Holdings Berhad

Datuk Dr. Ting Kok Hwa\*  
 Hin Wai Mun\*  
 Chong Tuoo Choi\*  
 Vincent Wong Soon Choy  
 Lee Chye Tee  
 Ng Lee Thin (f)  
 Latha A/P Dhamodaran Pillay (f)  
 Goh Lei Lei (f)

\*These Directors of the Company are also the Directors of certain subsidiaries of the Company.

### Subsidiaries of UUE Holdings Berhad (excluding those Directors listed above)

Dato' Tan Sui Hou  
 Datuk Ting Meng Pheng (f)  
 Ting Jing Lin (Appointed on 2 May 2025)

## DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares in the Company during the financial year ended 28 February 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

Shares in the Company	[----- Number of ordinary shares -----]			Balance as at 28.2.2025
	Balance as at 1.3.2024	Bought	Sold	
<u>Direct interests:</u>				
Datuk Dr. Ting Kok Hwa	100	335,349,900	(50,269,000)	285,081,000
Hin Wai Mun	-	54,160,000	(8,118,000)	46,042,000
Chong Tuoo Choi	-	45,430,000	(6,811,000)	38,619,000
Vincent Wong Soon Choy	-	6,000,000	-	6,000,000
Lee Chye Tee	-	500,000	(500,000)	-
Ng Lee Thin (f)	-	250,000	-	250,000
Latha A/P Dhamodaran Pillay (f)	-	100,000	(100,000)	-
Goh Lei Lei (f)	-	250,000	-	250,000

By virtue of Datuk Dr. Ting Kok Hwa's interest in the ordinary shares of the Company, he is deemed to be interested in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors in office at the end of the financial year held any interest in ordinary shares and options over ordinary shares of the Company and its related corporations during the financial year.

# DIRECTORS' REPORT (continued)

## DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Directors is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 28 February 2025 were as follows:

	<b>Group RM</b>	<b>Company RM</b>
Salaries and other emoluments	2,922,852	262,902
Directors' fee	250,666	250,666
Estimated monetary value of benefits-in-kind	262,180	-
	<u>3,435,698</u>	<u>513,568</u>

## INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for the Directors or officers and the auditors of the Group and of the Company during the financial year.

## OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

### (I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that provision need not be made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

# DIRECTORS' REPORT (continued)

## OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued)

### (I) AS AT THE END OF THE FINANCIAL YEAR (continued)

- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

### (II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
  - (i) which would render the amount written off for bad debts inadequate to any material extent or necessitate the making of provision for doubtful debts in the financial statements of the Group and of the Company;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
  - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

### (III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

# DIRECTORS' REPORT (continued)

## SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) On 27 November 2024, PPISB, a wholly owned subsidiary of the Company, had entered into a Sale and Purchase Agreement ("SPA") with a third party to acquire a piece of freehold land located in Mukim of Kota Tinggi, District of Kota Tinggi for total purchase consideration of RM9,868,039. The amount paid of RM1,068,039 has been recognised as part of capital work-in-progress as disclosed in Note 7 to the financial statements.

Subject to the terms and conditions stipulated in the SPA, the transaction is yet to be completed as at the financial year ended 28 February 2025, therefore the balance amount of RM8,800,000 had been disclosed as capital commitment in Note 27 to the financial statements.

Subsequent to the financial year, on 6 March 2025, the acquisition was completed pursuant to the terms of the SPA.

- (b) On 2 December 2024, KFESB, a wholly owned subsidiary of the Company, had entered into a Sale and Purchase Agreement ("SPA") with a third party to acquire a piece of freehold land located in Mukim of Plentong, District of Johor Bahru for total purchase consideration of RM4,002,055. The amount paid of RM400,206 has been recognised as part of capital work-in-progress as disclosed in Note 7 to the financial statements.

Subject to the terms and conditions stipulated in the SPAs, the transactions are yet to be completed as at the financial year ended 28 February 2025, therefore the balance amount of RM3,601,849 had been disclosed as capital commitment in Note 27 to the financial statements.

- (c) On 20 May 2025, the Company subscribed for 10 ordinary shares in a newly incorporated company, namely Enerxite Sdn. Bhd. ("ESB") for a total cash consideration of RM10.

Subsequently on 3 June 2025, the Company subscribed for an additional 599,990 new ordinary shares at an issue price of RM1 each. The collectively shareholding of the Company represents 60% of paid-up share capital of ESB.

# DIRECTORS' REPORT (continued)

## AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 28 February 2025 were as follows:

	Group RM	Company RM
Statutory audit	175,894	30,000
Non-statutory audit	5,000	5,000
	<u>180,894</u>	<u>35,000</u>

Signed on behalf of the Board in accordance with a resolution of the Directors.

.....  
**Datuk Dr. Ting Kok Hwa**  
 Director

Johor Bahru  
 6 June 2025

.....  
**Hin Wai Mun**  
 Director



## STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on page 93 to 140 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 28 February 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

.....  
**Datuk Dr. Ting Kok Hwa**  
Director  
Johor Bahru  
6 June 2025

.....  
**Hin Wai Mun**  
Director

## STATUTORY DECLARATION

I, Vincent Wong Soon Choy (CA 15468), being the Director primarily responsible for the financial management of UUE Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 93 to 140 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly )  
declared by the abovenamed at )  
Johor Bahru, Johor this )  
6 June 2025 )

.....  
**Vincent Wong Soon Choy**

Before me:

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UUE HOLDINGS BERHAD (Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of UUE Holdings Berhad, which comprise the statements of financial position as at 28 February 2025 of the Group and of the Company, and the statements of profit or loss and comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 93 to 140.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 28 February 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ('MFRSs'), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ('ISAs'). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Key Audit Matters of the Group

##### 1. *Revenue recognition for construction contracts*

Revenue from construction contracts of the Group with over time recognition for the financial year ended 28 February 2025 amounted to RM126,743,011 as disclosed in Note 20 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the satisfaction of performance obligations as stated in the contracts with customers, and the Group also estimates total contract costs in applying the input method to recognise revenue over time.

# INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF UUE HOLDINGS BERHAD (Incorporated in Malaysia)

## Key Audit Matters (continued)

### Key Audit Matters of the Group (continued)

#### 1. *Revenue recognition for construction contracts (continued)*

##### **Audit response**

Our audit procedures included the following:

- a. Reviewed documentation to support the estimated total contract sum in relation to identify distinct and material performance obligation;
- b. Reviewed documentation certified by customers to support the contract work performed by the Group;
- c. Assessed actual costs incurred by examining evidences such as claims and suppliers invoices; and
- d. Recomputed the progress towards complete satisfaction of performance obligations determined by management for revenue recognition.

#### 2. *Recoverability of trade receivables and contract assets*

As at 28 February 2025, net trade receivables and contract assets of the Group amounted to RM43,915,304 and RM64,599,308 respectively. The details of trade receivables and contract assets and their credit risks have been disclosed in Note 12 and Note 11 to the financial statements.

We determined this to be a key audit matter because it require management to exercise significant judgements in determining the probability of default by trade receivables and contract assets and appropriate forward-looking information.

##### **Audit response**

Our audit procedures included the following:

- a. Recomputed the probability of default using historical data and forward-looking information adjustment applied by the Group;
- b. Recomputed the correlation coefficient between forward looking information of the Group; and
- c. Inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

### Key Audit Matters of the Company

We have determined that there is no key audit matter to communicate in our auditors' report in respect of the audit of the financial statements of the Company.

## Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

# INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF UUE HOLDINGS BERHAD (Incorporated in Malaysia)

## Information Other than the Financial Statements and Auditors' Report Thereon (continued)

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards, and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and of the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

# **INDEPENDENT AUDITORS' REPORT (continued)**

**TO THE MEMBERS OF UUE HOLDINGS BERHAD (Incorporated in Malaysia)**

## **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

## **Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

Johor Bahru  
6 June 2025

**Sia Yeak Hong**  
03413/02/2027 J  
Chartered Accountant



# STATEMENTS OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	7	23,056,962	13,744,072	-	-
Right-of-use assets	8	10,202,041	10,855,420	-	-
Investments in subsidiaries	9	-	-	48,338,990	-
		33,259,003	24,599,492	48,338,990	-
<b>Current assets</b>					
Inventories	10	8,164,684	3,549,301	-	-
Contract assets	11	64,599,308	40,655,658	-	-
Trade and other receivables	12	48,662,142	32,408,441	22,973,516	-
Current tax assets		4,961	-	4,961	-
Cash and bank balances	13	25,070,998	18,148,650	3,844,931	10
		146,502,093	94,762,050	26,823,408	10
<b>TOTAL ASSETS</b>		<u>179,761,096</u>	<u>119,361,542</u>	<u>75,162,398</u>	<u>10</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital/Invested equity	14	77,230,044	3,908,045	77,230,044	10
Reserves	15	35,867,573	58,970,903	(2,831,957)	(1,860,783)
<b>TOTAL EQUITY</b>		113,097,617	62,878,948	74,398,087	(1,860,773)
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred tax liabilities	16	1,906,496	1,311,675	-	-
Deferred income	17	217,373	155,064	-	-
Lease liabilities	8	4,712,730	5,892,352	-	-
Borrowings	18	2,136,686	2,783,955	-	-
		8,973,285	10,143,046	-	-
<b>Current liabilities</b>					
Trade and other payables	19	20,836,845	17,433,864	764,311	1,860,783
Deferred income	17	23,559	16,095	-	-
Contract liabilities	11	1,289,337	2,182,114	-	-
Lease liabilities	8	2,983,440	2,944,064	-	-
Borrowings	18	28,744,032	20,077,410	-	-
Current tax liabilities		3,812,981	3,686,001	-	-
		57,690,194	46,339,548	764,311	1,860,783
<b>TOTAL LIABILITIES</b>		<u>66,663,479</u>	<u>56,482,594</u>	<u>764,311</u>	<u>1,860,783</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>179,761,096</u>	<u>119,361,542</u>	<u>75,162,398</u>	<u>10</u>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Revenue	20	170,024,142	125,695,914	915,760	-
Cost of sales		(123,054,950)	(87,901,225)	-	-
Gross profit		46,969,192	37,794,689	915,760	-
Other operating income		951,278	442,398	222,776	-
Net reversal/(loss) on impairment of receivables and contract assets		904,413	(1,081,170)	-	-
Administrative expenses		(15,386,670)	(13,400,640)	(2,054,671)	(1,855,754)
Selling and distribution expenses		(927,421)	(675,726)	-	-
Other operating expenses		(374,251)	(154,962)	-	-
Finance costs	21	(1,942,303)	(1,688,582)	-	-
Profit/(Loss) before tax	22	30,194,238	21,236,007	(916,135)	(1,855,754)
Tax expense	23	(7,222,303)	(5,328,901)	(55,039)	-
Profit/(Loss) for the financial year		22,971,935	15,907,106	(971,174)	(1,855,754)
<b>Other comprehensive income, net of tax</b>					
<b>Item that may be reclassified subsequently to profit or loss</b>					
Foreign exchange translation		(1,644,310)	1,276,410	-	-
<b>Total comprehensive income/(loss)</b>		21,327,625	17,183,516	(971,174)	(1,855,754)
Profit/(Loss) attributable to: Owners of the parent		22,971,935	15,907,106	(971,174)	(1,855,754)
Total comprehensive income/(loss) attributable to: Owners of the parent		21,327,625	17,183,516	(971,174)	(1,855,754)
Earnings per share attributable to owners of the parent (sen)					
Basic and diluted	24	4.53	2.62	-	-

The accompanying notes form an integral part of the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

Group	Note	Share capital RM	Invested equity RM	Foreign exchange translation reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 March 2023		2	3,908,035	1,222,600	43,374,996	48,505,633
Profit for the financial year		-	-	-	15,907,106	15,907,106
Other comprehensive income, net of tax		-	-	1,276,410	-	1,276,410
Total comprehensive income		-	-	1,276,410	15,907,106	17,183,516
<b>Transactions with owners</b>						
Dividends	26	-	-	-	(2,810,209)	(2,810,209)
Issuance of ordinary shares	14	8	-	-	-	8
Total transactions with owners		8	-	-	(2,810,209)	(2,810,201)
Balance as at 29 February 2024		10	3,908,035	2,499,010	56,471,893	62,878,948

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025 (continued)

Group	Note	Share capital RM	Invested equity RM	Merger reserve RM	Foreign exchange translation reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 March 2024		10	3,908,035	-	2,499,010	56,471,893	62,878,948
Profit for the financial year		-	-	-	-	22,971,935	22,971,935
Other comprehensive loss, net of tax		-	-	-	(1,644,310)	-	(1,644,310)
Total comprehensive (loss)/income		-	-	-	(1,644,310)	22,971,935	21,327,625
<b>Transactions with owners</b>							
Acquisition of subsidiaries in business combinations under common control	14	48,338,990	(3,908,035)	(44,430,955)	-	-	-
Issuance of ordinary shares pursuant to Initial Public Offering ("IPO")	14	29,976,480	-	-	-	-	29,976,480
Share issuance expenses	14	(1,085,436)	-	-	-	-	(1,085,436)
		77,230,034	(3,908,035)	(44,430,955)	-	-	28,891,044
Balance as at 28 February 2025		77,230,044	-	(44,430,955)	854,700	79,443,828	113,097,617

# STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

Company	Note	Share capital RM	Accumulated losses RM	Total equity RM
Balance as at 1 March 2023		2	(5,029)	(5,027)
Loss for the financial year		-	(1,855,754)	(1,855,754)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(1,855,754)	(1,855,754)
<b>Transaction with owners</b>				
Issuance of ordinary shares	14	8	-	8
Balance as at 29 February 2024/ 1 March 2024		10	(1,860,783)	(1,860,773)
Loss for the financial year		-	(971,174)	(971,174)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(971,174)	(971,174)
<b>Transactions with owners</b>				
Acquisition of subsidiaries in business combinations under common control	14	48,338,990	-	48,338,990
Issuance of ordinary shares pursuant to Initial Public Offering ("IPO")	14	29,976,480	-	29,976,480
Share issuance expenses	14	(1,085,436)	-	(1,085,436)
		77,230,034	-	77,230,034
Balance as at 28 February 2025		77,230,044	(2,831,957)	74,398,087

The accompanying notes form an integral part of the financial statements.



# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit/(Loss) before tax		30,194,238	21,236,007	(916,135)	(1,855,754)
Adjustments for:					
Amortisation of deferred income	17	(19,827)	(16,095)	-	-
Depreciation of:					
- property, plant and equipment	7	1,648,624	1,322,942	-	-
- right-of-use assets	8	2,699,038	2,348,583	-	-
Net (reversal)/loss on impairment of receivables and contract assets	22	(904,413)	1,081,170	-	-
Interest expenses	21	1,942,303	1,688,582	-	-
Interest income	22	(320,746)	(130,175)	(153,183)	-
(Gain)/Loss on disposal of:					
- property, plant and equipment	22	(614)	(13,998)	-	-
- right-of-use assets	22	560	-	-	-
Property, plant and equipment written off	7	86,674	103,513	-	-
Net unrealised gain on foreign exchange	22	(175,715)	-	-	-
Operating profit/(loss) before changes in working capital		35,150,122	27,620,529	(1,069,318)	(1,855,754)
Changes in working capital:					
Contract assets/contract liabilities		(23,579,274)	(15,168,472)	-	-
Inventories		(4,625,959)	(1,115,349)	-	-
Trade and other receivables		(16,591,135)	(10,183,432)	(63,558)	-
Trade and other payables		2,894,639	9,054,312	396,799	30,414
Cash (used in)/generated from operations		(6,751,607)	10,207,588	(736,077)	(1,825,340)
Tax paid		(6,381,679)	(3,442,204)	(60,000)	-
Tax refunded		-	202,691	-	-
Net cash (used in)/from operating activities		(13,133,286)	6,968,075	(796,077)	(1,825,340)

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025 (continued)

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash payment on:					
- property, plant and equipment	7(a)	(11,546,604)	(2,799,472)	-	-
- right-of-use assets	8(d)	(96,808)	(211,980)	-	-
Placement of pledged deposits with licensed banks		(200,919)	(2,034,881)	-	-
Proceeds from disposal of:					
- property, plant and equipment		2,000	14,000	-	-
- right-of-use assets		28,000	-	-	-
Advances to subsidiaries		-	-	(24,403,229)	-
Net cash outflow on acquisition of a subsidiary	9(c)	(272,627)	-	-	-
Interest received		320,746	130,175	153,183	-
Net cash used in investing activities		(11,766,212)	(4,902,158)	(24,250,046)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Dividends paid	26	-	(2,810,209)	-	-
Interest paid for borrowings		(1,449,021)	(1,257,268)	-	-
Net drawdown of borrowings		8,546,561	5,474,639	-	-
Net proceeds from issuance of ordinary shares		28,891,044	8	28,891,044	8
Repayments to a related party		-	(4,280)	-	-
Advances from subsidiaries		-	-	-	1,825,340
Drawdown of lease liabilities		719,199	598,813	-	-
Payment of lease liabilities		(4,145,639)	(4,147,671)	-	-
Net cash from/(used in) financing activities		32,562,144	(2,145,968)	28,891,044	1,825,348
Net increase/(decrease) in cash and cash equivalents		7,662,646	(80,051)	3,844,921	8
Effect of exchange rate fluctuations on cash and cash equivalents		(414,009)	588,296	-	-
Cash and cash equivalents at beginning of financial year		12,156,561	11,648,316	10	2
Cash and cash equivalents at end of financial year	13	19,405,198	12,156,561	3,844,931	10

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025 (continued)

## RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	Lease liabilities (Note 8) RM	[-----Borrowings*-----] (Note 18)	
		Term loans RM	Trade financing RM
Balance as at 1 March 2024	8,836,416	3,832,357	18,501,800
Cash flows:			
- Drawdown	719,199	448,000	92,446,593
- Principal repayment	-	(1,065,516)	(83,282,516)
- Lease payment	(3,652,357)	-	-
- Interest paid	(493,282)	(147,923)	(1,129,183)
Non-cash flows:			
- Addition of lease liabilities	1,932,969	-	-
- Lease modification	34,699	-	-
- Unwinding of interest	493,282	147,923	1,129,183
- Translation differences	(174,756)	-	-
Balance as at 28 February 2025	<u>7,696,170</u>	<u>3,214,841</u>	<u>27,665,877</u>
Balance as at 1 March 2023	8,932,990	6,075,836	10,726,767
Cash flows:			
- Drawdown	598,813	424,880	59,833,829
- Principal repayment	-	(2,725,274)	(52,058,796)
- Lease payment	(3,716,357)	-	-
- Interest paid	(431,314)	(192,889)	(869,181)
Non-cash flows:			
- Addition of lease liabilities	2,838,418	-	-
- Unwinding of interest	431,314	192,889	869,181
- Translation differences	182,552	56,915	-
Balance as at 29 February 2024	<u>8,836,416</u>	<u>3,832,357</u>	<u>18,501,800</u>

\* Borrowings excluded bank overdraft.

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

28 FEBRUARY 2025

## 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Suite 5.11 & 5.12, 5th Floor, Menara TJB, No. 9, Jalan Syed Mohd. Mufti, 80888 IIBD, Johor.

The principal place of business is located at No. 55 & 57, Jalan Teratai 7, Taman Johor Jaya, 81100 Johor Bahru, Johor Darul Takzim.

The consolidated financial statements for the financial year ended 28 February 2025 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 6 June 2025.

## 2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are provision of underground utilities engineering services and solutions as well as manufacturing and trading in plastic pipe. Further details of the subsidiaries are set out in Note 9 to the financial statements.

There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 5 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

During the financial year, the Group applied merger method of accounting on a retrospective basis arising from the acquisition of the entire equity interest of Kum Fatt Engineering Sdn. Bhd. ("KFESB"), Premier Plastic Industry Sdn. Bhd. ("PPISB") and Konnection Engineering Pte. Ltd. ("KEPL") by the Company in business combinations under common control. Consequently, the Group presented comparative information as if the business combinations had taken place before the start of the earliest period before presented in the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 3. BASIS OF PREPARATION (continued)

Consequently, the following accounting treatment has been applied in the consolidated financial statements arising from the business combinations under common control:

- (a) Assets and liabilities of KFESB, PPISB and KEPL are recognised and measured at their pre-business combination carrying amount without restatement to fair value;
- (b) Retained earnings and other equity reserves of the Group as at 1 March 2023 are those of KFESB, PPISB and KEPL;
- (c) Invested equity as at 1 March 2023 reflects the share capital of KFESB, PPISB and KEPL prior to the incorporation of the Company;
- (d) Comparative financial information are those of KFESB, PPISB and KEPL; and
- (e) The statements of financial position as at 29 February 2024 represents the financial position of the Group after reflecting the effect of the acquisitions during the financial year.

The preparation of financial statements in conformity with MFRSs and IFRS Accounting Standards requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

## 4. MATERIAL ACCOUNTING POLICIES

### 4.1 Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

- (a) The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;
- (b) Substantive potential voting rights held by the Company and by other parties;
- (c) Other contractual arrangements; and
- (d) Historic patterns in voting attendance.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4. MATERIAL ACCOUNTING POLICIES (continued)

### 4.1 Basis of consolidation (continued)

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

### 4.2 Business combinations under common control

Business combination involving entities under common control are accounted for by applying the merger method of accounting. The assets and liabilities of the merger entities are reflected at their carrying amounts reported in the individual financial information.

In a business combination under common control, any differences between the cost of the merger and the share capital of the 'acquired' entity are reflected within equity as merger reserve.

The statements of profit or loss and other comprehensive income reflect the results of the combining entities for the full financial years and the comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

### 4.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal depreciation rates are as follows:

Buildings	2%
Computers	10%
Equipment	10%
Electrical installation	10% - 20%
Furniture and fittings	10%
Motor vehicles	20%
Laboratory equipment	10%
Office equipment	10%
Plant and machinery	8.33% - 20%
Renovations	10%
Signboard	10%

Freehold land has unlimited useful life and is not depreciated.

Capital work-in-progress represents costs of acquisition of lands and buildings under construction and is stated at cost. Capital work-in-progress is not depreciated until such time when the asset is available for use.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4. MATERIAL ACCOUNTING POLICIES (continued)

### 4.4 Leases

#### The Group as a lessee

##### *Right-of-use asset*

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, as follows:

Buildings (rented)	2 - 10 years
Heavy movable machines	5 - 12 years
Laboratory equipment	10 years
Motor vehicles	5 years
Plant and machinery	12 years

##### *Lease liability*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the incremental borrowing rate of the Group. Subsequent to the initial recognition, the Group measures the lease liability by increasing the carrying amount to reflect interest in the lease liability, reducing the carrying amount to reflect lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

### 4.5 Contract assets/(liabilities)

Contract asset is the right to consideration for goods or services transferred to the customers.

Contract liability is the obligation to transfer goods or services to customer for which the Company has received the consideration or has billed the customer.

### 4.6 Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out formula. The cost of inventories comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods includes the cost of raw materials, direct labour, other direct costs and a proportion of production overheads based on normal operating capacity of the production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4. MATERIAL ACCOUNTING POLICIES (continued)

### 4.7 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. The following describes the performance obligations in contracts with customers:

#### (a) Construction contracts

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation using the input method, which is based on the total actual construction cost incurred to date as compared to the total budgeted costs for the respective construction projects.

If control of the asset transfers at a point in time, revenue is recognised at a point in time when the customer obtains control of the asset.

#### (b) Sale of goods

Revenue from sale of goods is recognised at a point in time when the goods has been transferred to the customer and coincides with the delivery of goods and acceptance by customers.

Revenue not contracted with customers:

#### (a) Interest income

Interest income is recognised as it accrues, using the effective interest method.

#### (b) Management fees services

Revenue from services rendered is recognised at a point in time when services have been rendered to the customer and coincides with the rendering of services and acceptance by customers.

## 5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

### 5.1 New MFRSs adopted during the financial year

The Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Standards and Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 5. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

### 5.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards - Volume 11</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

## 6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

### 6.1 Changes in estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors are of the opinion that there are no significant changes in estimates at the end of the reporting year.

### 6.2 Critical judgements made in applying accounting policies

There are no critical judgements made by management in the process of applying the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

### 6.3 Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Revenue recognition for construction contracts

Revenue recognition for construction contracts requires management to exercise significant judgement in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocation and costs in applying the input method to recognise revenue over time.

(b) Recoverability of trade receivables and contract assets

Recoverability of trade receivables and contract assets requires management to exercise significant judgements in determining the probability of default by trade receivables and contract customers and appropriate forward-looking information.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 7. PROPERTY, PLANT AND EQUIPMENT

Group 28.2.2025	Balance as at 1.3.2024 RM	Additions RM	Disposals RM	Written off RM	Reclassification			Translation differences RM	Balance as at 28.2.2025 RM
					Acquisition of a subsidiary (Note 9(c)) RM	from/(to) right-of-use assets (Note 8) RM	Depreciation charge for the financial year RM		
<b>Carrying amount</b>									
Freehold land	1,702,608	-	-	-	-	-	-	-	1,702,608
Buildings	1,063,065	-	-	-	-	-	(26,023)	-	1,037,042
Computers	424,274	237,233	-	-	-	-	(64,060)	(5,540)	591,907
Equipment	98,885	8,000	-	-	25,516	-	(12,529)	-	119,872
Electrical installation	68,414	22,200	-	-	-	-	(26,783)	-	63,831
Furniture and fittings	467,359	1,350	-	(102)	-	-	(59,322)	(529)	408,756
Motor vehicles	1,157,008	536,398	(1,386)	-	53,795	259,894	(320,736)	(50,445)	1,634,528
Laboratory equipment	149,547	44,734	-	-	-	-	(21,710)	-	172,571
Office equipment	329,032	46,542	-	(1,827)	3,858	-	(38,421)	(2,749)	336,435
Plant and machinery	6,611,145	8,180,600	-	(84,745)	-	(504,572)	(865,211)	(328,858)	13,008,359
Renovations	1,671,649	57,930	-	-	-	-	(213,618)	-	1,515,961
Signboard	1,086	2,808	-	-	-	-	(211)	-	3,683
Capital work-in-progress	-	2,461,409	-	-	-	-	-	-	2,461,409
	13,744,072	11,599,204	(1,386)	(86,674)	83,169	(244,678)	(1,648,624)	(388,121)	23,056,962



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 7. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 29.2.2024	Balance as at 1.3.2023 RM	Additions RM	Disposals RM	Written off RM	Reclassi- fication RM	Reclassification from right-of-use assets (Note 8) RM	Depreciation charge for the financial year RM	Translation differences RM	Balance as at 29.2.2024 RM
<b>Carrying amount</b>									
Freehold land	1,702,608	-	-	-	-	-	-	-	1,702,608
Buildings	1,089,088	-	-	-	-	-	(26,023)	-	1,063,065
Computers	343,031	122,441	-	-	-	-	(46,448)	5,250	424,274
Equipment	-	103,948	-	-	-	-	(5,063)	-	98,885
Electrical installation	89,646	-	-	-	-	-	(21,232)	-	68,414
Furniture and fittings	499,590	26,177	-	-	-	-	(58,941)	533	467,359
Motor vehicles	244,292	140,814	(2)	-	-	923,306	(173,299)	21,897	1,157,008
Laboratory equipment	93,331	74,208	-	-	-	-	(17,992)	-	149,547
Office equipment	309,785	52,413	-	-	-	-	(35,976)	2,810	329,032
Plant and machinery	5,042,980	1,962,309	-	(103,513)	9,944	243,913	(727,822)	183,334	6,611,145
Renovations	1,474,928	406,678	-	-	-	-	(209,957)	-	1,671,649
Signboard	1,275	-	-	-	-	-	(189)	-	1,086
Capital work-in-progress	9,944	-	-	-	(9,944)	-	-	-	-
	10,900,498	2,888,988	(2)	(103,513)	-	1,167,219	(1,322,942)	213,824	13,744,072

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 7. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	[----- As at 28.2.2025 -----]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	1,702,608	-	1,702,608
Buildings	1,301,166	(264,124)	1,037,042
Computers	784,149	(192,42)	591,907
Equipment	143,843	(23,971)	119,872
Electrical installation	165,505	(101,674)	63,831
Furniture and fittings	613,618	(204,862)	408,756
Motor vehicles	4,020,339	(2,385,811)	1,634,528
Laboratory equipment	238,827	(66,256)	172,571
Office equipment	510,928	(174,493)	336,435
Plant and machinery	18,168,187	(5,159,828)	13,008,359
Renovations	2,157,494	(641,533)	1,515,961
Signboard	4,711	(1,028)	3,683
Capital work-in-progress	2,461,409	-	2,461,409
	32,272,784	(9,215,822)	23,056,962

Group	[----- As at 29.2.2024 -----]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	1,702,608	-	1,702,608
Buildings	1,301,166	(238,101)	1,063,065
Computers	554,503	(130,229)	424,274
Equipment	103,948	(5,063)	98,885
Electrical installation	143,305	(74,891)	68,414
Furniture and fittings	613,123	(145,764)	467,359
Motor vehicles	2,715,439	(1,558,431)	1,157,008
Laboratory equipment	194,093	(44,546)	149,547
Office equipment	466,168	(137,136)	329,032
Plant and machinery	11,022,521	(4,411,376)	6,611,145
Renovations	2,099,564	(427,915)	1,671,649
Signboard	1,903	(817)	1,086
	20,918,341	(7,174,269)	13,744,072

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 7. PROPERTY, PLANT AND EQUIPMENT (continued)

- (a) During the financial year, the Group made the following cash payments to purchase property, plant and equipment:

	2025 RM	2024 RM
Purchase of property, plant and equipment	11,599,204	2,888,988
Amounts owing to a vendor (Note 19)	(52,600)	(89,516)
Cash payments on purchase of property, plant and equipment	<u>11,546,604</u>	<u>2,799,472</u>

- (b) The carrying amount of certain property, plant and equipment of the Group charged to financial institution for banking facilities granted to the Group as disclosed in Note 18 to the financial statements as the end of the reporting period are as follows:

	2025 RM	2024 RM
Freehold land	1,702,608	1,702,608
Buildings	1,037,042	1,063,065
Renovation	313,675	360,716
	<u>3,053,325</u>	<u>3,126,389</u>

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### The Group as lessee

#### (I) Right-of-use assets

Group 2025	Balance as at 1.3.2024 RM	Additions RM	Disposal RM	Lease modification RM	Depreciation RM	Reclassification (to)/from property, plant and equipment (Note 7) RM	Translation differences RM	Balance as at 28.2.2025 RM
<b>Carrying amount</b>								
Buildings (rented)	2,921,914	283,168	-	34,699	(944,826)	-	(55,031)	2,239,924
Heavy movable machines	556,866	-	-	-	(65,578)	-	-	491,288
Laboratory equipment	106,164	-	-	-	(13,270)	-	-	92,894
Motor vehicles	3,557,209	1,642,808	-	-	(1,219,981)	(259,894)	(90,695)	3,629,447
Plant and machinery	3,713,267	103,800	(28,560)	-	(455,383)	504,572	(89,208)	3,748,488
	10,855,420	2,029,776	(28,560)	34,699	(2,699,038)	244,678	(234,934)	10,202,041

Group 2024	Balance as at 1.3.2023 RM	Additions RM	Depreciation RM	Reclassification to property, plant and equipment (Note 7) RM	Translation differences RM	Balance as at 29.2.2024 RM
<b>Carrying amount</b>						
Buildings (rented)	2,504,364	1,192,978	(816,287)	-	40,859	2,921,914
Heavy movable machines	680,444	-	(123,578)	-	-	556,866
Laboratory equipment	119,434	-	(13,270)	-	-	106,164
Motor vehicles	4,632,922	762,470	(1,055,592)	(923,306)	140,715	3,557,209
Plant and machinery	3,131,034	1,094,950	(339,856)	(243,913)	71,052	3,713,267
	11,068,198	3,050,398	(2,348,583)	(1,167,219)	252,626	10,855,420

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

### The Group as lessee (continued)

#### (II) Lease liabilities

	Group	
	2025 RM	2024 RM
Balance at beginning of year	8,836,416	8,932,990
Additions	2,652,168	3,437,231
Lease modification	34,699	-
Payment of lease liabilities	(3,652,357)	(3,716,357)
Payment of lease interests	(493,282)	(431,314)
Interest expense	493,282	431,314
Translation differences	(174,756)	182,552
Balance at end of year	7,696,170	8,836,416
Represented by:		
Current liability	2,983,440	2,944,064
Non-current liability	4,712,730	5,892,352
	7,696,170	8,836,416
Lease liabilities owing to:		
Financial institutions	5,334,173	5,822,931
Non-financial institutions	2,361,997	3,013,485
	7,696,170	8,836,416

(a) The Group entered into certain leases of assets during the financial year with lease term of 12 months or less. The Group applies the "short-term lease" exemption for these leases.

(b) The following are the amounts recognised in profit or loss:

	Group	
	2025 RM	2024 RM
Depreciation charge of right-of-use assets (included in cost of sales and administrative expenses)	2,699,038	2,348,583
Interest expense on lease liabilities (included in finance costs)	493,282	431,314
Expense relating to short-term leases (included in cost of sales and administrative expenses)	201,960	136,331

(c) The Group leases several lease contracts that includes extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

There is no undiscounted potential future rental payments that are not included in the lease term as at the end of each reporting period.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(d) During the financial year, the Group made the following cash payments on right-of-use assets:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Additions of right-of-use assets	2,029,776	3,050,398
Financed by lease arrangements	(1,649,800)	(1,645,440)
Recognition of right-of-use assets for rented buildings	(283,168)	(1,192,978)
	<hr/>	<hr/>
Cash payments on right-of-use assets	96,808	211,980
	<hr/>	<hr/>

(e) Weighted average incremental borrowing rate of the lease liabilities of the Group as at the end of the reporting period is 5.35% (2024: 5.28%) per annum.

(f) The following are total cash outflows for leases as a lessee:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Included in net cash from operating activities:		
Payment relating to short term leases	201,960	136,331
Included in net cash from investing activities:		
Cash payments on right-of-use asset	96,808	211,980
Included in net cash from financing activities:		
Payment of lease liabilities	3,652,357	3,716,357
Payment of lease interest	493,282	431,314
	<hr/>	<hr/>
Total cash outflows for leases	4,444,407	4,495,982
	<hr/>	<hr/>

## 9. INVESTMENTS IN SUBSIDIARIES

	<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>At cost</b>		
Unquoted shares		
At beginning of financial year	-	-
Additions (Note 9(b))	48,338,990	-
	<hr/>	<hr/>
At end of financial year	48,338,990	-
	<hr/>	<hr/>



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 9. INVESTMENTS IN SUBSIDIARIES (continued)

(a) The details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity 2025 %	Principal activities
Kum Fatt Engineering Sdn. Bhd. ("KFESB") <sup>#</sup>	Malaysia	100	Provision of underground utilities engineering services and solutions
Premier Plastic Industry Sdn. Bhd. ("PPISB") <sup>#</sup>	Malaysia	100	Manufacturing and trading in plastic pipe
Konnection Engineering Pte. Ltd. ("KEPL") <sup>*</sup>	Singapore	100	Provision of underground utilities engineering services and solutions
<b>Subsidiary of KFESB</b>			
JL Global Invision Sdn. Bhd. ("JGISB") <sup>#</sup>	Malaysia	100	Provision of underground utility detection and topographic survey services

<sup>#</sup> Audited by BDO PLT.

<sup>\*</sup> Audited by firm other than BDO PLT and BDO Member Firm.

(b) On 18 August 2023, the Company entered:

- (i) A conditional share purchase agreement with Datuk Dr. Ting Kok Hwa, Hin Wai Mun and Datuk Ting Meng Pheng to acquire a total of 750,000 ordinary shares in KFESB representing the entire equity interest for a total purchase consideration of RM24,224,990 which was satisfied by the issuance of 242,249,900 new ordinary shares of the Company to the vendors at an issue price of RM0.10 each.
- (ii) A conditional share purchase agreement with Datuk Dr. Ting Kok Hwa and Chong Tuoo Choi to acquire a total of 250,000 ordinary shares representing the entire equity interest in KEPL for a total purchase consideration of RM18,174,000 which was satisfied by the issuance of 181,740,000 new ordinary shares of the Company to the vendors at an issue price of RM0.10 each.
- (iii) A conditional share purchase agreement with Datuk Dr. Ting Kok Hwa and Hin Wai Mun to acquire a total of 2,400,000 ordinary shares representing the entire equity interest in PPISB for a total purchase consideration of RM5,940,000 which was satisfied by the issuance of 59,400,000 new ordinary shares of the Company to the vendors at an issue price of RM0.10 each.

All acquisitions as disclosed above were completed on 16 April 2024. Thereafter, KFESB, KEPL and PPISB became wholly-owned subsidiaries of the Company.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 9. INVESTMENTS IN SUBSIDIARIES (continued)

- (c) The Group via its wholly-owned subsidiary, KFESB acquired 10,000 ordinary shares in JGISB, representing 100% equity interests in JGISB for a total consideration of RM284,813 settled in cash and cash equivalents.

Fair values of the identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition were as follows:

	Note	At date of acquisition RM
Plant and equipment	7	83,169
Trade and other receivables		247,632
Contract assets	11	471,879
Cash and bank balances		12,186
Trade and other payables		(518,111)
Current tax liabilities		(9,242)
Deferred tax liabilities	16	(2,700)
Total identified net assets/Purchase consideration		284,813
Cash and bank balances acquired		(12,186)
Net cash outflow arising on acquisition		272,627

## 10. INVENTORIES

	Group	
	2025 RM	2024 RM
<b>At cost</b>		
Construction materials	1,207,656	1,249,689
Raw materials	5,211,099	1,143,497
Finished goods	1,745,929	1,156,115
	8,164,684	3,549,301

Inventories of the Group recognised as cost of sales amounted to RM38,501,168 (2024: RM26,003,342).

## 11. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2025 RM	2024 RM
At beginning of financial year	38,473,544	23,984,140
Acquisition of a subsidiary (Note 9(c))	471,879	-
Revenue recognised during the financial year	147,569,990	112,718,857
Progress billings	(123,990,707)	(97,550,380)
Translation difference	(100,648)	126,646
Net reversal/(charge) on impairment of contract assets	885,913	(805,719)
At end of financial year	63,309,971	38,473,544
Represented by:		
Contract assets	64,599,308	40,655,658
Contract liabilities	(1,289,337)	(2,182,114)
	63,309,971	38,473,544

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 11. CONTRACT ASSETS/(LIABILITIES) (continued)

- (a) Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	Group	
	2025 RM	2024 RM
Within one year	78,639,481	112,227,458

- (b) Contract assets that are impaired at the end of the reporting period and the reconciliation of movements in allowance for impairment accounts is as follows:

	Group	
	2025 RM	2024 RM
At beginning of financial year	1,091,533	454,406
Charge for the financial year	-	1,010,853
Reversal	(885,913)	(205,134)
Written off	-	(168,592)
At end of financial year	205,620	1,091,533

- (c) The contract assets primarily relate to the Group's right to consideration for construction work completed on construction contracts but not yet billed as at the reporting date. Typically, the amount will be billed within 30 to 180 days (2024: 30 to 180 days).

## 12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade receivables</b>				
Third parties	35,100,826	22,633,169	-	-
Retention sums	9,217,846	5,830,958	-	-
	44,318,672	28,464,127	-	-
Less: Impairment losses on trade receivables	(403,368)	(900,720)	-	-
Total trade receivables	43,915,304	27,563,407	-	-
<b>Other receivables</b>				
Third parties	2,412,280	3,238,875	3,691	-
Amount owing by subsidiaries	-	-	22,909,958	-
Deposits	935,062	717,237	-	-
	3,347,342	3,956,112	22,913,649	-
Total trade and other receivables	47,262,646	31,519,519	22,913,649	-
Prepayments	1,399,496	888,922	59,867	-
	48,662,142	32,408,441	22,973,516	-

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 12. TRADE AND OTHER RECEIVABLES (continued)

- (a) Trade receivables are non-interest bearing and the normal trade credit term granted by the Group is 30 to 150 days (2024: 30 to 150 days) from the date of invoice. They are recognised at its original invoice amounts, which represent its fair value on initial recognition.
- (b) Amount owing by subsidiaries are unsecured, interest-free and receivable within the next twelve (12) months in cash and cash equivalents.
- (c) The currency exposure profile of trade and other receivables, excluding prepayments is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
Ringgit Malaysia	36,765,832	19,907,762	22,913,649	-
Singapore Dollar	10,496,814	11,611,757	-	-
	<u>47,262,646</u>	<u>31,519,519</u>	<u>22,913,649</u>	<u>-</u>

- (d) Lifetime expected credit losses for trade receivables of the Group are as follows:

	<b>Gross carrying amount RM</b>	<b>Lifetime ECL allowance RM</b>	<b>Carrying amount RM</b>
<b>Group As at 28 February 2025</b>			
Not past due	34,801,826	-	34,801,826
Past due:			
1 to 30 days	2,172,096	-	2,172,096
31 to 60 days	2,962,703	-	2,962,703
61 to 90 days	2,167,120	-	2,167,120
More than 90 days	1,811,559	-	1,811,559
	<u>9,113,478</u>	<u>-</u>	<u>9,113,478</u>
Individual assessment	403,368	(403,368)	-
	<u>44,318,672</u>	<u>(403,368)</u>	<u>43,915,304</u>
<b>As at 29 February 2024</b>			
Not past due	25,061,421	-	25,061,421
Past due:			
1 to 30 days	1,363,410	-	1,363,410
31 to 60 days	672,068	-	672,068
61 to 90 days	127,104	-	127,104
More than 90 days	339,404	-	339,404
	<u>2,501,986</u>	<u>-</u>	<u>2,501,986</u>
Individual assessment	900,720	(900,720)	-
	<u>28,464,127</u>	<u>(900,720)</u>	<u>27,563,407</u>

None of the trade receivables of the Group that are past due but not impaired have been renegotiated during the financial year. These receivables are not secured by any collateral.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 12. TRADE AND OTHER RECEIVABLES (continued)

- (e) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses. Loss rates are based on actual credit loss experience over past years.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information on macroeconomic factors affecting the ability of customers to settle the receivables and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. Nevertheless, the Directors believe that these factors are immaterial for the purpose of impairment calculation for the year.

It requires management to exercise judgement in determining the probability of default by trade receivables and appropriate forward looking information.

- (f) Impairment for other receivables are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model.

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment delays and past due information. No expected credit loss is recognised arising from other receivables as it is negligible.

- (g) Trade receivables inclusive retention sums that are past due and impaired at the end of the reporting period and the reconciliation of movements in allowance for impairment loss accounts is as follows:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
At beginning of financial year	900,720	620,130
Charge	-	380,726
Reversal	(18,500)	(105,275)
Written off	(466,811)	-
Translation differences	(12,041)	5,139
At end of financial year	403,368	900,720

- (h) Information on financial risks of trade and other receivables is disclosed in Note 31 to the financial statements.

## 13. CASH AND BANK BALANCES

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
Cash and bank balances	15,855,198	12,683,769	294,931	10
Deposits with licensed banks	9,215,800	5,464,881	3,550,000	-
As reported in the statement of financial position	25,070,998	18,148,650	3,844,931	10
Less: Deposits pledged	(5,665,800)	(5,464,881)	-	-
Less: Bank overdrafts (Note 18)	-	(527,208)	-	-
As reported in the statement of cash flows	19,405,198	12,156,561	3,844,931	10

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 13. CASH AND BANK BALANCES (continued)

- (a) Deposits with licensed banks of the Group and the Company have maturity period of one (1) month to twelve (12) months and one (1) month (2024: twelve (12) months and Nil) respectively.
- (b) As at the end of reporting period, the deposits pledged with licensed banks of the Group have been charged to financial institutions as security for credit facilities granted to the Group as disclosed in Note 18 to the financial statements.
- (c) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia	13,065,597	8,089,981	3,844,931	10
Singapore Dollar	12,005,401	10,058,669	-	-
	<u>25,070,998</u>	<u>18,148,650</u>	<u>3,844,931</u>	<u>10</u>

- (d) No expected credit losses are recognised arising from the deposits with financial institutions because the probability of default by these financial institutions are negligible.
- (e) Information on financial risks of cash and bank balances is disclosed in Note 31 to the financial statements.

## 14. SHARE CAPITAL/INVESTED EQUITY

	Group and Company	
	Number of shares	RM
<b>28 February 2025</b>		
<b>Issued and fully paid-up ordinary shares with no par value:</b>		
Invested equity as at 1 March 2024	3,400,100	3,908,045
Effects of acquisition of subsidiary in business combinations under common control		
– Elimination of issued share capital of KFESB	(750,000)	(750,000)
– Elimination of issued share capital of KEPL	(250,000)	(758,035)
– Elimination of issued share capital of PPISB	(2,400,000)	(2,400,000)
– Issuance of ordinary shares pursuant to acquisition of subsidiaries	483,389,900	48,338,990
Issuance of ordinary shares pursuant to IPO	124,902,000	29,976,480
Shares issuance expenses	-	(1,085,436)
Share capital as at 28 February 2025	<u>608,292,000</u>	<u>77,230,044</u>
<b>29 February 2024</b>		
<b>Issued and fully paid-up ordinary shares with no par value:</b>		
Invested equity as at 1 March 2023	3,400,002	3,908,037
Shares split (subdivided)	18	-
Issuance of ordinary shares	80	8
Invested equity as at 29 February 2024	<u>3,400,100</u>	<u>3,908,045</u>



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 14. SHARE CAPITAL/INVESTED EQUITY (continued)

	Company	
	Number of shares	RM
<b>28 February 2025</b>		
<b>Issued and fully paid-up ordinary shares with no par value:</b>		
Balance as at 1 March 2024	100	10
Issuance of ordinary shares pursuant to acquisition of subsidiaries	483,389,900	48,338,990
Issuance of ordinary shares pursuant to IPO	124,902,000	29,976,480
Shares issuance expenses	-	(1,085,436)
	<u>608,292,000</u>	<u>77,230,044</u>
Balance as at 28 February 2025		
<b>29 February 2024</b>		
<b>Issued and fully paid-up ordinary shares with no par value:</b>		
Balance as at 1 March 2023	2	2
Shares split (subdivided)	18	-
Issuance of ordinary shares	80	8
	<u>100</u>	<u>10</u>
Balance as at 29 February 2024		

- (a) As at 1 March 2023, the number of invested equity of the Group is on combined basis.
- (b) During the financial year ended 28 February 2025, the issued and fully paid up share capital of the Group and Company was increased by way of issuance of 608,291,900 new ordinary shares pursuant to the following:
- (i) Issuance of 483,389,900 new ordinary shares at an issue price of RM0.10 per share pursuant to the acquisition of subsidiaries in business combinations under common control; and
  - (ii) Issuance of 124,902,000 new ordinary shares at an issue price of RM0.24 per share pursuant to its Initial Public Offering exercise.
- (c) During the financial year ended 29 February 2024, the issued and fully paid up share capital of the Group and Company was increased by way of:
- (i) Subdivided its ordinary shares on the basis of every 1 existing share into 10 shares; and
  - (ii) Issuance of 80 new ordinary shares at an issue price of RM0.10 per share for cash.
- (d) The owners of the parent are entitled to receive dividends as and when declared by the Company and is entitled to one vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 15. RESERVES

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
<b>Non-distributable:</b>				
Merger reserve	(44,430,955)	-	-	-
Foreign exchange translation	854,700	2,499,010	-	-
<b>Distributable:</b>				
Retained earnings/(Accumulated losses)	79,443,828	56,471,893	(2,831,957)	(1,860,783)
	<u>35,867,573</u>	<u>58,970,903</u>	<u>(2,831,957)</u>	<u>(1,860,783)</u>

(a) Merger reserve

The merger reserve arose as a result of the difference between consideration paid over the share capital of subsidiaries pursuant to business combinations under common control.

(b) Foreign exchange translation

Foreign exchange translation is used to record foreign currency exchange differences arising from the translation of the combined financial statements of foreign operation whose functional currency is different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

## 16. DEFERRED TAX LIABILITIES

(a) The deferred tax liabilities are made up of the following, after appropriate offsetting:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
As at beginning of financial year	1,311,675	1,364,884
Acquisition of a subsidiary (Note 9(c))	2,700	-
Recognised in profit or loss (Note 23)	632,551	(89,741)
Translation difference	(40,430)	36,532
As at end of financial year	<u>1,906,496</u>	<u>1,311,675</u>

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 16. DEFERRED TAX LIABILITIES (continued)

- (b) The components and movements of deferred tax liabilities/(assets) of the Group during the financial year are as follow:

Group	Property, plant and equipment RM	Other temporary differences RM	Total RM
At 1 March 2024	1,311,675	-	1,311,675
Acquisition of a subsidiary	2,700	-	2,700
Recognised in profit or loss	632,551	-	632,551
Translation difference	(40,430)	-	(40,430)
At 28 February 2025	1,906,496	-	1,906,496
At 1 March 2023	1,399,477	(34,593)	1,364,884
Recognised in profit or loss	(124,334)	34,593	(89,741)
Translation difference	36,532	-	36,532
At 29 February 2024	1,311,675	-	1,311,675

## 17. DEFERRED INCOME

	Group	
	2025 RM	2024 RM
<b>Government grant</b>		
<b>At cost</b>		
At beginning of the financial year	193,143	193,143
Addition during the year	89,600	-
At end of the financial year	282,743	193,143
<b>Accumulated depreciation</b>		
At beginning of the financial year	(21,984)	(5,889)
Amortisation charge during the year	(19,827)	(16,095)
At end of the financial year	(41,811)	(21,984)
<b>Carrying amounts</b>	240,932	171,159
<b>Deferred income is disclosed under:</b>		
Non-current liabilities	217,373	155,064
Current liabilities	23,559	16,095
	240,932	171,159

Deferred income represents a government grant receivable to part finance capital expenditure.

The government grant is amortised over the useful life of the assets.

The one-off government matching grant was obtained by KFESB and PPISB via Small Medium Enterprise Development Bank Malaysia Berhad for purchase of plant and machinery.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 18. BORROWINGS

	Group	
	2025 RM	2024 RM
<b>Current liabilities</b>		
Bank overdrafts	-	527,208
Trade financing	27,665,877	18,501,800
Term loans	1,078,155	1,048,402
	<u>28,744,032</u>	<u>20,077,410</u>
<b>Non-current liabilities</b>		
Term loans	<u>2,136,686</u>	<u>2,783,955</u>
<b>Total borrowings</b>		
Bank overdrafts (Note 13)	-	527,208
Trade financing	27,665,877	18,501,800
Term loans	3,214,841	3,832,357
	<u>30,880,718</u>	<u>22,861,365</u>

(a) Term loans are secured by:

- (i) Joint and several guarantees by certain Directors;
- (ii) Legal charges over certain freehold land and buildings of the Group as disclosed in Note 7 to the financial statements; and
- (iii) Guarantee from Credit Guarantee Corporation Malaysia Berhad ("CGC") or guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP").

(b) Trade financing includes bankers' acceptance, invoice financing, import financing and promissory note. Trade financing and overdrafts facilities are secured by:

- (i) Joint and several guarantees by certain Directors;
- (ii) Deposits pledged with licensed banks of the Group as disclosed in Note 13 to the financial statements; and
- (iii) Guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP") and guarantee by Government of Malaysia under Working Capital Guarantee Scheme ("WCGS").

(c) All borrowings are denominated in Ringgit Malaysia ("RM").

(d) Information on financial risks of borrowings and the remaining maturity is disclosed in Note 31 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 19. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade payables</b>				
Third parties	15,978,083	13,764,777	-	-
Retention sums	833,361	754,865	-	-
	16,811,444	14,519,642	-	-
<b>Other payables</b>				
Third parties				
- Others	1,346,533	1,012,250	108,355	31,943
- Amounts owing to a vendor	52,600	89,516	-	-
Amounts owing to subsidiaries	-	-	332,069	1,825,340
Accruals	2,626,268	1,812,456	323,887	3,500
	4,025,401	2,914,222	764,311	1,860,783
	20,836,845	17,433,864	764,311	1,860,783

- (a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranged from 30 to 90 days (2024: 30 to 90 days).
- (b) Amount owing to a vendor represent costs for the acquisition of property, plant and equipment as disclosed in Note 7(a) to the financial statements.
- (c) The currency exposure profile of trade and other payables are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia	14,865,041	16,158,813	764,311	1,860,783
Singapore Dollar	5,971,804	1,275,051	-	-
	20,836,845	17,433,864	764,311	1,860,783

- (d) Information on financial risks of trade and other payables is disclosed in Note 31 to the financial statements.

## 20. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Revenue from contracts with customers</b>				
<b>Recognised over time:</b>				
Construction contracts	126,743,011	88,585,854	-	-
<b>Recognised point in time:</b>				
Construction contracts	20,826,979	24,133,003	-	-
Sale of goods	22,454,152	12,977,057	-	-
Management fees	-	-	915,760	-
	170,024,142	125,695,914	915,760	-

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 21. FINANCE COSTS

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Interest expense on:		
- bank overdrafts	35,107	87,631
- trade financing	1,129,183	869,181
- lease liabilities	493,282	431,314
- term loans	147,923	192,889
- others	136,808	107,567
	<u>1,942,303</u>	<u>1,688,582</u>

## 22. PROFIT/(LOSS) BEFORE TAX

Other than those disclosed elsewhere in the financial statements, the profit/(loss) before tax is arrived at:

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
After charging:				
Auditors' remuneration				
- statutory audit	175,894	103,031	30,000	3,500
- Non statutory audit	5,000	360,333	5,000	341,200
Property, plant and equipment written off	86,674	103,513	-	-
Loss on disposal of right-of-use assets	560	-	-	-
Net realised loss on foreign exchange	-	51,448	-	-
And crediting:				
Gain on disposal of property, plant and equipment	614	13,998	-	-
Interest income	320,746	130,175	153,183	-
Net realised gain on foreign exchange	1,671	89	-	-
Net unrealised gain on foreign exchange	175,715	-	-	-
Net gain/(loss) on impairment of:				
- trade receivables	18,500	(275,451)	-	-
- contract assets	885,913	(805,719)	-	-
	<u>904,413</u>	<u>(1,081,170)</u>	<u>-</u>	<u>-</u>



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 23. TAX EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Current tax expense:</b>				
- Malaysia income tax	6,381,498	3,944,000	55,039	-
- Foreign income tax	431,695	1,462,687	-	-
	6,813,193	5,406,687	55,039	-
(Over)/Under provision in prior years				
- Malaysia income tax	(27,396)	(34,054)	-	-
- Foreign income tax	(196,045)	61,009	-	-
	(223,441)	26,955	-	-
	6,589,752	5,433,642	55,039	-
<b>Deferred tax: (Note 16)</b>				
- Current year	525,995	169,265	-	-
- Under/(Over) provision in prior years	106,556	(259,006)	-	-
	632,551	(89,741)	-	-
Real property gain tax				
- Over provision in prior year	-	(15,000)	-	-
	7,222,303	5,328,901	55,039	-

- (a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated taxable profit for the fiscal year.
- (b) Tax expense for other taxation authorities are calculated at the rates prevailing in the respective jurisdictions.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 23. TAX EXPENSE (continued)

- (c) The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rates of the Group and of the Company are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
Profit/(Loss) before tax	30,194,238	21,236,007	(916,135)	(1,855,754)
Tax expense at the applicable tax rate of 24% (2024: 24%)	7,246,617	5,096,642	(219,872)	(445,381)
Tax effects in respect of:				
Different tax rate in foreign subsidiary	(301,347)	(561,694)	-	-
Non-allowable expenses	694,031	1,265,982	274,911	445,381
Non-taxable income	(217,059)	(120,080)	-	-
Tax incentive	(83,054)	-	-	-
Reduction in statutory tax rates on chargeable income	-	(104,898)	-	-
	7,339,188	5,575,952	55,039	-
(Over)/Under provision in prior years				
- income tax	(223,441)	26,955	-	-
- deferred tax	106,556	(259,006)	-	-
- real property gain tax	-	(15,000)	-	-
	7,222,303	5,328,901	55,039	-

- (d) Tax on each component of other comprehensive income is as follows:

<b>Group</b>	<b>Before tax RM</b>	<b>Tax effect RM</b>	<b>After tax RM</b>
<b>2025</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign exchange translations	(1,644,310)	-	(1,644,310)
<b>2024</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign exchange translations	1,276,410	-	1,276,410

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 24. EARNINGS PER ORDINARY SHARE

### (a) Basic

Basic earnings per ordinary share for the financial year has been calculated by dividing the profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Profit attributable to owners of the parent (RM)	22,971,935	15,907,106
Weighted average number of ordinary shares outstanding during the financial year (unit)	506,650,155	608,292,000*
Basic earnings per ordinary share (sen)	4.53	2.62

\* Number of ordinary shares outstanding for the financial year 28 February 2024 was the expected number of ordinary shares of the Company upon completion of listing of the ordinary shares of the Company on ACE Market of Bursa Malaysia Securities Berhad.

### (b) Diluted

Diluted earnings per ordinary share for the current and previous financial years is equal to the basic earnings per ordinary share for the respective financial year as there were no outstanding dilutive potential ordinary shares at the end of each reporting period.

## 25. EMPLOYEE BENEFITS

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
Salaries and allowances	20,709,617	15,436,226	346,446	-
Defined contribution plans	1,317,738	1,029,749	40,433	-
Social security contribution	178,633	95,826	1,739	-
Other benefits	257,791	172,335	8,400	-
	22,463,779	16,734,136	397,018	-

Included in the employee benefits of the Group and Company are Directors' remuneration amounting to RM2,922,852 and RM262,902 (2024: RM2,623,660 and Nil) respectively.

## 26. DIVIDENDS

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>In respect of financial year ended 29 February 2024:</b>		
First interim single tier dividend	-	2,810,209

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 27. COMMITMENTS

### (a) Capital commitments

Capital expenditure in respect of purchase of property, plant and equipment:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Contracted but not provided for	12,889,000	737,000

### (b) Contingent liability

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Guarantee given to third party in respect of contracts	794,700	500,000

## 28. RELATED PARTY DISCLOSURES

### (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

Related parties of the Group include:

- (i) Direct subsidiaries of the Group; and
- (ii) Key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include the Executive Directors of the Group.

### (b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company have the following transactions with related parties during the financial year:

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
<b>Subsidiaries:</b>				
Management fee from:				
- KFESB	-	-	(327,496)	-
- PPISB	-	-	(243,352)	-
- KEPL	-	-	(344,912)	-
<b>Related parties:</b>				
Contract revenue:				
- Xenith IG Malaysia Sdn. Bhd.	-	(7,639)	-	-
Rental expenses:				
- Bestari Selatan Sdn. Bhd.	293,400	293,400	-	-

Any balance of the above subsidiaries or related parties are disclosed in Note 12 and 19 to the financial statements.

The related party transactions described above were carried out based on negotiated terms and conditions and mutually agreed with the related parties.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 28. RELATED PARTY DISCLOSURES (continued)

### (b) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group and of the Company.

The remuneration of Directors and other members of key management during the financial year was as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
Salaries, bonus and allowances	2,630,359	2,374,225	234,985	-
Defined contribution plans	287,469	244,799	27,047	-
Other emoluments	5,024	4,636	870	-
	2,922,852	2,623,660	262,902	-
Directors' fee	250,666	-	250,666	-
Estimated monetary value of benefit-in-kind	262,180	328,117	-	-
	<u>3,435,698</u>	<u>2,951,777</u>	<u>513,568</u>	<u>-</u>

## 29. OPERATING SEGMENTS

The Group has arrived at three (3) reportable segments that are organised and managed separately based on information reported internally to the Management and the Board of Directors. The reportable segments are summarised as follows:

Underground utilities engineering	Provision of underground utilities engineering solutions.
Manufacturing and trading	Manufacturing and trading of HDPE pipes.
Others	Investment holding.

The accounting policies of operating segments are the same as those described in the notes to financial statements. The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current and previous financial year.

Segment assets exclude tax assets. Segment liabilities exclude current tax liabilities and deferred tax liabilities. Even though borrowings arise from financing activities rather than operating activities, they are allocated to the segments based on relevant factors. Details are provided in the reconciliations from segment assets and liabilities to the position of the Group.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 29. OPERATING SEGMENTS (continued)

2025	Underground utilities engineering RM	Manufacturing and trading RM	Others RM	Total RM
<b>Revenue</b>				
Total revenue	148,529,781	37,220,018	915,760	186,665,559
Inter-segment revenue	(959,791)	(14,765,866)	(915,760)	(16,641,417)
<b>Revenue from external customers</b>	<b>147,569,990</b>	<b>22,454,152</b>	<b>-</b>	<b>170,024,142</b>
Interest income	136,287	31,276	153,183	320,746
Finance costs	(1,654,501)	(287,802)	-	(1,942,303)
Amortisation of deferred income	16,095	3,732	-	19,827
Depreciation				
- Property, plant and equipment	(1,396,755)	(251,869)	-	(1,648,624)
- Right-of-use assets	(2,597,397)	(101,641)	-	(2,699,038)
<b>Segment profit before tax</b>	<b>25,716,218</b>	<b>5,394,155</b>	<b>(916,135)</b>	<b>30,194,238</b>
Tax expense	(6,076,325)	(1,090,939)	(55,039)	(7,222,303)
<b>Other material non-cash items:</b>				
Net reversal on impairment of receivables and contract assets	904,413	-	-	904,413
Property, plant and equipment written off	(85,538)	(1,136)	-	(86,674)
<b>Segment assets</b>	<b>106,115,646</b>	<b>21,393,010</b>	<b>52,247,479</b>	<b>179,756,135</b>
Additions of property, plant and equipment	9,417,922	2,181,282	-	11,599,204
Additions of right-of-use assets	1,925,976	103,800	-	2,029,776
<b>Segment liabilities</b>	<b>53,124,190</b>	<b>7,387,570</b>	<b>432,242</b>	<b>60,944,002</b>



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 29. OPERATING SEGMENTS (continued)

2024	Underground utilities engineering RM	Manufacturing and trading RM	Others RM	Total RM
<b>Revenue</b>				
Total revenue	112,718,857	25,936,350	-	138,655,207
Inter-segment revenue	-	(12,959,293)	-	(12,959,293)
<b>Revenue from external customers</b>	<b>112,718,857</b>	<b>12,977,057</b>	<b>-</b>	<b>125,695,914</b>
Interest income	96,082	34,093	-	130,175
Finance costs	(1,437,073)	(251,509)	-	(1,688,582)
Amortisation of deferred income	16,095	-	-	16,095
Depreciation				
- Property, plant and equipment	(1,114,725)	(208,217)	-	(1,322,942)
- Right-of-use assets	(2,257,273)	(91,310)	-	(2,348,583)
<b>Segment profit before tax</b>	<b>19,114,926</b>	<b>3,976,835</b>	<b>(1,855,754)</b>	<b>21,236,007</b>
Tax expense	(4,571,136)	(757,765)	-	(5,328,901)
<b>Other material non-cash items:</b>				
Net loss on impairment of receivables and contract assets	(1,081,170)	-	-	(1,081,170)
Property, plant and equipment written off	(103,513)	-	-	(103,513)
<b>Segment assets</b>	<b>108,888,214</b>	<b>10,473,318</b>	<b>10</b>	<b>119,361,542</b>
Additions of property, plant and equipment	2,801,327	87,661	-	2,888,988
Additions of right-of-use assets	2,912,240	138,158	-	3,050,398
<b>Segment liabilities</b>	<b>44,491,656</b>	<b>6,957,819</b>	<b>35,443</b>	<b>51,484,918</b>

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 29. OPERATING SEGMENTS (continued)

- (a) Reconciliations of reportable segment assets and liabilities to the corresponding amounts of the Group are as follows:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>Assets</b>		
Total assets for reportable segments	179,756,135	119,361,542
Current tax assets	4,961	-
<b>Total assets</b>	<b>179,761,096</b>	<b>119,361,542</b>
<b>Liabilities</b>		
Total liabilities for reportable segments	60,944,002	51,484,918
Deferred tax liabilities	1,906,496	1,311,675
Current tax liabilities	3,812,981	3,686,001
<b>Total liabilities</b>	<b>66,663,479</b>	<b>56,482,594</b>

- (b) Geographical segments

The business activities of the Group are predominantly located in Malaysia and Singapore.

The revenue disclosed in geographical segments is based on the geographical location of its customers. The following table provides an analysis of the Group's revenue by geographical segments:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>Revenue from external customers</b>		
Malaysia	144,264,524	95,374,252
Singapore	25,759,618	30,321,662
	<b>170,024,142</b>	<b>125,695,914</b>

Segment assets are based on the geographical location of the assets of the Group. The geographical assets do not include tax assets.

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>Locations of the assets</b>		
Malaysia		
- Non-current asset	21,718,218	16,283,720
- Current asset	122,636,238	72,223,796
	<b>144,354,456</b>	<b>88,507,516</b>
Singapore		
- Non-current asset	11,540,785	8,315,772
- Current asset	23,860,894	22,538,254
	<b>35,401,679</b>	<b>30,854,026</b>
	<b>179,756,135</b>	<b>119,361,542</b>

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 30. FINANCIAL INSTRUMENTS

### (a) Capital management

The primary objective of the capital management of the Group is to ensure that the Group would be able to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder's value. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payout to shareholders. No changes were made in the objectives, policies or processes during the financial year ended 28 February 2025 and 29 February 2024.

The gearing ratio of the Group are as follows:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Borrowings	30,880,718	22,861,365
Lease liabilities owing to financial institutions	5,334,173	5,822,929
	<hr/>	<hr/>
	36,214,891	28,684,294
Total equity	113,097,617	62,878,948
	<hr/>	<hr/>
Gearing ratio	32%	46%
	<hr/>	<hr/>

The Group is not subject to any other externally imposed capital requirements.

### (b) Categories of financial instruments

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
<b>Financial assets</b>				
<b>Amortised cost</b>				
Trade and other receivables, net of prepayments	47,262,646	31,519,519	22,913,649	-
Cash and bank balances	25,070,998	18,148,650	3,844,931	10
	<hr/>	<hr/>	<hr/>	<hr/>
	72,333,644	49,668,169	26,758,580	10
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Financial liabilities</b>				
<b>Amortised cost</b>				
Borrowings	30,880,718	22,861,365	-	-
Trade and other payables	20,836,845	17,433,864	764,311	1,860,783
	<hr/>	<hr/>	<hr/>	<hr/>
	51,717,563	40,295,229	764,311	1,860,783
	<hr/>	<hr/>	<hr/>	<hr/>

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 30. FINANCIAL INSTRUMENTS (continued)

### (c) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

Financial instruments that are not carried at fair values and whose carrying amounts are a reasonable approximation of fair values

The carrying amounts of financial assets and financial liabilities such as trade and other receivables, trade and other payables and interest-bearing borrowings, are reasonable approximation of fair values due to their short-term nature or that they are re-priced to market interest rates or near the end of the reporting period.

The carrying amounts of the borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

### (d) Fair value hierarchy

As at the end of the reporting period, the Group has no financial instruments that are measured at fair value subsequent to initial recognition hence fair value hierarchy is not presented.

## 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objectives of the Group are to optimise value creation for its shareholder whilst minimising the potential adverse impact arising from credit risk, liquidity and cash flow risk, interest rate risk and foreign currency risk.

The financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the financial risk management policies of the Group. The exposure of the Group to financial risks and the management of the related exposures are as follows:

### (a) Credit risk

Cash deposits and trade receivables could give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade and other receivables and contracts assets. The Group's trading terms with its customers are mainly on credit. The credit period are disclosed in Notes 11 and 12 to the financial statements respectively. Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables via a credit control officer to minimise credit risk. Overdue balances are reviewed regularly by senior management.

#### Credit risk concentration profile

The Group determine concentration of credit risk by identifying and monitoring any significant long outstanding balance owing by any major customer or counter party on an on-going basis.

The Group's major concentration of credit risk relates to the amounts owing by four (4) customers (2024: 3 customers) which constituted approximately 78% (2024: 81%) of its trade receivables at the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (b) Liquidity and cash flow risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group would encounter difficulty in meeting its financial obligations when due.

The Group monitors and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The maximum exposure in relation to guarantee extended to third party as disclosed in Note 27(b) to the financial statements.

#### Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the liabilities of the Group and of the Company at the end of each reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>2025 Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	20,836,845	-	-	20,836,845
Borrowings	28,858,077	2,001,429	222,609	31,082,115
Lease liabilities	3,392,877	4,906,213	339,450	8,638,540
	53,087,799	6,907,642	562,059	60,557,500
<b>Company</b>				
<b>Financial liability</b>				
Other payables and accruals	764,311	-	-	764,311
<b>2024 Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	17,433,864	-	-	17,433,864
Borrowings	20,221,887	2,487,745	542,576	23,252,208
Lease liabilities	3,341,511	5,521,085	1,002,911	9,865,507
	40,997,262	8,008,830	1,545,487	50,551,579
<b>Company</b>				
<b>Financial liability</b>				
Other payables and accruals	1,860,783	-	-	1,860,783

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments would fluctuate because of changes in market interest rates.

The Group's exposure to market risk for changes in interest rates relates primarily to the interest-earnings deposits placed with a licensed bank and interest-bearing borrowings. The Group does not use derivative financial instruments to hedge its risk.

The following table sets out the carrying amount, the weighted average effective interest rates as at the end of the reporting year and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

	Note	Weighted average effective interest rate %	Within one year RM	One to five years RM	More than five years RM	Total RM
<b>2025 Group</b>						
<b>Fixed rates</b>						
Deposits with licensed bank	13	2.93	9,215,800	-	-	9,215,800
Term loans	18	4.16	(599,361)	(591,032)	(98,162)	(1,288,555)
<b>Floating rates</b>						
Trade financing	18	4.72	(27,665,877)	-	-	(27,665,877)
Term loans	18	4.57	(478,794)	(1,333,788)	(113,704)	(1,926,286)
<b>Company</b>						
<b>Fixed rates</b>						
Deposits with licensed bank	13	3.45	3,550,000	-	-	3,550,000
<b>2024 Group</b>						
<b>Fixed rates</b>						
Deposits with licensed bank	13	2.69	5,464,881	-	-	5,464,881
Term loans	18	3.61	(587,099)	(724,946)	(134,765)	(1,446,810)
<b>Floating rates</b>						
Bank overdraft	18	7.18	(527,208)	-	-	(527,208)
Trade financing	18	5.09	(18,501,800)	-	-	(18,501,800)
Term loans	18	4.36	(461,303)	(1,544,149)	(380,095)	(2,385,547)



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### (c) Interest rate risk (continued)

#### Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity analysis of the Group if interest rates at the end of reporting period changed by one hundred (100) basis points with all other variables held constant:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>Profit after tax and equity</b>		
- Increased by 1% (2024: 1%)	(224,900)	(162,800)
- Decreased by 1% (2024: 1%)	224,900	162,800

### (d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of the Group's financial instruments would fluctuate because of changes in foreign exchange rates.

The Group has assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies that give rise to foreign exchange exposures.

The Group is also exposed to foreign currency risk on sales and purchases that are denominated in currencies other than the respective functional currencies of the entities within the Group.

The following table demonstrates the sensitivity analysis of the profit after tax of the Group to a reasonably possible change in the Singapore Dollar ("SGD") exchange rate against the functional currency of the Group, with all other variables held constant:

	<b>Group</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
<b>Profit after tax and equity</b>		
SGD/RM - strengthen by 5% (2024: 5%)	543,500	665,800
- weaken by 5% (2024: 5%)	(543,500)	(665,800)

## 32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) On 27 November 2024, PPISB, a wholly owned subsidiary of the Company had entered into a Sale and Purchase Agreement ("SPA") with a third party to acquire a piece of freehold land located in Mukim of Kota Tinggi, District of Kota Tinggi for total purchase consideration of RM9,868,039. The amount paid of RM1,068,039 has been recognised as part of capital work-in-progress as disclosed in Note 7 to the financial statements.

Subject to the terms and conditions stipulated in the SPA, the transaction is yet to be completed as at the financial year ended 28 February 2025, therefore the balance amount of RM8,800,000 had been disclosed as capital commitment in Note 27 to the financial statements.

Subsequent to the financial year, on 6 March 2025, the acquisition was completed pursuant to the terms of the SPA.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD (continued)

- (b) On 2 December 2024, KFESB, a wholly owned subsidiary of the Company, had entered into a Sale and Purchase Agreement ("SPA") with a third party to acquire a piece of freehold land located in Mukim of Plentong, District of Johor Bahru for total purchase consideration of RM4,002,055. The amount paid of RM400,206 has been recognised as part of capital work-in-progress as disclosed in Note 7 to the financial statements.

Subject to the terms and conditions stipulated in the SPAs, the transactions are yet to be completed as at the financial year ended 28 February 2025, therefore the balance amount of RM3,601,849 had been disclosed as capital commitment in Note 27 to the financial statements.

- (c) On 20 May 2025, the Company subscribed for 10 ordinary shares in a newly incorporated company, namely Enerxite Sdn. Bhd. ("ESB") for a total cash consideration of RM10.

Subsequently on 3 June 2025, the Company subscribed for an additional 599,990 new ordinary shares at an issue price of RM1 each. The collectively shareholding of the Company represents 60% of paid-up share capital of ESB.

# ANALYSIS OF SHAREHOLDINGS

## SHARE CAPITAL AS AT 19 MAY 2025

Total Number of Issued Shares	:	608,292,000 ordinary shares fully paid
Class of shares	:	Ordinary shares
Voting rights	:	One (1) vote per ordinary share

## DISTRIBUTION OF SHAREHOLDERS ACCORDING TO STATISTICAL SUMMARY OF THE RECORD OF DEPOSITORS AS AT 19 MAY 2025

Size of shareholdings	No. of shareholders	No. of shares held	%
Less than 100 shares	11	230	0.000
100 to 1,000 shares	558	278,170	0.046
1,001 to 10,000 shares	1,387	7,213,300	1.186
10,001 to 100,000 shares	760	26,357,000	4.333
100,001 to less than 5% of issued shares	163	163,516,300	26.881
5% and above of issued shares	4	410,927,000	67.554
<b>TOTAL</b>	<b>2,883</b>	<b>608,292,000</b>	<b>100.000</b>

## LIST OF 30 LARGEST SHAREHOLDERS ACCORDING TO THE RECORD OF DEPOSITORS AS AT 19 MAY 2025

No.	Name of shareholders	No. of shares held	%
1	DATUK DR. TING KOK HWA	285,081,000	46.866
2	HIN WAI MUN	46,042,000	7.569
3	DATUK TING MENG PHENG	41,185,000	6.771
4	CHONG TUOO CHOI	38,619,000	6.349
5	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	15,432,600	2.537
6	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	9,643,300	1.585
7	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD - KENANGA SYARIAH GROWTH FUND	8,421,900	1.384
8	VINCENT WONG SOON CHOY	6,000,000	0.986
9	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	5,394,700	0.887
10	MAYBANK NOMINEES (TEMPATAN) SDN BHD NATIONAL TRUST FUND (IFM KENANGA) (410196)	4,437,900	0.730
11	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSDANA AL-ILHAM	4,303,900	0.708
12	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD FOR PMB SHARIAH EQUITY FUND	4,000,000	0.658

## ANALYSIS OF SHAREHOLDINGS (continued)

### LIST OF 30 LARGEST SHAREHOLDERS ACCORDING TO THE RECORD OF DEPOSITORS AS AT 19 MAY 2025 (continued)

No.	Name of shareholders	No. of shares held	%
13	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (UOB)	3,974,400	0.653
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR KENANGA ONEPRS GROWTH FUND (420119)	3,800,000	0.625
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR KAF ISLAMIC DIVIDEND INCOME FUND(290411)	3,588,500	0.590
16	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (EASTSPRING)	3,466,500	0.570
17	YEOH YEW CHOO	2,913,600	0.479
18	TAN LYE BENG	2,853,100	0.469
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (EASTSPRINGESG)	2,806,300	0.461
20	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD - KENANGA ISLAMIC BALANCED FUND	2,485,300	0.409
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (KENANGAESG)	2,314,600	0.380
22	CHIANG FONG YEE	2,279,900	0.375
23	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD TABUNG WARISAN NEGERI SELANGOR (AL-WARA')	2,219,500	0.365
24	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVEST- MENTS DANA DINAMIK	2,165,600	0.356
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BERHAD FOR ETHEREAL-ALPHA EQ FUND (445329)	2,081,300	0.342
26	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA PREMIER FUND	2,000,000	0.329
27	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD(MBBESGSCEQ)	2,000,000	0.329
28	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD(UOBESGSCEQ)	2,000,000	0.329
29	AMANAHRAYA TRUSTEES BERHAD PMB DANA BESTARI	1,900,000	0.312
30	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA DIVERSIFIED FUND (50157 TR01)	1,829,200	0.301

## ANALYSIS OF SHAREHOLDINGS (continued)

### SUBSTANTIAL SHAREHOLDERS AS AT 19 MAY 2025

(As per Register of Substantial Shareholders)

No.	Name of shareholders	No. of shares held			
		Direct Interest	%	Deemed Interest	%
1	DATUK DR. TING KOK HWA	285,081,000	46.866	-	-
2	HIN WAI MUN	46,042,000	7.569	-	-
3	DATUK TING MENG PHENG	41,185,000	6.771	-	-
4	CHONG TUOO CHOI	38,619,000	6.349	-	-

### DIRECTORS' SHAREHOLDINGS AS AT 19 MAY 2025

(As per Register of Directors' Shareholdings)

No.	Name of Directors	No. of shares held			
		Direct Interest	%	Deemed Interest	%
1	LEE CHYE TEE	-	-	-	-
2	DATUK DR. TING KOK HWA	285,081,000	46.866	-	-
3	HIN WAI MUN	46,042,000	7.569	-	-
4	CHONG TUOO CHOI	38,619,000	6.349	-	-
5	VINCENT WONG SOON CHOY	6,000,000	0.986	-	-
6	NG LEE THIN	250,000	0.041	-	-
7	LATHA A/P DHAMODARAN PILLAY	-	-	-	-
8	GOH LEI LEI	250,000	0.041	-	-

# NOTICE OF SECOND ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Second Annual General Meeting ("2<sup>nd</sup> AGM") of UUE Holdings Berhad will be held via physical mode at Trading Post, Ponderosa Golf & Country Club, No.3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor on Friday, the 25<sup>th</sup> day of July, 2025 at 9.30 a.m. for the following purposes :-

## AGENDA

### AS ORDINARY BUSINESS:

- |   |                                 |
|---|---------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 28 February 2025 together with the Reports of the Directors and Auditors thereon.                                     | <b>(See Explanatory Note 1)</b> |
| 2. To re-elect MR HIN WAI MUN, a Director retiring by rotation pursuant to Clause 133 of the Company's Constitution.  | <b>ORDINARY RESOLUTION 1</b>    |
| 3. To re-elect MS NG LEE THIN, a Director retiring by rotation pursuant to Clause 133 of the Company's Constitution.  | <b>ORDINARY RESOLUTION 2</b>    |
| 4. To re-elect MS LATHA A/P DHAMODARAN PILLAY, a Director retiring by rotation pursuant to Clause 133 of the Company's Constitution.  | <b>ORDINARY RESOLUTION 3</b>    |
| 5. To approve Directors' Fees amounting to RM250,667-00 for the financial year ended 28 February 2025.  | <b>ORDINARY RESOLUTION 4</b>    |
| 6. To approve Directors' Fees amounting to RM306,000-00 for the financial year ending 28 February 2026 payable quarterly in arrears after each month of completed service.                        | <b>ORDINARY RESOLUTION 5</b>    |
| 7. To approve Directors' Benefit amounting to RM6,000-00 for four Independent Directors for the period commencing after the 2 <sup>nd</sup> AGM up to the 3 <sup>rd</sup> AGM to be held in 2026. | <b>ORDINARY RESOLUTION 6</b>    |
| 8. To re-appoint MESSRS BDO PLT, as Auditors of the Company for the financial year ending 28 February 2026 and to authorise the Directors to fix their remuneration.                              | <b>ORDINARY RESOLUTION 7</b>    |



# NOTICE OF SECOND ANNUAL GENERAL MEETING (continued)

## AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolutions:

### 9. ORDINARY RESOLUTION

### ORDINARY RESOLUTION 8

#### **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

"THAT subject always to the Companies Act 2016, the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Constitution of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting ("AGM") of the Company ("General Mandate")."

10. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and/or the Act.

## BY ORDER OF THE BOARD

POW JULIET (MAICSA 7020821) SSM Practicing Certificate No. 202008001248  
 AN YU QING (MAICSA 7076459) SSM Practicing Certificate No. 202108000205  
 Secretaries

Date: 26 June 2025

## Note:

1. A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
2. A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.
3. A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
4. Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

# NOTICE OF SECOND ANNUAL GENERAL MEETING (continued)

5. The appointment of a proxy/ attorney for the 2<sup>nd</sup> AGM may be made in hard copy form or by electronic means. The duly executed instrument appointing a proxy/ attorney must be deposited or submitted in the following manner, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid:
  - (i) **In hard copy form (for Individual and/or Corporate member)**  
 In the case of an appointment made in hard copy form, the duly executed Form of Proxy must be deposited with the Share Registrar of the Company, AscendServ Capital Markets Services Sdn. Bhd's ("ACM") office at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan;  
 Attorney(s) appointed by Power of Attorney **MUST** deposit their **ORIGINAL** Power of Attorney or a **NOTARIALLY CERTIFIED COPY** thereof with the Share Registrar of the Company at ACM's office; **OR**
  - (ii) **By electronic means via Dvote Online (for Individual member only)**  
 The Form of Proxy can be electronically lodged with the Share Registrar of the Company via Dvote Online website at <https://www.dvote.my>.
6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 July 2025, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

## Explanatory Notes:

### Ordinary Business:

1. **Item 1 of the Agenda - Audited Financial Statements for the year ended 28 February 2025**  
 This agenda item is meant for discussion only and do not require a formal approval of the shareholders and hence, is not put forward for voting.
2. **Item 5 of the Agenda - Directors' Fees for the financial year ended 28 February 2025**  
 The proposed Ordinary Resolution 4, if passed, will facilitate the payment of Directors' Fees of RM250,667-00 to the Executive Directors and Independent Directors for financial year ended 28 February 2025. The Directors' Fees of RM250,667-00 as disclosed in page 60 of the Prospectus issued for Listing of the Company on ACE Market of Bursa Securities comprised of Directors' Fees of the Executive Directors were for the full financial year ended 28 February 2025 whilst the Directors' Fees of the Independent Directors would be apportioned for the period from Listing till the end of the financial year ended 28 February 2025.
3. **Item 6 of the Agenda - Directors' Fees for the financial year ending 28 February 2026**  
 The proposed Ordinary Resolution 5, if passed, will facilitate the payment of Directors' Fees of RM306,000-00 to the Executive Directors and Independent Directors for financial year ending 28 February 2026 payable quarterly in arrears after each month of completed service.
4. **Item 7 of the Agenda - Directors' Benefit for the period after 2025 Annual General Meeting up to 2026 Annual General Meeting**  
 The proposed Ordinary Resolution 6, if passed will authorise the payment of Directors' Benefit of RM6,000-00 comprised of meeting attendance of RM300 per day for each Independent Director for the period after 2025 Annual General Meeting up to 2026 Annual General Meeting.

# NOTICE OF SECOND ANNUAL GENERAL MEETING (continued)

## Special Business:

### 5. Item 9 of the Agenda - Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 8, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company and such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company. This is a new general mandate upon the listing of the Company on the ACE Market of Bursa Securities. The general mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time. The Board of Directors of the Company is of the view that the general mandate is in the best interest of the Company. At as the date of this Notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the authorisation is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

## Voting by Poll

Pursuant to Rule 8.31A of the ACE LR of Bursa Securities, all resolutions set out in this Notice are to be voted by poll.



## FORM OF PROXY

No. of Shares held:	
CDS Account No.	

I/We \_\_\_\_\_ (NRIC No. \_\_\_\_\_) of (full address) \_\_\_\_\_  
 \_\_\_\_\_ a member / members of UUE HOLDINGS BERHAD

hereby appoint

<b>Name of Proxy</b> (Full Name)	<b>NRIC No. / Passport No.</b>	<b>% of Shareholding to be Represented</b> (Refer to Note 2)
<b>Address</b>		

\*and/or failing him/her

<b>Name of Proxy</b> (Full Name)	<b>NRIC No. / Passport No.</b>	<b>% of Shareholding to be Represented</b> (Refer to Note 2)
<b>Address</b>		

as *\*my/our proxy to vote for \*me/us and on \*my/our behalf at the 2<sup>nd</sup> Annual General Meeting ("2<sup>nd</sup> AGM") of the Company to be held on Friday, the 25<sup>th</sup> day of July, 2025 at 9.30 a.m. held at Trading Post, Ponderosa Golf & Country Club, No.3, Jalan Ponderosa 1, Taman Ponderosa, 81100 Johor Bahru, Johor and at every adjournment thereof to vote as indicated below in respect of the following Resolutions:-*

ORDINARY BUSINESS		FOR	AGAINST
Ordinary Resolution 1	Re-election of MR HIN WAI MUN as a Director of the Company		
Ordinary Resolution 2	Re-election of MS NG LEE THIN as a Director of the Company		
Ordinary Resolution 3	Re-election of MS LATHA A/P DHAMODARAN PILLAY as a Director of the Company		
Ordinary Resolution 4	To approve the payment of Directors' Fees for financial year ended 28 February 2025		
Ordinary Resolution 5	To approve the payment of Directors' Fees for financial year ending 28 February 2026 payable quarterly in arrears after each month of completed service		
Ordinary Resolution 6	To approve the payment of Directors' Benefit for the period commencing after the 2 <sup>nd</sup> AGM up to the 3 <sup>rd</sup> AGM to be held in 2026		
Ordinary Resolution 7	Re-appointment of MESSRS BDO PLT as Auditors of the Company		
SPECIAL BUSINESS			
Ordinary Resolution 8	Authority to allot and issue shares pursuant to Section 75 and 76 of the Companies Act, 2016.		

(Please indicate with a "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

No. of shares held :	
----------------------	--

.....  
 Signature of member/s

**Note:**

1. A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.
2. A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.
3. A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.
4. Where a member is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. The appointment of a proxy/ attorney for the 2<sup>nd</sup> AGM may be made in hard copy form or by electronic means. The duly executed instrument appointing a proxy/ attorney must be deposited or submitted in the following manner, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid:
  - (i) **In hard copy form (for Individual and/or Corporate member)**  
In the case of an appointment made in hard copy form, the duly executed Form of Proxy must be deposited with the Share Registrar of the Company, AscendServ Capital Markets Services Sdn. Bhd's ("ACM") office at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan;  
Attorney(s) appointed by Power of Attorney **MUST** deposit their **ORIGINAL** Power of Attorney or a **NOTARIALY CERTIFIED COPY** thereof with the Share Registrar of the Company at ACM's office; **OR**
  - (ii) **By electronic means (for Individual member only)**  
The Form of Proxy can be electronically lodged with the Share Registrar of the Company via Dvote Online website at <https://www.dvote.my>.
6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 July 2025, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

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Affix Stamp

The Share Registrar  
**UUE HOLDINGS BERHAD**  
Registration No. 202201026669 (1472366-A)

Office Suite No. 603 Block C,  
Pusat Dagangan Phileo Damansara 1,  
No. 9, Jalan 16/11, Off Jalan Damansara,  
46350 Petaling Jaya, Selangor.

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## UUE HOLDINGS BERHAD

202201026669 (1472366-A)

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81100 Johor Bahru,  
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☎ +607 355 0028

✉ info@uue-holdings.com

🌐 www.uue-holdings.com

### OUR SUBSIDIARIES:



#### KUM FATT ENGINEERING SDN. BHD.

200901003119 (846046-M)

Underground Utilities Engineering Solutions

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#### KONNECTION ENGINEERING PTE. LTD.

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#### PREMIER PLASTIC INDUSTRY SDN. BHD.

201701010598 (1224763-D)

Manufacturing and Trading of HDPE Pipes

📍 Lot PTD 204684, Batu 13-1/2,  
Jalan Sungai Tiram,  
81800 Ulu Tiram, Johor,  
Malaysia.

☎ +607 861 5373

✉ info@ppi.asia

🌐 www.ppi.asia



#### JL GLOBAL INVISION SDN. BHD.

202301005112 (1499031-U)

Underground Utilities Detection Services

📍 No.69, Jalan Teratai 7,  
Taman Johor Jaya,  
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