



Master Tec

Master Tec Group Berhad
202201040911 (1486608-P)

ANNUAL REPORT
2024



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CORPORATE PROFILE



Master Tec Group Berhad (“MTG”) is a Malaysia-registered cable manufacturer established in 2005 and headquartered at Rembia Industrial Park, Melaka. Since its inception, MTG has grown from a manufacturer of basic housing cables into one of the most respected manufacturers of high-quality **power cables, housing cables, control cables, instrumentation & communication cables, fire-resistant & flame-retardant cables, conductors, branch cables, and fiber optics**. We proudly serve a diverse customer base, including renowned clients across multiple industries in the Asia-Pacific region, such as **Thailand, Brunei, and Singapore**.

At MTG, we are committed to becoming the preferred brand of choice by delivering **end-to-end technical support, customized solutions, and exceptional customer service**. We go beyond expectations by offering **highly tailored, high-quality products** that meet the stringent requirements of both domestic and global markets.

Our success is driven by **a deep understanding of industry needs, continuous product innovation, and an unwavering commitment to quality**. With a **comprehensive range of cable and wire solutions**, coupled with the **value-added benefits of our strong brand reputation**, MTG continues to be a trusted name in both local and international markets.

Our Vision

**“Empowering Connections,
Lighting the Future”**

Our vision is to empower connections through cutting-edge cable solutions that illuminate a brighter, more connected future. We aspire to be the catalyst for innovation, setting new standards in the industry while enriching lives and industries across the globe.

Our Mission

**“Innovating Excellence,
Connecting Possibilities”**

Our mission at MTG is to consistently innovate excellence in wire and cable manufacturing.

We are committed to connecting possibilities by delivering high-quality products tailored to diverse electrical and communication needs.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK SALEH BIN MOHD DOM
Independent Non-Executive Chairman

YEE YING SUNG
Independent Non-Executive Director

DATO' LAU KIM SAN
Managing Director

FONG HUI FONG
Independent Non-Executive Director

TEE KOK HWA
Executive Director

HOOI LIAN JYE
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman	Members
Yee Ying Sung	Fong Hui Fong Hooi Lian Jye

NOMINATION AND REMUNERATION COMMITTEE

Chairperson	Members
Hooi Lian Jye	Yee Ying Sung Fong Hui Fong

COMPANY SECRETARIES

Yeow Sze Min
(MAICSA 7065735)
(SSM PC No. 201908003120)

Ng Lee Ying
(MAICSA 7081879)
(SSM PC No. 202408000327)

REGISTERED OFFICE

No. 60-1, Jalan Lagenda 5,
Taman 1 Lagenda,
75400 Melaka
Tel : 06 288 0210
Email : info@sshsb.com.my

PRINCIPAL PLACE OF BUSINESS

RM1299-A,
Kawasan Perindustrian Rembia,
78000 Alor Gajah,
Melaka
Tel : 06 316 1111
Email : info@mastertec.my
Website : https://mastertec.my

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
[Registration No. 197701005827
(36869-T)]

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur
Wilayah Persekutuan
Tel : 03-2084 9000
Fax : 03-2094 9940/ 03-2095 0292
Email : info@sshsb.com.my

STOCK EXCHANGE LISTING

Listed on ACE Market,
Bursa Malaysia Securities Berhad
on 29 January 2024
Stock Name : MTEC
Stock Code : 0295
Sector : Industrial Products & Services

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) &
AF 1018
52, Jalan Kota Laksamana 2/15,
Taman Kota Laksamana, Seksyen 2,
75200 Melaka
Tel : 06 282 5995
Fax : 06 283 6449

SPONSOR

TA Securities Holdings Berhad
[Registration No. 197301001467
(14948-M)]

28th Floor, Menara TA One,
No. 22, Jalan P. Ramlee,
50250 Kuala Lumpur
Tel : 03 2072 1277
Fax : 03 2032 1094

PRINCIPAL BANKERS

Malayan Banking Berhad
Al Rajhi Banking & Investment
Corporation (Malaysia) Bhd
HSBC Bank Malaysia Berhad

PRINCIPAL SOLICITOR

Chee Siah Le Kee & Partners

GROUP STRUCTURE

Master Tec

MASTER TEC GROUP BERHAD

Registration No. 202201040911 (1486608-P)
(Incorporated in Malaysia under the Companies Act 2016)

100%

MASTER TEC WIRE & CABLE SDN. BHD.

Registration No. 200501023148
(705279-P)

- Manufacturing and distribution of power cables, control and instrumentation cables, and other related products; and
- Trading of power cables, fibre optic cables, and other related products.

51%

SEDIACOM SDN. BHD.

[Registration No. 201101003546
(931684-W)]

- Contractor specialising in underground utilities engineering services and solutions.

5-YEAR FINANCIAL HIGHLIGHTS

	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024
	RM'000	RM'000	RM'000	RM'000	RM'000
OPERATING RESULTS					
Revenue	162,313	275,875	362,685	285,444	324,038
Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA) ⁽¹⁾	12,459	13,424	33,788	39,786	32,782
Gross Profit (GP)	6,605	13,653	35,130	44,032	35,368
Profit Before Tax (PBT)	6,230	7,215	26,180	32,767	27,732
Profit After Tax (PAT)	5,258	5,533	19,555	23,505	27,103
KEY FINANCIAL POSITION DATA					
Total Assets	188,319	207,699	219,142	225,479	310,690
Total Liabilities	115,014	131,244	132,910	115,741	126,046
Total Equity	73,305	76,455	86,232	109,738	184,644
FINANCIAL RATIOS					
GP margin (%)	4.07	4.95	9.69	15.43	10.91%
PBT margin (%)	3.84	2.62	7.22	11.48	8.56%
PAT margin (%)	3.24	2.01	5.39	8.23	8.36%
Effective tax rate (%)	15.60	23.31	25.31	28.27	2.27%
Basic and diluted EPS (sen)	0.61 ⁽²⁾	0.64 ⁽²⁾	2.27 ⁽²⁾	2.73 ⁽²⁾	2.68 ⁽³⁾
Net Assets Per Share (sen)	8.51 ⁽⁴⁾	8.87 ⁽⁴⁾	10.00 ⁽⁴⁾	12.73 ⁽⁴⁾	18.00 ⁽⁵⁾

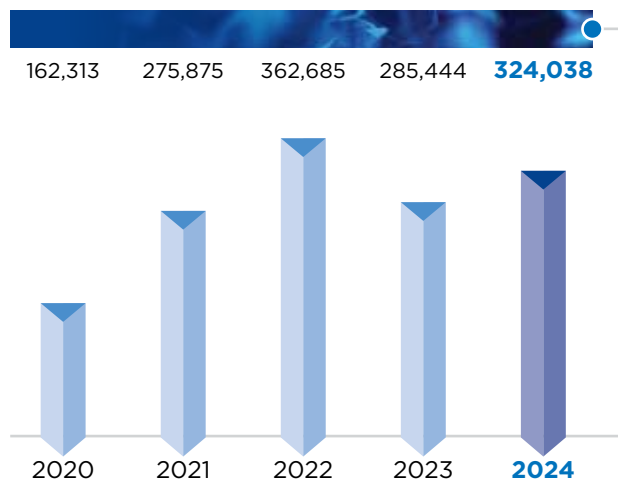
Notes

- (1) Computed as PAT plus: (i) income tax expense; (ii) interest expense; (iii) depreciation of investment properties; (iv) depreciation of property, plant and equipment; and (v) depreciation of right-of-use assets, less (vi) finance income.
- (2) Calculated based on the 861,900,000 ordinary shares assumed to be in issue after the acquisition of subsidiary but before public issue in conjunction with the Company's listing on ACE Market of Bursa Malaysia Securities Berhad ("the Public Issue").
- (3) Computed based on the weighted average number of issued share capital of 1,009,171,233 ordinary shares after the Public Issue.
- (4) Calculated based on Total Equity over the 861,900,000 ordinary shares assumed to be in issue after the acquisition of subsidiary but before the Public Issue.
- (5) Calculated based on Total Equity over the weighted average number of issued share capital of 1,009,171,233 ordinary shares after the Public Issue.

5-YEAR FINANCIAL HIGHLIGHTS (CONT'D)

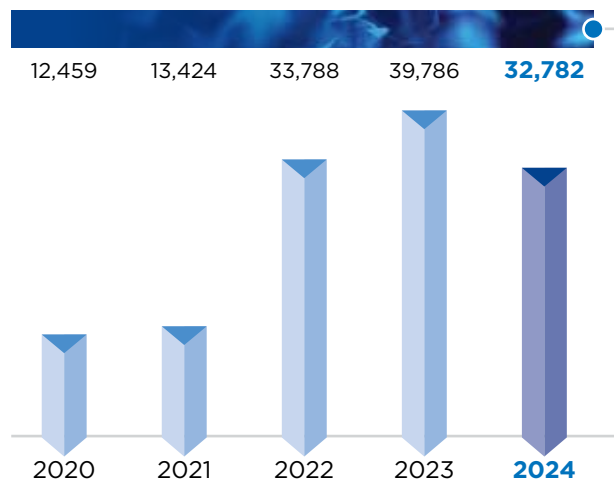
REVENUE

RM'000



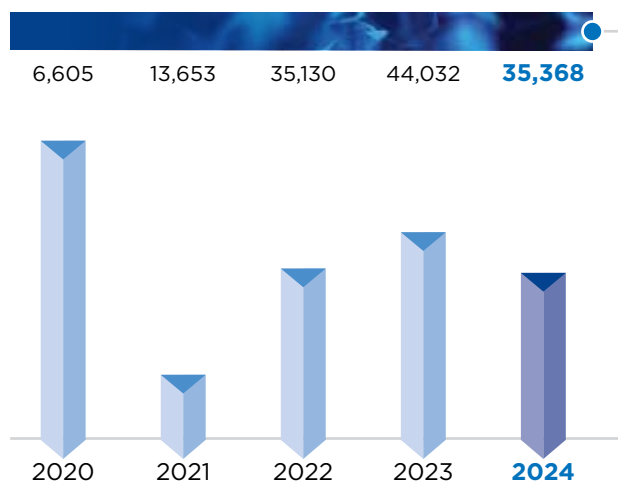
EBITDA

RM'000



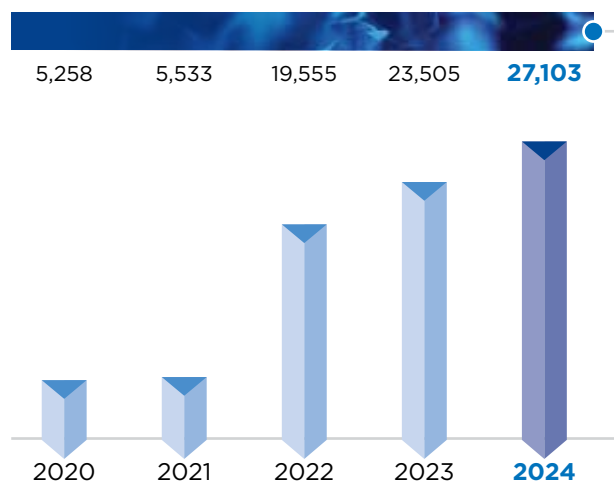
GP

RM'000



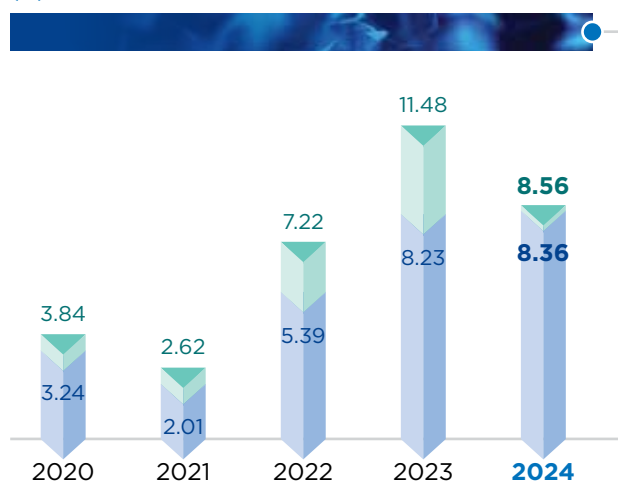
PAT

RM'000



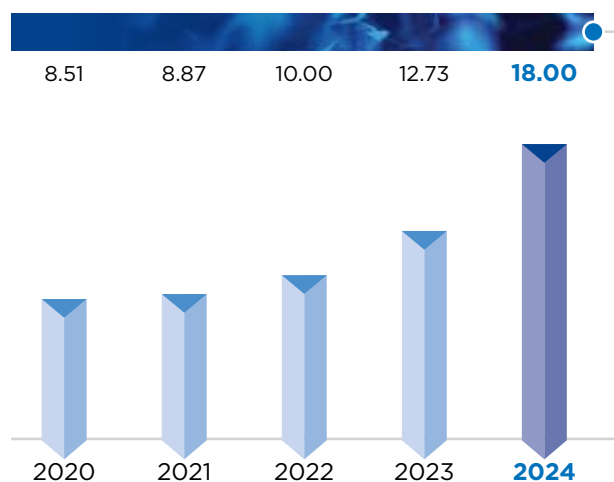
PBT MARGIN/PAT MARGIN

(%)



NET ASSETS PER SHARE

SEN





Dear Valued Stakeholders,

It is with great pride and pleasure that I, as the Chairman of the Board of Directors of Master Tec Group Berhad (“**MTG**”), present our inaugural Annual Report and Audited Financial Statements for the financial year ended 31 December 2024 (“**FYE 2024**”), which also marked our successful listing on the ACE Market of Bursa Malaysia on 29 January 2024.

CHAIRMAN'S *Statement*

The past year has been a momentous one for MTG, highlighted by our successful listing on the ACE Market of Bursa Malaysia Securities Berhad (“**ACE Market**”). This significant milestone not only underscores the confidence placed in our Group but also marks the beginning of an exciting new chapter in our corporate journey.

As we navigate the FYE 2024 phase of business growth, MTG and its subsidiaries (“**Group**”) remains unwavering in its commitment to excellence. We take pride in our reputation as a trusted and well-established manufacturer of wires and cables. Guided by our dedication to quality and innovation, we aim to uphold the high standards that have defined our operations while pursuing strategic opportunities to diversify into new manufacturing channels.

Looking ahead, we are focused on driving sustainable growth and enhancing profitability with a particular emphasis on expanding our medium-voltage (“**MV**”) power cable segment, which presents higher value-add opportunities. By leveraging our proven track record and expanding our capabilities, we are well-positioned to seize emerging opportunities and create long-term value for our stakeholders.

On behalf of the Board of Directors of MTG, I extend my heartfelt gratitude to our shareholders, customers, business partners, and employees for their unwavering support and trust. Together, we will continue to chart a path of progress and success for MTG deliver long-term value and resilience to all stakeholders.

FINANCIAL RESULTS

For the FYE 2024, the Group recorded a total revenue of RM324.04 million and achieved a Profit After Tax (“**PAT**”) of RM27.10 million. These results underscore the robustness of MTG’s business model, driven primarily by secured supply contracts with key clients such as Tenaga Nasional Berhad Group and Sarawak Energy Berhad Group, alongside purchase orders issued by our other valued customers.

The 13.5% revenue growth compared to the financial year ended 31 December 2023 (“**FYE 2023**”) was mainly driven by strong performance across the manufacturing, trading, and contract revenue segments. The manufacturing segment remained the largest contributor, generating RM299.16 million, primarily from low-voltage power cables and control & instrumentation cables. The trading segment contributed RM20.02 million, benefiting from increased demand for power cables, fibre optic cables, and related products.

CHAIRMAN'S STATEMENT (CONT'D)

FINANCIAL RESULTS (CONT'D)

Additionally, the contract revenue segment contributed RM4.86 million, arising from infrastructure and utility services. This revenue was derived from Sediacom Sdn. Bhd. ("**Sediacom**"), a newly acquired subsidiary in the last quarter of FYE 2024, marking a strategic expansion into the underground cable laying, overhead line installation, road safety management, and high-density polyethylene pipe pulling sectors. The acquisition enhances MTG's service offerings and opens new revenue streams, positioning the Group for further growth in the infrastructure sector.

The dividend payments, totaling RM12.99 million, underscore the Group's strong cash generation and disciplined capital management, reflecting our strong operational execution, strategic expansion, and commitment to delivering sustainable growth in a dynamic market.

CORE BUSINESS

MTG through its 100%-owned subsidiary, Master Tec Wire & Cable Sdn. Bhd., is a leading player in the manufacturing and distribution of a diverse range of cables. These include Low Voltage (LV) power cables, control and instrumentation cables, and related products, serving both domestic and international markets. In addition to our core manufacturing operations, we are actively involved in the trading of Medium Voltage (MV) power cables, fibre optic cables, solar direct current (DC) power cables, and other specialised products, ensuring a broad portfolio that meets the needs of various industries.

Our products are tailored to meet diverse industrial requirements, available in a variety of sizes, materials, standards, and constructions. Moreover, MTG provides customised solutions for our wires and cables to address specific customer needs across industries such as Power Utilities, Renewable Energy, Property Development & Construction, Oil & Gas, Public Transportation & Infrastructure, Data Centres, and Telecommunications.

SEDIACOM: DRIVING GROWTH IN THE HDD SECTOR

Horizontal Directional Drilling ("**HDD**") is increasingly becoming a preferred method in infrastructure development due to its ability to reduce disruption to existing structures and landscapes. Sediacom has positioned itself as a leader in this field, offering a range of HDD solutions tailored to various project requirements.

The HDD services provided by Sediacom are integral to projects that demand precision, efficiency, and environmental sensitivity. This includes utility installations for power cables, fibre optic networks, and pipelines in urban and rural environments. The technology is particularly beneficial for navigating under obstacles such as roads, rivers, and densely populated areas, ensuring seamless installations without extensive excavation.

STRATEGIC SYNERGY BETWEEN MTG AND SEDIACOM

The inclusion of Sediacom's HDD expertise complements MTG's core business in wire and cable manufacturing, creating strategic synergies that allow the Group to offer end-to-end solutions. By integrating high-quality cable production with advanced HDD installation services, MTG can deliver turnkey solutions to clients in industries such as telecommunications, renewable energy, public infrastructure, and utilities.

This strategic expansion not only diversifies MTG's business portfolio but also strengthens its competitive advantage in the market. With the growing demand for HDD services, particularly in large-scale infrastructure projects and the rollout of advanced telecommunications networks, Sediacom is poised to drive significant growth for the Group.

**CHAIRMAN'S STATEMENT
(CONT'D)****OUTLOOK &
PROSPECTS****WIRE & CABLE MARKET OUTLOOK**

The wire and cable market in Malaysia continues to exhibit robust growth, underpinned by the country's ongoing infrastructure development and increasing investments in renewable energy projects. According to an Independent Market Research (IMR) report by Infobusiness Research & Consulting Sdn Bhd, the average annual ex-factory sales of wires and cables in Malaysia between 2018 and 2022 stood at RM9,567.40 million, reflecting the market's resilience and consistent demand.

Looking ahead, demand for wires and cables is expected to rise further, driven by large-scale infrastructure projects such as the Bayan Lepas Light Rail Transit, and the West Port Expansion project. These projects are poised to create substantial opportunities for the wire and cable industry, particularly in supplying high-quality power and data transmission cables essential for modern infrastructure.

The Malaysian government's strong emphasis on renewable energy, as outlined in the Malaysia Renewable Energy Roadmap (MyRER), also adds significant growth momentum to the market. With ambitious targets of achieving 31% renewable energy generation by 2025 and 40% by 2035, the demand for specialised cables, such as solar direct current (DC) cables and other energy-efficient solutions, is set to surge. These trends position MTG to leverage its comprehensive portfolio of high-quality cables and expand its market presence.

HDD MARKET OUTLOOK

The HDD market in Malaysia is experiencing rapid expansion, driven by the increasing adoption of trenchless technology in infrastructure projects. HDD has emerged as a preferred solution for installing underground utilities such as pipelines, power cables, and fibre optic networks, offering efficiency, precision, and minimal environmental impact.

The ongoing deployment of critical infrastructure projects across Malaysia provides a strong foundation for HDD growth. These projects include telecommunications expansions, public transportation upgrades, and renewable energy initiatives, all of which require the advanced capabilities of HDD technology to navigate complex and densely populated environments. HDD is particularly valuable in urban areas and sensitive ecosystems, where traditional excavation methods may cause significant disruption or damage.

Additionally, Malaysia's push toward digital transformation and connectivity, driven by initiatives such as the National Fiberisation and Connectivity Plan (NFCP) and the rollout of 5G technology, is fueling demand for HDD services in the installation of fibre optic cables and communication networks. This trend is expected to continue as the nation prioritises building a robust digital infrastructure to support economic growth and innovation.

GROWTH PROSPECTS FOR MTG IN WIRE & CABLE AND HDD

MTG is well-positioned to capitalise on these market trends through its comprehensive offerings in wire and cable manufacturing and its 51%-owned subsidiary, Sediacom, specialising in HDD services. The synergies between these two business segments allow MTG to deliver integrated solutions that meet the evolving needs of clients across industries such as power utilities, renewable energy, telecommunications, and public infrastructure.

By leveraging proceeds from its recent listing and focusing on strategic investments in manufacturing capabilities and HDD services, MTG aims to solidify its market position, expand its industry presence, and drive long-term growth and profitability in Malaysia's dynamic market landscape.

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

Master Tec Group Berhad (“**MTG**” or “**Company**”) has been a stalwart in the wires and cables industry for nearly two decades. Both the Company and its subsidiaries (“**Group**”) remain steadfast in their commitment to enhancing business and financial performance, driving product innovation and quality, and strengthening competitiveness. Our primary objective is to solidify our position as a leading provider of wire and cable solutions in the markets we serve. Additionally, we are actively exploring opportunities to diversify into complementary businesses that will contribute positively to our Group’s long-term growth and sustainability.

The cable industry continues to be influenced by fluctuations in raw material prices, evolving market dynamics, and supply chain challenges. Despite these factors, we remain focused on strengthening our operational efficiency, maintaining strong supplier relationships, and ensuring consistent product quality to meet growing industry demands. With increasing opportunities in infrastructure, power distribution, and renewable energy, we are committed to delivering reliable and innovative cable solutions to support industry growth.

Our ability to navigate these industry dynamics underscores the resilience and adaptability of our team. These efforts have culminated in our recent listing, further reinforcing our position as a trusted and forward-looking player in the wire and cable sector.

OUR BUSINESS ACTIVITIES

We are an established manufacturer of wires and cables with a strong industry presence and 19 years of experience. Our MASTERTEC brand is widely recognised for its Low Voltage (“**LV**”) power cables, control cables, and instrumentation cables, known for their quality, performance, safety, and durability. Our manufacturing facilities are well-established, supported by effective production planning and management systems, ensuring reliability and operational excellence. A key factor in our success is our experienced senior management team, whose deep industry expertise has been instrumental in driving our growth. Quality remains our top priority, demonstrated through rigorous quality control inspections, stringent testing, adherence to international standards, and certifications from governing bodies.

We serve a diverse customer base across multiple industries, including power utilities, renewable energy, construction, and manufacturing. By maintaining a balanced customer portfolio, we ensure business sustainability and continued growth in an evolving market.

As part of our strategic initiative to broaden our market presence and enhance operational capabilities, the Company completed the acquisition of Sediacom Sdn. Bhd. (“**Sediacom**”) on 23 October, 2024, a company specialising in underground utilities engineering services and solutions. This acquisition aligns with our long-term objective of diversifying revenue streams, strengthening industry positioning, and expanding service offerings. However, as the acquisition was completed toward the end of financial year ended 31 December 2024 (“**FYE 2024**”), Sediacom’s financial and operational contribution was not material. Accordingly, no further discussion on its performance is included in this management discussion and analysis section of the Annual Report.

Manufacturing and Trading

Our Group is primarily engaged in manufacturing and trading activities, specialising in the production and distribution of wires and cables, including LV power cables, control cables, and instrumentation cables. These products serve various sectors such as power utilities, renewable energy, construction, and industrial applications. Manufacturing constitutes the majority of our revenue, with a strong emphasis on quality and safety, adhering to international standards and certifications such as MS, IEC, BS, EN, SS, and UL, along with approvals from local regulatory bodies including SIRIM, the Energy Commission, and BOMBA.

Operating from three manufacturing plants in Melaka, our Group has a robust infrastructure to support production and distribution operations, ensuring high-quality standards, reliability, and timely delivery to our customers.

We offer a range of specialised cables, including Medium Voltage (“**MV**”) power cables, which are utilised in large-scale power distribution systems; fibre optic cables, designed for high-performance data networking and telecommunications, offering greater bandwidth and longer-distance transmission than traditional wired cables, typically consist of glass or plastic strands enclosed in an insulated casing; and solar direct current (DC) power cables, which are single-core copper cables with insulation and sheath, specifically designed for solar photovoltaic (“**PV**”) systems, playing a crucial role in transmitting power generated by solar panels within the PV system.

Our Group’s wires and cables are customised based on customer purchase order specifications. Each purchase order details product requirements, triggering a job order to the production department. Even when multiple purchase orders share the same specifications, each is processed separately to maintain accuracy and efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUR BUSINESS ACTIVITIES (CONT'D)

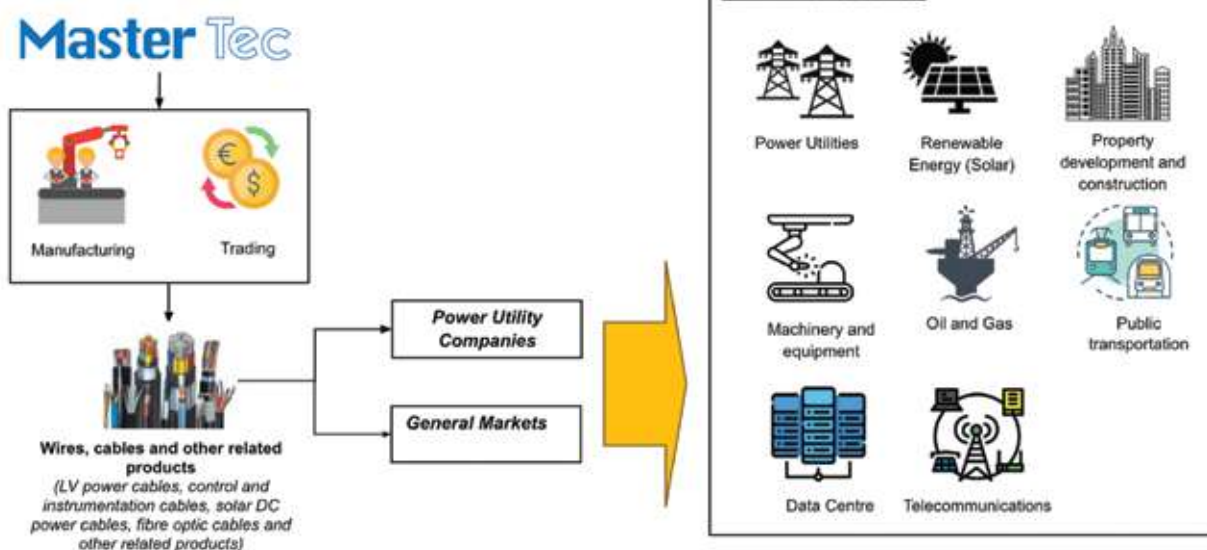
Manufacturing and Trading (Cont'd)

MV power cables are utilised in large-scale power distribution systems, while fibre optic cables are designed for high-performance data networking and telecommunications, offering greater bandwidth and longer-distance transmission compared to wired cables. Fibre optic cables typically consist of glass or plastic strands enclosed within an insulated casing.

Upon completion, products are wound onto wooden drums, and each drum is assigned a unique identification number, which is recorded on the corresponding purchase order. This meticulous traceability system ensures that any production batch defects can be quickly identified and isolated by cross-referencing the purchase order and drum number.

Business Model

The business model for our principal business activities is as follows:



Our Production Process

The general steps taken to manufacture our cables are illustrated in the flowchart on the right:

There are multiple processes involved in cable manufacturing, with key processes include wire drawing, stranding, insulation, cabling, inner sheath, armouring, outer sheath, and final product testing. As illustrated in the flowchart on the right, the manufacturing processes of all our cables are generally similar with each other, using various machineries and equipment. However, certain cables require to additional processes such as lay-up, taping, pairing and braiding depending on specific design and application requirements.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUR BUSINESS ACTIVITIES (CONT'D)

Production Capacity

Our Group operates three manufacturing plants with a combined annual production capacity of up to 9,500 tonnes of wires and cables, comprising 4,000 tonnes of copper-cored wires and cables and 5,500 tonnes of aluminium-cored wires and cables. Our manufacturing plants operate six days a week, across two shifts per day, with each shift lasting seven hours.

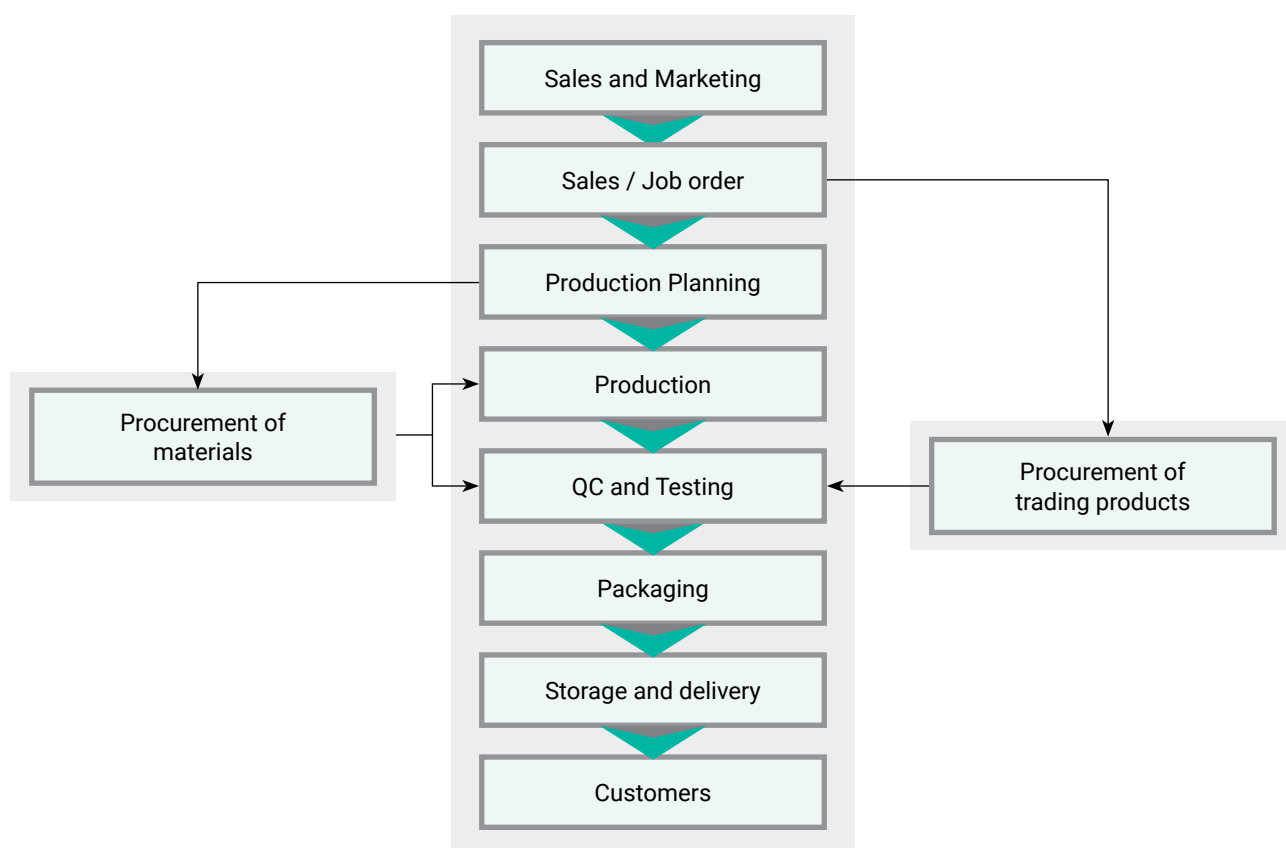
The table below illustrates our production output and machinery utilisation rates for financial year ended 31 December 2023 ("FYE 2023") and FYE 2024:

Products	Production capacity	Actual output		% of utilisation	
		FYE 2023	FYE 2024	FYE 2023	FYE 2024
	tonnes	tonnes	tonnes		
Copper-cored wires and cables	4,000	3,476	3,413	86.90	85.33
Aluminium-cored wires and cables	5,500	5,482	5,664	99.67	102.98
Total	9,500	8,958	9,077	94.29	95.54

For FYE 2023, our average machinery utilisation rates stood at 86.90% for copper-cored wires and cables and 99.67% for aluminium-cored wires and cables. In FYE 2024, these figures remained strong, with 85.33% utilisation for copper-cored cables and 102.98% for aluminium-cored cables, reflecting steady production levels and growing demand.

Notably, in FYE 2024, our utilisation rate for aluminium-cored wires and cables exceeded 100.00%, reaching 102.98%, surpassing our designated production capacity. This was achieved through optimised scheduling and additional overtime shifts, enabling us to meet increased market demand while maintaining product quality and timely delivery. Our ability to scale production beyond capacity highlights the efficiency and flexibility of our operations in adapting to industry needs.

Our Group's overall business operations are illustrated in the diagram below:-



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUR BUSINESS ACTIVITIES (CONT'D)

Reported Yearly Financial Performance

Financial Year (s) ended 31 Dec (RM'000)	FYE 2023	FYE 2024
Revenue	285,444	324,038
Gross Profit	44,032	35,368
Gross Profit Margin	15.43%	10.91%
(+) Add : Other income	3,925	6,756
(-) Minus : Administrative Expenses	(7,478)	(7,343)
(-) Minus : Selling and Distribution Expenses	(3,495)	(3,251)
Profit from Operations	36,984	31,530
(-) Minus : Finance Costs	(4,217)	(3,378)
(-) Minus : Net impairment losses on financial assets	–	(420)
Profit Before Tax	32,767	27,732
Profit Before Tax Margin	11.48%	8.56%
Profit After Taxation Attributable to:		
Owners of the Company	23,505	27,010
Non-controlling interests	–	93
	23,505	27,103
Profit After Tax Margin	8.23%	8.36%

For FYE 2024, our Group recorded revenue of RM324.04 million, a 13.52% increase from RM285.44 million in FYE 2023, reflecting higher sales volume and sustained demand across key market segments. The gross profit margin declined from 15.43% in FYE 2023 to 10.91% in FYE 2024, mainly due to changes in product mix. As a result, gross profit decreased to RM35.37 million in FYE 2024 from RM44.03 million in the previous year. Administrative and selling expenses remained stable, with administrative expenses slightly decreasing to RM7.34 million, while selling and distribution expenses declined to RM3.25 million, reflecting cost management efficiencies.

Profit before tax stood at RM27.73 million in FYE 2024, compared to RM32.77 million in FYE 2023, mainly due to the lower gross profit margin. However, profit after tax ("PAT") increased to RM27.10 million, driven by higher other income and lower finance costs. The PAT margin improved slightly from 8.23% in FYE 2023 to 8.36% in FYE 2024, demonstrating our Group's resilience and ability to sustain profitability despite margin fluctuations.

Of the RM27.10 million PAT in FYE 2024, RM27.01 million was attributable to owners of the Company, while RM0.09 million arising from Sediacom, was attributed to non-controlling interests (NCI).

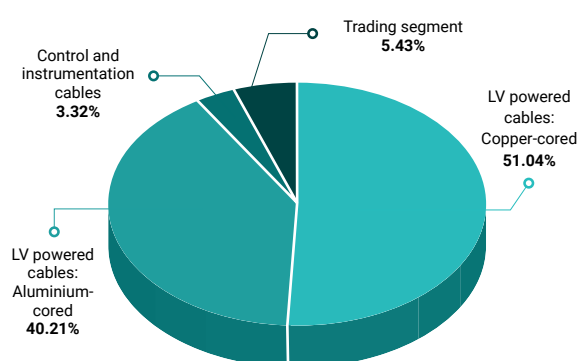
MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUR BUSINESS ACTIVITIES (CONT'D)

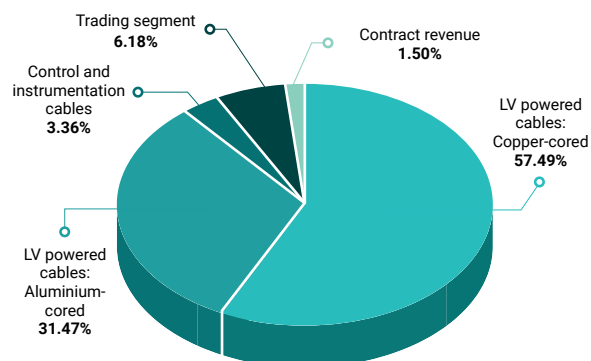
Reported Yearly Financial Performance

The breakdown of total revenue in % for FYE 2023 and FYE 2024 of RM 285.44 million and RM 324.04 million, respectively are as follows:

FYE 2023 Total revenue breakdown of RM 285.44 million



FYE 2024 Total revenue breakdown of RM 324.04 million



	FYE 2023		FYE 2024	
	RM'000	%	RM'000	%
Manufacturing segment				
– LV power cables				
• copper-cored	145,700	51.04	186,291	57.49
• aluminium-cored	114,771	40.21	101,967	31.47
	260,471	91.25	288,258	88.96
– Control and Instrumentation cables	9,484	3.32	10,900	3.36
Sub-total	269,955	94.57	299,158	92.32
Trading segment	15,489	5.43	20,024	6.18
Manufacturing and trading revenue	285,444	100.00	319,182	98.50
Contract revenue	–	–	4,856	1.50
TOTAL	285,444	100.00	324,038	100.00

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUR BUSINESS ACTIVITIES (CONT'D)

Reported Yearly Financial Performance (Cont'd)

Our Group recorded a 13.52% increase in total revenue to RM324.04 million in FYE 2024, compared to RM285.44 million in FYE 2023, driven by higher sales from the manufacturing and trading segments, as well as contributions from newly secured contract revenue.

The manufacturing segment remained the core revenue driver, contributing RM299.16 million, or 92.32% of total revenue. Revenue from LV power cables increased to RM288.26 million, reflecting higher sales of copper-cored cables, which offset the moderated contribution from aluminium-cored cables. Additionally, the control and instrumentation cables segment grew by 14.93% to RM10.90 million, reflecting steady demand from key industries.

The trading segment posted a robust growth of 29.27%, reaching RM20.02 million, compared to RM15.49 million in FYE 2023, contributing 6.18% of total revenue. This growth was supported by the increased demand for related cable products.

Furthermore, following the acquisition of Sediacom on 23 October 2024, our Group recorded contract revenue of RM4.86 million, representing 1.50% of total revenue. This contribution stems from underground cable laying, overhead line installation, and related contracting works.

Our Group's revenue growth reflects sustained demand across key industries, effective market positioning, and ongoing expansion efforts, reinforcing its resilience and adaptability in a dynamic business environment.

Cash flow position

Our Group's cash flow position remained strong in FYE 2024, with cash and cash equivalents increasing to RM55.17 million from RM42.82 million in FYE 2023. The table below summarises the year-on-year cash flow movements:

Y-o-Y Comparison (RM'000)	FYE 2023	FYE 2024
Net cash flows from operating activities	37,097	29,877
Net cash flows used in investing activities	(9,279)	(38,376)
Net cash flows (used in)/from financing activities	(20,216)	20,853
Net increase cash and cash equivalents	7,602	12,354
Cash and cash equivalents at beginning of the year	35,217	42,819
Cash and cash equivalents at end of the year	42,819	55,173

For FYE 2024, our Group's cash and cash equivalents increased to RM55.17 million, up from RM42.82 million in FYE 2023, reflecting strong liquidity and financial stability.

- Operating cash flows remained strong at RM29.88 million, supporting working capital and business expansion.
- Investing activities recorded a higher net outflow of RM38.38 million (FYE 2023: RM9.28 million), primarily due to capital expenditure of RM 45.24 million for property, plant, and equipment. This was partially offset by fixed deposit withdrawals of RM5.42 million and interest income of RM2.19 million.
- Financing activities generated net inflows of RM20.85 million, compared to a net outflow of RM20.22 million in FYE 2023, mainly driven by proceeds from the issuance of ordinary shares amounting to RM61.66 million, partially offset by dividend payments of RM12.99 million and loan repayments of RM 10.66 million.

Our Group's solid cash flow position ensures financial flexibility to drive future growth initiatives while maintaining a disciplined capital structure.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUR BUSINESS ACTIVITIES (CONT'D)

Growth strategies (Cont'd)

Our Group has successfully expanded its manufacturing capacity with the completion of new manufacturing plants, strengthening its MV power cable production capabilities. This expansion positions our Group to meet increasing market demand and enhance operational efficiency, with full output expected to ramp up progressively.

To drive market expansion and export growth, our Group is collaborating with established electrical wholesalers to strengthen its presence in Brunei, Singapore, and Thailand. Additionally, participation in international trade fairs and exhibitions will further enhance brand visibility and customer engagement.

With the acquisition of a 51% interest in Sediacom on 23 October 2024, our Group has expanded into infrastructure and utility services, enhancing its position in underground cable laying, overhead line installation, and related contracting works. Moving forward, Sediacom will focus on securing new contracts, leveraging synergies within our Group, and expanding its presence in telecommunications and data center infrastructure.

These strategic initiatives support our Group's long-term growth, revenue diversification, and market leadership

Risks

1. Potential Risks in Procurement of Raw Materials

Our Group does not have long-term agreements with raw material suppliers, making it reliant on stable and competitively priced supplies to maintain profit margins. While past supply disruptions were effectively managed, the risk of fluctuations in availability and pricing could impact production output and profitability.

2. Fluctuations in the prices of our major raw materials such as copper and aluminium may adversely affect profitability

As copper and aluminium are major raw materials, price fluctuations can adversely affect profitability. Our Group closely manages inventory to minimise price volatility impacts and optimise cash flow. However, there is a risk that cost increases may not be fully passed on to customers, affecting margins.

3. Economic risks and geopolitical conflict

Unfavorable political, economic, and regulatory conditions may impact business performance despite our Group's commitment to robust financial management and operational efficiency. While risk mitigation strategies are in place, external factors remain beyond management's control.

4. Supply and foreign exchange risks

Our Group faces risks associated with foreign exchange fluctuations and supply chain disruptions. To mitigate currency risks, it maintains USD and SGD bank accounts, allowing for natural hedging and reducing conversion costs. However, significant fluctuations in exchange rates may still impact financial performance.

5. Labour supply risks

The recruitment and retention of foreign workers remains a challenge for the manufacturing sector. Any shortage or delays in hiring may impact production capacity, leading to potential disruptions in business operations and financial performance. While efforts are made to address these challenges, the availability of foreign labour remains subject to regulatory policies and external factors.

SUSTAINABILITY STATEMENT

Master Tec Group Berhad (“MTG” or the “Company”) and its subsidiaries (“the Group”) is pleased to present the Sustainability Statement (“SS2024”) which highlights our sustainability efforts and discloses the Group’s Environmental, Social and Governance (“ESG”) performance in the financial year ended 31 December 2024 (“FYE 2024”).

ABOUT THIS STATEMENT

MTG is cognisant of the responsibilities of maintaining good ESG practices, in all our business operations. At every level of our business decision-making, the Group is committed to carrying out our operations in a manner that is socially and environmentally responsible, and we strive to make a meaningful impact on communities and the environment in which we operate.

MTG’s business operations include the manufacture and distribution of low voltage (LV) power cables, control and instrumentation cables, as well as the trading of medium voltage (MV) power cables, fiber optic cables, and solar DC power cables. Due to wide range of products with excellent quality assurance and international certifications, the Group has secured itself a trusted name in the industry.

This report offers a clear evaluation of MTG’s performance and the methods employed to generate and maintain value in regard to matters that are most important to its stakeholders.

REPORTING FRAMEWORKS

The following frameworks and guidelines were referenced in the preparation of SS2024:

- ACE Market Listing Requirements of Bursa Securities Malaysia Berhad (“**Bursa Securities**”)
- Bursa Malaysia Sustainability Reporting Guide, 3rd Edition 2022

REPORTING PERIOD

The SS2024’s reporting period is from 1 January 2024 to 31 December 2024, unless specified otherwise. This report includes comparative historical data from previous years for readers to understand and monitor better the performance achieved by the Group. The reporting cycle is conducted on an annual basis.

STATEMENT OF USE

As the highest authorities at MTG, the Board of Directors (“**Board**”) is fully aware of its responsibility for SS2024’s integrity alongside the management team of the Company (“**Management Team**”) effort to create an accurate and complete report.

The Board has authorised the SS2024 on 21 March 2025.

MEMBERSHIP OF ASSOCIATIONS

Master Tec Group expands its understanding of key industrial applications and industry best practices through memberships in multiple industry associations to achieve sustainability goals throughout the Group.

A list of memberships in professional bodies and industry associations is provided below:

- Small and Medium Industries Association (SMI) Life Membership
- Malaysian Cable Manufacturers Association (MCMA)
- Malaysian Plastics Industry Association (MPIA)
- The Electrical & Electronics Association of Malaysia (EEAM)
- Malaysian Air-Conditioning & Refrigeration Association (MACRA)
- Federation of Public Listed Companies Bhd

SUSTAINABILITY STATEMENT (CONT'D)

SCOPE AND BOUNDARY

SS2024's scope covers MTG's business operations and activities across its operating locations. The Group advises all readers to view SS2024 in conjunction with MTG's Annual Report 2024 ("AR2024") to gain a deeper understanding of business prospects and the role sustainability plays in value creation strategies.

LIMITATIONS

MTG is fully aware that there are still certain data constraints, but the Group has taken significant attempt to guarantee accuracy. In upcoming disclosures, MTG is looking forward to improving reporting coverage and data collection procedures.

FORWARD-LOOKING STATEMENTS

This report contains statements regarding future sustainability goals, operational plans and expected performance based on the Group management current perspectives. While the Group has been taking careful consideration to ensure that all future expectations met as much as possible, some factors which are beyond the control of the Group could impact the actual performance. The Group encourages all readers to ask the Group for clarification on any issues and reminds readers not to rely too much on such statements.

ASSURANCE

All data contained within this statement has been sourced internally and has not undergone any independent review by the internal auditors or an external assurance provider.

REPORT AVAILABILITY AND FEEDBACK

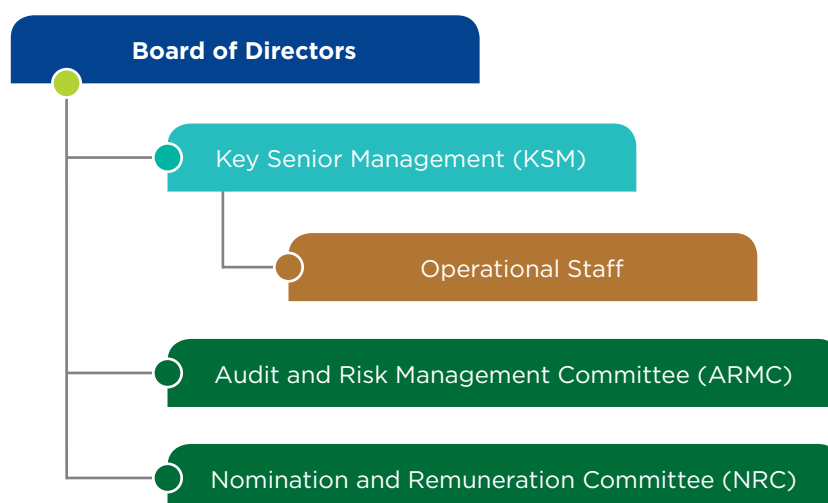
Readers can access SS2024 from the MTG corporate website at www.mastertec.my

The Group is open to inquiries, comments, and recommendations for enhancing our performance and sustainability disclosures. Comments, feedback or suggestions can be submitted at www.mastertec.my/contact-us/

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE STRUCTURE

MTG operates its sustainability governance through a structured organizational hierarchy to oversee sustainability initiative implementation and execution. At the top of the hierarchy, the Board is the main body that provides leadership and strategic direction of the Group. Reporting to the Board, Key Senior Management ("KSM") oversees the management and execution of sustainability strategies. Supporting the Board, the Audit and Risk Management Committee ("ARMC") and Nomination and Remuneration Committee ("NRC") is responsible on the governance-related matters. At the operational level, operational staff contribute to the integration of sustainability practices across the Group's business activities. The hierarchy of MTG is shown below:



The role and responsibilities of each position is shown below:

Categories	Role	Responsibilities
Board of Directors	The Board in charge of overall leadership, sets strategic direction, ensures corporate governance, and oversees the management	The responsibilities of the Board are to promoting ethical conduct, reviewing management proposals, monitoring implementation, ensuring a sound risk management framework, and maintaining effective communication with stakeholders
Key Senior Management (KSM)	KSM is responsible for the day-to-day management and implementation of strategic, operational, and sustainability matters	KSM manage ESG initiatives, identifying and managing risks, and implementing internal controls in the Group
Audit and Risk Management Committee (ARMC)	ARMC assists the Board in carrying out its responsibilities related to corporate governance and risk management	ARMC is responsible in reviewing financial information, internal controls, and the reports of internal and external auditors at MTG
Nomination and Remuneration Committee (NRC)	NRC is responsible in oversees the selection and assessment of Directors and reviews succession policies	NRC will be recommending candidates for directorships, reviewing the performance of the Board and its committees, and ensuring continuous training for Directors
Operational Staff	Involved in the manufacturing, distribution, and trading activities of the company	Operational staff is consisting of Production workers, quality control inspectors, sales and marketing personnel, and administrative staff

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE STRUCTURE (CONT'D)

The Board is overall responsible for matters relating to ESG. However, the day-to-day management of ESG matters are delegated to KSM, who are responsible for the daily management and implementation of strategic, operational and sustainability matters. KSM meets regularly to discuss and address matters relating to the Group's ESG, including any ESG initiatives, activities and strategies. The Board receives essential support from the ARMC which helps the Board fulfil its duties in corporate governance and risk management. The NRC selects new Directors by overseeing their assessment while leading the review of succession policies to sustain ESG implementation leadership. The Group's ESG objectives receive support from operational staff through their responsibility in manufacturing activities and distribution and trading functions which embed sustainability practices throughout daily production and supply chain operations.

STAKEHOLDERS ENGAGEMENT

Our Group maintains strong engagement with stakeholders since their opinions serve as vital inputs for determining our strategic course. We consider stakeholder expectations directly connected to our future expansion along with our success. The Group maintains dedicated efforts toward building open and transparent relationships with every stakeholder group. We employ communication channels to collect stakeholder feedback about essential topics such as Environmental Social Governance (ESG) matters allowing us to make business choices with stakeholder requirements and create sustainable value.

Stakeholder Group	Engagement Methods	Key Areas of Interest	MTG's Response & Actions
Employees	- Performance appraisal - Training and workshops - Employee events including festive celebrations and annual gathering - Company policies compliance declarations	- Career development - Workplace safety - Equal opportunities	- Conducting regular training sessions - Implementing health & safety measures - Promoting diversity & inclusion initiatives
Shareholders & Investors	- Annual General Meetings - Company websites - Annual Reports	- Financial performance - Business strategy & growth - ESG commitments	- Transparent financial reporting - Regular shareholder communication - Strengthening ESG disclosures
Customers	- Customer satisfaction survey - Customer service platforms, including phone calls and emails	- Product quality & reliability - Innovation & customization - Sustainability in supply chain	- Ensuring high product standards - Developing tailored solutions - Enhancing sustainability practice
Neighbouring Communities & Local Authorities	- Community investment such as providing donations - Partnership with organisations to support CSR activities - Annual Report	- Environmental impact - Community development - Compliance with local regulations	- Implementing waste management initiatives - Supporting local social projects - Maintaining regulatory compliance
Media & Non-Governmental Organizations (NGOs)	Annual Report	- ESG performance - Corporate transparency - Responsible business practices	- Proactive sustainability disclosures - Engaging in ESG-related collaborations

SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDERS ENGAGEMENT (CONT'D)

Stakeholder Group	Engagement Methods	Key Areas of Interest	MTG's Response & Actions
Suppliers & Business Partners	- Supplier evaluation form - Company policies compliance declarations	- Ethical procurement - Fair business practices - Long-term partnerships	- Strengthening responsible sourcing - Implementing fair supplier policies - Ensuring supply chain transparency
Regulators & Financiers	- Compliance and certification exercises - Annual Report	- Regulatory compliance - Financial sustainability - Risk management	- Meeting all legal requirements - Enhancing governance structures - Strengthening financial resilience

MATERIALITY ASSESSMENT PROCESS

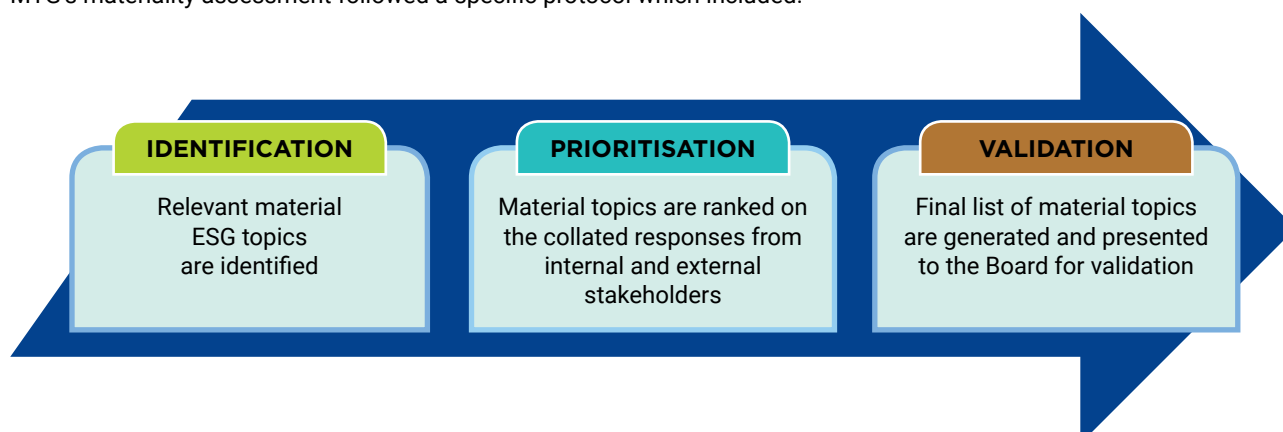
MTG recognises that a strong sustainability strategy starts with identifying material matters that impact both its business operations internally and its stakeholders externally. The Group is committed to carrying out operations in a socially and environmentally responsible manner and strives to make a meaningful impact on communities and the environment.

Aligned with Bursa Malaysia's guidelines, MTG regularly conducts a Materiality Assessment Exercise ("MAE") to identify, prioritise, and validate key ESG topics, including those related to direct and indirect economic value performance for value creation and significant ESG risks.

This structured approach allows MTG to focus on critical issues, ensuring efficient management and resource allocation. In FYE2024, MTG engaged stakeholders through questionnaires and direct engagements, identifying 15 material topics essential to its sustainability strategy. The list of material topics includes environmental, social, and governance material matters, as shown below:

- Emissions Management
- Waste Management
- Energy Management
- Water Management
- Human Rights and Labor Practices
- Diversity and Inclusion
- Supply Chain Management
- Occupational Safety and Health (OSH)
- Employees Benefits and Development
- Development of Local Community
- Anti-Bribery and Anti-Corruption Policy
- Anti-Corruption Communication and Training
- Code of Conduct and Ethics
- Whistleblowing Mechanism and Policy
- Data Privacy and Security

MTG's materiality assessment followed a specific protocol which included:



SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL

EMISSIONS MANAGEMENT

As climate change concern growing, MTG understand the value of being an active participant in the fight against climate change. The Group dedicates itself to sustainable business expansion through responsible practices along with environmental sustainability standards.

While aligning to the national and the global sustainability goals, we also closely monitored and reported our Scope 1 and Scope 2 emissions to better understand our environmental impact. Scope 1 emissions primarily stem from the fuel consumption of company vehicles and forklifts. The total Scope 1 emissions recorded from fuel consumption amounted to 174.54 MT CO₂e.

Scope 1 Emission in FYE2024	
Source	Total GHG Emissions (MT CO ₂ e)
Fuel consumption	174.54

Scope 2 emissions arise from purchased electricity used in our operations. In FYE2024, the total Scope 2 emission recorded at 5,045.94 MT CO₂e.

Scope 2 Emission	
Year	Total GHG Emissions (MT CO ₂ e)
FYE2022	4,781.49
FYE2023	4,615.32
FYE2024	5,045.94

Note: Conversion factor used: 1 GJ = 0.2778 MWh for electricity consumption.

The successful implementation of solar panel at our operational facilities serves as a major milestone of our sustainability efforts. While these panels became operational only in the final quarter of the year, their full impact on emissions reduction will be reflected in future reporting periods. The upcoming integration of renewable energy in our business operation, we can reduce the reliance on fossil fuels.

MTG will keep its focus on continuous improvements for emission management throughout upcoming periods. Our Group will reinforce sustainability strategies through energy innovation investments and integration of industry best practices to develop a sustainable future.

WASTE MANAGEMENT

MTG is fully aware of its responsibility to protect the environment. As part of this commitment, the Group had waste management strategies implemented across its operation in order to minimise our environmental footprint and ensuring compliance with local environmental regulations.

We have implemented the idea of recycling and reusing the materials to support a circular economy and better resource management. Our waste management performance is shown below:

Total Waste Diverted from Disposal in FYE2024			
Material	Recycled Waste (MT)	Total Usage (%)	Total Usage (MT)
Copper	165.57	4.69%	3,528.81
Aluminium	170.87	4.01%	4,262.75

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL

WASTE MANAGEMENT (CONT'D)

All waste from recycling was managed responsibly and reintegrated into production or external recycling systems, thus reduced the number of raw materials needed.

MTG will commence recording of the waste generated across its operation commencing financial year ending 31 December 2025. MTG will remain committed in executing innovative enhancement strategies for a better waste management and recycling systems. Going forward, the Group plans to upgrade its production processes where the amount of waste generated is lower but having a higher material efficiency. We plan to implement a real-time waste-tracking and reduction identification through advanced monitoring systems. Not only that, MTG is seeking to have industry collaborations in order to adopt cutting-edge recycling technologies and best practices.

ENERGY MANAGEMENT

Effective energy usage and management play significance roles in supporting environmental sustainability. Following the Malaysian government's initiative to steer transformation towards a future energy ecosystem that delivers a balance between environmental sustainability, secure and reliable energy supply, and optimal economic development, the Group have participated in this effort by practicing power saving in its operations.

At MTG, our primary energy usage is electricity consumption. In FYE2024, the total electricity consumption increased by approximately 9.26% compared to previous year due to increase in production output. Our energy consumption is shown below:

Year	FYE2022	FYE2023	FYE2024
Total Electricity Consumption (GJ)	23,907.45	23,068.11	25,205.87

The full upcoming implementation of solar panels at MTG is expected to reduce energy consumption by harnessing renewable energy to power the Group's operations. Solar power systems planned for MTG will decrease electricity usage to operate Group facilities. The shift to solar power energy will reduce the reliance of the Group on traditional electricity supply methods. This initiative supports the Group's sustainability goals through its promotion of clean energy and optimized facility energy efficiency.

WATER MANAGEMENT

MTG values and follows efficient water management practices through operational water consumption monitoring and optimisation across its operations. The Group maintains responsible water sourcing from Syarikat Air Melaka Berhad ("SAMB") as per regulatory demands while creating operational water efficiency enhancements. In FYE2024, our water consumption increased by 27% due to increase in production output and operation workers.

Total	FYE2022	FYE2023	FYE2024
Total Water Usage (megaliters)	39.288	27.179	34.589

MTG will keep exploring new solutions which will expand sustainable water management capabilities in line with its ESG initiatives.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL

HUMAN RIGHTS AND LABOUR PRACTICES

The basic principles of MTG's business operations include fair labour practices and human rights protection which ensure protection for employees in safe inclusive workplaces. The Group maintains full compliance with national employment laws and international human rights standards, explicitly bans child work and forced labour together with all types of discrimination and mistreatment. The Group maintains fair compensation along with ethical employment practices and equality across staff roles to support a diverse workplace environment based on respect.

The Group demonstrates its social responsibility and ethical business conduct by providing complete employee well-being through health and safety protocols as well as training opportunities and grievance systems.

Total	FYE2024
Number of Substantiated Complaints Concerning Human Rights Violations	0

DIVERSITY AND INCLUSION

MTG practices equitable employment and acknowledges that employees are the Group's biggest asset. The Group approaches employment diversity in a pragmatic manner with a view to provide equal opportunity to all.

In FYE2024, the Group has a total of 216 employees comprising of 15% female and 85% male across all levels of the organisation. Despite male employees outnumbering females, MTG remains committed to build gender equality by establishing fair employment processes and career growth opportunities for women. MTG's workforce compositions are shown here:

Total Workforce		
FYE2023		189
FYE2024		216
Gender Breakdown of Employees		
Year	Male	Female
FYE2023	86%	14%
FYE2024	85%	15%
Age Breakdown of Employees in FYE2024		
Age Below 30		36%
Age 30 - 50		54%
Age Above 50		10%
Workforce Nationality in FYE2024		
Local		51%
Foreigner		49%

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

DIVERSITY AND INCLUSION (CONT'D)

Employee Category Breakdown in FYE2024	
Executive	28%
Non-Executive	72%
Workforce Breakdown by Contract Type in FYE2024	
Permanent	98.62%
Contract	1.38%

SUPPLY CHAIN MANAGEMENT

Management of the Group's supply chain is key as it can have a material impact on the Group's reputation and thereon, affects the quality, productivity and standing of the Group's products and services. In managing the Group's supply chain, the following policies and practices have been applied with a view to encourage, retain and/ or maintain quality business partners:

As a corporate citizen of Malaysia, the Group aims to stand tall in the local community it operates in, and the Group takes pride in supporting local businesses and community. To secure the required materials or services for its operations and businesses, the Group prioritises in sourcing from local vendors, with local defined as where the Group's operations are located. In FYE2024, 92% of the Group's purchases were made locally from 46 local vendors. MTG's commitment to local procurement practices and supply chain is shown below:

Year	FYE2023	FYE2024
Total Proportion of Spending on Local Suppliers (%)	90%	92%

OCCUPATIONAL SAFETY AND HEALTH (OSH)

The Group emphasises on the health and safety of all employees and has established the relevant safety and health policy that regulates the activities of preserving the health and safety of all employees. Operations sites that experience major occupational safety and health incidents will lead to severe consequences on both MTG's financial and non-financial performance.

In FYE2024, MTG recorded seven minor cases of incidents, which resulted in 1,668 hours in lost time. Our ongoing dedication to maintain a safe working environment is demonstrated with zero cases recorded of high-severity incidents.

	FYE2024
Total work hours	7,872,712
Number of recordable work-related injuries	7
Lost time incident rate	0.18
Number of work-related fatalities	0

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

OCCUPATIONAL SAFETY AND HEALTH (OSH) (CONT'D)

Number Of Employees Trained on Health and Safety Standards			
Category	No. of Employees	Percentage (%)	Total Training Hours
Executive & Above	31	4.63	199
Non-Executive	2	6.94	60
Total	33	11.57	259

To enhance workplace safety, MTG has implemented a few ESG-focused measures. These measures are:

**Safety
Awareness**

**Risk
Mitigation**

**Employee
Engagement**

**Incident
Follow-Up**

Our initiatives included specific safety training that directed staff participation in hazardous activity workshops along with hazard identification training sessions. The Group performed regular workplace inspections as well as risk assessments to identify upcoming hazards and find the best methods to minimise them. MTG actively organising safety briefing to all of our employees along with awards dedicated to recognising teams with adequate safety practices. To further eliminate OSH risks, we investigate of all previous incidents and utilise the finding to improve safety protocols and more effective preventive actions.

Our ongoing commitment to enhance OSH practices allows us to create a safer work environment which advances our ESG strategy for sustainable business expansion and operational achievements.

EMPLOYEES BENEFITS AND DEVELOPMENT

Employees serve as one of our most critical resources who ensure innovative growth along with productivity levels that lead us to execute our sustainability strategy. Our Group depends on employee well-being coupled with development to achieve sustained success along with making positive global impacts. At MTG, we have comprehensive range of employee benefits for talent retention and for attracting high performing personnel.

MTG Employee Benefits			
Leave	Medical	Non-monetary	Other Benefits
- Annual leave entitlement - Marriage leave - Maternity leave - Paternity leave - Compassionate leave	Medical and insurance coverage for employees' healthcare needs	- Basic training for new employees - On-the-job training - Internal training programs - External training opportunities	Long service awards (for recognising employees with long service and contributions to the Group's growth)

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

DEVELOPMENT OF LOCAL COMMUNITY

MTG recognizes the vital need to develop robust bonds between our organization and the communities where we conduct our business. The Group maintains its social responsibility through continuous support of educational institutions and medical facilities together with cultural programs and initiatives for sustainable development.



**A total of RM46,400 invested
in the community**



**A total of 10 beneficiaries of
the company's community
investments**

Throughout FYE2024, the Group has invested a total of RM46,400 to organise multiple community programmes that enhance educational initiatives and healthcare delivery as well as cultural development. Key contributions include:

Healthcare Support

Education Development

**Cultural and Sports
Initiatives**

**Sustainability and Industry
Development**

Community Engagement

Moving forward, we will continue to explore meaningful initiatives that foster positive community impact and drive sustainable development.

GOVERNANCE

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

MTG is committed to conducting business with integrity, transparency, and accountability, in full compliance with applicable anti-bribery and anti-corruption laws and regulations. The Group strictly maintain a zero-tolerance approach to bribery and corruption against all forms of bribery and corruption in its daily operations, ensuring that all employees, management, and the Board uphold the highest ethical standards in all business dealings.

This policy is a key component of MTG's Code of Conduct and Ethics, reinforcing the Group's commitment to preventing, detecting, and addressing corruption risks. Employees and business partners are strictly prohibited from offering, soliciting, or accepting any form of bribe, facilitation payment, or unethical inducement in exchange for business advantages.

MTG has developed internal controls and training programs and monitoring systems which work together to make sure the policy is always followed. MTG protects whistleblowing as a security measure by maintaining a confidential system for employees to disclose potential bribery and corrupt activities. In FYE2024, the Group recorded zero confirmed incidents of corruption, therefore no further action was required.

MTG dedicates itself to consistently develop its anti-bribery and anti-corruption framework so that integrity culture protects stakeholder trust while enabling sustainable business growth.

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

ANTI-CORRUPTION COMMUNICATION AND TRAINING

Over the years MTG has maintained solid ethical standards through fostering transparency alongside accountability across its business operations. The Group maintains strict anti-bribery and corruption procedures through proper education programs about standards and compliance requirements for all employees and management teams and relevant stakeholders.

At MTG, 15.28% employees have received training and communication on the organisation's anti-corruption policies and procedures, with the total training hours of 692 hours.

Percentage Of Employees Who Have Received Training on Anti-corruption		
Category	Percentage (%)	Total Training Hours
Executive & Above	14.35	636
Non-Executive	0.93	56
Total	15.28	692

The Group strengthens its dedication to maintaining business integrity through educational programs that protect stakeholder trust as part of its corporate governance strategy.

CODE OF CONDUCT AND ETHICS

The MTG's Board maintains an ethical corporate culture and healthy working environment by dedicating itself to ethical conduct. The Group has established the Code of Conduct and Ethics for standardising its ethical standards. The Group code explains proactive measures to provide the highest standard of ethical conduct among all members of MTG's Board, Management and employees. The Code of Conduct and Ethics covers:



MTG Code of Conduct and Ethics can be found on MTG's website at <https://mastertec.my/wp-content/uploads/2023/11/MTG-Code-of-Conduct-and-Ethics.pdf>

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE (CONT'D)

WHISTLEBLOWING MECHANISM AND POLICY

MTG remain committed to uphold transparency, accountability, and ethical business conduct through its Whistleblowing Policy. Through this policy, any individuals obtain a safe method to confidentially disclose any observations of corrupt activities and resource misuses involving MTG assets.

A complete Whistleblowing Policy received approval from the MTG's Board as the company maintains strict zero-tolerance against unethical conduct. The policy establishes a clear and open communication channel so individuals can report problems securely, without having to experience reprisal or discrimination.

As part of MTG commitment to enhance transparency, the Group has made the Whistleblowing Policy available on its corporate website publicly. In FYE2024, the Group maintained a zero reports or concerns received through the designated whistleblowing channels. Moving forward, MTG will continue to enhance awareness and accessibility of its whistleblowing mechanism to maintain the highest standards of corporate integrity.

DATA PRIVACY AND SECURITY

When it comes to data privacy and security, MTG is dedicated to safeguarding its customers as well as employee and stakeholder data throughout the entirety of its operations to ensure its confidentiality.

Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data in FYE2024

Number of substantiated complaints	692
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BOARD OF DIRECTORS' PROFILE



DATUK SALEH BIN MOHD DOM

Independent
Non-Executive
Chairman

Nationality

Malaysian

Gender

Male

Age

62

Datuk Saleh Bin Mohd Dom ("**Datuk Saleh**"), is the Independent Non-Executive Chairman of the Company. He was appointed to the Board of Master Tec Group Berhad ("**MTG**" or "**Company**") on 13 October 2023. He attended all six (6) Board meetings held in the financial year ended 31 December 2024 ("**FYE 2024**"). He is not a member of any Board Committee of the Company.

Datuk Saleh graduated from Australian National University with a Bachelor of Science in 1986.

In 1987, he started his career as a marketing associate with Computer Base Sdn. Bhd. where he was responsible for marketing computer hardware and computer systems software developed by the company to government agencies and private companies.

In 1988, he left Computer Base Sdn. Bhd. and joined the Alor Gajah Municipal Council ("**MPAG**") as a secretary to the council. During his time there, he was responsible for the management of human resource and financial matters which include preparing and finalising yearly budget, monitoring revenue and arrears collection and reviewing and approving payments made by the council.

In 2011, he was transferred from MPAG to the Melaka Historic City Council as an administrative officer and was responsible for implementing and overseeing the Melaka city's cleanliness and beautification projects and campaigns. In 2014, he was then transferred to the Melaka Housing Board and assumed the role of an executive director where he was responsible for overseeing the planning of affordable housing projects for both the public and private sectors.

Subsequently in 2020, he was transferred to the Urban Transformation Centre Melaka ("**UTC**") as a general manager where he was responsible for the management of rental collection and maintenance of UTC's investment properties. He held this position for six months and left in October 2020 to return to MPAG and assumed his former role as a secretary to the council with similar responsibilities. In addition, he was also tasked with improving the quality of services as well as enhancing and overseeing the Alor Gajah district's beautification programmes implemented by MPAG. He subsequently retired in 2023.

Datuk Saleh does not hold directorship in any other public company and listed companies.

Datuk Saleh does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company. He has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)



DATO' LAU KIM SAN

Managing
Director

Nationality

Malaysian

Gender

Male

Age

52

Dato' Lau Kim San ("**Dato' Lau**"), is the founder of MTG. He was appointed to the Board of MTG on 3 November 2022 and is also the Managing Director of the Company. He attended all six (6) Board meetings held in the FYE 2024. He is not a member of any Board Committee of the Company.

Dato' Lau completed the Sijil Rendah Pelajaran from Sekolah Menengah Kebangsaan Tun Mutahir, Melaka in 1989. From 1989 to 1994, he worked as a technician in various companies in Johor and Melaka providing air conditioner maintenance services where he was involved in the maintenance and repair of air conditioning.

Since 1994, he ventured out and started setting up his own businesses until to date. He first set up Ever-Care Trading and Service ("**Ever-Care Trading**") with a partner. Subsequently in 2006, he set up Ever-Care Air Conditioners Sdn. Bhd. as a director. The company was subsequently renamed to Mastertec Sdn. Bhd. and is currently known as Ever Care Industrial Sdn. Bhd. ("**Ever Care Industrial**"). Ever-Care Trading and Ever Care Industrial were set up to carry out the business of maintenance and installation of air conditioners. He was responsible for overseeing the day-to-day business operations in Ever-Care Trading and Ever Care Industrial. Subsequently, Ever-Care Trading was terminated in 2008, and he resigned as the director of Ever Care Industrial in 2020.

In 1998, he also set up Mayya Electronics Industry ("**Mayya**") with a partner to carry out the business of manufacturing wire harnesses. Dato' Lau and his partner then incorporated E-Control Technology Sdn. Bhd. ("**E-Control**") in 2001 which then took over the business of Mayya. During his time there, he was responsible for overseeing the company's day-to-day business operations. He has resigned as a director of E-Control in February 2023.

In 2005, after having been involved in the business of manufacturing wire harnesses for seven years and identifying the opportunities in the wires and cables industry, he then ventured into the manufacturing of wires and cables via the incorporation of Master Tec Wire & Cable Sdn. Bhd. ("**MTWC**") and served as MTWC's director. He was responsible for overseeing the strategic business planning, development and operations. He currently holds similar responsibilities in the Company, which includes setting the Company's business direction, formulating corporate development strategies and driving business growth.

Dato' Lau does not hold directorship in any other public company and listed companies. He is currently the director of MTG's subsidiaries and several other private limited companies.

Dato' Lau is a major shareholder of the Company.

Save as disclosed above, Dato' Lau does not have any conflict of interest with the Company. He has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)



TEE KOK HWA

Executive
Director

Nationality

Malaysian

Gender

Male

Age

53

Mr. Tee Kok Hwa ("**Mr. Tee**"), is the Non-Independent Executive Director and Chief Executive Officer of the Group. He was appointed to the Board of MTG on 3 November 2022. He attended all six (6) Board meetings held in the FYE 2024. He is not a member of any Board Committee of the Company.

Mr. Tee obtained a Degree in Information Technology from Open University Malaysia in 2007. In 2010, he also graduated with a Master Degree in Business Administration (Advanced Operation Management) from Universiti Teknikal Malaysia Melaka.

He began his career in 1994 when he joined National Semiconductor Sdn. Bhd. (currently known as Texas Instruments Electronics Malaysia Sdn. Bhd.) as a mid technician where he was responsible to ensure the semiconductor tester used in the production line is smooth and has low downtime. In 1995, he left the company to join TEAC Electronics (M) Sdn. Bhd. ("**TEAC**") until 2007, where his last holding position was part quality assurance senior engineer.

During his tenure in TEAC, he was responsible for supervising a group of engineers comprising electrical supplier quality engineers, restriction of hazardous substances engineers and first article inspection engineers. Further, he was also tasked with overseeing the inspection of products prior to the shipment stage to ensure that all specifications and quality requirements are met. He was also responsible for liaising with product safety auditors from UL, Canadian Standards Association and Technischer Überwachungsverein-Verein ("**TUV**") on the product safety requirements, verification and audit.

He joined MTWC in 2007 as an assistant quality assurance manager, whereby he was primarily responsible for ensuring product quality and obtaining the relevant certifications from various certification bodies such as SIRIM, TUV and UL. He left MTWC in 2010 and joined Ismeca Malaysia Sdn Bhd (currently known as Cohu Malaysia Sdn. Bhd. ("**Cohu Malaysia**")), a supplier of integrated circuit and light emitting diode test handlers, micro-electro mechanical system test modules, back-end finishing equipment and thermal sub-systems used in final test, burn-in and system level test by semiconductor manufacturers and test subcontractors, as a quality assurance manager, where he was responsible for overseeing the quality management system.

In July 2013, he left Cohu Malaysia and re-joined MTWC as the chief technology officer and was primarily responsible in overseeing the technical department, specifically on matters pertaining to quality assurance, costing and process engineering. He was subsequently promoted to the position of CEO in March 2020. As a CEO, his responsibilities include overseeing and implementing the Group's administration and operational activities as well as exploring new business opportunities and managing the Key Senior Management. He is also currently focusing on expanding the Group into new market segments, specifically the Group's venture into the manufacturing of MV power cables and developing new markets for expansion including export sales.

Mr. Tee does not hold directorship in any other public company and listed companies. He is currently the alternate director of MTG's subsidiaries.

Mr. Tee does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company. He has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)



YEE YING SUNG

Independent
Non-Executive
Director

Nationality

Malaysian

Gender

Male

Age

48

Mr. Yee Ying Sung ("**Mr. Yee**"), is the Independent Non-Executive Director of the Company. He was appointed to the Board of MTG on 17 April 2023. He is also the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee. He attended all six (6) Board meetings held in the FYE 2024.

In 2002, Mr. Yee obtained a Degree in Commerce majoring in Accounting and Finance from the University of Melbourne, Australia. He is also a Certified Practising Accountant of Australia since 2009 and a Chartered Accountant under the Malaysian Institute of Accountants since 2011.

Mr. Yee lived in Australia for almost a decade since 1996. While studying for his degree, he also worked part time. After graduating, he returned to Malaysia to pursue the role of managing partner of Marvic Construction, a partnership involved in the provision of construction works, which he co-founded with two other partners in 2003. He was mainly responsible for the accounts and finance functions and overseeing the daily corporate management of the company. He left the partnership in 2011. Additionally, he set up Plex Construction ("**Plex**"), Trivic Construction ("**Trivic**") and Tune Construction ("**Tune**") in 2005, 2008 and 2012, respectively, all of which are partnerships involved in the provision of construction works. He subsequently left Plex and Tune in 2019 and 2020, respectively, and currently holds the position of partner in Trivic. In these partnerships, he was mainly responsible for the financial analysis of the business operations.

From 2004 to 2018, he expanded his portfolio and was appointed as executive director of several private limited companies. He was appointed to the board of several property development companies such as Rentas Makmur Sdn. Bhd., Jelang Sempurna Sdn. Bhd., Seloka Terbit Development Sdn. Bhd., Ambang Lega Sdn. Bhd., and Waming Enterprise Sdn. Bhd. Additionally, he was also appointed to the board of Yee Sung Thai Holding Sdn. Bhd., an investment holding company specialising in palm oil plantation and property investments, and Victory Acres Sdn. Bhd., a company involved in acquiring lands as well as planting and harvesting of palm oil. He currently holds the position of executive director in these companies and is mainly responsible for the accounts and finance functions and overseeing the day-to-day management of these companies.

In 2011, he also joined Redfield Consortium (M) Sdn. Bhd., which specialises in industrial development as a project director. He is currently still holding this position and is responsible for representing the company in coordinating between secured creditors, solicitors, receivers, financial institutions and local authorities for the purpose of reviving abandoned projects.

Mr. Yee does not hold directorship in any other public company and listed companies. He is currently the director of several other private limited companies.

Mr. Yee does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company. He has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)



FONG HUI FONG

Independent
Non-Executive
Director

Nationality

Malaysian

Gender

Female

Age

58

Ms. Fong Hui Fong ("**Ms. Fong**"), is the Independent Non-Executive Director of the Company. She was appointed to the Board of MTG on 17 April 2023. She is also the member of the Audit and Risk Management Committee and Nomination and Remuneration Committee. She attended all six (6) Board meetings held in the FYE 2024.

In 1987, Ms. Fong obtained a Private Secretary Certificate in Administration from Goon Institute, Kuala Lumpur. From 1987 to 1991, she worked as a secretary/personal assistant to the executive/managing director in various companies involved in the textile and newspaper publishing industries in Kuala Lumpur and Melaka with responsibilities such as corresponding with clients, preparing meeting agendas, human resources functions, management of accounts and other administrative duties.

Ms. Fong joined Srica Trading Sdn. Bhd. ("**Srica**") in 1991 as a personal assistant to the managing director and was subsequently promoted in 1993 to an operation manager with new responsibilities such as overseeing the company's retail outlets throughout Malaysia, planning of sales strategies, procurement and recruitment.

In 1996, she left Srica and joined Shantawood Sdn. Bhd. ("**SSB**"), a wholly owned subsidiary of DPS Resources Berhad ("**DPS**"), a company listed on the Main Market of Bursa Securities as a personal assistant to the managing director and was promoted as an assistant general manager in 1999. In 2004, she was appointed as executive director of SSB and DPS. As an executive director of SSB, she was responsible for overseeing the human resource and procurement department as well as the company's business development. Whereas in DPS, she was mainly responsible for the business development, implementation of marketing strategies, sourcing of raw materials, product development as well as cash flow management. She resigned from the board of SSB and DPS on 1 December 2010 and 19 November 2010, respectively.

In 2007, she was also appointed as the managing director of Sand Nisko Capital Berhad (currently known as Mpire Global Bhd. ("**Mpire**")), a company listed on the Main Market of Bursa Securities. She was responsible for directing and controlling the financial and human resource functions of Mpire and its group of companies, conceptualising and monitoring the annual business plan and its budget, sourcing for new export markets and participating in negotiation of contracts for the company.

In 2019, she left Mpire and joined CMT Solution Sdn. Bhd. as a manager, a company which specialises in the trading of furniture to international markets. She currently holds this position and is involved in assisting clients in acting as a trading and sourcing agent to source for OEM products from the local market, as well as negotiating with suppliers and customers of the company.

Ms. Fong does not hold directorship in any other public company and listed companies.

Ms. Fong does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company. She has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)



HOOI LIAN JYE

Independent
Non-Executive
Director

Nationality

Malaysian

Gender

Female

Age

38

Ms. Hooi Lian Jye ("**Ms. Hooi**"), is the Independent Non-Executive Director of the Company. She was appointed to the Board of MTG on 17 April 2023. She is also the Chairperson of the Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee. She attended all six (6) Board meetings held in the FYE 2024.

Ms. Hooi graduated with a Bachelor of Financial Engineering (Honours) from Multimedia University, Malaysia in 2009. She also obtained a Master Degree in Business Administration from the University of Strathclyde, United Kingdom in 2019.

She started her career in 2011 as an associate, corporate finance with RHB Investment Bank Berhad where she was responsible for the implementation and preparation of applications for submission of corporate exercises for public listed companies. In 2012 she left to join, Maybank Investment Bank Berhad ("**MIBB**") as an associate, corporate finance where she was mainly responsible for management, implementation and preparation of applications for submission of various corporate exercise projects for public listed companies such as initial public offering, rights issue and take-over and merger. She subsequently left MIBB in 2016 where her last holding position was assistant manager.

In 2017, she joined Naza TTDI Sdn. Bhd. ("**Naza TTDI**") as a manager, corporate finance and was responsible for leading the team in relation to corporate exercises undertaken by Naza TTDI such as internal reorganisation and disposals of land and non-core business. She left Naza TTDI and joined OCBC Advisers (Malaysia) Sdn. Bhd. ("**OCBC**") as an associate director in corporate advisory, global investment banking in 2018 where she was responsible for originating, structuring and executing corporate finance advisory mandates and providing debt financing solutions for corporate clients.

In 2022, she left OCBC and joined Avia Kapital Sdn. Bhd. ("**Avia Kapital**") as an investment partner and investment committee member. Avia Kapital is principally involved in portfolio management and investment activities, including capital markets investments, private and alternative investments, venture capital investments as well as real estate assets. She currently holds this position and is also an investment committee member responsible for establishing, implementing and overseeing portfolio and investment strategies from diversified asset classes.

Ms. Hooi does not hold directorship in any other public company and listed companies.

Ms. Hooi does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company. She has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

PROFILE OF KEY SENIOR MANAGEMENT



LAU GEOK CHENG

Sourcing
Manager

Nationality

Malaysian

Gender

Female

Age

53

Ms. Lau Geok Cheng is the Sourcing Manager. In 1996, she obtained a Bachelor of Arts majoring in Economics from Universiti Malaya.

She began her career in June 1996 when she joined Oriental Food Industries Sdn Bhd as an administration executive. In August 1996, she left the company and joined New Horizons Computer Learning Center as a management trainee and subsequently got promoted as administration executive where she was responsible for finance related matters, customer service and management of human resources. In 1999, she left the company to join Likom Computer System Sdn Bhd as a material planner where she was responsible for the management of inventory and handling the procurement of raw materials.

In 2003, she left the company to join Silicon Application Sdn Bhd as a customer service executive cum sales administrator where she was responsible for managing procurement activities, delivery of goods to customers and handling customer inquiries. She left the company a year later in 2004 to join E-Control as a purchasing executive where she was responsible for the sourcing of raw materials. The last position she held in this company was assistant material manager before she left in 2012. Throughout her time in this company, she was responsible for the supervision of the purchasing and customer service departments. She was also responsible for the management of supply of raw materials and indirect materials and development of sourcing strategies.

In 2012, she joined the Group as an assistant manager in procurement and was subsequently promoted as a sourcing manager in 2017.

She is responsible for overseeing and managing the Group's procurement activities which include amongst others, sourcing for direct and indirect materials, development and execution of procurement strategies and coordination of procurement activities.

Ms. Lau is the sister of Dato' Lau Kim San, the Managing Director and the major shareholder of the Company.

Ms. Lau does not hold directorship in any other public company and listed companies.

Save as disclosed above, Ms. Lau does not have any conflict of interest with the Company. She has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)



ABDULLAH BIN AB RAHMAN

Production
Manager

Nationality

Malaysian

Gender

Male

Age

53

Encik Abdullah Bin Ab Rahman is the Production Manager. He obtained his Sijil Vokasional Malaysia in 1988 from Sekolah Menengah Vokasional Alor Gajah, Melaka.

He began his career in 1990 as a pump operator in MMC Gas Sdn Bhd where he was tasked with overseeing the facilities and pumps maintained by the company. Subsequently in 1992, he left the company and joined Asahi Industries (M) Sdn Bhd as a production technician and was involved in the production of cordless phones. He left in February 1994 to join Takara Manufacturing Company (Malaysia) Sdn Bhd (currently known as TKR Manufacturing (Malaysia) Sdn Bhd) as a production technician for three months and was involved in the repair of car stereos.

In June 1994, he joined Likom CMS Sdn Bhd as a production technician and was subsequently promoted in 1996 to become an assistant supervisor and was responsible for overseeing the production activities of the company. He left the company in August 1997 to join Panasonic Appliances Refrigeration Devices Malaysia Sdn Bhd as an assistant supervisor where he was responsible for supervising the production of refrigerator compressors.

He left the company in December 1997 to join Olympic Cable Company Sdn Bhd as an assistant supervisor in production and was responsible for supervising the production of CCV line medium and low voltage cables. He was subsequently promoted to assistant manager in 2009 and was responsible for overseeing and monitoring the production department and ensuring compliance with production standards.

He left in 2014 to join the Group as an assistant manager and was subsequently promoted to his current position on 1 March 2020. He is responsible for overseeing the operations and ensuring the quality of the output of our production department, as well as the maintaining our Group's manufacturing plants.

Encik Abdullah does not hold directorship in any other public company and listed companies.

Encik Abdullah does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company.

He has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)



LIM SOON YUEN

Product
Engineering
Manager

Nationality

Malaysian

Gender

Male

Age

40

Mr. Lim Soon Yuen is the Product Engineering Manager. In 2009, he obtained a Bachelor of Engineering in Electronics (Honours) from Multimedia University, Melaka.

He began his career in 2009 when he joined the Group as a product engineer in the technical department. He was tasked with responsibilities involving cable design and specification and providing technical support for customers.

In 2010, he left the Group and joined National Semiconductor Sdn Bhd (currently known as Texas Instruments Electronics Malaysia Sdn Bhd) as a test engineer where he was responsible for developing and implementing test systems to evaluate the performance of integrated circuits. He was subsequently promoted in 2012 as a test development engineer where he was involved in ensuring that the test systems meet the relevant specifications and was responsible for running various test systems in the different stages of development.

He subsequently left the company in 2013 and re-joined the Group as an assistant manager in the technical department. He was promoted on 1 February 2022 to his current position. He is currently responsible in overseeing our cable development projects and to engage in customer service such as providing technical support.

Mr. Lim does not hold directorship in any other public company and listed companies.

Mr. Lim does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company.

He has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)



YONG YEW CHONG

Finance
Manager

Nationality

Malaysian

Gender

Male

Age

51

Mr. Yong Yew Chong is the Finance Manager. In 1992, he obtained his Diploma in Management Accounting from the London Chamber of Commerce and Industry. In 1993, he obtained his Diploma in Computer Science majoring in Information Technology from Informatics College, Melaka.

From 1995 to 2004, he was employed as an accounts assistant/assistant management accountant in various companies and was responsible for the preparation of the respective companies' accounts, management reports and annual budgets.

In 2004, he joined Kotra Pharma (M) Sdn Bhd as a costing executive and was responsible for, among others, the development of the costing system, analysis of quarterly financial results as well as the preparation of the annual report. He subsequently left the company in 2008 to join Ohara Disk (M) Sdn Bhd as an assistant finance manager and was responsible for overseeing the preparation and finalisation of monthly accounts, annual budget, tax compliance matters as well as valuation of inventory.

He left the company in 2014 and assumed his current position in the Group. He is currently responsible for overseeing the accounting and finance functions of the Group, including financial reporting, budgeting, taxation and cash flow management.

Mr. Yong does not hold directorship in any other public company and listed companies.

Mr. Yong does not have any conflict of interest with the Company or any family relationships with any other Director or major shareholder of the Company.

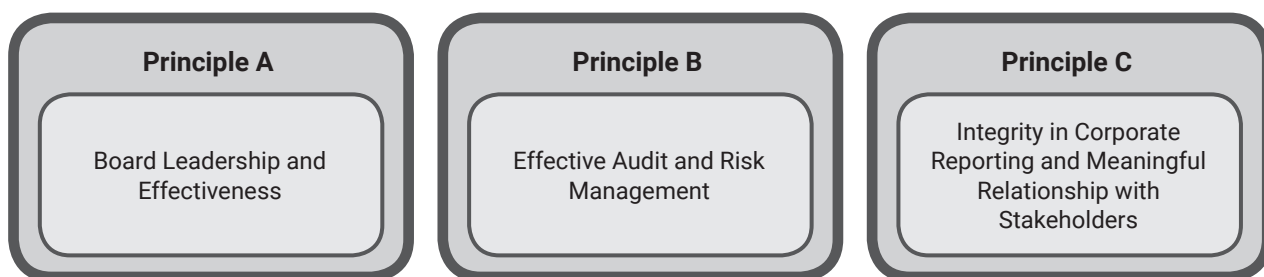
He has neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanction or penalty imposed by the relevant regulatory bodies during the FYE 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of Master Tec Group Berhad ("**MTG**" or "**Company**") recognises the importance of adopting good corporate governance within the Company and its subsidiaries ("**Group**") as a fundamental part of discharging its responsibilities to safeguard shareholders' investments and to protect the interests of all stakeholders. The Board will continuously evaluate and improve management practices and systems to enhance the standard of corporate governance applied by the Group.

The Board takes note of the updates on the Malaysian Code on Corporate Governance ("**MCCG**") issued by the Securities Commission Malaysia which took effect on 28 April 2021. The MCCG introduces new practices and additional guidance to strengthen the corporate governance culture of public listed companies.

The Board is pleased to present the following Corporate Governance Overview Statement ("**CG Overview Statement**") that describes the extent to how the Group has applied and complied with the three (3) principles which are set out in the MCCG during the financial year ended 31 December 2024 ("**FYE 2024**"):



This CG Overview Statement also serves to comply with Rule 15.25(1) of the ACE Market Listing Requirements ("**ACE LR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and should be read in tandem with the Corporate Governance Report in respect of the FYE 2024 ("**CG Report**") which is available on the Company's website at <https://mastertec.my>.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

Part I: Board responsibilities

1.1 Board's Leadership on Objectives and Goals

The Board is responsible for the proper stewardship of the Group in order to provide reasonable assurance of the Group's long-term success. With this, the Board strives to ensure that all the Company's strategic objectives are well-conveyed throughout the Company in order to achieve both short and long-term goals of the Company as a fundamental part of discharging its responsibilities to protect and enhance value for all stakeholders and raise the performance of the Company.

The Board is guided by the prevailing legal and regulatory requirements such as the Companies Act 2016 ("**CA 2016**"), the ACE LR of Bursa Securities and the MCCG, as well as the Company's Constitution and the Board Charter in discharging its fiduciary duties and responsibilities. The Board had ensured that it set the appropriate tone at the top, providing thought leadership and championing good governance and ethical practices throughout the Company.

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board has, amongst others:

- promoted good corporate governance culture within the Company which reinforces ethical, prudent and professional conduct;
- reviewed, challenged and decided on the management proposals for the Company, and monitor its implementation;
- ensured that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- supervised and assessed performance of the management;
- ensured there is a sound framework for internal controls and risk management;
- recognised the principal risks of the Company's business and that business decisions requires taking of appropriate risks;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

1.1 Board's Leadership on Objectives and Goals (Cont'd)

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board has, amongst others: (Cont'd)

- ensured that key senior management has the necessary skills and experience, and measures are in place to provide for the orderly succession of the Board and key senior management;
- ensured that the Company has in place procedures to enable effective communication with shareholders and stakeholders; and
- ensured the integrity of the Company's financial and non-financial reporting.

1.2 The Chairman of the Board, had during the FYE 2024:

- demonstrated leadership to the Board in discharging his duties and responsibilities effectively without limiting the principle of collective responsibility for the Board decisions;
- through the Company Secretaries and Financial Controller, set the board agenda and ensuring that board members receive complete and accurate information in a timely manner;
- led the conduct of the Board meetings and discussions in a manner that encouraged constructive discussions and effective contribution from each member of the Board;
- encouraged active participation and allowed dissenting views to be freely expressed;
- acted as the facilitator between the Board and the management by coordinating smooth communication flow between both parties;
- ensured appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- led the Board in establishing and monitoring good corporate governance practices within the Group; and
- reviewed the minutes of the Board meetings to ensure that the minutes accurately reflect the Board's deliberations, and matters arising from the minutes have been addressed properly.

1.3 Separation of positions of the Chairman, Managing Director and Chief Executive Officer

The positions of the Chairman, Managing Director and Chief Executive Officer are held by three (3) different individuals and each has a clear accepted division of responsibilities to ensure that there is a balance of power and authority to promote accountability. The Chairman is responsible for instilling good corporate governance practices and leadership, and for ensuring Board effectiveness. The Chairman leads the Board in its collective oversight of the Management, while the Managing Director has the overall responsibilities over the Company's operating units, organisational effectiveness and implementation of Board policies and decisions. The Chief Executive Officer oversees and implements the Group's administration and operational activities and explores new business opportunities for expansion into new market segments. The distinct and separate roles of the Chairman and Managing Director are clearly defined in the Board Charter to ensure that no one individual has unfettered powers of decision-making.

1.4 Chairman of the Board is not a member of the Audit and Risk Management Committee ("ARMC") and Nomination and Remuneration Committee ("NRC").

1.5 Qualified and Competent Company Secretary

The Board is supported by two (2) qualified and competent Company Secretaries who carry out the responsibilities of the company secretarial function for the Group. Both Company Secretaries are qualified under Section 235(2)(a) of the CA 2016. The Company Secretaries are external company secretaries from Securities Services (Holdings) Sdn. Bhd. with vast knowledge and experience from being in public practice and is supported by a dedicated team of competent company secretarial personnel.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

1.5 Qualified and Competent Company Secretary (Cont'd)

The Company Secretaries, or together with their representatives, had during the FYE 2024:

- together with management, managed all Board and Board Committee meeting logistics;
- attended and recorded minutes of all Board and Board Committee meetings and facilitates Board communications;
- advised the Board on its roles and responsibilities;
- briefed the Board the latest letters and circulars issued by Bursa Securities;
- facilitate the conduct of the assessments to be undertaken by the Board and Board Committees as well as compile the results of the assessment; and
- advised the Board on corporate disclosures and compliance with company and securities regulations and listing requirements.

The Company Secretaries also ensure that there is good information flow within the Board, Board Committees and key senior management. Every Board member has unrestricted access at all times to the advice and services of the Company Secretaries to ensure effective functioning of the Board and its Board Committees, adherence to Board policies and procedures as well as compliance with regulations and governance practices.

The Company Secretaries had and will continue to constantly keep themselves abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters, and with changes in the same regulatory environment, through continuous training and industry updates.

The Board is satisfied with the performance and support rendered by the Company Secretaries and their team to the Board in the discharge of its function, duties and responsibilities.

1.6 Access to information and advice

All members of the Board have full and unrestricted access to the professional advice and services of the Company Secretaries and Key Senior Management in the course of discharging their duties and responsibilities on matters relating to the procedures governing the Company. The Board may seek independent professional advice, whenever necessary and in appropriate circumstances, either individually or collectively on any matter concerning with the discharge of their responsibilities at the expense of the Company.

The notices of the scheduled Board Meetings are served to the Directors at least five (5) business days prior to the Board Meetings. Unless there is exceptional case for convening of Special or Emergency Meeting of the Board to address critical matters, shorter notice would be allowed with the consent of all Directors.

To leverage on the usage of technology, the Board papers are circulated to the Directors in electronic form via email prior to the Board Meetings, to allow the Directors to consider the relevant information.

2. Demarcation of Responsibilities

2.1 Board Charter

The Board has established and adopted a Board Charter, which sets out the Board's strategic intent and identifies the respective roles and responsibilities of the Board, Board Committees, individual Directors, Senior Independent Director and key senior management, as well as issues and decisions reserved for the Board, the Board's governance structure and authority. The Board Charter is available on the Company's website at <https://mastertec.my>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

2. Demarcation of Responsibilities (Cont'd)

2.1 Board Charter

As part of its efforts to ensure the effective discharge of its duties, the Board has delegated certain functions and authorities to two (2) of its Board Committees, namely, ARMC and NRC. These Committees are entrusted with specific responsibilities to assist the Board in overseeing the Company's affairs, in accordance with their limits of authority and respective Terms of Reference, which are published on the Company's website at <https://mastertec.my>. These Terms of Reference are reviewed as and when the need arises. The Board keeps itself abreast of the responsibilities delegated to each Board Committee, and matters deliberated at each Board Committee meeting through the minutes of the Board Committee meetings and reports by the respective Board Committee Chairman/Chairperson, at Board meetings.

ARMC

Details on the ARMC are in the ARMC Report contained in this Annual Report.

NRC

Details on the NRC are in the NRC statement contained in this Annual Report.

The attendance of Directors who are members of Board committees during FYE 2024 is set out as below:

Name	NRC	ARMC
Yee Ying Sung	2/2	6/6
Fong Hui Fong	2/2	6/6
Hooi Lian Jye	2/2	6/6

3. Good Business Conduct and Corporate Culture

3.1 Code of Conduct and Ethics

The Board is committed in maintaining a corporate culture that engenders ethical conduct. The Board has formalised ethical standards by adopting a Code of Conduct and Ethics, which summarises what the Company must endeavour to do proactively in order to maintain the highest level of integrity and ethical conduct of the Board, the Management and employees of the Group. The Company's Code of Conduct and Ethics covers, among others, the following:

- conflict of interest
- insider trading
- anti-bribery and corruption
- trade secrets and confidentiality of information
- responsibility to report
- protection against unfair dismissal, victimisation or unwarranted disciplinary action
- environment, social and governance agenda
- misconduct, malpractice and irregularity
- reporting and investigations procedure

The Company's Code of Conduct and Ethics is available on the Company's website at <https://mastertec.my>.

Employees are made aware that relevant disciplinary actions will be taken for unethical behaviour and misconduct.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

3. Good Business Conduct and Corporate Culture (Cont'd)

3.2 Whistleblowing Policy

The Board has in place a Whistleblowing Policy which provides an avenue for any Director, officer, employees and members of the public to voice or raise genuine concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, and/or abuse involving the resources of the Group. The Whistleblowing Policy of the Company also provides guidance on the appropriate communication and feedback channels to facilitate whistleblowing.

The Company's Whistleblowing Policy is available on the Company's website at <https://mastertec.my>.

For FYE 2024, none of the designated persons received any report or concerns vide the abovementioned communication and feedback channels.

3.3 Directors' Fit and Proper Policy

The Board has in place a Directors' Fit and Proper Policy which sets out the fitness and propriety for the appointment and re-election of Directors of the Company and to ensure that each of the Directors has the character, integrity, experience, competence and time commitment to effectively discharge his/her role as a Director of the Company in tandem with good corporate governance practices.

The Directors' Fit and Proper Policy is available on the Company's website at <https://mastertec.my>.

3.4 Anti-Bribery and Corruption Policy

In support of ethical business practices, the Board has also adopted a zero-tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts through the adoption of the Group's Anti-Bribery and Corruption Policy as additional measures to comply fully with the applicable laws and regulatory requirements on anti-bribery and anti-corruption.

The Anti-Bribery and Corruption Policy applies to all employees and Directors of the Company (including temporary positions) and/or any person(s) associated with the Group. This Policy is available on the Company's website at <https://mastertec.my>.

4. Governance of Sustainability

- 4.1 The Board promotes sustainability through its strategic oversight and integration of sustainability considerations in the decision-making process and operations of the Company. This entails taking a holistic view of how the Company creates value for its shareholders and stakeholders bearing in mind Economic, Environmental, Social and Governance ("ESG") factors.

Please refer to the Sustainability Report in the Annual Report for further details.

- 4.2 The Company has engaged with stakeholders in a variety of ways which had been done at both the business units and group levels through formal and informal activities. The collective opinions and insights from the stakeholders help the Board make informed decisions, while aligning the stakeholders' expectations with the Company's sustainability priorities and business approach.
- 4.3 The Board, through the NRC, assessed the training programmes attended by each Director during FYE 2024 to ensure that the Directors had and will continue to constantly keep them abreast on the relevant requirements and matters concerning the sustainability, including the latest development in industry as well as the sustainability issues relevant to the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

4. Governance of Sustainability (Cont'd)

- 4.4 As part of the sustainability initiatives, the Company has also included the assessment of the Board's understanding on sustainability issues that are critical to the Company's performance. As for the performance review of the key senior management, the Company will take into account the sustainability risks such as health, safety and environmental risks, financial and people development and implement the relevant key performance indicators as part of the yearly performance appraisal.
- 4.5 Being a step-up practice, the Board did not identify a designated person within the Management, to provide dedicated focus to manage sustainability strategically, as this requires the necessary time, resource and planning. The Board would consider this at an opportune time.

Part II: Board Composition

5. Board's Objectivity

5.1 Composition of the Board

The NRC oversees and reviews on an on-going basis, the overall composition of the Board in terms of size, the required mix of skills, experience and other qualities and core competencies for the Directors of the Company. The effectiveness of the Board as a whole and the contribution and performance of each individual Director to the effectiveness of the Board and the Board Committees will also be assessed by the NRC on an annual basis.

The Board presently has six (6) members and comprises one (1) Managing Director, one (1) Executive Director and four (4) Independent Non-Executive Directors including the chairman of the Board, which fulfils the prescribed requirement of one-third (1/3) of the Board to be independent as stated under Rule 15.02(1) of ACE LR of Bursa Securities. In addition, the Company also complies with Practice 5.2 of MCCG to have at least half of the Board comprises Independent Non-Executive Directors.

The Independent Non-Executive Directors who come from various fields are an invaluable asset to the Company and fulfil the pivotal role in corporate accountability. The role of Independent Non-Executive Directors is particularly important as they provide unbiased and independent views, advices and judgements to take into account of the interests, not only of the Group, but also the stakeholders. The profile of each Director is set out in another section of this Annual Report.

5.2 Tenure of Independent Director

In order to ensure independent and objective judgment is brought to the Board's deliberation by genuine independence of the independent directors and to ensure conflict of interest or undue influence from interested parties is well taken care of, the Board is committed to ensure the independence of the independent directors are assessed by the NRC prior to their appointment based on formal nomination and selection process with the results of the review reported to the Board for consideration and decision.

As at the date of this CG Overview Statement, none of the Independent Directors of the Company had served more than nine (9) years on the Board.

Being a step-up practice, the Board has not adopted a policy which limits the tenure of its Independent Directors to nine (9) years.

5.3 Procedures for Appointment and Re-Election of Directors

The NRC is responsible for leading the review of the appropriate skills (including but not limited to professional skills, where applicable), experience and characteristics required of Board members through set procedures, in the context of the needs of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

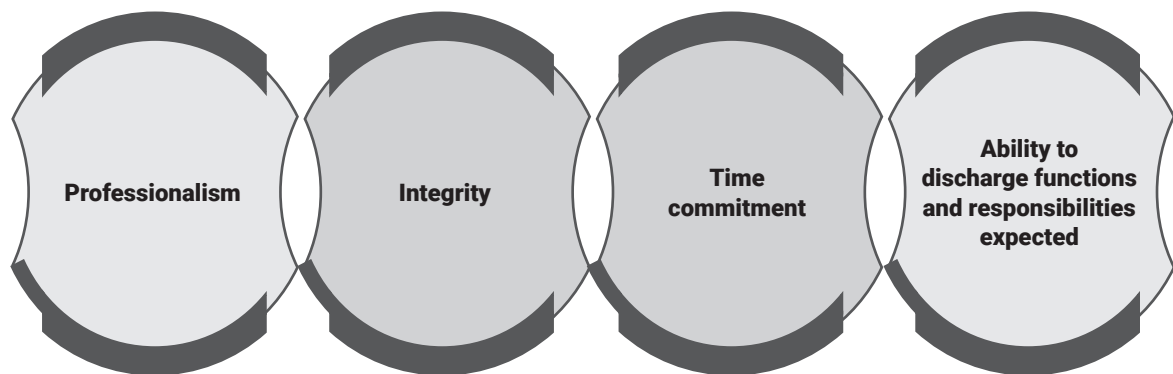
Part II: Board Composition (Cont'd)

5. Board's Objectivity (Cont'd)

5.3 Procedures for Appointment and Re-Election of Directors (Cont'd)

In assessing the fitness and propriety of the existing Directors of the Company seeking for re-appointment and candidates for nomination or appointment as a Director, the NRC shall evaluate the existing Directors and candidates for new appointment as Directors based on the fit and proper criteria as outlined in the Directors' Fit and Proper Policy and making recommendations to the Board on these matters for its review and decision.

The objective criteria in their nomination and election process are summarised as follows: –



The new appointee will be considered and evaluated by the NRC and the NRC will then recommend the candidate to be approved and appointed by the Board. The Company Secretaries will ensure all appointments are properly documented. There was no Director and Key Senior Management personnel appointed to the Group during the FYE 2024.

The NRC is also responsible for making recommendations to the Board on the eligibility of the Directors to stand for re-election at the Annual General Meeting ("AGM"). The performance of the retiring Directors who are recommended for re-election at the AGM has been assessed through the Board and Board Committee evaluation as well as the fit and proper assessment.

5.4 Diverse Board and Senior Management

The Board is supportive of the Board and Key Senior Management composition diversity recommendation promoted by the MCCG in order to offer greater depth and breadth to Board discussions and constructive debates at senior management level.

The appointment of Board members and Key Senior Management is based on meritocracy, objective criteria, merit and besides gender diversity, due regard is placed for diversity in skills, experience, age and background. The profile of Directors and Key Senior Management are set out in another section of this Annual Report.

5.5 Chairperson of the NRC

The NRC is chaired by Ms. Hooi Lian Jye, the Independent Non-Executive Director appointed by the Board. The Chairperson of the NRC is responsible for leading the NRC in conducting an annual review of the effectiveness of the Board as a whole, and the Board Committees, as well as the contribution and performance of each individual Director on an on-going basis, ensuring that the performance of each Individual Director is independently assessed and will lead the succession planning and appointment of future Board members.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board Composition (Cont'd)

5. Board's Objectivity (Cont'd)

5.6 Boardroom and Gender Diversity

The Board recognises that a gender-diverse Board could offer greater depth and breadth whilst the diversity at Key Senior Management would lead to better decision-making. Currently, the Board comprises two (2) female Directors out of six (6) Directors, equivalent to 33.33% women representation on the Board.

The Board practises non-gender discrimination and has indicated its commitment to boardroom diversity by ensuring that all Board and Key Senior Management appointments are based on meritocracy, objective criteria, merit and with due regard to the benefits of diversity within the Board. Diversity in this context encompasses a wide range of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge, experience, age, cultural background and gender.

6. Overall Effectiveness of the Board

6.1 Annual assessments

The Board, through the NRC would undertake the following assessments annually and the results of the evaluations are assessed by the NRC and presented to the Board: -

- a) Directors' self-assessment;
- b) Board and Board Committees performance evaluation;
- c) Review of the term of office and performance of ARMC and each of its members; and
- d) Assessment of Independent Directors.

The annual assessment of individual Directors, Board as a whole and Board Committees are based on a comprehensive assessment system, which commences with the completion of a set of comprehensive Self-Assessment Form detailing all assessment criteria to be completed by all Directors for evaluation by the NRC. Criteria for the self-assessment includes self-ratings on the Director's knowledge, support of the mission and goals of the Company, time commitment, and active participation on the Board.

The independence of the Independent Non-Executive Directors of the Company had been fulfilled in accordance with the ACE LR of Bursa Securities and would not impede their independence in carrying out their duties in the respective Board and Board Committees.

Based on the outcome of the abovementioned assessment conducted by the NRC for FYE 2024, the Board was satisfied that –

- Individual Directors are able to meet the Board of Directors' expectations in terms of character, experience, integrity, competency and time commitment in discharging their roles as Directors of the Company.
- Individual Directors are exercised due care and carried out professional duties proficiently.
- The Board and Board Committees had been effective in carrying out their functions and duties.
- All Independent Directors had been and remain independent from management and free from any business relationship that could materially interfere with their independent judgement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board Composition (Cont'd)

6. Overall Effectiveness of the Board (Cont'd)

6.2 Time Commitment

The Board meets at least four (4) times in each financial year and will hold additional meetings if the situation requires. Sufficient notices were given to the Board prior to each meeting.

During FYE 2024, there were six (6) Board meetings held and details of attendance by Directors who held office during that financial year under review are as follows:-

Directors	No. of meetings attended
Datuk Saleh Bin Mohd Dom	6/6
Dato' Lau Kim San	6/6
Tee Kok Hwa	6/6
Yee Ying Sung	6/6
Fong Hui Fong	6/6
Hooi Lian Jye	6/6

In the intervals between the Board meetings, Board approvals are obtained via written resolutions for exceptional matters requiring Board's decision which is supported by the relevant information in order to form an informed decision. In order to facilitate the Directors' planning and time management, an annual meeting calendar is prepared and given to the Directors before the beginning of each financial year.

The Board is satisfied with the time commitment given by the Directors. All of the Directors do not hold more than five (5) directorships in public listed companies as stipulated under the ACE LR of Bursa Securities. If any Director wishes to accept a new directorship in the public listed companies, the Chairman of the Board will be informed beforehand together with indication of time that will be spent on new appointment.

6.3 Directors' Training

In order for the Group to remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges of the Board. The Board has cultivated the following best practices: -

- All newly appointed Directors are required to attend the Mandatory Accreditation Programme as prescribed by the ACE LR of Bursa Securities within the stipulated timeframe;
- All Directors are encouraged to attend talks, training programmes and seminars to update their knowledge on the latest regulatory and business environment;
- The Directors may be requested to attend additional training courses according to their individual needs as a Director or member of Board Committees on which they serve; and
- The Directors are briefed by the company secretaries on the letters issued by regulatory bodies at each quarterly Board Meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board Composition (Cont'd)

6. Overall Effectiveness of the Board (Cont'd)

6.3 Directors' Training (Cont'd)

During FYE 2024, all the Directors attended appropriate training/briefing programmes to update and enhance their knowledge to enable them to discharge their duties more effectively as Directors and to keep abreast of the development in the marketplace. Below are the training/briefing programmes attended by each of the Directors:

Directors	Training(s) Attended
Datuk Saleh bin Mohd Dom	• Mandatory Accreditation Programme Part II prescribed by Bursa Securities
Dato' Lau Kim San	• Mandatory Accreditation Programme Part II prescribed by Bursa Securities
Tee Kok Hwa	• Mandatory Accreditation Programme Part II prescribed by Bursa Securities
Yee Ying Sung	• Mandatory Accreditation Programme Part II prescribed by Bursa Securities • Can you use AI and comply with your ethical obligations? • Professional Ethics in Focus • Understanding Conflicts of Interest • Cyber Security and board/audit and risk committee responsibility • Mastering work productivity with AI • Ethics at Work
Fong Hui Fong	• Mandatory Accreditation Programme Part II prescribed by Bursa Securities
Hooi Lian Jye	• Mandatory Accreditation Programme Part II prescribed by Bursa Securities

The Directors are briefed by the Company Secretaries on the letters and circulars issued by the Bursa Securities and was constantly updated of any changes in the regulatory requirements which may affect the governance practices of the Group.

Part III – Remuneration

7. Level and Composition of Remuneration

7.1 The Group will consider to look into a detailed study to develop a Remuneration Policy to set out principles to be used in recommending the remuneration package of the Executive and Non-Executive Directors and Key Senior Management, in order to attract, motivate and retain Directors and Key Senior Management. The Group has in place an annual appraisal system for the Directors and Key Senior Management and the remuneration is tailored according to the evaluations.

7.2 Remuneration Committee

The Board has established the NRC that assists the Board in reviewing and recommending the proposed remuneration packages for the Directors of the Company. The NRC also assists the Board to structure and link Directors' remuneration to the strategic objectives of the Company, which rewards contribution to the long-term success of the Company in promoting business stability, sustainability and growth.

The NRC comprises exclusively of Independent Non-Executive Directors and the composition of the NRC is as follows: -

Name	Designation	Directorship
Hooi Lian Jye	Chairperson	Independent Non-Executive Director
Fong Hui Fong	Member	Independent Non-Executive Director
Yee Ying Sung	Member	Independent Non-Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part III – Remuneration (Cont'd)

7. Level and Composition of Remuneration (Cont'd)

7.2 Remuneration Committee (Cont'd)

The following works were undertaken by the NRC relating to its remuneration function during FYE 2024 and up to the date of this CG Overview Statement: -

- Reviewed and recommended to the Board for approval of the remuneration packages of the Executive Directors;
- Reviewed and assessed the payment of benefits payable to the Directors and recommended the same for the Board for consideration to recommend to the shareholders for approval; and
- Reviewed the Directors' fees and recommended the same for the Board for consideration to recommend to the shareholders for approval.

8. Remuneration of Directors and Senior Management

8.1 Directors' Remuneration

The Directors' fees payable to each Director of the Company are categorised into appropriate components in respect of FYE 2024 including the remuneration breakdown of fees, salary, bonus, benefits-in-kind and other emoluments, are as follows: -

Received from the Company						
Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary and bonus (RM'000)	Benefit- in-kind (RM'000)	Other emolu- ments (RM'000)	Total (RM'000)
Executive Directors						
Dato' Lau Kim San	–	–	–	–	–	–
Tee Kok Hwa	–	–	–	–	–	–
Non-Executive Directors						
Datuk Saleh Bin Mohd Dom	60	10	–	–	–	70
Yee Ying Sung	60	10	–	–	–	70
Fong Hui Fong	60	10	–	–	–	70
Hooi Lian Jye	60	10	–	–	–	70

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part III – Remuneration (Cont'd)

8. Remuneration of Directors and Senior Management (Cont'd)

8.1 Directors' Remuneration (Cont'd)

Received from the Group						
Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary and bonus (RM'000)	Benefit- in-kind (RM'000)	Other emolu- ments (RM'000)	Total (RM'000)
Executive Directors						
Dato' Lau Kim San	–	6	1,586	–	207	1,799
Tee Kok Hwa	–	6	1,184	–	155	1,345
Non-Executive Directors						
Datuk Saleh bin Mohd Dom	60	10	–	–	–	70
Yee Ying Sung	60	10	–	–	–	70
Fong Hui Fong	60	10	–	–	–	70
Hooi Lian Jye	60	10	–	–	–	70

8.2 Remuneration of the Key Senior Management

The Company opts not to disclose the Key Senior Management's remuneration components (salary, bonus, benefits-in-kind and other emoluments) on a named basis as it is not in the best interest of the Company and Key Senior Management personnel to disclose of their personal data to the public at large.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I – Audit Committee

9. Effective and Independent ARMC

The ARMC is chaired by Mr. Yee Ying Sung, an Independent Non-Executive Director, while Datuk Saleh Bin Mohd Dom is the Chairman of the Board. This separation of leadership and responsibility ensured that the objectivity of the Board's review of the ARMC's findings and recommendations are not impaired. This separation is set out clearly in the Terms of Reference of the ARMC.

Mr. Yee Ying Sung is responsible to ensure the overall effectiveness and independence of the ARMC. Together with other members of the ARMC, they had ensured amongst others that -

- the ARMC is fully informed about significant matters related to the Group's audit and its financial statements and these matters are addressed;
- the ARMC appropriately communicates its insights, views and concerns about relevant transactions and events to Internal and External Auditors;
- the ARMC's concerns on matters that may have an effect on the financial or audit of the Company are communicated to the External Auditors; and
- there is co-ordination between Internal and External Auditors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I – Audit Committee

9. Effective and Independent ARMC (Cont'd)

The composition and summary of works of the ARMC is included in the ARMC Report of this Annual Report, while the Terms of Reference of the ARMC is available at the Company's website at <https://mastertec.my>.

The ARMC has formalised the policy that requires a cooling-off period of at least three (3) years to be observed by the former key audit partner of the Company's External Auditors in the Terms of Reference of the ARMC before being appointed as a member of the ARMC. This is to safeguard the independence of the audit and preparation of the Company's financial statements.

None of the ARMC members were former key audit partners of the Company. As a matter of practice, the ARMC has recommended to the NRC not to consider any key audit partner as a potential candidate for Board/ARMC member to affirm the ARMC's stand on such policy.

The ARMC comprises solely of Independent Directors in line with Step-up Practice 9.4 of the MCCG.

All members of the ARMC are financially literate and are able to understand the Company's business and matters under the purview of the ARMC including the financial reporting process. They have continuously applied a critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenged Management's assertions on the Company's financials. Any inconsistencies or irregularities in the financial and operational reports would be questioned to ascertain that the Quarterly Report and the annual Audited Financial Statements taken as a whole provide a true and fair view of the Company's financial position and performance.

All members of the ARMC have also undertaken and will continue to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules, as and when required.

9.1 Assessment of External Auditors

The Company maintains a transparent relationship with the external auditors in seeking their professional advice and towards ensuring compliance with the accounting standards.

In recommending the appointment or re-appointment of the External Auditors to the Board, the ARMC assesses the suitability, objectivity and independence of External Auditors that consider amongst others: -

- a. the competence, audit quality, experience and resource capacity of the external auditor and its staff assigned to the audit;
- b. the audit firm's other audit engagements;
- c. the adequacy of the scope of the audit plan;
- d. the external auditor's ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
- e. the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- f. obtaining assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The assessment to consider the suitability, objectivity and independence of the audit firm is conducted annually. The ARMC was of the view that Crowe Malaysia PLT, the External Auditors, had conducted itself objectively and independently in carrying out the audit of the Company during FYE 2024, and the ARMC was satisfied with Crowe's technical competency.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Part II – Risk Management and Internal Control Framework

10. Risk Management and Internal Control

The Board is aware and recognises various types of risks inherent in the businesses of the Group and the possible financial impact. As part of its ongoing process to identify, evaluate, and to manage risks, the Board with the assistance of the ARMC will monitor the effectiveness of internal control, including identifying risk areas, where the details of these risk events will be identified and discussed at length in the meetings. The findings and recommendations, if any, will be tabled at the board meetings on a periodic basis, in which the key risks and corresponding risk mitigating actions are identified and their progress are set for discussions and deliberations. With the approval of the Board, appropriate measures will be taken to strengthen the controls in order to improve the risk management of the Group. An appropriate framework is being maintained on an on-going basis to enhance and develop the Group's risk management further.

The Company also engages Internal Auditors to provide independent assessments on the adequacy, efficiency and effectiveness of the Company's internal control system. The Internal Auditors report directly to the ARMC and internal audit plans are tabled to the ARMC for review and approval to ensure adequate coverage.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

11. Effective Governance, Risk Management and Internal Control Framework

The internal audit function of the Company is carried out by an outsourced professional service firm, NeedsBridge Advisory Sdn. Bhd. that assists the ARMC and the Board in managing the risks and establishment of the internal control system and processes of the Company by providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The Internal Auditors report directly to both the ARMC and the Board.

The internal audit function is independent of the operations of the Company and provides reasonable assurance that the Company's system of internal control is satisfactory and operating effectively.

Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the ARMC Report of this Annual Report.

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

Part I – Engagement with Stakeholders

12. Continuous Communication between the Company and Stakeholders

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value. The Board, in its best efforts, always keeps the shareholders and various stakeholders informed of the Group's business and corporate developments and ensure that the communication with them is transparent and timely.

The Company maintains a website at <https://mastertec.my> for shareholders, investors and general public to access information on amongst others, the Group's corporate profile, products, financial performance announcements published in Bursa Securities' website, Board Charter and Board Committees' terms of reference and corporate information. Shareholders may also communicate with the Company on investor relation matters by posting their enquiries to the Company through the Company's web enquiry form on its website.

During the FYE 2024, the Company is not categorised as "Large companies" under the MCGG and hence, has not adopted integrated reporting based on a globally recognised framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDE (CONT'D)

Part II – Conduct of General Meetings

13. Encourage Shareholders' Participation at General Meetings

13.1 Participation at AGM

The Board of Directors acknowledges the need for shareholders to be informed of all material business matters affecting the Company. To encourage shareholders' participation, adequate notice period for the AGM of at least twenty-eight (28) days will be adhered to in order to communicate with all shareholders.

All the Directors of the Company attended the 1st AGM held on 20 May 2024, respectively to engage with the shareholders proactively.

The Chairman of the Board and the Chairman/Chairperson of the respective Board Committees as well as the Board members will be present at the 2nd AGM to respond to the shareholders' queries. Healthy dialogues and interactions with the shareholders are greatly encouraged and the Board will endeavor to provide meaningful responses to questions addressed to them on the resolutions being proposed and the operations of the Group.

The Board is supported by the External Auditors, the Company Secretaries, Sponsors, and Key Senior Management, where applicable, who will also present at the 2nd AGM to communicate with the shareholders, investors and media as well as to respond to the queries raised.

13.2 Poll voting

The Company will conduct poll voting on all resolutions for all general meetings in compliance with the ACE LR of Bursa Securities require that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.

13.3 Proceedings during the General Meeting

The Company will conduct its 2nd AGM on 20 May 2025.

The Chairman of the Board would ensure that sufficient opportunities were given to shareholders to raise issues relating to the affairs of the Group by providing ample time for the Question-and-Answer session during the 2nd AGM of the Company.

CONCLUSION

The Board is satisfied that for FYE 2024, it complies substantially with recommendations of the Practices of the MCCG. This CG Overview Statement and the CG Report are made in accordance with the Resolution of the Board passed on 21 March 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

INTRODUCTION

The Board of Directors ("**Board**") of the Company is pleased to present the report of the Audit and Risk Management Committee for the financial year ended 31 December 2024 ("**FYE 2024**").

PURPOSE

The Audit and Risk Management Committee ("**ARMC**") assists the Board in carrying out its responsibilities and meeting corporate governance requirements. It reviews the quarterly financial information before recommending it to the Board for approval and release to Bursa Malaysia Securities Berhad ("**Bursa Securities**"). In addition to this, the ARMC reviews the systems of internal controls which the management of the Company ("**Management**") and the Board have established and makes recommendations to the Management on actions to be taken, if any, based on the reports of the Independent Internal Auditors and External Auditors.

COMPOSITION OF THE ARMC AND MEETINGS ATTENDANCE

The ARMC of the Company comprises three (3) Independent Non-Executive Directors. This meets the requirements of Rule 15.09 of the ACE Market Listing Requirements ("**ACE LR**") of Bursa Securities and recommendation of the Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance ("**MCCG**").

Mr. Yee Ying Sung, the Independent Non-Executive Director is the Chairman of the ARMC. In this respect, the Company complies with Rule 15.10 of the ACE LR of Bursa Securities. Furthermore, in compliance with Practice 9.1 of the MCCG, the Chairman of the ARMC is not the Chairman of the Board.

Mr. Yee Ying Sung is a Certified Practising Accountant of Australia and a Chartered Accountant under the Malaysian Institute of Accountants. In this respect, the Company complies with Rule 15.09(1)(c) of the ACE LR of Bursa Securities.

The ARMC held six (6) meetings during the FYE 2024. The members of the ARMC and their attendance at the meetings are set out below: -

Name	Designation	Directorship	Attendance
Yee Ying Sung	Chairman	Independent Non-Executive Director	6/6
Fong Hui Fong	Member	Independent Non-Executive Director	6/6
Hooi Lian Jye	Member	Independent Non-Executive Director	6/6

AUTHORITY, DUTIES AND RESPONSIBILITIES OF ARMC

The ARMC is governed by its Terms of Reference ("**TOR**"), which is available at the Company's website at <https://mastertec.my>.

SUMMARY OF THE WORK

During the FYE 2024, the ARMC had discharged its functions and duties as set out in its TOR. The ARMC has an explicit right to convene meetings with both the Internal and External Auditors without the presence of other directors and employees.

A summary of the work of the ARMC in the discharge of its functions and duties for the FYE 2024 and how it has met its responsibilities during the FYE 2024 and up to the date of this ARMC report are as follows:

(a) Financial reporting

- Reviewed the Group's quarterly financial results focusing particularly on changes in or implementation of major accounting policies, significant and unusual events and compliance with accounting standards and other legal requirements before recommending them for approval by the Board for releasing announcement to Bursa Securities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF THE WORK (CONT'D)

(a) Financial reporting (Cont'd)

- Reviewed the reports and the audited financial statements of the Group together with the External Auditors prior to tabling to the Board for approval.

In the review of the annual audited financial statements, the ARMC had discussed with the Management and the External Auditors on the accounting principles and standards that were applied and their judgement of the items that may affect the financial statements as well as issues and reservations arising from the statutory audit.

In respect of the above, the issue related to revenue recognition was raised by the Company's External Auditors as a Key Audit Matter ("**KAM**"). The audit responses to address the abovesaid issue by the Company's External Auditors was set out in the Independent Auditors' Report ("**IAR**"). For detailed information on KAM, please refer to the IAR in this Annual Report.

(b) Corporate Reporting

- Reviewed the External Auditors' Report on the Statement on Risk Management and Internal Control for inclusion in the Annual Report.
- Reviewed the ARMC Report for inclusion in the Annual Report.

(c) External Audit

- Reviewed and approved the External Auditors' audit planning memorandum for the Group covering the audit objectives and approach, areas of audit emphasis, timeline, relevant accounting standards issued by the Malaysian Accounting Standard Board, and other relevant technical pronouncements.
- Reviewed the statutory audit fees and non-audit service fees for FYE 2024.
- Reviewed the External Auditors' audit review memorandum of the Group for FYE 2024, covering the significant auditing and financial reporting matters.
- Reviewed and discussed the External Auditors' audit report, covering the key audit matters raised and areas for concern highlighted in the Management letter, including the Management's response to the concerns raised by the External Auditors.
- Met with the External Auditors without the presence of the Executive Directors and the Management to provide the External Auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.
- Evaluated the External Auditors' suitability, objectivity and independence, taking into consideration their technical competencies, audit quality, manpower resource sufficiency to perform the audit of the Group, and made recommendation to the Board on their re-appointment.

(d) Internal audit

- Reviewed and approved the internal audit plan for FYE 2024 and the internal audit fees.
- Reviewed the internal audit reports issued in respect of Internal Auditors' observations, recommendations for improvements and the Management's responses as well as actions taken to improve the system of internal control and procedures. Where appropriate, the ARMC has directed the Management to rectify and improve control procedures and workflow processes based on the Internal Auditors' recommendations and suggestions for improvement.
- Reviewed the adequacy of the scope, functions, resources and competency of the internal audit function.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF THE WORK (CONT'D)

(e) Matters relating to related party transaction and conflict of interest

Reviewed the quarterly and annual financial statements on the disclosures relating to related party transactions or conflict of interest situations that arose within the Group and ensure compliance with provisions of the ACE LR of Bursa Securities.

There were no conflict of interest or potential conflict of interest situations involving Directors and Senior Management of the Group (excluding related party transactions) identified and/or disclosed to the ARMC during FYE 2024.

(f) Review the draft Circular to Shareholders on the proposed renewal of existing shareholders' mandate for Recurrent Related Party Transactions ("RRPTs") of a revenue or trading nature ("Draft Circular")

Based on the review of the Draft Circular and relevant procedures set out in the Draft Circular in relation to the proposed renewal of existing shareholders' mandate for RRPTs, the ARMC was of the opinion that the procedures were sufficient to ensure RRPTs is entered into at arm's length and in accordance with the Company's normal commercial terms and on terms which are not more favourable to the related parties than those generally available to the public, and not the detriment of the minority shareholders of the Company.

INTERNAL AUDIT FUNCTION

The internal audit function plays an important role to provide the Board, through the ARMC, reasonable assurance of the effectiveness of the system of internal control in the Group. It covers the examination and evaluation of the adequacy and effectiveness of internal control systems and the quality of compliance to the internal control systems which comprises key components of control environment, risk assessment process, operational control activities, information and communication system and monitoring practices.

The internal audit reporting format can broadly be segregated into two (2) main areas as set out below: -

- The internal audit plan of the Group is presented to the ARMC by the Internal Auditors for discussion and adoption.
- The internal audit reports are reviewed and adopted by the ARMC twice a year to review the internal audit findings and to discuss on the Management's corrective action plans in order to ensure the control weaknesses highlighted by the Internal Auditors are appropriately addressed. In addition, the Internal Auditors would also conduct a follow-up audit to ensure that all agreed corrective action plans are satisfactorily implemented by the Management. The progression status of the corrective action plans would also be reported to the ARMC twice a year.

A summary of work of the internal audit function for the FYE 2024 is as follows:

- (a) Formulated the internal audit plan and presented the plan for the ARMC's review and approval.
- (b) Executed the internal audit reviews covering the following business processes or areas in accordance with the approved audit plan: -
 - Treasury Management
 - Fixed Asset Management
 - Purchasing Management
 - Inventory Management (Receiving)
 - Sales and Marketing, Credit Control Management
 - Inventory Management (Issuance)
 - Production Management
 - Maintenance Management
- (c) Based on the audit reviews carried out, reported the results of the audit reviews to the ARMC. The reports highlighted internal control weaknesses identified and corresponding recommendations for improvements.

The internal audit review carried out during the FYE 2024 did not reveal weaknesses that have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this annual report.

The total cost incurred for the internal audit function of the Group for FYE 2024 amounted to RM38,761.31.

NOMINATION AND REMUNERATION COMMITTEE STATEMENT

The Nomination and Remuneration Committee (“NRC” or “Committee”) comprises exclusively of Independent Non-Executive Directors. The NRC is empowered by the Board to oversee the selection and assessment of Directors to be appointed to ensure that the Board’s composition and skills meet the needs of the Company, and hence, is tasked with the following duties and responsibilities: -

- To assess and recommend to the Board, candidates for directorships;
- To recommend to the Board the nominees to fill the seats on Board Committees;
- To review succession policies and plans for members of the Board, Board Committees and key senior management;
- To ensure that all Directors receive appropriate continuous training programmes;
- To assess the effectiveness of the Board and the Committees of the Board as a whole, and each individual Director;
- To review the term of office and performance of the ARMC and each of its members annually to determine whether the ARMC and members have carried out their duties in accordance with their terms of reference;
- To recommend remuneration packages for the Executive Directors and key senior management;
- To ensure the remuneration and incentives for Independent Directors should not conflict with their obligation;
- To act in line with the directions of the Board;
- To consider and examine such other matters as the NRC considers appropriate; and
- To consider any other matters as defined by the Board.

COMPOSITION OF THE NRC AND MEETINGS ATTENDANCE

The NRC held two (2) meetings during the financial year ended 31 December 2024 (“FYE 2024”). The composition of the NRC and their attendance at the meetings are set out below: -

Name	Designation	Directorship	Attendance
Hooi Lian Jye	Chairperson	Independent Non-Executive Director	2/2
Fong Hui Fong	Member	Independent Non-Executive Director	2/2
Yee Ying Sung	Member	Independent Non-Executive Director	2/2

TERMS OF REFERENCE

The terms of reference are available on the Company’s website at <https://mastertec.my>.

SUMMARY OF THE WORK OF THE NRC

The following works were undertaken by the NRC during the FYE 2024 and up to the date of this Statement:

- Reviewed the contribution and performance of each individual Director and the effectiveness of the Board as a whole and the Committees of the Board.
- Reviewed the term of office and performance of the ARMC and each of its members.
- Reviewed the independence of the Independent Non-Executive Directors and assessed their ability to bring independent and objective judgement to Board deliberations and proposals.
- Assessed the suitability of the Directors who will be standing for the re-election at the forthcoming annual general meeting of the Company.
- Reviewed the training programmes attended by the Directors for the FYE 2024.
- Reviewed and recommended to the Board for approval of the remuneration packages of the Executive Directors.
- Reviewed and assessed the payment of benefits payable to the Directors and recommended the same for the Board for consideration to recommend to the shareholders for approval.

NOMINATION AND REMUNERATION COMMITTEE STATEMENT (CONT'D)

SUMMARY OF THE WORK OF THE NRC (CONT'D)

The following works were undertaken by the NRC during the FYE 2024 and up to the date of this Statement: (Cont'd)

- Reviewed the Directors' fees and recommended the same for the Board for consideration to recommend to the shareholders for approval.

In assessing the performance of the Board, Board Committees and individual Directors of the Company, the NRC takes into consideration the following: -

- Personal Commitment/Contribution to interaction;
- Understanding of the Company's activities; and
- Compliance to the terms of reference, duties and responsibilities of a director, and of a chairman of the Company.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Master Tec Group Berhad (“**MTG**”) is pleased to present the Statement on Risk Management and Internal Control (“**Statement**”) in compliance with Rule 15.26(b) of the ACE Market Listing Requirements (“**ACE LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). This Statement adheres to the relevant principles and practices of the Malaysian Code on Corporate Governance (“**MCCG**”) and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. This Statement outlines the nature and scope of risk management and internal control for MTG and its subsidiaries (collectively referred to as “**the Group**”) for the financial year ended 31 December 2024 (“**FYE 2024**”) and up to the date of approval of this Statement.

BOARD’S RESPONSIBILITIES

The Board recognises that continuous review of the effectiveness, adequacy and integrity of the risk management framework and internal control system in a dynamic business environment is fundamental to governance framework and would ultimately better safeguard shareholder’s investment and the Group’s assets. However, due to its inherent limitations, the internal control system can only reduce but cannot eliminate risks that impede the achievement of the Group’s business objective. Therefore, the internal control system can only provide reasonable and not absolute assurance against material misstatement or loss or fraud.

Board meetings are conducted on a periodic basis to review the Group’s risk management and internal control activities. To discharge its oversight roles and responsibilities more effectively, the Board has authorised the Audit and Risk Management Committee (“**ARMC**”) supported by independent internal auditors to review the Group’s risk management framework, policies and processes and staff responsibilities and assess whether they provide reasonable assurance that the principal risks can be mitigated with the implementation of appropriate internal controls and mitigation measures, in accordance with the Terms of Reference. The Board recognises the need to embed risk management in all aspects of the Group’s activities and set levels of acceptable risk to aid decision-making and governance processes.

The role of the Management is to implement the Board’s policies, decisions and guidelines on risks and controls that include the identification, evaluation and treatment of risks with appropriate countermeasures.

1. Risk Management System

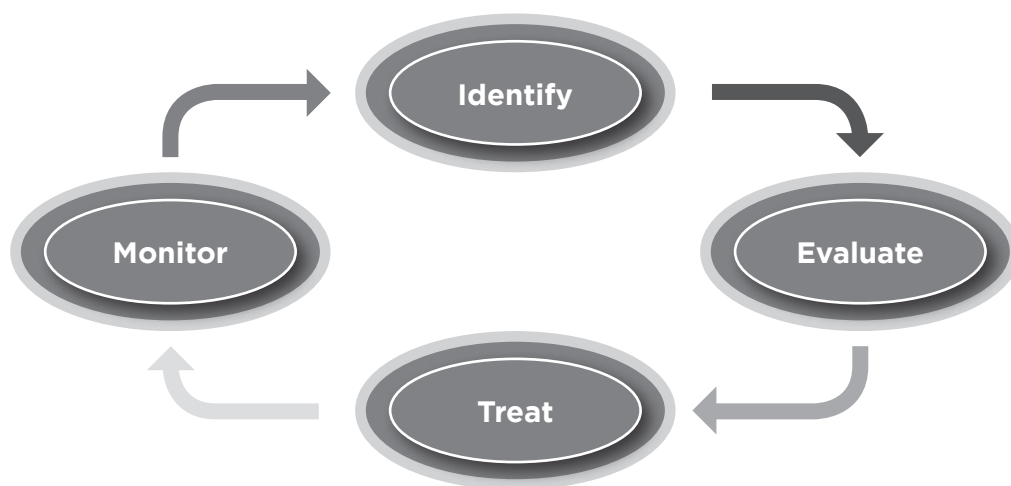


Diagram 1: Risk Management and Internal Control Framework

The Board has a Risk Management and Internal Control Framework (“**Framework**”) in place for identifying, evaluating and managing significant risks faced by the Group. The Group’s Framework, which was formalised in writing entailed the compilation of the Group’s risk profile, risk registers and appropriate control measures to manage the risks to acceptable levels. The Board believes that maintaining a sound risk management and internal control system is founded on a clear understanding and appreciation of the following key elements of the Group’s Framework: -

- A formalised Framework to streamline the Group’s risk management activities;
- The Board and the Management must first ascertain the levels of the risk appetite of the Group to determine the extent of the risk context;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

BOARD'S RESPONSIBILITIES (CONT'D)

1. Risk Management System (Cont'd)

The Board has a Risk Management and Internal Control Framework ("**Framework**") in place for identifying, evaluating and managing significant risks faced by the Group. The Group's Framework, which was formalised in writing entailed the compilation of the Group's risk profile, risk registers and appropriate control measures to manage the risks to acceptable levels. The Board believes that maintaining a sound risk management and internal control system is founded on a clear understanding and appreciation of the following key elements of the Group's Framework: - (Cont'd)

- c. A risk management structure which outlines the lines of reporting and establishes the responsibility of personnel at different levels, i.e. the Board, ARMC and the Management;
- d. The Heads of Department and key management staff are responsible for identifying, assessing and managing strategic and operational risks from time to time;
- e. The identified key risks which are included in the risk register are monitored regularly to provide an early warning signal of increasing risk exposures; and
- f. Effectiveness of the control measures/ actions stated in the risk register will be reviewed and reported to the ARMC on a periodic basis or on a frequency as determined by the ARMC.

2. Internal Control System

The Group's system of internal controls comprises the following key elements: -

- a. An organisational structure with clear lines of accountability and responsibilities provides a sound framework within the organisation in facilitating check and balance for proper decision-making at the appropriate authority levels of the Management including matters that require the Board's approval;
- b. The ARMC and the Board meet at least once on a quarterly basis to review and deliberate on financial reports, annual financial statements and etc. Discussions with the Management were held to deliberate on the actions that are required to be taken to address the internal control issues identified;
- c. The ARMC and the Board review the findings of the external audit on accounting issues, and hold discussions with the Management on actions to be taken in resolving them;
- d. Internal policies and procedures had been established for the key business units within the Group to guide employees in their day-to-day activities. The policies and procedures are periodically reviewed and updated to cater to the changing business environment and operational requirements, and statutory reporting needs;
- e. Documented policies and procedures to regulate relevant key processes in compliance with its International Organisation for Standardisation (ISO) 9001:2015;
- f. Adopted the Anti-Bribery and Corruption Policy on a zero-tolerance approach against all forms of bribery and corruption in its daily operations;
- g. Established the Whistleblowing Policy to enable the reporting of genuine concerns about any actual or possible improprieties at the earliest opportunity so that the appropriate actions can be taken to address or mitigate such concerns;
- h. Overseeing, reviewing and monitoring the operation of the Group's procedures to ensure compliance with relevant legislation is actively promoted within the Group. Attention shall also be given to privacy and occupational health and safety programs; and
- i. Training is provided to employees of Group on relevant regulatory requirements, and guidance on implementation of internal controls to manage compliance and regulatory risks.

3. Internal Audit Function

The Company outsourced its internal audit function to NeedsBridge Advisory Sdn. Bhd. ("**NeedsBridge**") to carry out internal audit services for the Group. The internal audit function adopts a risk-based approach and prepared its internal audit strategy and plan for the FYE 2024 based on the risk profiles of the major business functions of the Group, which were approved by the ARMC on 16 April 2024. The purpose of the internal audit function is to provide the Board, through the ARMC, reasonable assurance of the adequacy and effectiveness of the system of internal controls of the designated entities of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

BOARD'S RESPONSIBILITIES (CONT'D)

3. Internal Audit Function (Cont'd)

NeedsBridge is adequately resourced by consistently maintaining a workforce ranging from 15 to 18 personnel. The internal audits carried out are, in 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. The engagement director, Mr. Lau Min Wei (Andrew), is a professional member of the Institute of Internal Auditors Malaysia. During FYE 2024, the resources allocated to the fieldwork of the internal audits by the outsourced internal audit function were one (1) manager, assisted by at least one (1) senior consultant and one (1) consultant per one (1) engagement with oversight performed by the director.

In FYE 2024, NeedsBridge carried out periodic reviews to ascertain the effectiveness of internal controls, and findings arising from internal audit reviews are discussed with the respective process custodians before being presented to the ARMC. NeedsBridge also provided improvement recommendations for the consideration of the Management and the Board as part of the continuous development of a more efficient and comprehensive internal control environment.

The Management is responsible for ensuring that corrective actions are taken on reported weaknesses, and the internal audit function will carry out subsequent follow-up reviews to ensure the identified areas are rectified for control improvement.

NeedsBridge is free from any relationships or conflicts of interest, which could potentially impair the objectivity and independence of the internal audit function. NeedsBridge does not have any direct operational responsibility or authority over any of the activities to be audited. The ARMC is of the opinion that the internal audit function is effective and able to function independently.

A description of the internal audit work conducted by NeedsBridge during the FYE 2024 can be found in the ARMC Report included in this Annual Report.

The total fees incurred for the outsourcing of the internal audit function of the Group during FYE 2024 was RM38,761.

ASSURANCE TO THE BOARD MEMBERS

For the financial year under review, the Board is satisfied that the existing systems of risk management and internal control are functioning adequately and effectively and that there were no losses resulting from significant control weakness. Additionally, the Board has received assurance from the Managing Director and Finance Manager that the Group's risk management and internal control system are operating adequately and effectively in all material aspects.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the ACE LR of Bursa Securities, the External Auditors have reviewed this Statement. The review was conducted in accordance with the Audit and Assurance Practice Guide 3 ("AAPG3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report as issued by the Malaysian Institute of Accountants.

Based on the review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is the Statement factually inaccurate.

CONCLUSION

In striving for continuous improvement, the Board remains committed towards operating a sound system of risk management and internal control and will continuously review the adequacy and effectiveness of the risk management and internal control framework.

This Statement is issued in accordance with a resolution of the Board dated 21 March 2025.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act 2016 (**"the Act"**), the applicable Malaysian Financial Reporting Standards and the International Financial Reporting Standards, the Directors are required to prepare financial statements that give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year, and of the results and cash flows for that year then ended.

The Directors consider that in preparing the Audited Annual Financial Statements:

- the Group and the Company had used appropriate accounting policies which are consistently applied;
- reasonable and prudent judgments and estimates were made; and
- complete disclosures of all information required under the Act and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad have been made and followed.

In preparing the Audited Annual Financial Statements, the Directors are responsible for ensuring that the Group and the Company maintain accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Act.

The Directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of proceeds

The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**") on 29 January 2024 ("**Listing**"). As part of the Listing exercise, the Company has undertaken a public issue of 158,100,000 new ordinary shares at an issue price of RM0.39 per share, raising gross proceeds of RM61.66 million ("**IPO Proceeds**").

The status of the utilisation of the proceeds as at 28 February 2025 is disclosed as follows:

<i>Details of Use of Proceeds</i>	<i>Proposed Utilisation (RM'000)</i>	<i>Actual Utilisation (RM'000)</i>	<i>Re-allocation (RM'000)</i>	<i>Balance Utilisation (RM'000)</i>	<i>Estimated Timeframe for Utilisation from Listing</i>
<i>Construction of new MV power cable manufacturing plants</i>	16,783	15,579	(1,204)	–	Within 15 months
<i>Purchase of new machineries and equipment</i>	24,387	23,229	(1,158)	–	Within 15 months
<i>General working capital</i>	16,289	–	2,362	18,651	Within 15 months
<i>Defray fees and expenses relating to the Listing</i>	4,200	4,200	–	–	Within 3 months
Total Gross Proceeds	61,659	43,008	–	18,651	

The unutilised IPO proceeds initially allocated for the construction of new manufacturing plants and the purchase of machinery and equipment have been reallocated to general working capital purposes.

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 28 December 2023 in conjunction with the listing of the Company on the ACE Market of Bursa Securities.

2. Audit and non-audit fees

The amount of audit and non-audit fees paid and payable to the external auditors and its affiliates corporations for the audit and non-audit services rendered to the Company and its subsidiaries ("**the Group**") for the financial year ended 31 December 2024 ("**FYE 2024**") are as follow:

Type of Services/External Auditors	Fees (RM'000)	
	Company	Group
Audit fees: Crowe Malaysia PLT	33	130
Total Audit Fees	33	130
Non-audit fees:		
- Crowe Malaysia PLT	75	75
- Local affiliates of Crowe Malaysia PLT	3	3
Total Non-Audit Fees	78	78

Audit services include Statutory audit.

Non-audit services include the following:

- i) Reporting accountant services pursuant to the Company's listing exercise
- ii) Review of Statement on Risk Management and Internal Control
- iii) Taxation fees

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

3. Material contracts involving Directors', chief executive's and major shareholders' interests

On 21 February 2025, a subsidiary of the Company, MTWC entered into a sale and purchase agreement with multiple vendors for the acquisition of a freehold land held under GRN 66021 Lot 19798, located in Mukim Jasin, Daerah Jasin, Negeri Melaka for a total purchase consideration of RM 10,203,712. The acquisition is on-going up to the date of this report.

On 10 October 2024, the Company entered into a conditional share subscription agreement for the subscription of 1,040,817 new Sediacom Shares, representing 51% equity interest of the enlarged issued shares of Sediacom for a total consideration of RM3,737,000. Upon the completion of the share subscription on 23 October 2024, Sediacom became 51% owned subsidiary of the Company.

4. Recurrent related party transactions of a revenue or trading nature ("RRPTs") and related party transactions ("RPT")

The RRPT entered into by the Group during the FYE 2024 were as follows:-

Name of Related Party	Nature of Transaction	Interested Directors/ Major Shareholders/ Persons connected to them	Aggregate Value of Transactions
Master Cable (B) Sdn. Bhd. ("MCBSB")	Sale of copper and aluminium-cored low and medium voltage power cables by Master Tec Wire & Cable Sdn. Bhd. to MCBSB ^(b)	Dato' Lau Kim San ^(a)	5,930,766.39
Total			5,930,766.39

Notes:

^(a) Dato' Lau Kim San is a Director and Major Shareholder of Master Tec Group Berhad ("MTG"). Dato' Lau Kim San is also a shareholder of MCBSB with 33.33% equity interest in MCBSB.

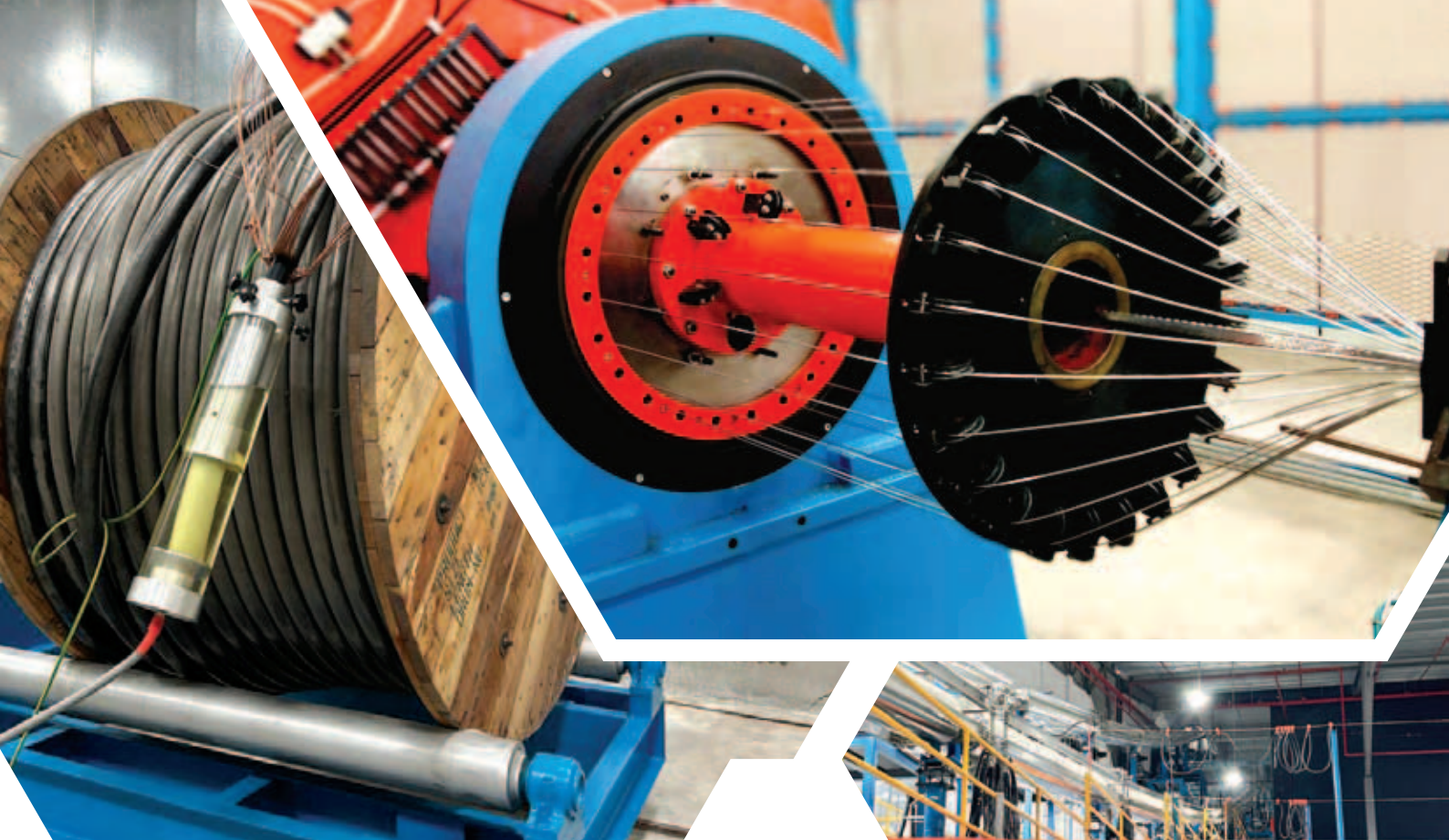
^(b) MCBSB is the authorised distributor of the MTG Group's cables and wires in Brunei.

The RRPT of the Group have been entered into in the normal course of business. The Company will be seeking its shareholder's mandate for the renewal of the existing RRPTs at the forthcoming Second Annual General Meeting to be held on 20 May 2025.

The details of the proposed shareholder's mandate for the renewal of the existing RRPT to be entered by the Group with the related party are disclosed in Section 1.4 the Circular to Shareholders dated 21 April 2025, which includes the name of the related party and the Company's relationship with the related party.

5. Employee Share Scheme

The Company did not establish any employee share scheme and there was no subsisting employee share scheme during the FYE 2024.



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Notes to the Financial Statements

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company are set out in the "Subsidiaries" section of this report.

RESULTS

	THE GROUP RM	THE COMPANY RM
Profit after taxation for the financial year	<u>27,102,968</u>	<u>5,760,390</u>
Attributable to:-		
Owners of the Company	27,009,898	5,760,390
Non-controlling interests	93,070	-
	<u>27,102,968</u>	<u>5,760,390</u>

DIVIDENDS

Dividends paid and declared by the Company since 31 December 2023 are as follows:-

	RM
<u>In respect of the financial year ended 31 December 2023</u>	
Final single tier dividend of 0.704 sen per ordinary share, paid on 29 April 2024	7,180,800
<u>In respect of the financial year ended 31 December 2024</u>	
First interim single tier dividend of 0.390 sen per ordinary share, paid on 27 September 2024	3,978,000
Second interim single tier dividend of 0.180 sen per ordinary share, paid on 16 December 2024	1,836,000
	<u>12,994,800</u>

The directors do not recommend the payment of any further dividends for the financial year.

DIRECTORS' REPORT (CONT'D)

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) pursuant to the Company's initial public offering ("IPO") exercise and listing on the ACE Market of Bursa Malaysia Securities Berhad, the Company increased its issued and paid-up capital from RM86,190,090 to RM147,849,090 by way of issuance of 158,100,000 new ordinary shares at an issue price of RM0.39 per ordinary share, for a total consideration of RM61,659,000 (before deducting listing expenses of RM1,845,181 directly attributable to public issue) pursuant to the Public Issue as disclosed in Note 17(a) to the financial statements.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company;

- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

**DIRECTORS' REPORT
(CONT'D)****VALUATION METHODS**

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, 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.

DIRECTORS' REPORT (CONT'D)

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Dato' Lau Kim San*
Tee Kok Hwa*
Datuk Saleh Bin Mohd Dom
Fong Hui Fong
Hooi Lian Jye
Yee Ying Sung

* These directors are also directors of the Company's subsidiaries.

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Hau Han Shyong
Wong Yew Meng (Resigned on 8.11.2024)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	<----- NUMBER OF ORDINARY SHARES ----->			
	AT 1.1.2024	BOUGHT	SOLD	AT 31.12.2024
Holding company				
<i>Direct interest</i>				
Dato' Lau Kim San	-	561,000,000	-	561,000,000
The Company				
<i>Direct Interests</i>				
Dato' Lau Kim San	861,900,000	15,877,100	(688,500,000)	189,277,100
Tee Kok Hwa	-	1,000,000	(200,000)	800,000
Yee Ying Sung	-	100,000	-	100,000
Fong Hui Fong	-	100,000	(73,100)	26,900
<i>Indirect Interest</i>				
Dato' Lau Kim San #	-	15,000	-	15,000

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS (CONT'D)

- # Indirect interest by virtue of the director's son's shareholding pursuant to Section 59(11)(c) of the Companies Act 2016.

By virtue of his interests in the holding company, namely MTPC Sdn. Bhd., Dato' Lau Kim San is deemed to have interests in shares of the Company and its related corporations during the financial year to the extent of the holding company's interest, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares or options of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from the following transactions:-

	THE GROUP RM	THE COMPANY RM
Dividend income received from subsidiary	-	(6,214,000)
Sales of goods to a company owned substantially by a director	(9,125,786)	-
Electrical installation services paid/payable to a company owned by a family member of a director	61,555	-

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Group and of the Company during the financial year are disclosed as follows:-

	THE GROUP RM	THE COMPANY RM
Fees	240,000	240,000
Salaries, bonuses and other benefits	2,822,376	38,400
Defined contribution benefits	361,603	-
	<u>3,423,979</u>	<u>278,400</u>

DIRECTORS' REPORT (CONT'D)

INDEMNITY AND INSURANCE COST

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors and officers of the Group were RM5,000,000 and RM7,500 respectively. No indemnity was given to or insurance effected for auditors of the Company.

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:-

Name of Subsidiaries	Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal Activities
<i>Subsidiaries of the Company</i>			
Master Tec Wire & Cable Sdn. Bhd. ("MTWC")	Malaysia	100%	(i) Manufacturing and distribution of power cable, control and instrumentation cables, and other related products; and (ii) Trading of power cables, fibre optic cables, and other related products
Sediacom Sdn. Bhd. ("Sediacom")	Malaysia	51%	(i) Contractor in providing underground utilities engineering services and solutions

The available auditors' report on the financial statements of the subsidiaries did not contain any qualification.

HOLDING COMPANY

The holding company is MTPC Sdn. Bhd., a company incorporated in Malaysia which the directors also regard as the ultimate holding company.

**DIRECTORS' REPORT
(CONT'D)****SIGNIFICANT EVENTS OCCURED DURING AND AFTER THE FINANCIAL YEAR**

- (a) The listing of and quotation for the entire enlarged issued share capital of the Company comprising of 1,020,000,000 shares on the ACE Market of Bursa Malaysia Securities Berhad on 29 January 2024.
- (b) The Share Transfer of 561,000,000 shares held by Dato' Lau Kim San in the Company to MTPC Sdn. Bhd. ("MTPC") was completed on 29 January 2024. Upon the Share Transfer, MTPC, a private limited liability company incorporated in Malaysia, became the holding company of the Company.
- (c) On 10 October 2024, the Company entered into a conditional share subscription agreement for the subscription of 1,040,817 new Sediacom Shares, representing 51% equity interest of the enlarged issued shares of Sediacom for a total consideration of RM3,737,000. Upon the completion of the share subscription on 23 October 2024, Sediacom became 51% owned subsidiary of the Company.
- (d) On 21 February 2025, a subsidiary of the Company, MTWC entered into a sale and purchase agreement with multiple vendors for the acquisition of a freehold land held under GRN 66021 Lot 19798, located in Mukim Jasin, Daerah Jasin, Negeri Melaka for a total purchase consideration of RM10,203,712. The acquisition is on-going up to the date of this report.

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**DIRECTORS' REPORT
(CONT'D)****AUDITORS**

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	THE GROUP RM	THE COMPANY RM
Audit fees:-		
- Statutory audit	130,000	33,000
Non-audit fees	75,000	75,000
	<u>205,000</u>	<u>108,000</u>

Signed in accordance with a resolution of the directors dated 21 March 2025.

Dato' Lau Kim San

Tee Kok Hwa

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Dato' Lau Kim San and Tee Kok Hwa, being two of the directors of Master Tec Group Berhad, state that, in the opinion of the directors, the financial statements set out on pages 82 to 154 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements 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 of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 21 March 2025

Dato' Lau Kim San

Tee Kok Hwa

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Yong Yew Chong, being the officer primarily responsible for the financial management of Master Tec Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 82 to 154 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Yong Yew Chong,
at Melaka
in the State of Melaka
on this 21 March 2025

Yong Yew Chong

Before me

Shahrizah Binti Yahya
Commissioner of Oaths
No. M084

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MASTER TEC GROUP BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Master Tec Group Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other 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 82 to 154.

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 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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. 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Revenue Recognition Refer to Note 26 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
Consolidated revenue recorded by the Group during the year amounted to RM324 million primarily contributed from sales of wires and cables. We considered revenue recognition to be a potential cause for higher risk of material misstatement from the perspective of timing of recognition and the amount of revenue recognised. Accordingly, we regarded revenue recognition to be a key audit matter.	Our procedures included, amongst others:- • testing the operating effectiveness of internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements on a sample basis; • reviewing the terms of customers' purchase order and sales contract to determine the point of transfer of risk and rewards on a sample basis; • testing the recording of sales transactions, revenue cut-off and review of credit notes after year end on a sample basis; and • obtaining confirmations and reviewing collections relating to material trade receivables as at financial year end on a sample basis.

INDEPENDENT AUDITORS' REPORT (CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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.

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 the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 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 intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT (CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- 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.
- 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (Cont'd):-

- 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.
- 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 group financial statements. 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 financial 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.

**INDEPENDENT AUDITORS' REPORT
(CONT'D)****REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)****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.

Crowe Malaysia PLT

201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Melaka

21 March 2025

Chin Siew Choo

03720/03/2027 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		THE GROUP		THE COMPANY	
	Note	31.12.2024 RM	31.12.2023 RM	31.12.2024 RM	31.12.2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	116,712,560	86,448,560
Property, plant and equipment	6	101,740,720	55,691,376	-	-
Investment properties	7	1,513,106	-	-	-
Right-of-use assets	8	660,610	512,221	-	-
Intangible asset	9	5,000,000	5,000,000	-	-
Goodwill	10	2,712,760	-	-	-
		<u>111,627,196</u>	<u>61,203,597</u>	<u>116,712,560</u>	<u>86,448,560</u>
CURRENT ASSETS					
Inventories	11	34,852,471	29,983,149	-	-
Contract cost assets	12	1,565,585	-	-	-
Trade receivable and contract assets	13	95,561,914	70,146,536	-	-
Other receivables, deposits and prepayments	15	3,869,380	9,268,268	242,530	17,238,976
Fixed deposits with licensed banks	16	44,638,118	12,058,044	38,000,000	-
Cash and bank balances		17,544,906	42,819,627	171,222	100
Current tax assets		1,030,182	-	-	-
		<u>199,062,556</u>	<u>164,275,624</u>	<u>38,413,752</u>	<u>17,239,076</u>
TOTAL ASSETS		<u>310,689,752</u>	<u>225,479,221</u>	<u>155,126,312</u>	<u>103,687,636</u>
EQUITY AND LIABILITIES					
EQUITY					
Share capital	17(a)	146,003,909	86,190,090	146,003,909	86,190,090
Merger deficit	18	(56,190,090)	(56,190,090)	-	-
Retained profits		93,753,042	79,737,944	8,882,936	16,117,346
Equity attributable to owners of the Company		<u>183,566,861</u>	<u>109,737,944</u>	<u>154,886,845</u>	<u>102,307,436</u>
Non-controlling interests		1,077,144	-	-	-
TOTAL EQUITY		<u>184,644,005</u>	<u>109,737,944</u>	<u>154,886,845</u>	<u>102,307,436</u>

STATEMENTS OF FINANCIAL POSITION
(CONT'D)

		THE GROUP		THE COMPANY	
	Note	31.12.2024 RM	31.12.2023 RM	31.12.2024 RM	31.12.2023 RM
NON-CURRENT LIABILITIES					
Deferred tax liabilities	19	4,542,030	6,015,800	-	-
Loans and borrowings	20	11,124,169	13,092,355	-	-
Lease liabilities	21	451,579	376,305	-	-
		<u>16,117,778</u>	<u>19,484,460</u>	<u>-</u>	<u>-</u>
CURRENT LIABILITIES					
Trade payables	23	31,237,520	16,763,430	-	-
Other payables and accruals	24	24,012,895	10,801,452	71,808	1,013,100
Amount owing to a subsidiary	25	-	-	-	367,100
Loans and borrowings	20	54,259,162	66,274,374	-	-
Lease liabilities	21	246,551	162,749	-	-
Current tax liabilities		171,841	2,254,812	167,659	-
		<u>109,927,969</u>	<u>96,256,817</u>	<u>239,467</u>	<u>1,380,200</u>
TOTAL LIABILITIES		<u>126,045,747</u>	<u>115,741,277</u>	<u>239,467</u>	<u>1,380,200</u>
TOTAL EQUITY AND LIABILITIES		310,689,752	225,479,221	155,126,312	103,687,636

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STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	THE GROUP		THE COMPANY	
		1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
REVENUE	26	324,038,477	285,443,825	6,214,000	17,238,976
COST OF SALES		(288,670,058)	(241,412,017)	-	-
GROSS PROFIT		35,368,419	44,031,808	6,214,000	17,238,976
OTHER INCOME	27	6,755,779	3,925,308	1,640,004	-
ADMINISTRATIVE EXPENSES		(7,342,940)	(7,477,857)	(1,701,105)	(1,121,630)
SELLING AND DISTRIBUTION EXPENSES		(3,250,518)	(3,495,330)	-	-
FINANCE COSTS	28	(3,378,083)	(4,217,258)	-	-
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	29	(420,233)	-	-	-
PROFIT BEFORE TAXATION	30	27,732,424	32,766,671	6,152,899	16,117,346
INCOME TAX EXPENSE	32	(629,456)	(9,261,192)	(392,509)	-
PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		27,102,968	23,505,479	5,760,390	16,117,346
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		27,009,898	23,505,479	5,760,390	16,117,346
Non-controlling interests		93,070	-	-	-
		27,102,968	23,505,479	5,760,390	16,117,346
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		27,009,898	23,505,479	5,760,390	16,117,346
Non-controlling interests		93,070	-	-	-
		27,102,968	23,505,479	5,760,390	16,117,346
EARNINGS PER SHARE (SEN) BASIC/DILUTED	33	2.68	2.73		

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

THE GROUP	Note	Share Capital RM	Invested Capital RM	Non-Distributable Merger Deficit RM	Distributable Retained Profits RM	Total Equity RM
Balance at 1.1.2023		-	30,000,000	-	56,232,465	86,232,465
Profit after taxation/Total comprehensive income for the financial year		-	-	-	23,505,479	23,505,479
Contributions by and distributions to owners of the Company:-						
- Incorporation of the Company	17(a)	100	-	-	-	100
- Issuance of shares for the acquisition of a subsidiary	17(a)	86,189,990	-	-	-	86,189,990
- Adjustment on the acquisition of a subsidiary	17(b)	-	(30,000,000)	(56,190,090)	-	(86,190,090)
Total transactions with owners of the Company		86,190,090	(30,000,000)	(56,190,090)	-	-
Balance at 31.12.2023		86,190,090	-	(56,190,090)	79,737,944	109,737,944

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

THE GROUP	Note	Non-Distributable			Distributable		Attributable to owners of the Company	Non-controlling Interests	Total Equity
		Share Capital	Invested Capital	Merger Deficit	Retained Profits	RM			
Balance at 1.1.2024		86,190,090	-	(56,190,090)		79,737,944	109,737,944	-	109,737,944
Profit after taxation/Total comprehensive income for the financial year		-	-	-		27,009,898	27,009,898	93,070	27,102,968
Contributions by and distributions to owners of the Company:-									
- Issuance of shares for public issue	17(a)	61,659,000	-	-	-	-	61,659,000	-	61,659,000
- Listing expenses	17(a)	(1,845,181)	-	-	-	-	(1,845,181)	-	(1,845,181)
- Acquisition of a subsidiary		-	-	-	-	-	-	984,074	984,074
- Dividends	34	-	-	-	-	(12,994,800)	(12,994,800)	-	(12,994,800)
		59,813,819	-	-	-	(12,994,800)	46,819,019	984,074	47,803,093
Balance at 31.12.2024		146,003,909	-	(56,190,090)		93,753,042	183,566,861	1,077,144	184,644,005

STATEMENTS OF CHANGES IN EQUITY
(CONT'D)

THE COMPANY	Note	Share Capital RM	Retained Profits RM	Total Equity RM
Balance at 3.11.2022 (date of incorporation)		100	-	100
Profit after taxation/Total comprehensive income for the financial period		-	16,117,346	16,117,346
Contribution by owners of the Company:-				
- Issuance of shares for the acquisition of a subsidiary	17(a)	86,189,990	-	86,189,990
Balance at 31.12.2023/1.1.2024		86,190,090	16,117,346	102,307,436
Profit after taxation/Total comprehensive income for the financial year		-	5,760,390	5,760,390
Contributions by and distributions to owners of the Company:-				
- Issuance of shares	17(a)	61,659,000	-	61,659,000
- Listing expenses	17(a)	(1,845,181)	-	(1,845,181)
- Dividends	34	-	(12,994,800)	(12,994,800)
		59,813,819	(12,994,800)	46,819,019
Balance at 31.12.2024		146,003,909	8,882,936	154,886,845

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STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	THE GROUP		THE COMPANY	
	1.1.2024	1.1.2023	1.1.2024	3.11.2022
	to	to	to	to
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM	RM	RM	RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	27,732,424	32,766,671	6,152,899	16,117,346
Adjustments for:-				
Bad debts written off	99,855	-	-	-
Depreciation of property, plant and equipment	3,658,569	3,574,729	-	-
Depreciation of right-of-use assets	193,815	168,102	-	-
Depreciation of investment properties	9,892	-	-	-
Interest expense	3,378,083	4,217,258	-	-
Impairment loss on trade receivables	420,233	-	-	-
Property, plant and equipment written off	123,671	2,238	-	-
Interest income	(2,191,033)	(940,294)	(1,635,454)	-
Operating profit before working capital changes	33,425,509	39,788,704	4,517,445	16,117,346
Increase in inventories	(4,869,322)	(2,793,441)	-	-
(Increase)/Decrease in receivables and contract assets	(9,295,082)	8,826,207	16,996,446	(17,238,976)
Increase/(Decrease) in trade and other payables	17,397,373	(1,005,102)	(941,292)	754,630
Increase in contract cost assets	(1,565,585)	-	-	-
CASH FROM/(FOR) OPERATIONS	35,092,893	44,816,368	20,572,599	(367,000)
Income tax paid	(5,359,977)	(8,092,112)	(224,850)	-
Income tax refunded	143,598	372,880	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES	29,876,514	37,097,136	20,347,749	(367,000)

STATEMENTS OF CASH FLOWS
(CONT'D)

	Note	THE GROUP		THE COMPANY	
		1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
CASH FLOWS FOR INVESTING ACTIVITIES					
Deposits paid for purchase of property, plant and equipment		(545,010)	(6,561,514)	-	-
Purchase of property, plant and equipment	36(a)	(45,240,464)	(3,657,633)	-	-
Acquisition of a subsidiary, net of cash and cash equivalents acquired	35	(201,836)	-	(3,737,000)	-
Additional investments in an existing subsidiary		-	-	(26,527,000)	-
Withdrawals of fixed deposits pledged with licensed banks		5,419,926	1,731,808	-	-
Interest received		2,191,033	940,294	1,635,454	-
NET CASH FOR INVESTING ACTIVITIES		<u>(38,376,351)</u>	<u>(7,547,045)</u>	<u>(28,628,546)</u>	<u>-</u>
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Proceeds from issuance of ordinary shares		61,659,000	-	61,659,000	-
Payment of share issue expenses		(1,845,181)	-	(1,845,181)	-
(Repayment to)/Advances from a subsidiary	36(d)	-	-	(367,100)	367,100
Dividends paid		(12,994,800)	(9,777,500)	(12,994,800)	-
Interest paid	36(d)	(3,378,083)	(4,217,258)	-	-
Net decrease in short-term borrowings	36(d)	(11,338,226)	(1,506,559)	-	-
Repayment of hire purchase payables	36(d)	(403,979)	(55,876)	-	-
Repayment of lease liabilities	36(d)	(188,034)	(154,659)	-	-
Repayment of term loans	36(d)	(10,657,858)	(6,236,108)	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		<u>20,852,839</u>	<u>(21,947,960)</u>	<u>46,451,919</u>	<u>367,100</u>

STATEMENTS OF CASH FLOWS (CONT'D)

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023	1.1.2024 to 31.12.2024	3.11.2022 to 31.12.2023
Note	RM	RM	RM	RM
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,353,002	7,602,131	38,171,122	100
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD	42,819,627	35,217,496	100	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/PERIOD	36(b) 55,172,629	42,819,627	38,171,222	100

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : No. 60-1
Jalan Lagenda 5
Taman 1 Lagenda
75400, Melaka

Principal place of business : RM1299-A
Kawasan Perindustrian Rembia
78000 Alor Gajah, Melaka

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The holding company is MTPC Sdn. Bhd., a company incorporated in Malaysia which the directors also regard as the ultimate holding company.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 21 March 2025.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. BASIS OF PREPARATION (CONT'D)

- 3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Effective Date

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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

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NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**4. MATERIAL ACCOUNTING POLICY INFORMATION****4.1 Critical Accounting Estimates and Judgements***Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables and contract assets.

(c) Impairment of Intangible Asset

Intangible asset is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use ("VIU") of the intangible asset as individual assets or as cash-generating unit ("CGU"). Estimating a VIU requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of these cash flows.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

Key Sources of Estimation Uncertainty (Cont'd)

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below (Cont'd):-

(d) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(e) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

(g) Revenue and Cost Recognition for Construction Contracts

The Group recognises construction revenue by reference to the construction progress based on the physical proportion of contract work certified by professional consultants. Significant judgement is required in determining the progress towards complete satisfaction of the performance obligation based on the contract work certified to date corroborated by the level of completion of the construction based on actual costs incurred to date over the estimated total contract costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.1 Critical Accounting Estimates and Judgements (Cont'd)***Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4.2 Financial Instruments**(a) Financial Assets**Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial LiabilitiesFinancial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) EquityOrdinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 Financial Instruments (Cont'd)

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 Basis of Consolidation

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the consolidated financial statements at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflect the results of the merger entities for the full reporting period and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital and capital reserves of the merger entities is reflected within equity as merger reserve or merger deficit. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

4.4 Goodwill

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4.5 Investment in Subsidiaries

Investment in subsidiaries which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 Property, Plant and Equipment

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	50 years
Plant and machineries	10 to 25 years
Motor vehicles	5 years
Other assets	10 years

Capital work-in-progress represent factory buildings under construction and production machineries under installation. They are not depreciated until such time when the asset is available for use.

4.7 Investment Properties

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods are:-

Leasehold land	84 years
Building	50 years

4.8 Right-of-use Assets and Lease Liabilities

(a) Short-term Leases and Lease of Low-value Assets

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 Right-of-use Assets and Lease Liabilities (Cont'd)

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.9 Intangible Assets

Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Intangible Asset with Indefinite Useful Life

The intangible asset relates to the customer relationship acquired by the Group during the financial year ended 31 December 2015. The useful life of the customer relationships is estimated to be indefinite. Therefore, the customer relationship is carried at cost without amortisation but is tested for impairment annually and whenever there is an indication that it may be impaired.

4.10 Inventories

Inventories are stated at lower of cost and net realisable value. Cost incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials: purchase costs on first-in first-out basis;
- Finished goods and work-in-progress: Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs. These costs are assigned on a first-in first-out basis.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.11 Revenue from Contract with Customers**

Revenue from contract with customers is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:-

- The Group simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Sale of goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.11 Revenue from Contract with Customers (Cont'd)

Construction Services

Revenue from construction services is recognised over time in the period in which the services are rendered using the output method. The revenue is determined based on the progress towards complete satisfaction of the performance obligation based on the contract work certified to date. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives and penalties. Past experience is used to estimate and provide for the variable consideration, using most likely method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the construction services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the construction services rendered exceed the billing issued, a contract asset is recognised. If the billing issued exceed the construction services rendered, a contract liability is recognised.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES

				THE COMPANY	
				RM	RM
Unquoted shares, at cost				116,712,560	86,448,560
Name of Subsidiaries	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities	
		31.12.2024	31.12.2023		
<i>Subsidiaries of the Company</i>					
Master Tec Wire & Cable Sdn. Bhd. (“MTWC”)	Malaysia	100%	100%	(i) Manufacturing and distribution of power cable, control and instrumentation cables, and other related products; and	
				(ii) Trading of power cables, fibre optic cables, and other related products	
Sediacom Sdn. Bhd. (“Sediacom”)	Malaysia	51%	-	(i) Contractor in providing underground utilities engineering services and solutions	

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (a) On 19 June 2024, the Company has subscribed additional ordinary shares in MTWC for a total consideration of RM26,527,000, satisfied by settlement of amount owing by MTWC. The subscription did not change the percentage of shareholding effectively held by the Company.
- (b) On 23 October 2024, the Company has acquired 51% equity interests in Sediacom. The Company subscribed 1,040,817 ordinary shares in Sediacom for a total consideration of RM3,737,000. The details of the acquisition are disclosed in Note 35 to the financial statements.
- (c) The non-controlling interests at the end of the reporting period comprise the following:-

	EFFECTIVE EQUITY INTEREST		THE GROUP
	31.12.2024	31.12.2023	31.12.2024
			RM
Sediacom Sdn. Bhd.	49%	-	<u>93,070</u>

Summarised financial information of non-controlling interests has not been presented as the non-controlling interests of the subsidiary are not material to the Group.

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NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	At 1.1.2024 RM	Additions (Note 36(a)) RM	Reclassification RM	Acquisition of a Subsidiary (Note 35) RM	Written Off (Note 30) RM	Depreciation Charges (Note 30) RM	At 31.12.2024 RM
31.12.2024							
<i>Carrying Amount</i>							
Freehold land	10,394,808	-	-	-	-	-	10,394,808
Buildings	23,594,817	15,128,559	450,691	-	-	(610,259)	38,563,808
Motor vehicles	187,563	630,450	-	1,661,140	-	(196,519)	2,282,634
Plant and machineries	19,957,147	29,068,837	844,200	2,367,866	(114,515)	(2,782,868)	49,340,667
Other assets	262,150	474,448	-	132,114	(9,156)	(68,923)	790,633
Capital work-in-progress	1,294,891	368,170	(1,294,891)	-	-	-	368,170
Total	55,691,376	45,670,464	-	4,161,120	(123,671)	(3,658,569)	101,740,720

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP	At 1.1.2023 RM	Additions (Note 36(a)) RM	Written Off (Note 30) RM	Depreciation Charges (Note 30) RM	At 31.12.2023 RM
31.12.2023					
<i>Carrying Amount</i>					
Freehold land	8,038,526	2,356,282	-	-	10,394,808
Buildings	24,179,633	-	-	(584,816)	23,594,817
Motor vehicles	250,084	-	-	(62,521)	187,563
Plant and machineries	22,545,312	131,214	-	(2,719,379)	19,957,147
Other assets	376,932	95,469	(2,238)	(208,013)	262,150
Capital work-in-progress	220,223	1,074,668	-	-	1,294,891
Total	55,610,710	3,657,633	(2,238)	(3,574,729)	55,691,376

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
31.12.2024			
Freehold land	10,394,808	-	10,394,808
Buildings	43,663,089	(5,099,281)	38,563,808
Motor vehicles	3,099,927	(817,293)	2,282,634
Plant and machineries	79,051,976	(29,711,309)	49,340,667
Other assets	1,909,242	(1,118,609)	790,633
Capital work-in-progress	368,170	-	368,170
Total	138,487,212	(36,746,492)	101,740,720

THE GROUP	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
31.12.2023			
Freehold land	10,394,808	-	10,394,808
Buildings	28,083,839	(4,489,022)	23,594,817
Motor vehicles	808,337	(620,774)	187,563
Plant and machineries	46,885,588	(26,928,441)	19,957,147
Other assets	1,311,836	(1,049,686)	262,150
Capital work-in-progress	1,294,891	-	1,294,891
Total	88,779,299	(33,087,923)	55,691,376

(a) Included in the property, plant and equipment of the Group were the following assets acquired under hire purchase arrangement:-

	31.12.2024 RM	31.12.2023 RM
Plant and machineries	1,825,000	-
Motor vehicles	1,826,901	187,563
	3,651,901	187,563

These assets have been pledged as security for the hire purchase payable of the Group as disclosed in Note 22 to the financial statements;

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (b) The freehold land and buildings with a carrying amount of RM33,405,330 (31.12.2023 – RM33,989,625) were pledged for bank borrowings as disclosed in Note 20(i) to the financial statements;
- (c) Certain plant and machineries with a carrying amount of RM2,392,005 (31.12.2023 – RM11,857,524) were pledged for bank borrowings as disclosed in Note 20(viii) to the financial statements;
- (d) Property, plant and equipment are subject to negative pledge in relation to the bank borrowings granted to the Group as disclosed in Note 20(ix) to the financial statements; and
- (e) Other assets comprise of furniture and fittings, office equipment, alarm system, computer hardware, software, air conditioner and renovation.

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENT PROPERTIES

	THE GROUP	
	31.12.2024	31.12.2023
	RM	RM
COST:-		
At 1 January	-	-
Addition	1,028,179	-
Acquisition of a subsidiary	550,000	-
At 31 December	1,578,179	-
ACCUMULATED DEPRECIATION:-		
At 1 January	-	-
Depreciation during the financial year (Note 30)	(9,892)	-
Acquisition of a subsidiary	(55,181)	-
At 31 December	(65,073)	-
CARRYING AMOUNT	1,513,106	-
Represented by:-		
Leasehold land	169,752	-
Leasehold buildings	1,343,354	-
	1,513,106	-
Fair value	1,935,000	-

- (a) Leasehold land and building with carrying amount of RM492,419 (31.12.2023 – Nil) were pledged to financial institutions for banking facilities granted to the Company as disclosed in Note 20(ii) to the financial statements.
- (b) The fair values of the investment properties are within level 2 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input in this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. RIGHT-OF-USE ASSETS

THE GROUP 31.12.2024	At 1.1.2024 RM	Additions (Notes 21 and 36(a)) RM	Acquisition of a Subsidiary (Note 35) RM	Modification of Lease Liabilities (Note 21) RM	Derecognition Due to Lease Termination (Note 21) RM	Depreciation Charges (Note 30) RM	At 31.12.2024 RM
<i>Carrying Amount</i>							
Land	354,621	-	-	-	-	(72,126)	282,495
Hostels	102,373	63,099	36,703	12,386	(11,418)	(75,012)	128,131
Sales office	55,227	121,773	24,099	-	-	(39,851)	161,248
Store	-	-	95,562	-	-	(6,826)	88,736
Total	512,221	184,872	156,364	12,386	(11,418)	(193,815)	660,610

THE GROUP 31.12.2023	At 1.1.2023 RM	Additions (Notes 21 and 36(a)) RM	Modification of Lease Liabilities (Note 21) RM	Derecognition Due to Lease Termination (Note 21) RM	Depreciation Charges (Note 30) RM	At 31.12.2023 RM
<i>Carrying Amount</i>						
Land	426,747	-	-	-	(72,126)	354,621
Hostels	94,280	116,431	-	(43,996)	(64,342)	102,373
Sales office	72,418	-	14,443	-	(31,634)	55,227
Total	593,445	116,431	14,443	(43,996)	(168,102)	512,221

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. RIGHT-OF-USE ASSETS (CONT'D)

The Group leases a number of hostels buildings, two sales offices, a freehold land and a store of which the leasing activities are summarised below:-

- | | |
|--------------------|---|
| (i) Land | The Group has leased a freehold land with 3 (31.12.2023 – 3) years contract, with an option to renew the lease after expiry or purchase the freehold land at any time until 31 July 2028. |
| (ii) Hostels | The Group has leased a number of hostels with contracts that run between 1 to 2 (31.12.2023 – 1 to 2) years with an option to renew the lease after expiry. |
| (iii) Sales office | The Group has leased a number of sales office that run between 2 to 3 (31.12.2023 – 2) years contract, with an option to renew the lease after expiry. |
| (iv) Store | The Group has leased a store that runs 2 (31.12.2023 – Nil) years, with an option to renew the lease after expiry. |

9. INTANGIBLE ASSET

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
Intangible asset, at cost	5,000,000	5,000,000

- (a) The intangible asset is related to a customer relationship acquired during the financial year ended 31 December 2015. The Group had determined that the intangible asset has indefinite useful lives.
- (b) The Group has assessed the recoverable amount of customer relationship and determined that no impairment is required. Its recoverable amount is determined using the value in use approach, and this is derived from the present value of the future cash flows from cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amount are as follows:-

	Gross Margin		Revenue Growth Rate		Discount Rate	
	2024 %	2023 %	2024 %	2023 %	2024 %	2023 %
Customer relationship	10.91	9.86	3.97	3.93	20.53	9.63

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. INTANGIBLE ASSET (CONT'D)

(b) The Group has assessed the recoverable amount of customer relationship and determined that no impairment is required. Its recoverable amount is determined using the value in use approach, and this is derived from the present value of the future cash flows from cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amount are as follows (Cont'd):-

- | | |
|-------------------------------|---|
| (i) Budgeted gross margin | Gross margins are estimated based on forecasted gross margin after considering local requirement and operating costs. |
| (ii) Revenue growth rate | Based on expected revenue growth relevant to the industry. |
| (iii) Discount rate (pre-tax) | The rate reflects specific risks relating to the relevant cash-generating unit. |

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating units and are based on best estimation.

(c) Management believes that there is no reasonably possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit carrying amount to exceed its recoverable amount.

10. GOODWILL

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
At cost:-		
At 1 January	-	-
Acquisition of a subsidiary (Note 35)	2,712,760	-
31 December	<u>2,712,760</u>	<u>-</u>

(a) The carrying amount of goodwill allocated to each cash-generating unit are as follows:-

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
Sediacom Sdn. Bhd.	<u>2,712,760</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. GOODWILL (CONT'D)

- (b) The Group has assessed the recoverable amounts of goodwill allocated and determined that no impairment is required. The recoverable amounts of the cash-generating units are determined using the value in use approach, and this is derived from the present value of the future cash flows from each cash-generating unit computed based on the projections of financial budgets approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are as follows:-

	Gross Margin		Revenue Growth Rate		Discount Rate	
	2024	2023	2024	2023	2024	2023
	%	%	%	%	%	%
Goodwill	20.00	-	3.97	-	20.53	-

- (i) Budgeted gross margin Gross margins are estimated based on forecasted gross margin after considering local requirement and operating costs.
- (ii) Revenue growth rate Based on expected revenue growth relevant to the industry.
- (iii) Discount rate (pre-tax) The rate reflects specific risks relating to the relevant cash-generating unit.

The values assigned to the key assumptions represent management's assessment of future trends in the cash-generating units and are based on best estimation.

- (c) Management believes that there is no reasonable possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit carrying amount to exceed its recoverable amount.

11. INVENTORIES

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
At cost:-		
Raw materials	2,142,998	2,300,128
Work-in-progress	13,577,714	9,915,323
Finished goods	19,131,759	17,767,698
	<u>34,852,471</u>	<u>29,983,149</u>

The cost of inventories recognised as an expense during the financial year amounted to RM288,670,058 (31.12.2023 – RM241,412,017).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

12. CONTRACT COSTS ASSETS

	THE GROUP	
	31.12.2024	31.12.2023
	RM	RM
Costs to fulfil contracts	1,565,585	-

The costs to fulfil contracts represent cost incurred in construction of projects that are used to fulfil the contracts in future. The costs are to be recognised in profit or loss in consistent with the pattern of recognition of the associated revenue.

13. TRADE RECEIVABLES AND CONTRACT ASSETS

	THE GROUP	
	31.12.2024	31.12.2023
	RM	RM
Third parties	95,253,756	68,247,839
Due from a company in which a director has interest	3,687,027	3,323,793
Due from companies in which a director of a subsidiary have interests	1,729,374	-
Contract assets in relation to construction contract (Note 14)	604,000	-
	101,274,157	71,571,632
Less: Allowance for impairment losses	(5,712,243)	(1,425,096)
Net trade receivables	95,561,914	70,146,536

Allowance for impairment losses:-

At 1 January	1,425,096	1,425,096
Acquisition of a subsidiary	3,866,914	-
Addition during the financial year (Note 29)	420,233	-
At 31 December	5,712,243	1,425,096

(a) The Group's normal trade credit terms range from 60 to 120 (31.12.2023 – 60 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

(b) Included in the Group's trade receivables are retention sums which are expected to be recovered as below:-

	THE GROUP	
	31.12.2024	31.12.2023
	RM	RM
Related party	82,708	-
Third parties	1,899,692	-
	1,982,400	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. CONTRACT ASSETS

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
Net carrying amount of contract assets is analysed as follows:		
At 1 January	-	-
Acquisition of a subsidiary:-		
- contract assets	2,927,207	-
Contract revenue recognised during the financial year	4,855,809	-
Less: Billing during the financial year	(7,179,016)	-
At 31 December	604,000	-
At 31 December		
- contract assets (Note (a))	604,000	-

- (a) The contract assets represent the Group's right to consideration for construction work completed on construction contracts but not yet billed as at the reporting date. The balance will be invoiced progressively upon the acceptance of completed construction works by customers.

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	THE GROUP		THE COMPANY	
	31.12.2024 RM	31.12.2023 RM	31.12.2024 RM	31.12.2023 RM
Dividend receivable from a subsidiary	-	-	-	17,238,976
Sundry receivables	456,849	258,835	-	-
Interest receivables	330,898	127,142	241,530	-
Deposit paid for acquisition of land	470,021	-	-	-
Deposit paid to machine suppliers	74,989	6,561,514	-	-
Due from a company in which a director of a subsidiary have interest	80,543	-	-	-
Deposits	1,840,311	919,523	1,000	-
Prepayments	615,769	1,401,254	-	-
	3,869,380	9,268,268	242,530	17,238,976

The amount due from a company in which a director of a subsidiary have interest is unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. FIXED DEPOSITS WITH LICENSED BANKS

(a) The effective interest rate of the fixed deposits are summarised as below:-

	THE GROUP		THE COMPANY	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Effective interest rates	<u>2.35% to 4.00%</u>	<u>0.50% to 3.10%</u>	<u>4.00%</u>	<u>-</u>

(b) The maturity period of the fixed deposits are summarised as below:-

	THE GROUP		THE COMPANY	
	31.12.2024 days	31.12.2023 days	31.12.2024 days	31.12.2023 days
Maturity period	<u>90 to 365</u>	<u>365</u>	<u>90</u>	<u>-</u>

(c) Included in the fixed deposits at the end of the reporting period are the following fixed deposits which have been pledged for banking facilities:-

	THE GROUP		THE COMPANY	
	31.12.2024 RM	31.12.2023 RM	31.12.2024 RM	31.12.2023 RM
Pledged to the bank for banking facilities granted to the Group as disclosed in Note 20(iii) to the financial statements	<u>6,638,118</u>	<u>12,058,044</u>	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

17. SHARE CAPITAL AND INVESTED CAPITAL

(a) Share Capital

	THE GROUP/THE COMPANY			
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	NUMBER OF SHARES		RM	RM
Issued and Fully Paid-Up				
<i>Ordinary Shares</i>				
At 1 January/At date of incorporation	861,900,000	100	86,190,090	100
Issuance of new shares pursuant to:-				
- Acquisition of a subsidiary	-	861,899,900	-	86,189,990
- Public issue	158,100,000	-	61,659,000	-
Listing expenses	-	-	(1,845,181)	-
At 31 December	<u>1,020,000,000</u>	<u>861,900,000</u>	<u>146,003,909</u>	<u>86,190,090</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

(b) Invested Capital

	THE GROUP			
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	NUMBER OF SHARES		RM	RM
Issued and Fully Paid-Up				
<i>Ordinary shares:-</i>				
At 1 January	-	30,000,000	-	30,000,000
Adjustment pursuant to the acquisition of a subsidiary	-	(30,000,000)	-	(30,000,000)
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18. MERGER DEFICIT

The merger deficit arise from the difference between carrying value of the investment and the nominal value of the shares of a subsidiary upon consolidation under merger accounting principles.

19. DEFERRED TAX LIABILITIES

THE GROUP	At 1.1.2024 RM	Recognised in Profit or Loss (Note 32) RM	At 31.12.2024 RM
31.12.2024			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	6,364,300	2,393,030	8,757,330
Right-of-use assets	122,900	1,000	123,900
	6,487,200	2,394,030	8,881,230
<i>Deferred Tax Assets</i>			
Lease liabilities	(129,400)	(2,300)	(131,700)
Provisions	(342,000)	(244,900)	(586,900)
Unutilised reinvestment allowance	-	(2,875,100)	(2,875,100)
Unutilised green investment tax allowance ("GITA")	-	(745,500)	(745,500)
	(471,400)	(3,867,800)	(4,339,200)
	6,015,800	(1,473,770)	4,542,030
THE GROUP	At 1.1.2023 RM	Recognised in Profit or Loss (Note 32) RM	At 31.12.2023 RM
31.12.2023			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	6,325,400	38,900	6,364,300
Right-of-use assets	142,400	(19,500)	122,900
	6,467,800	19,400	6,487,200
<i>Deferred Tax Assets</i>			
Lease liabilities	(145,600)	16,200	(129,400)
Hire purchase payable	(8,800)	8,800	-
Provisions	(342,000)	-	(342,000)
	(496,400)	25,000	(471,400)
	5,971,400	44,400	6,015,800

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. LOANS AND BORROWINGS

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
Current		
Secured:		
Bankers' acceptances	50,446,190	60,585,188
Bank overdrafts	372,277	-
Term loans	2,505,715	5,633,447
Hire purchase payables (Note 22)	934,980	55,739
	<u>54,259,162</u>	<u>66,274,374</u>
Non-current		
Secured:		
Term loans	10,232,340	12,975,307
Hire purchase payables (Note 22)	891,829	117,048
	<u>11,124,169</u>	<u>13,092,355</u>
Total loans and borrowings	<u>65,383,331</u>	<u>79,366,729</u>
Bankers' acceptances	50,446,190	60,585,188
Bank overdrafts	372,277	-
Term loans	12,738,055	18,608,754
Hire purchase payables	1,826,809	172,787
Total loans and borrowings	<u>65,383,331</u>	<u>79,366,729</u>

The weighted average effective interest rates at the end of the reporting period of loans and borrowings excluding hire purchase payables were as follows:-

	31.12.2024 %	31.12.2023 %
Bankers' acceptances	4.51 - 6.61	5.09
Bank overdrafts	7.51	-
Term loans	<u>6.07 - 6.99</u>	<u>7.73</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. LOANS AND BORROWINGS (CONT'D)

The loans and borrowings are secured by the following:

- (i) legal charge over certain freehold land and buildings as disclosed in Note 6(b) to the financial statements;
- (ii) legal charge over certain leasehold land and building as disclosed in Note 7(a) to the financial statements;
- (iii) by lien over the deposits with licensed banks as disclosed in Note 16(c) to the financial statements;
- (iv) by corporate guarantee from the Company;
- (v) by guarantee from a director of the Company, a director from a subsidiary and former directors from a subsidiary;
- (vi) third party charge over a property of a director of a subsidiary;
- (vii) by guarantee from Syarikat Jaminan Pembiayaan Perniagaan Berhad;
- (viii) specific debentures over certain plant and machineries as disclosed in Note 6(c) to the financial statements; and
- (ix) negative pledge of all assets of the Group.

21. LEASE LIABILITIES

	THE GROUP	
	31.12.2024	31.12.2023
	RM	RM
At 1 January	539,054	606,835
Additions (Notes 8 and 36(d))	184,872	116,431
Acquisition of a subsidiary (Note 35)	161,270	-
Interest expense recognised in profit or loss (Note 28)	39,728	45,061
Changes due to lease modification (Notes 8 and 36(d))	12,386	14,443
Derecognition due to lease termination (Notes 8 and 36(d))	(11,418)	(43,996)
Repayment of principal	(188,034)	(154,659)
Repayment of interest expense	(39,728)	(45,061)
At 31 December	698,130	539,054
Analysed by:-		
Current liabilities	246,551	162,749
Non-current liabilities	451,579	376,305
	698,130	539,054

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

22. HIRE PURCHASE PAYABLES

	THE GROUP	
	31.12.2024	31.12.2023
	RM	RM
Minimum hire purchase payments:-		
- not later than 1 year	1,006,297	61,716
- later than 1 year and not later than 5 years	959,523	128,683
	<u>1,965,820</u>	<u>190,399</u>
Less: Future finance charges	(139,011)	(17,612)
Present value of hire purchase payables	<u>1,826,809</u>	<u>172,787</u>
Analysed by:-		
Current liability (Note 20)	934,980	55,739
Non-current liability (Note 20)	891,829	117,048
	<u>1,826,809</u>	<u>172,787</u>

The hire purchase payables at the end of reporting date, bore effective interest rates ranging from 3.89% to 8.85% (31.12.2023 – 3.89%) per annum.

The hire purchase payables of the Group was secured by the Group's motor vehicles and plant and machineries under finance lease as disclosed in Note 6(a) to the financial statements.

23. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 180 (31.12.2023 – 30 to 180) days. Other credit terms are assessed and approved on a case-by-case basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24. OTHER PAYABLES AND ACCRUALS

	THE GROUP		THE COMPANY	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM	RM	RM	RM
Accruals	7,944,954	2,443,863	41,000	465,000
Security deposits	66,929	71,302	-	-
Sales tax payables	4,497,462	4,474,757	-	-
Sundry payables	9,969,111	3,811,530	30,808	548,100
Deposit received	2,500	-	-	-
Due to a company in which a director of a subsidiary has interest (Note (a))	165,338	-	-	-
Amount owing to a director of a subsidiary (Note (b))	1,366,601	-	-	-
	<u>24,012,895</u>	<u>10,801,452</u>	<u>71,808</u>	<u>1,013,100</u>

(a) The amount due to a company in which a director of a subsidiary has interest is unsecured, interest-free and repayable on demand.

(b) The amount owing to a director of a subsidiary is unsecured, interest-free and repayable on demand.

25. AMOUNT OWING TO A SUBSIDIARY

The non-trade balances represent unsecured and interest-free advances. The amount owing is to be settled in cash and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

26. REVENUE

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
<u>Revenue from contracts with customers</u>				
<u>Recognised at point in time</u>				
Sales of wires and cables, recognised at point in time	319,182,668	285,443,825	-	-
<u>Recognised over time</u>				
Construction contract revenue	4,855,809	-	-	-
	<u>324,038,477</u>	<u>285,443,825</u>	<u>-</u>	<u>-</u>
Represented by:-				
External customers	314,912,691	278,072,264	-	-
Related parties	9,125,786	7,371,561	-	-
	<u>324,038,477</u>	<u>285,443,825</u>	<u>-</u>	<u>-</u>
<u>Revenue from other sources</u>				
Dividend income from subsidiary	-	-	6,214,000	17,238,976
	<u>-</u>	<u>-</u>	<u>6,214,000</u>	<u>17,238,976</u>

The following table shows revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:-

	2025 RM	2026 RM
31.12.2024		
Construction contract	<u>12,845,552</u>	<u>1,259,475</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. OTHER INCOME

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
Gain on foreign exchange - realised	-	276,652	-	-
Fixed deposit interest income	1,871,618	203,833	1,635,455	-
Interest income	319,415	736,461	4,549	-
Sale of recoverable materials	4,414,840	2,641,155	-	-
Sundry income	146,906	67,207	-	-
Rental income	3,000	-	-	-
	<u>6,755,779</u>	<u>3,925,308</u>	<u>1,640,004</u>	<u>-</u>

28. FINANCE COSTS

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Interest expense on financial liabilities that are not at fair value through profit or loss (Note 36(d)):-		
-bank overdraft interest	32,268	27,675
-bankers' acceptances interest	2,019,034	2,747,869
-invoice financing interest	8,013	3,013
-term loan interest	982,129	1,387,928
-hire purchase interest	27,057	5,712
-factoring financing interest	269,854	-
Interest expense on lease liabilities (Notes 21 and 36(d))	39,728	45,061
	<u>3,378,083</u>	<u>4,217,258</u>

29. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Allowance of impairment losses on:-		
-Trade receivables (Note 13)	<u>(420,233)</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
Profit before taxation is arrived at after charging:-				
Auditors' remuneration:-				
- audit fees				
- auditors of the Company:-				
- statutory audit	130,000	95,000	33,000	30,000
- non-statutory audits	-	40,000	-	2,000
- non-audit fees				
- auditors of the Company	75,000	397,000	75,000	5,000
- member firms of the auditors of the Company	3,000	33,500	3,000	20,000
Bad debts written off	99,855	-	-	-
Depreciation of property, plant and equipment (Note 6)	3,658,569	3,574,729	-	-
Depreciation of investment properties (Note 7)	9,892	-	-	-
Depreciation of right-of-use assets (Note 8)	193,815	168,102	-	-
Directors' remuneration (Note 38(a))	3,445,396	3,166,884	278,400	444,400
Lease expense:				
- Low-value assets (Note 36(c))	5,589	3,286	-	-
- Short-term leases (Note 36(c))	35,412	10,796	-	-
Listing expenses	570,575	2,259,978	570,575	554,232
Property, plant and equipment written off (Note 6)	123,671	2,238	-	-
Employee benefits expense (Note 31)	14,540,455	10,008,660	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31. EMPLOYEE BENEFITS EXPENSE

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Wages, salaries and bonus	13,186,939	9,179,792
Defined contribution plan	982,890	615,944
Social security contributions	166,823	111,564
Other staff related expenses	203,803	101,360
Total employee benefits expense (Note 30)	<u>14,540,455</u>	<u>10,008,660</u>

Included in employee benefits expense of the Group are key management personnel compensation amounting to RM473,921 (31.12.2023 – RM459,244) as further disclosed in Note 38(b) to financial statements.

32. INCOME TAX EXPENSE

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
Current tax expense:				
- Malaysian tax for the financial year	1,898,509	9,218,800	392,509	-
- Under/(Over) provision in the previous financial year	204,717	(2,008)	-	-
	<u>2,103,226</u>	<u>9,216,792</u>	<u>392,509</u>	<u>-</u>
Deferred tax expense (Note 19):				
- Relating to originating and recognition of temporary differences	(1,096,000)	(378,900)	-	-
- (Over)/Under provision in the previous financial year	(377,770)	423,300	-	-
	<u>(1,473,770)</u>	<u>44,400</u>	<u>-</u>	<u>-</u>
Total income tax expense	<u>629,456</u>	<u>9,261,192</u>	<u>392,509</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
Profit before taxation	<u>27,732,424</u>	<u>32,766,671</u>	<u>6,152,899</u>	<u>16,117,346</u>
Tax at the statutory tax rate of 24% (2023 – 24%)	6,655,782	7,864,001	1,476,696	3,868,163
Tax effect of:				
Non-deductible expenses	1,080,225	975,899	407,173	269,191
Non-taxable income	-	-	(1,491,360)	(4,137,354)
Utilisation of deferred tax assets previously not recognised	(232,532)	-	-	-
Income tax incentives	(6,700,966)	-	-	-
(Over)/Under provision of deferred taxation in the previous financial year	(377,770)	423,300	-	-
Under/(Over) provision of current tax expense in the previous financial year	204,717	(2,008)	-	-
	<u>629,456</u>	<u>9,261,192</u>	<u>392,509</u>	<u>-</u>

Subject to agreement with the tax authorities, the Group has unutilised reinvestment allowances and unutilised GITA available at the end of the reporting period to be carried forward for offset against future taxable business income as follows:-

	2024 RM	2023 RM
Unutilised reinvestment allowance	11,980,000	-
Unutilised GITA	3,106,000	-
	<u>15,086,000</u>	<u>-</u>

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	2024 RM	2023 RM
Other deductible temporary differences	<u>-</u>	<u>969,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. EARNINGS PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the number of ordinary shares in issue during the financial year.

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Profit after taxation attributable to owners of the Company	27,009,898	23,505,479
Weighted average number of ordinary shares in issue	1,009,171,233	861,900,000 [#]
Basic and diluted earnings per share (sen)	2.68	2.73

[#] For computation of earnings per share for the financial year ended 31 December 2023, it is assumed that the number of ordinary shares arising from the acquisition of subsidiary were in issue throughout the financial year.

(b) Diluted Earnings Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

34. DIVIDENDS

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
Final single tier dividend of 0.704 sen (31.12.2023 – Nil) per ordinary share in respect of previous financial year	7,180,800	-	7,180,800	-
First single tier interim dividend of 0.390 sen (31.12.2023 – Nil) per ordinary share in respect of current financial year	3,978,000	-	3,978,000	-
Second single tier interim dividend of 0.180 sen (31.12.2023 – Nil) per ordinary share in respect of current financial year	1,836,000	-	1,836,000	-
	<u>12,994,800</u>	<u>-</u>	<u>12,994,800</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. ACQUISITION OF A SUBSIDIARY

On 23 October 2024, the Company acquired 51% equity interests in Sediacom. The acquisition of this subsidiary is to enable the Group to venture into the power infrastructure utilities market.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:-

	THE GROUP 1.1.2024 to 31.12.2024 RM	THE COMPANY 1.1.2024 to 31.12.2024 RM
Investment in a subsidiary	-	3,737,000
Property, plant and equipment (Note 6)	4,161,120	-
Right-of-use assets (Note 8)	156,364	-
Investment property (Note 7)	494,819	-
Cash and bank balances	3,535,164	-
Receivables and contract assets	11,724,665	-
Trade and other payables	(6,920,223)	-
Loans and borrowings	(7,614,388)	-
Lease liabilities (Note 21)	(161,270)	-
Amount owing to directors	(3,367,937)	-
Net identifiable assets acquired	2,008,314	3,737,000
Less: Non-controlling interests, measured at the proportionate share of the fair value of the net identifiable assets	(984,074)	-
Add: Goodwill on acquisition (Note 10)	2,712,760	-
Total purchase consideration, settled by cash	3,737,000	3,737,000
Less: Cash and bank balances of subsidiary acquired	(3,535,164)	-
Net cash outflow from the acquisition of a subsidiary	201,836	3,737,000

(a) The goodwill is attributable mainly to the control premium paid. In addition, the purchase consideration also included benefits derived from the expected revenue growth of the subsidiary, its future market development as well as a customer list. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

(b) The subsidiary has contributed revenue of RM4,855,809 and profit after taxation of RM189,940 to the Group since the date of acquisition.

If the acquisition was effective at the beginning of the current financial year, the Group's revenue and profit after taxation for the current financial year would have been RM337,905,106 and RM23,057,837 respectively.

There were no acquisitions of new subsidiaries in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

36. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets are as follows:-

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	45,670,464	3,657,633
Less: Amount financed through hire purchase	(430,000)	-
Cash disbursed for the purchase of property, plant and equipment	<u>45,240,464</u>	<u>3,657,633</u>
Right-of-use assets		
Cost of right-of-use assets acquired (Note 8)	184,872	116,431
Less: Addition of new lease liabilities (Note 21)	(184,872)	(116,431)
Cash disbursed for the addition of right-of-use assets	<u>-</u>	<u>-</u>

- (b) The cash and cash equivalents comprise the followings:-

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
Cash and bank balances	17,544,906	42,819,627	171,222	100
Fixed deposits with licensed banks	44,638,118	12,058,044	38,000,000	-
Bank overdrafts	(372,277)	-	-	-
	<u>61,810,747</u>	<u>54,877,671</u>	<u>38,171,222</u>	<u>100</u>
Less: Fixed deposits pledged to licensed banks (Note 16(b))	(6,638,118)	(12,058,044)	-	-
	<u>55,172,629</u>	<u>42,819,627</u>	<u>38,171,222</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

36. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows:-

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Payment of short-term leases (Note 30)	35,412	10,796
Payment of low-value assets (Note 30)	5,589	3,286
Interest paid on lease liabilities	39,728	45,061
Payment of lease liabilities	188,034	154,659
	<u>268,763</u>	<u>213,802</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

36. CASH FLOW INFORMATION (CONT'D)

(d) The reconciliations of liabilities arising from financing activities are as follows:-

THE GROUP	Term Loans RM	Lease Liabilities RM	Invoice Financing RM	Bankers' Acceptances RM	Bank Overdrafts RM	Hire Purchase Payables RM	Total RM
31.12.2024							
At 1 January	18,608,754	539,054	-	60,585,188	*	172,787	79,905,783
Changes in Financing Cash Flows							
Proceeds from drawdown	-	-	-	167,788,957	-	-	167,788,957
Repayment of principal	(10,657,858)	(188,034)	-	(179,127,183)	-	(403,979)	(190,377,054)
Repayment of interests	(982,129)	(39,728)	(8,013)	(2,019,034)	(32,268)	(27,057)	(3,108,229)
	(11,639,987)	(227,762)	(8,013)	(13,357,260)	(32,268)	(431,036)	(25,696,326)
Other Changes							
Acquisition of a subsidiary	4,787,159	161,270	-	1,199,228	-	1,628,001	7,775,658
Addition of new leases (Note 21)	-	184,872	-	-	-	-	184,872
Addition of new hire purchase	-	-	-	-	-	430,000	430,000
Derecognition due to lease termination (Note 21)	-	(11,418)	-	-	-	-	(11,418)
Modification of leases (Note 21)	-	12,386	-	-	-	-	12,386
Interest expense recognised in profit or loss (Note 28)	982,129	39,728	8,013	2,019,034	32,268	27,057	3,108,229
	5,769,288	386,838	8,013	3,218,262	32,268	2,085,058	11,499,727
At 31 December	12,738,055	698,130	-	50,446,190	*	1,826,809	65,709,184

* Bank overdrafts have formed part of the cash and cash equivalents, therefore no movement is presented.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

36. CASH FLOW INFORMATION (CONT'D)

(d) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

THE GROUP	Term Loans RM	Lease Liabilities RM	Invoice Financing RM	Bankers' Acceptances RM	Bank Hire Overdrafts RM	Purchase Payable RM	Total RM
31.12.2023							
At 1 January	24,844,862	606,835	-	62,091,747	*	228,663	87,772,107
<u>Changes in Financing Cash Flows</u>							
Proceeds from drawdown	-	-	56,000	192,820,974	-	-	192,876,974
Repayment of principal	(6,236,108)	(154,659)	(56,000)	(194,327,533)	-	(55,876)	(200,830,176)
Repayment of interests	(1,387,928)	(45,061)	(3,013)	(2,747,869)	(27,675)	(5,712)	(4,217,258)
	(7,624,036)	(199,720)	(3,013)	(4,254,428)	(27,675)	(61,588)	(12,170,460)
<u>Other Changes</u>							
Addition of new leases (Note 21)	-	116,431	-	-	-	-	116,431
Derecognition due to lease termination (Note 21)	-	(43,996)	-	-	-	-	(43,996)
Modification of leases (Note 21)	-	14,443	-	-	-	-	14,443
Interest expense recognised in profit or loss (Note 28)	1,387,928	45,061	3,013	2,747,869	27,675	5,712	4,217,258
	1,387,928	131,939	3,013	2,747,869	27,675	5,712	4,304,136
At 31 December	18,608,754	539,054	-	60,585,188	*	172,787	79,905,783

* Bank overdrafts have formed part of the cash and cash equivalents, therefore no movement is presented.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

36. CASH FLOW INFORMATION (CONT'D)

- (d) The reconciliations of liabilities arising from financing activities are as follows
(Cont'd):-

	Amount Owing to a Subsidiary RM	Total RM
THE COMPANY		
31.12.2024		
At 1 January 2024	367,100	367,100
<u>Changes in Financing Cash Flows</u>		
Repayment of advances	(367,100)	(367,100)
At 31 December 2024	-	-
	Amount Owing to a Subsidiary RM	Total RM
THE COMPANY		
31.12.2023		
At 3 November 2022 (date of incorporation)	-	-
<u>Changes in Financing Cash Flows</u>		
Advances given	367,100	367,100
At 31 December 2023	367,100	367,100

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

37. RELATED PARTY DISCLOSURES

(a) Holding company and subsidiaries

The holding company and subsidiaries are disclosed in Note 1 and Note 5 respectively to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	THE GROUP		THE COMPANY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
(Income)/Expenses				
Master Cable (B) Sdn Bhd*				
- Sales of goods	(9,125,786)	(7,361,821)	-	-
Hitech Electrical Trading**				
- Sales of goods	-	(9,740)	-	-
- Provision of electrical installation services	61,555	45,015	-	-
BS Tiling Construction Sdn Bhd**				
- Repair and maintenance of factory	-	600	-	-
- Upkeep of hostel	-	15,300	-	-
- Upkeep of plant and machinery	-	2,360	-	-
Master Tec Wire & Cable Sdn Bhd***				
- Dividend income	-	-	(6,214,000)	(17,238,976)

* A company owned substantially by a director.

** A company owned by a family member of a director.

*** A subsidiary.

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

38. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	THE GROUP		THE COMPANY	
	1.1.2024	1.1.2023	1.1.2024	3.11.2022
	to	to	to	to
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM	RM	RM	RM
(a) Directors				
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	240,000	430,000	240,000	430,000
- salaries and other benefits	2,822,376	2,439,645	38,400	14,400
Defined contribution benefits	361,603	297,239	-	-
Total directors' remuneration (Note 30)	<u>3,423,979</u>	<u>3,166,884</u>	<u>278,400</u>	<u>444,400</u>
<u>Directors of a Subsidiary</u>				
Short-term employee benefits:				
- salaries and other benefits	19,122	-	-	-
Defined contribution benefits	2,295	-	-	-
	<u>21,417</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,445,396</u>	<u>3,166,884</u>	<u>278,400</u>	<u>444,400</u>
(b) Other key management personnel				
Short-term employee benefits	420,051	409,753	-	-
Defined contribution benefits	53,870	49,491	-	-
Total compensation for other key management personnel (Note 31)	<u>473,921</u>	<u>459,244</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

39. OPERATING SEGMENTS

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

Major Customers

Revenue from external customers which contributed 10% or more to the total revenue recognised is as follows:-

	THE GROUP	
	1.1.2024	1.1.2023
	to	to
	31.12.2024	31.12.2023
	RM	RM
Customer A group of companies	60,145,098	85,146,664
Customer B	32,458,310	33,431,455

40. FINANCIAL INSTRUMENTS

The activities of the Group are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

40.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD"), Renminbi ("RMB"), Brunei Dollar ("BND") and Euro Dollar ("EUR"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than Ringgit Malaysia) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

THE GROUP	USD RM	SGD RM	RMB RM	BND RM	EUR RM	Total RM
31.12.2024						
<u>Financial Assets</u>						
Trade and other receivables	-	817,134	581	3,687,027	-	4,504,742
Cash and bank balances	118,353	353,223	474	-	6,146	478,196
	118,353	1,170,357	1,055	3,687,027	6,146	4,982,938
<u>Financial Liabilities</u>						
Trade and other payables	(1,229,274)	(802)	(616,907)	-	(156,539)	(2,003,522)
	(1,110,921)	1,169,555	(615,852)	3,687,027	(150,393)	2,979,416

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The exposure to foreign currency risk (a currency which is other than Ringgit Malaysia) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below (Cont'd):-

Foreign Currency Exposure (Cont'd)

	USD RM	SGD RM	RMB RM	BND RM	Total RM
THE GROUP					
31.12.2023					
<u>Financial Assets</u>					
Trade and other receivables	838	1,453,476	12,160	3,323,793	4,790,267
Cash and bank balances	63,511	46,457	-	-	109,968
	<u>64,349</u>	<u>1,499,933</u>	<u>12,160</u>	<u>3,323,793</u>	<u>4,900,235</u>
<u>Financial Liabilities</u>					
Trade and other payables	(567,745)	-	(892,617)	-	(1,460,362)
	<u>(503,396)</u>	<u>1,499,933</u>	<u>(880,457)</u>	<u>3,323,793</u>	<u>3,439,873</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Effects on Profit After Taxation		
USD/RM – strengthened by 5% (31.12.2023 – 5%)	(42,215)	(19,129)
– weakened by 5% (31.12.2023 – 5%)	42,215	19,129
SGD/RM – strengthened by 5% (31.12.2023 – 5%)	44,444	56,998
– weakened by 5% (31.12.2023 – 5%)	(44,444)	(56,998)
RMB/RM – strengthened by 5% (31.12.2023 – 5%)	(23,402)	(33,458)
– weakened by 5% (31.12.2023 – 5%)	23,402	33,458
BND/RM – strengthened by 5% (31.12.2023 – 5%)	140,107	126,304
– weakened by 5% (31.12.2023 – 5%)	(140,107)	(126,304)
EUR/RM – strengthened by 5% (31.12.2023 – 5%)	(5,716)	-
– weakened by 5% (31.12.2023 – 5%)	5,716	-

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the financial reporting period are disclosed in Note 20 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	THE GROUP	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM
Effects on Profit After Taxation		
Increase of 50 basis points (31.12.2023 – 50 basis points)	(244,346)	(273,323)
Decrease of 50 basis points (31.12.2023 – 50 basis points)	244,346	273,323

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimise credit risk by dealing exclusively with high credit rating counterparties.

Credit Risk Concentration Profile

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by 2 (31.12.2023 – 2) customers which constituted approximately 28% (31.12.2023 – 36%) of its trade receivables (including related parties), net of loss allowance.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

Credit Risk Concentration Profile (Cont'd)

In addition, the Group also determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (including related parties), net of loss allowance, at the end of the reporting period is as follows:-

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
Malaysia	91,057,753	65,369,266
Brunei	3,687,027	3,323,793
Singapore	817,134	1,453,477
	<u>95,561,914</u>	<u>70,146,536</u>

Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to a subsidiary of RM79,408,805 (31.12.2023 – Nil) representing the outstanding banking facilities of the subsidiary as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair values on initial recognition were not material.

Assessment of Impairment Losses

The Group has a credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group closely monitors the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

Assessment of Impairment Losses (Cont'd)

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 180 days past due.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

Inputs, assumptions and techniques used for estimating impairment losses

To measure the expected credit losses, trade receivables (including related parties) have been grouped based on shared credit risk characteristics and the days past due. The contract assets related to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the unemployment rate as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses

The reconciliations of allowance for impairment losses are as follows:-

	Non-credit Impaired RM	Credit Impaired RM	Carrying Amount RM
THE GROUP			
<u>Trade receivables</u>			
Balance at 1.1.2023/31.12.2023			
/1.1.2024	810,106	614,990	1,425,096
Additions	627,683	3,659,464	4,287,147
Balance at 31.12.2024	1,437,789	4,274,454	5,712,243

	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
THE GROUP				
31.12.2024				
Current (not past due)	56,330,125	-	(348,510)	55,981,615
1 to 30 days past due	24,182,648	-	(169,335)	24,013,313
31 to 60 days past due	12,013,928	-	(817,246)	11,196,682
61 to 90 days past due	3,197,990	-	(65,748)	3,132,242
91 to 120 days past due	242,769	-	(31,812)	210,957
121 to 180 days past due	428,243	-	(5,138)	423,105
Credit impaired	4,274,454	(3,325,546)	(948,908)	-
Trade receivables	100,670,157	(3,325,546)	(2,386,697)	94,957,914
Contract assets	604,000	-	-	604,000
Total	101,274,157	(3,325,546)	(2,386,697)	95,561,914

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
THE GROUP				
31.12.2023				
Current (not past due)	43,344,241	-	(166,316)	43,177,925
1 to 30 days past due	12,987,035	-	(144,031)	12,843,004
31 to 60 days past due	9,598,329	-	(163,995)	9,434,334
61 to 90 days past due	3,014,431	-	(95,875)	2,918,556
91 to 120 days past due	514,713	-	(64,048)	450,665
121 to 180 days past due	1,497,893	-	(175,841)	1,322,052
Credit impaired	614,990	-	(614,990)	-
Total	71,571,632	-	(1,425,096)	70,146,536

The movements in the loss allowances in respect of the trade receivables is disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group applied the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers these licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**40. FINANCIAL INSTRUMENTS (CONT'D)****40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(b) Credit Risk (Cont'd)**Assessment of Impairment Losses (Cont'd)Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, assumptions and techniques used for estimating impairment losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

THE GROUP	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
31.12.2024						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	31,237,520	31,237,520	31,237,520	-	-
Other payables and accruals	-	19,446,004	19,446,004	19,446,004	-	-
Lease liabilities	5.00 - 6.07	698,130	782,945	284,920	498,025	-
Hire purchase payables	3.89 - 8.85	1,826,809	1,965,820	1,037,874	927,946	-
Term loans	6.07 - 6.99	12,738,055	16,124,780	3,198,761	7,806,781	5,119,238
Bankers' acceptances	4.51 - 6.61	50,446,190	50,446,190	50,446,190	-	-
Bank overdrafts	7.51	372,277	372,277	372,277	-	-
		116,764,985	120,375,536	106,023,546	9,232,752	5,119,238

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

THE GROUP	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
31.12.2023						
<u>Non-derivative Financial Liabilities</u>						
Trade payables	-	16,763,430	16,763,430	16,763,430	-	-
Other payables and accruals	-	6,326,695	6,326,695	6,326,695	-	-
Lease liabilities	7.73	539,054	625,065	197,821	427,244	-
Hire purchase payable	3.89	172,787	190,399	61,716	128,683	-
Term loans	7.73	18,608,754	21,667,581	6,571,820	10,969,298	4,126,463
Bankers' acceptances	5.09	60,585,188	60,585,188	60,585,188	-	-
		102,995,908	106,158,358	90,506,670	11,525,225	4,126,463

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
THE COMPANY						
31.12.2024						
<u>Non-derivative Financial Liabilities</u>						
Other payable and accruals	-	71,808	71,808	71,808	-	-
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary	-	-	79,408,805	70,996,080	5,526,528	2,886,197
		71,808	79,480,613	71,067,888	5,526,528	2,886,197

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**40. FINANCIAL INSTRUMENTS (CONT'D)**

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)*Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

	Weighted Average Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
THE COMPANY				
31.12.2023				
<u>Non-derivative Financial Liabilities</u>				
Other payable and accruals	-	1,013,100	1,013,100	1,013,100

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group monitors capital utilisation on the basis of gearing ratio and net gearing ratio. Gearing ratio represents total borrowings divided by total equity whereas net gearing ratio represents total borrowings less cash and bank balances and fixed deposits with licensed banks divided by total equity. The gearing ratio and net gearing ratio of the Group at the end of the reporting periods are as follows:-

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
Bank overdrafts	372,277	-
Hire purchase payables	1,826,809	172,787
Bankers' acceptances	50,446,190	60,585,188
Term loans	12,738,055	18,608,754
Total borrowings	65,383,331	79,366,729
Less: Fixed deposits with licensed banks	(44,638,118)	(12,058,044)
Less: Cash and bank balances	(17,544,906)	(42,819,627)
Net debt	3,200,307	24,489,058
Total equity	184,644,005	109,737,944
Gearing ratio (times)	0.35	0.72
Net gearing ratio (times)	0.02	0.22

There was no change in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM	RM	RM	RM
Financial Assets				
<u>Amortised Cost</u>				
Trade receivables (Note 13)	94,957,914	70,146,536	-	-
Other receivables (Note 15)	868,290	385,977	241,530	17,238,976
Fixed deposits with licensed banks	44,638,118	12,058,044	38,000,000	-
Cash and bank balances	17,544,906	42,819,627	171,222	100
	<u>158,009,228</u>	<u>125,410,184</u>	<u>38,412,752</u>	<u>17,239,076</u>
Financial Liabilities				
<u>Amortised Cost</u>				
Trade payables (Note 23)	31,237,520	16,763,430	-	-
Other payables and accruals (Note 24)	19,446,004	6,326,695	71,808	1,013,100
Amount owing to a subsidiary (Note 25)	-	-	-	367,100
Bank overdrafts (Note 20)	372,277	-	-	-
Lease liabilities (Note 21)	698,130	539,054	-	-
Hire purchase payables (Note 22)	1,826,809	172,787	-	-
Bankers' acceptances (Note 20)	50,446,190	60,585,188	-	-
Term loans (Note 20)	12,738,055	18,608,754	-	-
	<u>116,764,985</u>	<u>102,995,908</u>	<u>71,808</u>	<u>1,380,200</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	THE GROUP		THE COMAPNY	
	1.1.2024 to 31.12.2024 RM	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	3.11.2022 to 31.12.2023 RM
Financial Assets				
<u>Amortised Cost</u>				
Net gain recognised in profit or loss	<u>1,213,247</u>	<u>1,216,946</u>	<u>1,640,003</u>	<u>-</u>
Financial Liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	<u>(3,108,229)</u>	<u>(4,217,258)</u>	<u>-</u>	<u>-</u>

40.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Not Carried at Fair Value Level 2 RM	Total Fair Value RM	Carrying Amount RM
THE GROUP			
31.12.2024			
<u>Financial Liabilities</u>			
Term loans	12,738,055	12,738,055	12,738,055
Hire purchase payables	<u>1,836,187</u>	<u>1,836,187</u>	<u>1,826,809</u>
31.12.2023			
<u>Financial Liabilities</u>			
Term loans	18,608,754	18,608,754	18,608,754
Hire purchase payable	<u>172,797</u>	<u>172,797</u>	<u>172,787</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION (CONT'D)

Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

- (a) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (b) The fair value of the hire purchase payables are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	THE GROUP	
	31.12.2024 %	31.12.2023 %
Hire purchase payables	4.76 - 7.15	3.31

41. CAPITAL COMMITMENTS

The capital commitments for the Group are as follows:

	THE GROUP	
	31.12.2024 RM	31.12.2023 RM
Approved and contracted for:		
Purchase of machineries	230,338	16,021,466
Purchase of freehold land at Lot 1309, Mukim Rembia	2,319,481	-
Approved and not contracted for:		
Purchase of freehold land at Lot 19798, Mukim Jasin	9,991,412	-
	<u>12,541,231</u>	<u>16,021,466</u>

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****42. SIGNIFICANT EVENTS OCCURRED DURING AND AFTER THE FINANCIAL YEAR**

- (a) The listing of and quotation for the entire enlarged issued share capital of the Company comprising of 1,020,000,000 shares on the ACE Market of Bursa Malaysia Securities Berhad on 29 January 2024.
- (b) The Share Transfer of 561,000,000 shares held by Dato' Lau Kim San in the Company to MTPC Sdn. Bhd. ("MTPC") was completed on 29 January 2024. Upon the Share Transfer, MTPC, a private limited liability company incorporated in Malaysia, became the holding company of the Company.
- (c) On 10 October 2024, the Company entered into a conditional share subscription agreement for the subscription of 1,040,817 new Sediacom Shares, representing 51% equity interest of the enlarged issued shares of Sediacom for a total consideration of RM3,737,000. Upon the completion of the share subscription on 23 October 2024, Sediacom became 51% owned subsidiary of the Company.
- (d) On 21 February 2025, a subsidiary of the Company, MTWC entered into a sale and purchase agreement with multiple vendors for the acquisition of a freehold land held under GRN 66021 Lot 19798, located in Mukim Jasin, Daerah Jasin, Negeri Melaka for a total purchase consideration of RM10,203,712. The acquisition is on-going up to the date of this report.

LIST OF PROPERTIES

No	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Tenure of property/ Category of land use/ Express conditions	Age of buildings	Land area/ Built-up area sq. ft.	Date of purchase/ Valuation	Audited NBV as at 31 December 2024 RM'000
(a)	Postal address: Lot 1299 and 1300, Kawasan Perindustrian Rembia, 78000 Alor Gajah, Melaka Title details: Geran 31927, Lot 1299, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka and Geran 31926, Lot 1300, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Three-storey office building attached to a single-storey production floor Existing use: Office and production located at Plant 1 Tenure of property: Freehold Category of land use: Industry Express conditions: For factory use only	16 years	79,868.22/ 47,425.79	26 May 2006/ 26 October 2021	8,313
(b)	Postal address: PT2191 (previously known as Lot 1301 and 1302), Kawasan Perindustrian Rembia, 78000 Alor Gajah, Melaka Title details: HSD 19242, PT 2191, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka (previously known as Geran 31931, Lot 1301, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka and Geran 31933, Lot 1302, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka)	MTWC	Description of property: Single-storey building with a mezzanine floor, comprising a production floor and storage facilities Existing use: Production and storage located at Plant 2 Tenure of property: Freehold Category of land use: Industry Express conditions: For factory use only	14 years	79,868.22/ 52,463.30	26 May 2006/ 26 October 2021	7,252

LIST OF PROPERTIES (CONT'D)

No	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Tenure of property/ Category of land use/ Express conditions	Age of buildings	Land area/ Built-up area sq. ft.	Date of purchase/ Date of Valuation	Audited NBV as at 31 December 2024 RM'000
(c)	Postal address: Lot 1298 and 1303, Kawasan Perindustrian Rembia, 78000 Alor Gajah, Melaka Title details: GRN 31928, Lot 1298, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka and GRN 31934, Lot 1303, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Single-storey building with mezzanine floor, comprising a production floor with office, QC laboratory and storage facilities Existing use: Office, QC laboratory, production and storage located at Plant 3 Tenure of property: Freehold Category of land use: Industry Express conditions: For factory use only	7 years	79,868.22/ 58,265.05	26 May 2006/ 26 October 2021	12,125
(d)	Postal address: SP2, Jalan Sungai Petai Bahagia 1, Taman Sungai Petai Bahagia, 78000 Alor Gajah, Melaka Title details: Geran Mukim 916, Lot 14738 Mukim Sungei Petai, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Single storey terrace house Existing use: Workers' accommodation Tenure of property: Freehold Category of land use: Building Express conditions: For residential use only	9 years	1,539.24/ 1,094.00	28 January 2014/ 25 April 2022	145
(e)	Postal address: SP3, Jalan Sungai Petai Bahagia 1, Taman Sungai Petai Bahagia 78000 Alor Gajah, Melaka Title details: Geran Mukim 915, Lot 14737, Mukim Sungei Petai, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Single storey terrace house Existing use: Workers' accommodation Tenure of property: Freehold Category of land use: Building Express conditions: For residential use only	9 years	1,539.24/ 1,094.00	28 January 2014/ 25 April 2022	145

LIST OF PROPERTIES (CONT'D)

No	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Tenure of property/ Category of land use/ Express conditions	Age of buildings	Land area/ Built-up area sq. ft.	Date of purchase/ Date of Valuation	Audited NBV as at 31 December 2024 RM'000
(f)	Postal address: SP4 & SP 4-1, Jalan Sungai Petai Bahagia 1, Taman Sungai Petai Bahagia, 78000 Alor Gajah, Melaka Title details: Geran 63268, Lot 14903, Mukim Sungei Petai, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Double-storey shop lot Existing use: Vacant Tenure of property: Freehold Category of land use: Industry Express conditions: For corporate buildings only	7 years	1,980.56/ 3,950.00	13 January 2017/ 20 April 2022	446
(g)	Postal address: SP5 & SP5-1, Jalan Pusat Perniagaan Rembia 16, Pusat Iks Rembia, Kawasan Perindustrian Rembia, 78000 Alor Gajah, Melaka Title details: Geran 63269, Lot 14904, Mukim Sungei Petai, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Double-storey shop lot Existing use: Workers' accommodation Tenure of property: Freehold Category of land use: Industry Express conditions: For corporate buildings only	7 years	1,980.56/ 3,950.00	13 January 2017/ 20 April 2022	446
(h)	Postal address: SP6, Jalan Sungai Petai Bahagia 1, Taman Sungai Petai Bahagia, 78000 Alor Gajah, Melaka Title details: Geran Mukim 912, Lot 14734, Mukim Sungei Petai, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Single storey terrace house Existing use: Workers' accommodation Tenure of property: Freehold Category of land use: Building Express conditions: For residential use only	9 years	1,539.24/ 1,094.00	28 January 2014/ 25 April 2022	145

LIST OF PROPERTIES (CONT'D)

No	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Tenure of property/ Category of land use/ Express conditions	Age of buildings	Land area/ Built-up area sq. ft.	Date of purchase/ Date of Valuation	Audited NBV as at 31 December 2024 RM'000
(i)	Postal address: Lot 1297 and 1304, Kawasan Perindustrian Rembia, 78000 Alor Gajah, Melaka Title details: Geran 31930, Lot 1297, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Three-storey Factory building Existing use: Production and storage located at Plant 4 Tenure of property: Freehold Category of land use: Industry Express conditions: For factory use only	New	56,133.79/ N/A	26 September 2022/ 31 December 2024	17,603
(j)	Postal address: PT 183, Jalan Alor Gajah, Kawasan Perindustrian Rembia, 78000 Alor Gajah, Melaka Title details: Geran 31901, Lot 1308, Mukim Rembia, Daerah Alor Gajah, Negeri Melaka	MTWC	Description of property: Vacant land Existing use: Vacant land Tenure of property: Freehold Category of land use: Industry Express conditions: For factory use only	N/A	66,230.34/ N/A	16 March 2023/ 14 December 2022	2,339
(k)	Postal address: Unit No. 18-12, Pangsapuri Simfoni 2, Jalan Anggerik Villa 2/3, Taman Anggerik Perdana, 43500 Semenyih, Selangor Darul Ehsan Title details: Parcel No. 228, Storey No.19, Building No. M1, Lot 24929, Mukim of Bandar Batu 18, Semenyih, District of Ulu Langat, Selangor Darul Ehsan	MTWC	Description of property: Serviced apartment Existing use: Vacant Tenure of property: 99 years leasehold interest expiring on 10 December 2113 Category of land use: Building Express conditions: Business	N/A	90.00/ 969.00	9 May 2024/ 25 March 2024	327

LIST OF PROPERTIES (CONT'D)

No	Postal address/ Title details	Registered owner	Description of property/ Existing use/ Tenure of property/ Category of land use/ Express conditions	Age of buildings	Land area/ Built-up area sq. ft.	Date of purchase/ Date of Valuation	Audited NBV as at 31 December 2024 RM'000
(l)	Postal address: Unit No. 13-5, The Puri Tower, Persiaran Saujana Puchong, Bandar Bukit Puchong, 47100 Puchong, Selangor Darul Ehsan Title details: Parcel No. 99, Storey No. 14, Building No. M1, Lot 112097, Locality of Batu 14 Puchong, Mukim and District of Petaling, Selangor Darul Ehsan	MTWC	Description of property: Condominium Existing use: Vacant Tenure of property: 99 years leasehold interest expiring on 9 October 2106 Category of land use: Building Express conditions: For residential use only	N/A	104.00/ 1,119.00	9 May 2024/ 27 March 2024	347
(m)	Postal address: Unit No. 15-3A, The Puri Tower, Persiaran Saujana Puchong, Bandar Bukit Puchong, Selangor Darul Ehsan Title details: Parcel No. 114, Storey No. 16, Building No. M1, Lot 112097, Locality of Batu 14 Puchong, Mukim and District of Petaling, Selangor Darul Ehsan	MTWC	Description of property: Condominium Existing use: Rent out Tenure of property: 99 years leasehold interest expiring on 9 October 2106 Category of land use: Building Express conditions: For residential use only	N/A	104.00/ 1,119.00	9 May 2024/ 27 March 2024	347
(n)	Postal address: No. 29, Jalan Tasik Utama 66, Kawasan Perindustrian Taman Tasik Utama, 75450 Hang Tuah Jaya, Melaka Title details: HSD 80694, PT23643, Mukim Bukit Katil, Melaka Tengah	Sediacom	Description of property: 1½ Storey Semi-detached Factory Existing use: Workshop for company's vehicles Tenure of property: 84 years leasehold interest expiring on 10 January 2100 Category of land use: Industry Express conditions: For Factory use only	N/A	379.00/ 4,080.00	24 November 2015 / 13 January 2025	429

ANALYSIS OF SHAREHOLDINGS

AS AT 7 APRIL 2025

Total Number of Issued Shares	:	1,020,000,000 ordinary shares
Issued and Paid-up Capital	:	RM147,849,090.00
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 Vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	15	0.79	180	0.00
100 – 1,000	443	23.27	235,120	0.02
1,001 – 10,000	947	49.74	4,750,500	0.47
10,001 – 100,000	338	17.75	11,761,600	1.15
100,001 – 50,999,999 (*)	159	8.35	318,852,600	31.26
51,000,000 and above (**)	2	0.11	684,400,000	67.10
TOTAL	1,904	100.00	1,020,000,000	100.00

Remarks: * Less than 5% of issued holdings
 ** 5% and above of issued holdings

SUBSTANTIAL SHAREHOLDERS

Name	Direct No. of Shares	%	Indirect No. of Shares	%
MTPC Sdn. Bhd.	561,000,000	55.00	–	–
Dato' Lau Kim San	189,277,100	18.56	⁽¹⁾ 561,015,000	55.00

DIRECTORS' SHAREHOLDINGS (Based on the Register of Directors' Shareholdings)

Name	Direct No. of Shares	%	Indirect No. of Shares	%
Datuk Saleh bin Mohd Dom	–	–	–	–
Dato' Lau Kim San	189,277,100	18.56	⁽¹⁾ 561,015,000	55.00
Tee Kok Hwa	800,000	0.08	–	–
Yee Ying Sung	100,000	0.01	–	–
Fong Hui Fong	26,900	0.00	–	–
Hooi Lian Jye	–	–	–	–

Notes:

⁽¹⁾ Deemed interest pursuant to Section 8 of the Companies Act 2016 ("**the Act**") by virtue of shares held through MTPC Sdn. Bhd. and Clement Lau Wei Kiat's (the son of Dato' Lau Kim San) in the Company.

ANALYSIS OF SHAREHOLDINGS (CONT'D)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Shareholders	No. of Shares	%
1.	MTPC Sdn. Bhd.	561,000,000	55.00
2.	Dato' Lau Kim San	123,400,000	12.10
3.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lau Kim San (7014763)	23,877,100	2.34
4.	M & A Nominee (Tempatan) Sdn. Bhd. Al Rajhi Banking & Investment Corporation (Malaysia) Bhd Pledged S Chiau Beng Teik (Acc 2)	22,000,000	2.16
5.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lau Kim San	22,000,000	2.16
6.	Amanah Raya Berhad	21,363,000	2.09
7.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lau Kim San (M04)	20,000,000	1.96
8.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Chiau Beng Teik (MY2975)	15,000,000	1.47
9.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chiau Haw Choon (7014735)	13,479,400	1.32
10.	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (Nomura)	12,912,900	1.27
11.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Teoh Hai Hin (MY4291)	12,445,000	1.22
12.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chiau Haw Choon (7009581)	8,684,700	0.85
13.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for K. Seng Seng Corporation Berhad (M04)	7,224,000	0.71
14.	Bimsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chiau Haw Choon (MGNM43006)	6,030,000	0.59
15.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Frazel Group Sdn. Bhd. (MY4650)	5,000,000	0.49
16.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Choon Hwa (7007201)	4,500,000	0.44
17.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Por Teong Eng (MY3923)	4,500,000	0.44
18.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Por Teong Eng (7003649)	4,403,700	0.43
19.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Kian Hin (MY4138)	3,000,000	0.29
20.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Chow Kian Hung (MY4666)	2,770,000	0.27

ANALYSIS OF SHAREHOLDINGS (CONT'D)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS (CONT'D)

No.	Shareholders	No. of Shares	%
21.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Khor Kai Fu (7015169)	2,711,600	0.27
22.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Andrew Tan Jun Suan (7005150)	2,500,000	0.25
23.	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Wong Pak Yii	2,485,000	0.24
24.	Amanahraya Trustees Berhad PMB Shariah Aggressive Fund	2,480,000	0.24
25.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Low Kum Moon (7001624)	2,454,500	0.24
26.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Low Kum Moon (7001268)	2,396,500	0.23
27.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Khor Yee Lin (7005979)	2,175,000	0.21
28.	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chiau Haw Choon	2,080,000	0.20
29.	M & A Nominee (Tempatan) Sdn. Bhd. Pledged Securities Account for Lee Hai Peng (PNG)	2,010,700	0.20
30.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Khor Kai Fu (MY4565)	2,000,000	0.20
Total		916,883,100	89.89

NOTICE OF 2ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Second Annual General Meeting of the Company will be held at Level 1, Plumeria Room, PARKROYAL A'Famosa Melaka Resort, Jalan Kemus, Simpang Ampat, 78000 Alor Gajah, Melaka on **Tuesday, 20 May 2025** at **10:00 a.m.** for the following purposes: -

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon. (Explanatory Note 1)
2. To approve the payment of Directors' fees to the following Directors of the Company for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026: - (Explanatory Note 2)
 - (a) Datuk Saleh Bin Mohd Dom; (Ordinary Resolution 1)
 - (b) Ms. Hooi Lian Jye; (Ordinary Resolution 2)
 - (c) Mr. Yee Ying Sung; and (Ordinary Resolution 3)
 - (d) Ms. Fong Hui Fong. (Ordinary Resolution 4)
3. To approve the payment of Directors' benefits payable to the following Non-Executive Directors of the Company for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026: - (Explanatory Note 2)
 - (a) Datuk Saleh Bin Mohd Dom; (Ordinary Resolution 5)
 - (b) Ms. Hooi Lian Jye; (Ordinary Resolution 6)
 - (c) Mr. Yee Ying Sung; and (Ordinary Resolution 7)
 - (d) Ms. Fong Hui Fong. (Ordinary Resolution 8)
4. To re-elect the following Directors who are due to retire pursuant to Clause 21.7 of the Company's Constitution, and being eligible, have offered themselves for re-election: - (Explanatory Note 3)
 - (a) Datuk Saleh Bin Mohd Dom; and (Ordinary Resolution 9)
 - (b) Ms. Fong Hui Fong. (Ordinary Resolution 10)
5. To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. (Explanatory Note 4)
(Ordinary Resolution 11)

As Special Business

To consider and if thought fit, with or without any modification, to pass the following Ordinary Resolutions: -

6. **ORDINARY RESOLUTION** (Explanatory Note 5)
 - **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016** (Ordinary Resolution 12)

"THAT, subject always to the Companies Act 2016, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant governmental/regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to the Companies Act 2016, to issue and allot shares in the capital of the Company from time to time at such price and to such persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided always that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company ("**New Shares**") for the time being without first offering the New Shares to the existing shareholders of the Company;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities Berhad;

NOTICE OF 2ND ANNUAL GENERAL MEETING (CONT'D)

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

7. ORDINARY RESOLUTION

- **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")**

(Explanatory Note 6)
(Ordinary Resolution 13)

"THAT subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and/or its subsidiaries ("**MTG Group**") to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 1.4 of the Circular to Shareholders dated 21 April 2025, which are necessary for the day-to-day operations of the MTG Group provided that such transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT the Proposed Renewal of Shareholders' Mandate is subject to annual review and any authority conferred by the Proposed Renewal of Shareholders' Mandate, shall only continue to be in force until: -

- (i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier,

AND THAT the Directors of the Company be authorised to complete and do such acts and things (including executing all such documents as may be required), as they may consider expedient or necessary to give effect to this resolution."

- 8. To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

YEOW SZE MIN (MAICSA 7065735) (SSM PC NO. 201908003120)

NG LEE YING (MAICSA 7081879) (SSM PC NO. 202408000327)

Company Secretaries

Melaka

Dated: 21 April 2025

NOTICE OF 2ND ANNUAL GENERAL MEETING (CONT'D)

Explanatory Notes

1. Audited Financial Statements for the financial year ended 31 December 2024

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the members/shareholders for the Audited Financial Statements. Therefore, this Agenda item is not put forward for voting.

2. Ordinary Resolutions 1 to 8 - Payment of Directors' Fees and Benefits Payable

Pursuant to Section 230(1) of the Companies Act 2016, the fees and any benefits payable to the Directors of the Company shall be approved at a general meeting.

The proposed Ordinary Resolutions 1 to 8, if approved, will allow for the payment of the Directors' fees and benefits i.e., meeting allowances, for the period from 21 May 2025 until the next Annual General Meeting ("**AGM**") of the Company.

Based on the review by the Nomination and Remuneration Committee ("**NRC**") and the recommendation of the Board of Directors ("**Board**"), the proposed Directors' fees and meeting allowances shall be payable on quarterly basis in arrears.

The proposed rates for the Directors' fees and benefits payable to the following Directors are as follows: -

Director	Fees (RM)/ month	Meeting allowances (RM) / per meeting day
Datuk Saleh Bin Mohd Dom	5,000	1,200
Ms. Hooi Lian Jye	5,000	1,200
Mr. Yee Ying Sung	5,000	1,200
Ms. Fong Hui Fong	5,000	1,200

3. Ordinary Resolutions 9 and 10 - Re-election of Directors who are retiring in accordance with Clause 21.7 of the Company's Constitution

For the purpose of determining the eligibility of the Director to stand for re-election at the Second AGM of the Company, the Board of Directors ("**Board**") through its Nomination and Remuneration Committee had reviewed and assessed each of the retiring Directors from the annual assessment and evaluation of the Board for the financial year ended 31 December 2024.

Based on the said assessment, the Board is satisfied with the performance and contributions of the retiring Directors of the Company, namely Datuk Saleh Bin Mohd Dom and Ms. Fong Hui Fong, and supports the re-election based on the following considerations:

- (i) able to meet the Board's expectations in terms of character, experience, integrity, competency and time commitment in discharging their roles as Directors of the Company; and
- (ii) exercised due care and carried out professional duties proficiently.

The retiring Directors have consented to their re-election and abstained from deliberations and voting on their own eligibility to stand for re-election at the meetings of the Board.

The profiles of the retiring Directors are set out in the Annual Report in respect of the financial year ended 31 December 2024.

4. Ordinary Resolution 11 – Re-appointment of Auditors

The Audit and Risk Management Committee ("**ARMC**") had undertaken an assessment of the suitability and independence of the external auditors, Crowe Malaysia PLT, and is satisfied with Crowe Malaysia PLT's quality of audit, performance, competency and sufficiency of resources. The ARMC is also satisfied that Crowe Malaysia PLT is and will remain independent as external auditors of the Company.

NOTICE OF 2ND ANNUAL GENERAL MEETING (CONT'D)

Explanatory Notes (Cont'd)

4. Ordinary Resolution 11 – Re-appointment of Auditors (Cont'd)

Supported by the ARMC's assessment, the Board recommends the re-appointment of Crowe Malaysia PLT as external auditors of the Company for the ensuing year at a fee to be fixed by the Board of Directors.

5. Ordinary Resolution 12 - Authority to Allot and Issue Shares pursuant to the Companies Act 2016 ("the Act")

The proposed Ordinary Resolution 12 is intended to renew the authority granted to the Directors of the company at the First AGM of the Company held on 20 May 2024 ("**Previous Mandate**") to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total numbers of issued shares (excluding treasury shares) of the Company for the time being ("**New Shares**").

The proposed Ordinary Resolution 12, if passed, will provide flexibility to the Directors of the Company to undertake any possible fund-raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or such other purposes as the Directors may deem fit, without having to convene a general meeting, provided that the aggregate number of the shares issued pursuant to the general mandate does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

In accordance with Clause 16.6 of the Constitution of the Company, the proposed Ordinary Resolution 12, if passed, shall be taken as the members' agreement for the New Shares to be issued to such persons as the Directors may deem fit without first offer to the existing shareholders.

As at the date of the Notice, the Company has not issued any new ordinary shares pursuant to the Previous Mandate granted by the shareholders and hence no proceeds were raised therefrom.

6. Ordinary Resolution 13 - Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 13, if approved, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Company's day-to-day operations to facilitate transactions in the normal course of business of the Company with the related parties, provided that they are carried out on arms' length basis and on normal commercial terms and are not prejudicial to the shareholders on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

Please refer to the Circular to Shareholders dated 21 April 2025 for further detailed information.

NOTICE OF 2ND ANNUAL GENERAL MEETING (CONT'D)

Other Notes

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 May 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this Meeting.
2. A member of the Company entitled to attend and vote at this Meeting shall be 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. A member may appoint more than one (1) proxy in relation to a meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
3. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the members to attend, participate, speak and vote at the meeting and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.
4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding this Meeting or adjournment thereof. All resolutions set out in this notice of meeting are to be voted by poll.

Personal Data Privacy

By submitting form(s) of proxy appointing proxy(ies) or corporate representative(s) or attorney(s) to attend, participate (including to pose questions to the Board of the Company) and vote at the Second AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies or representatives appointed for the Second AGM and the preparation and compilation of the attendance lists, minutes and other documents relating to the Second AGM, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) or corporate representative(s) or attorney(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) or corporate representative(s) or attorney(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) or corporate representative(s) or attorney(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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PROXY FORM

Number of Ordinary Shares Held	CDS Account No.

Contact No.	Email Address

I / We, _____
(FULL NAME AND NRIC / PASSPORT NO. / REGISTRATION NO.)

of _____
(FULL ADDRESS)

being a member of **MASTER TEC GROUP BERHAD** hereby appoint:-

***First Proxy "A"**

Full Name (in Block):-	NRIC/ Passport No.:-	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address:-			

*and / or

***Second Proxy "B"**

Full Name (in Block):-	NRIC/ Passport No.:-	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address:-			

100%

insert on a separate sheet of paper if more than 2 proxies are to be appointed

*or failing him/her, the CHAIRMAN OF THE MEETING, as *my / our proxy to attend and vote for *me / us and on *my / our behalf at the Second Annual General Meeting ("**AGM**") of Master Tec Group Berhad to be held at Level 1, Plumeria Room, PARKROYAL A'Famosa Melaka Resort, Jalan Kemus, Simpang Ampat, 78000 Alor Gajah, Melaka on Tuesday, 20 May 2025 at 10:00 a.m. and at any adjournment thereof.

[Mark X under 'For' or 'Against' for each Resolution if you wish to direct the proxy on how to vote. If no mark is made, the proxy may vote on the resolution or abstain from voting as the proxy thinks fit. If you appoint two (2) or more proxies and wish for them to vote differently, this should be specified.]

My / our proxy / proxies is / are to vote as indicated below:

No.	Agenda	Resolution	For	Against
1.	To receive the Audited Financial Statements for the financial year 31 December 2024 together with the Reports of the Directors and the Auditors thereon. (Note 1)			
2(a).	To approve the payment of Directors' fees to Datuk Saleh Bin Mohd Dom for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 1		
2(b).	To approve the payment of Directors' fees to Ms. Hooi Lian Jye for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 2		



2(c).	To approve the payment of Directors' fees to Mr. Yee Ying Sung for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 3		
2(d).	To approve the payment of Directors' fees to Ms. Fong Hui Fong from for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 4		
3(a).	To approve the payment of Directors' benefits payable to Datuk Saleh Bin Mohd Dom for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 5		
3(b).	To approve the payment of Directors' benefits payable to Ms. Hooi Lian Jye for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 6		
3(c).	To approve the payment of Directors' benefits payable to Mr. Yee Ying Sung for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 7		
3(d).	To approve the payment of Directors' benefits payable to Ms. Fong Hui Fong for the period from 21 May 2025 until the next Annual General Meeting of the Company in year 2026.	Ordinary Resolution 8		
4(a).	To re-elect Datuk Saleh Bin Mohd Dom as a Director of the Company.	Ordinary Resolution 9		
4(b).	To re-elect Ms. Fong Hui Fong as a Director of the Company.	Ordinary Resolution 10		
5.	To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 11		
Special Business				
6.	Ordinary Resolution - Authority to Allot and Issue Shares pursuant to the Companies Act 2016.	Ordinary Resolution 12		
7.	Ordinary Resolution - Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature.	Ordinary Resolution 13		

* Strike out whichever not applicable

Signed this _____ day of _____ 2025

* Signature of Member/Common Seal

Notes

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 May 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this Meeting.
- A member of the Company entitled to attend and vote at this Meeting shall be 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. A member may appoint more than one (1) proxy in relation to a meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy, failing which the appointment shall be invalid.
- A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the members to attend, participate, speak and vote at the meeting and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
- The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at Securities Services (Holdings) Sdn. Bhd. of Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding this Meeting or adjournment thereof. All resolutions set out in this notice of meeting are to be voted by poll.

Personal Data Privacy

By submitting form(s) of proxy appointing proxy(ies) or corporate representative(s) or attorney(s) to attend, participate (including to pose questions to the Board of the Company) and vote at the Second AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies or representatives appointed for the Second AGM and the preparation and compilation of the attendance lists, minutes and other documents relating to the Second AGM, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) or corporate representative(s) or attorney(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) or corporate representative(s) or attorney(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) or corporate representative(s) or attorney(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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AFFIX
STAMP

The Share Registrar
SECURITIES SERVICES (HOLDINGS) SDN BHD
[197701005827 (36869-T)]
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

2nd Fold Here



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