

# SUSTAINABILITY STATEMENT

## ABOUT THIS REPORT

This Sustainability Statement (“SS2025”) outlines SkyWorld Development Berhad’s (“SkyWorld Development” or the “Company”) efforts and achievements in Environmental, Social, and Governance (“ESG”) aspects throughout the Company and its subsidiaries (collectively referred to as “the Group”) operations during the reporting period of 1 April 2024 to 31 March 2025 (“FY2025”). In line with our commitment to “Make Living Better” and our vision to become the “Always Best City Developer,” we view sustainability as an integral component of our business model, driving our approach to creating long-term value for all stakeholders.

The Sustainability Statement is designed to highlight the impacts of the Group’s business on stakeholders and the environment, and to articulate how these impacts influence the organisation’s future prospects. It underscores how these considerations are central to SkyWorld Development’s Board of Directors (“Board”) and Management’s decision-making processes. These key considerations are then used to develop and form the Group’s sustainability strategy, goals, and targets, which are disclosed herein.

Furthermore, the statement reflects our dedication to ensuring economic viability, reducing our environmental footprint, enhancing social value, and upholding sound governance practices. These four pillars serve to strengthen our disclosure and demonstrate our progress on our ongoing sustainability journey.

# SUSTAINABILITY STATEMENT

## REPORTING FRAMEWORKS

SS2025 is developed in compliance with Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements (“MMLR”). Other reporting standards, local and international reporting frameworks, guidelines, and best practices referenced include:



To ensure our SS2025 is accurate, balanced, clear, comparable, reliable, and timely, the Group has applied the GRI reporting principles in formulating our content. This framework also guides us in ensuring stakeholder inclusiveness, reflecting the sustainability context, addressing materiality, and achieving completeness in our reporting.

The topical disclosures are organised based on the material economic, environmental, social, and governance (“EESG”) topics that SkyWorld Development identified through a materiality assessment exercise (“MAE”) carried out in FY2023. The Materiality section of this report provides further details on this exercise.

## SCOPE, BOUNDARY AND LIMITATIONS

The SS2025 reports detailed ESG disclosures for SkyWorld Development and the following subsidiaries under our control:

|                                  |                                  |
|----------------------------------|----------------------------------|
| <b>EdgeWood Residences</b>       | SkySanctuary Development Sdn Bhd |
| <b>Vesta Residences</b>          | SkySierra Development Sdn Bhd    |
| <b>Curvo Residences</b>          | Curvo Development Sdn Bhd        |
| <b>SkyVogue Residences</b>       | SkyVogue Development Sdn Bhd     |
| <b>Setiawangsa Sales Gallery</b> | SkySierra Development Sdn Bhd    |
| <b>Setapak Sales Gallery</b>     | SkyWorld Development Sdn Bhd     |

SkyWorld Development adopts a ‘local where we operate’ strategy in managing our sustainability impacts. Information, operations, activities and data collected are scoped to just SkyWorld Development and the aforementioned subsidiaries. Some aspects of the sustainability data may only be scoped to certain developments due to data availability and will be indicated accordingly.

Disclosures are presented over a 3-year time frame on a rolling basis where possible and cover material information for the reporting period from 1 April 2024 to 31 March 2025, unless otherwise stated.

## DATA QUALITY

The SkyWorld Development’s Board acknowledges its responsibility for the information presented in this report and has provided their approval on 17 July 2025. The report’s data has been sourced internally and verified by the relevant business units or information owners.

## ACCESSIBILITY AND FEEDBACK

The SS2025 and past reports can be downloaded at <https://skyworldgroup.com.my/investor-relations> as well as the website of Bursa Securities. Any request for clarification or feedback may be channelled to:

### SkyWorld Development Berhad

Ground Floor, Block B  
Wisma NTP World  
Excella Business Park  
Jalan Ampang Putra  
55100 Ampang  
Kuala Lumpur  
Malaysia

Tel : +(603) 4270 9968  
Email : corporate@skyworld.my

# SUSTAINABILITY STATEMENT

## CHIEF EXECUTIVE OFFICER'S MESSAGE

Dear Stakeholders,

**Sustainability lies at the heart of the Group's purpose to "Make Living Better" and underpins our ambition to be the "Always Best City Developer." By embedding environmental, social and governance considerations into every decision, the Group ensures long-term value creation for our communities, customers, employees and shareholders alike.**

Over the past year, SkyWorld Development has translated this commitment into tangible outcomes. We distributed RM505.1 million in economic value across our various stakeholders, and channelled 99.9% of our procurement spend to local suppliers. Our corporate social responsibility ("CSR") initiatives in FY2025 centred on the "Powered Up" programme, through which we contributed a total of RM725,498 to deliver solar energy solutions to four charitable organisations, reflecting our pledge to share success equitably while advancing clean energy access.

This value distribution was made possible by our continued commitment to prioritise sustainable revenue and profit generation, and we're pleased to note that the Group's customer satisfaction rate remains at a high of 99.0%, with a Net Promoter Score ("NPS") of 78. SkyAwani V Residences was named Best Urban Affordable Home by The Edge Malaysia, while SkyLuxe on the Park Residences, SkySierra Residences (The Valley) and SkyAwani III Residences garnered FIABCI awards at the national and world stages. We also retained our Quality Assessment System in Construction ("QLASSIC") and Safety and Health Assessment System in Construction ("SHASSIC") high-scores and certifications. Furthermore, SkyWorld Development was recognised with a distinguished

accolade in the property development category at the Putra Aria Brand Awards 2024, and SkyMeridien Residences received The Edge Malaysia Best Managed and Sustainable Property Award 2024 in the Below 10 Years – Multiple-Owned Strata Residential category, underscoring our commitment to excellence in property management and sustainability.

On the environmental front, SkyWorld Development continues to mitigate our impact while driving positive change. To reduce the Group's carbon contribution, SkyWorld Development has adopted renewable energy and efficiency measures across our developments, including mandating solar photovoltaic systems to cover at least 30% of roof areas at key developments in Klang Valley, installing sensor-controlled LED lighting, energy-efficient air-conditioning units and regenerative lifts, and integrating electric-vehicle charging bays to support low-carbon mobility as of FY2025. Smart metering and energy-management systems have also been deployed at our headquarters to monitor and optimise consumption, while all common areas in our developments have utilised full LED lighting since year 2020. Additionally, to support water conservation, rainwater harvesting systems have been installed in 87.5% of our operations.



To date, 38.9% of our developments have achieved Green Building Index ("GBI") certification and 16.7% of developments are Green Real Estate ("GreenRE") rated by Real Estate and Housing Developer's Association of Malaysia ("REHDA"). From FY2026 onwards, the Group aims to be green building certified for all new launched residential development in Malaysia annually. Furthermore, SkyWorld Development is focusing on monitoring and mitigating our nature-related impacts in line with the recommendations of the Taskforce on Nature-related Financial Disclosures. The Group has voluntarily commissioned a biodiversity audit on our master development, SkySanctuary which is located in Setapak, in FY2025, which serves to establish baseline data on species diversity to inform and strengthen the Group's nature-conservation practices and ensure long-term ecosystem resilience at the site. To date, 16.7% of the Group's operations have been assessed for biodiversity risk while we continue to work towards safeguarding the natural heritage of Greater Kuala Lumpur for generations to come.

Our people remain our greatest asset. Of the Group's 223-strong workforce where 93.3% are permanent staff; women occupy 42.9% of Board seats, exceeding the 30% benchmark set by Malaysian Code on Corporate Governance ("MCCG"), and 34.5% of managerial roles. We delivered 7,311 hours of training across technical, leadership and sustainability topics, rolled out a new talent-succession programme to nurture future leaders, and launched a well-being initiative that provides mental-health support and flexible work arrangements.

These efforts, coupled with robust safety protocols, underpinned our achievement of zero fatalities or lost-time incidents ("LTI") across 4.8 million man-hours, reaffirming our unwavering commitment to a healthy, inclusive and high-performance culture.

In parallel, we continue to enhance our governance framework to meet and exceed emerging standards. This Sustainability Statement is prepared in accordance with IFRS S1 and S2 ahead of the NSRF deadline, signalling our readiness for more rigorous disclosure. We have uploaded our Board Charter and key policies to align governance practices with IFRS recommendations, and are advancing the development of an Occupational Health and Safety ("OHS") Policy, Human Rights and Employee Well-being Policy. Work is also underway to strengthen the Group's supply-chain management through enhanced due-diligence and supplier-engagement protocols.

As we look ahead, the Group remains committed to deepening our ESG impact through clear targets and innovative partnerships. I thank our people, partners and communities for their dedication and support. Together, we will continue to shape thriving, resilient cities while delivering enduring value for all.



Sincerely,

**LEE CHEE SENG**

Non-Independent Executive Director/  
Chief Executive Officer

# SUSTAINABILITY STATEMENT

## ESG HIGHLIGHTS AND ACHIEVEMENTS

|   |   |  |
|---|---|--|
| <p><b>RM504.6</b><br/>million</p> <p><b>Total Economic Value Distributed to Stakeholders</b></p>   | <p><b>99.0%</b></p> <p>Average <b>Customer Satisfaction</b> Score</p>    | <p><b>99.9%</b></p> <p><b>Procurement Spend directed to Local Suppliers</b> (representing RM366,967 million)</p>  |
| <p><b>RM980,006.44</b></p> <p><b>Total CSR Contribution</b> directed to <b>16 beneficiary organisations</b><sup>1</sup></p>              | <p><b>1,566.4 tCO<sub>2</sub>e</b></p> <p><b>Total GHG Emissions</b></p>   | <p><b>257.7</b> acres</p> <p>of <b>Reserve Landbanks</b> in Malaysia and Vietnam</p>                              |
| <p><b>87.5%</b></p> <p>of the Group's operations equipped with a <b>Rainwater Harvesting System</b></p>                                 | <p><b>38.9%</b></p> <p>of our completed and ongoing developments are <b>GBI Certified</b> and <b>16.7%</b> are <b>GreenRE rated</b></p>           | <p><b>16.7%</b></p> <p>of Group operations assessed for <b>Biodiversity Risks</b></p>                            |
| <p><b>Women Representation</b> in Leadership Roles:</p> <p><b>42.9%</b> on the Board;<br/><b>34.5%</b> in <b>Managerial Staff</b></p>  | <p><b>223</b></p> <p><b>Total Workforce</b> (93.3% Permanent Employees)</p>    | <p><b>7,311</b></p> <p><b>Total Training Hours</b> logged as a Company</p>                                      |
| <p><b>Zero Fatalities</b> and <b>Zero LTI</b> with <b>4.8 million man-hours worked</b></p>   | <p><b>100%</b></p> <p>of <b>Suppliers and Business Partners</b> have been briefed on our <b>Anti-Bribery and Corruption ("ABAC") Policy</b></p>  | <p><b>Zero</b></p> <p><b>Non-compliance</b> with labour standards or <b>Human Rights Violations</b></p>         |
| <p><b>Zero</b></p> <p><b>Substantiated Complaints</b> concerning breaches of <b>Customer Privacy and Losses of Customer Data</b></p>   | <p><b>Zero</b></p> <p>confirmed <b>Incidents of Corruption</b></p>   | <p><b>Zero</b></p> <p>incidents and fines for <b>Environmental and Socio-economic Non-compliance</b></p>        |

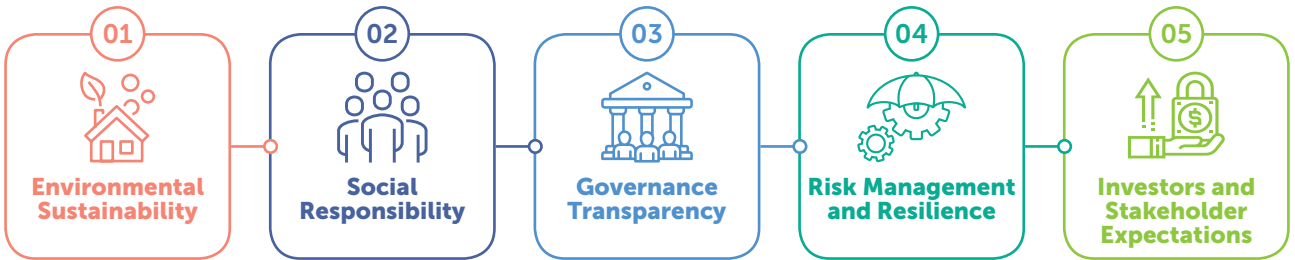
Note:

<sup>1</sup> The total beneficiary organisations of CSR contributions refer to the number of beneficiary organisations supported through SkyWorld Foundation and Donations and Sponsorships. Data on individual beneficiaries from community engagement activities is excluded due to differences in measurement and reporting format.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY AT SKYWORLD DEVELOPMENT

Embracing our role as a responsible city builder, SkyWorld Development proactively integrates sustainability into our core operations, focusing on effective risk management and the creation of long-term value for all stakeholders, while diligently working to minimise negative environmental, social, and governance impacts.



By prioritising environmental sustainability through the adoption of energy-efficient designs, utilisation of renewable energy sources and incorporating eco-friendly materials, the Group can make valuable contributions to the environment while appealing to environmentally conscious home buyers.

By demonstrating social responsibility through the creation of inclusive spaces, support for local businesses and a commitment to resident well-being, the Group can cultivate stronger community relationships and enhance its brand reputation.

By emphasising governance and transparency through robust corporate governance structure and ethical practices, the Group can build trust among investors and stakeholders.

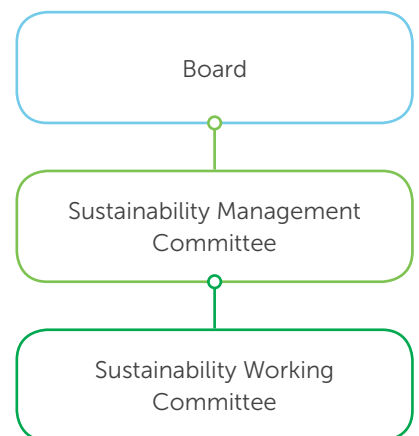
By embracing ESG principles, the Group can identify and mitigate risks, including those associated with climate change, while simultaneously attracting socially responsible investors and meeting stakeholder expectations.

By incorporating ESG practices, the Group can attract socially responsible investors, access capital and differentiate itself from competitors, given that ESG considerations have become vital criteria for investors and stakeholders in evaluating companies.

To ensure the effective management of all material matters, SkyWorld Development’s comprehensive sustainability approach is overseen by the Group’s sustainability governance structure and is underpinned by a framework of robust policies, standard operating procedures, internal processes, control measures, and comprehensive reporting mechanisms.

## SUSTAINABILITY GOVERNANCE STRUCTURE

SkyWorld Development integrates and promotes the ESG agenda across the entire organisation through a robust sustainability governance framework. Following a refined structure implemented in FY2024, the framework now includes the establishment of a dedicated Sustainability Management Committee. This committee plays a crucial role in supporting our CEO to effectively drive the implementation of our ESG initiatives. Furthermore, in line with the recommendations of the MCCG 2021, the Bursa Securities Sustainability Reporting Guide (3rd Edition), and the International Sustainability Standards Board (“ISSB”) on sustainability and climate change management.

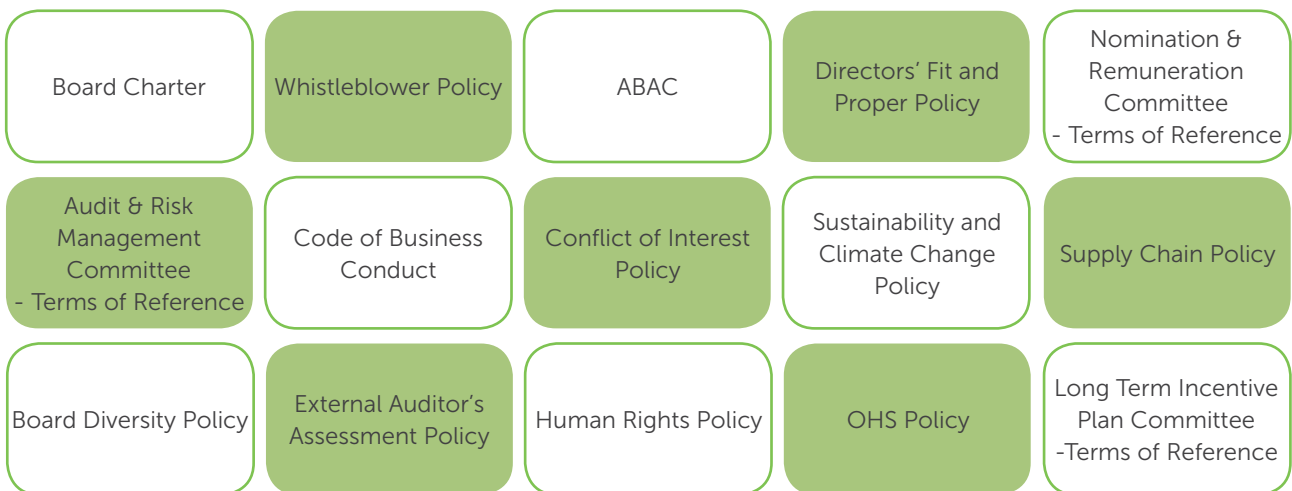


# SUSTAINABILITY STATEMENT

| Roles                                      | Responsibilities   | Composition  |
|--|--|--|
| <b>Board</b>                               | <ul style="list-style-type: none"> <li>• Holds ultimate accountability and maintains strategic oversight on all sustainability, ESG and climate-related risks, strategies, policies, priorities, and targets</li> <li>• Integrates sustainability, ESG, and climate-related risks into the Company’s risk management framework and evaluates its effectiveness</li> </ul>  | Executive and Non-Executive Directors  |
| <b>Sustainability Management Committee</b> | <ul style="list-style-type: none"> <li>• The CEO, who is a Board member, leads the Sustainability Management Committee in the strategic management of the Group’s sustainability and climate related matters</li> <li>• Supports the Board of Directors in its risk and sustainability management function</li> <li>• Driving ESG implementation in the respective departments</li> <li>• Developing ESG-related strategies and targets</li> <li>• Allocating the necessary resources to achieve the desired outcomes</li> <li>• Evaluates progress on the implementation of ESG goals, targets and initiatives</li> </ul> | CEO and Heads of Department relevant to ESG matter (i.e. Product, Operations, Finance, Talents, Brand Communication and Customer Advocacy) |
| <b>Sustainability Working Committee</b>    | <ul style="list-style-type: none"> <li>• Day-to-day operationalisation of ESG initiatives</li> <li>• Drives ESG implementation in their respective departments</li> <li>• Gathers ESG performance data</li> </ul>  | Managers and Executive Staff of Departments relevant to ESG matter   |

## POLICIES AND FRAMEWORKS

Our commitment to responsible business conduct at SkyWorld Development is firmly established through a comprehensive set of guiding principles. These include a range of internal policies, codes of conduct, and clearly defined terms of reference, all designed to formalise our dedication to ESG principles across our operations. To ensure we remain at the forefront of best practices, these foundational documents are subject to regular review and updates, guaranteeing their ongoing relevance and effectiveness in driving our sustainability agenda forward.



The Code of Business Conduct has been translated into Malay and Chinese and is available on our website to ensure it is effectively communicated to employees globally. Additionally, we have adopted two new policies, the Human Rights Policy and the OHS Policy, which have been approved on 17 July 2025.

# SUSTAINABILITY STATEMENT

## ESG SCORECARD

| Pillar             | ESG KPIs and Targets  | FY2025 Progress and Performance  | Future ESG KPIs and Targets (commencing in FY2026)  |
|--------------------|---|--|---|
| <b>Environment</b> | Achieve a minimum of Bronze GreenRE Certification or GBI Compliant rating for all new High-Rise Development in Klang Valley by FY2025 | Achieved<br><br>All residential development in the Klang Valley have successfully attained Bronze/Silver/Gold GreenRE Certification                  | All new residential development(s) to be launched in Malaysia within each financial year to be green building certified               |
|                    | Install at least two Electric Vehicle ("EV") charging stations at all High-Rise Development in Klang Valley by FY2025                 | In Progress<br><br>EV charging stations have been installed in 33.3% of the Group's developments, with each equipped with at least two charging bays | Install at least two EV charging stations in all new residential development(s) to be launched in Malaysia within each financial year |
|                    | Provide energy-efficient lighting in all common areas for High-Rise Developments in Klang Valley by FY2025                            | Achieved<br><br>All common areas in the High-Rise Development have been equipped with LED lighting   | Provide energy-efficient lighting in all new development(s) to be launched in Malaysia within each financial year                     |
|                    | Establish a 3-year baseline data of non-hazardous waste diverted from disposal by FY2027  | Achieved<br><br>Disclosed the data in Sustainability Statement since FY2023  | Establish a 3-year baseline data of non-hazardous waste diverted from disposal by FY2027  |
|                    | Establish a 3-year baseline of construction materials consumed by FY2027  | In Progress<br><br>Disclosed the data in Sustainability Statement since FY2024   | Establish a 3-year baseline data of construction materials consumed by FY2027   |
|                    | Adopt TCFD for sustainability reporting by FY2025   | Achieved<br><br>Disclosed TCFD alignment in Sustainability Statement since FY2024  | Adopt IFRS for sustainability reporting by FY2027   |
|                    | Allocating more than 10% of green spaces from development areas in all High-Rise Developments in Klang Valley by FY2025               | Achieved<br><br>Successfully incorporated 20% - 30% green spaces within each development area  | Allocate more than 10% of green spaces in all new development(s) to be launched in Malaysia within each financial year                |

# SUSTAINABILITY STATEMENT

| Pillar            | ESG KPIs and Targets  | FY2025 Progress and Performance   | Future ESG KPIs and Targets (commencing in FY2026)                        |
|-------------------|---|---|---|
| <b>Social</b>     | Zero fatalities per annum   | Achieved  | Zero fatalities annually  |
|                   | Zero LTI per annum  | Achieved  | Zero LTI annually   |
|                   | Average 8 hours of training per employee per annum                        | Achieved<br>Average 32.8 training hours per employee achieved in FY2025   | Average 8 hours of training per employee annually                         |
|                   | At least 30% female representation on Board and Senior Management         | Achieved<br>42.9% of female representation on Board;<br>35.5% of female representation at Senior Management level | At least 30% female representation on Board and managerial roles          |
|                   | Zero substantiated human rights violation annually                        | Achieved  | Zero substantiated human rights violation annually                        |
| <b>Governance</b> | Zero confirmed Incidents of ABAC violation per annum                      | Achieved  | Zero confirmed incidents of ABAC violation annually                       |
|                   | Zero substantiated incidence of data privacy and security breach annually | Achieved  | Zero substantiated incidence of data privacy and security breach annually |
|                   | Zero fines received from environmental and social non-compliance annually | Achieved  | Zero fines received from environmental and social non-compliance annually |

# SUSTAINABILITY STATEMENT

## STAKEHOLDER AND MATERIALITY

For SkyWorld Development, fostering open and meaningful communication with our stakeholders is a cornerstone of our inclusive ESG strategy. We consider our stakeholders to be any individuals or groups whose actions can influence our business, as well as those who are affected by our property development and management endeavours. This broad definition ensures we engage with all relevant parties to build strong and lasting relationships.

In determining our key areas of focus, SkyWorld Development employs the principle of double materiality. This means we carefully assess not only how our business activities impact the wider environment and our stakeholders, but also how external ESG factors might affect the long-term sustainability and value creation of our organization. This dual perspective, encompassing short, medium, and long-term horizons, is crucial in shaping our strategic priorities.

By adopting this comprehensive approach to materiality, we ensure that we are not only identifying and prioritizing the most significant ESG topics, but also managing them in a way that balances our responsibilities. Our aim is to mitigate any potential negative consequences while actively seeking opportunities to generate positive value for our stakeholders, protect the environment, and ultimately enhance the Group’s ability to thrive.

## STAKEHOLDER MANAGEMENT

At SkyWorld Development, our commitment to sustainability is strengthened by our adoption of the double materiality principle. This core tenet guides our understanding of the extensive impacts our operations have on our diverse stakeholders. Consequently, it underpins our comprehensive stakeholder engagement strategy, where we utilise a variety of platforms to actively monitor, assess, and address the changing needs, expectations, and concerns of those we impact. By prioritising stakeholder input in our decision-making processes, we ensure a more adaptive and accountable approach to property development.

| Stakeholders  | Key Engagement Methods   | Concerns and Interests  | Response to Stakeholders’ Concerns   |
|---|--|---|--|
| <b>Customers</b><br>Existing and potential customers of products and services | <ul style="list-style-type: none"> <li>• SkyWorld Connects</li> <li>• Corporate website</li> <li>• Social media</li> <li>• Events and campaigns</li> </ul> | <ul style="list-style-type: none"> <li>• Product quality and design</li> <li>• Customer service and experience</li> </ul> | We aim to uphold our proven track record of delivering products of high quality and standards whilst ensuring customer responsiveness in an efficient and timely manner. We also engage with tenants on ESG matters such as social issues to promote sustainable practices |

## FINANCIAL MATERIALITY

How the environment and society impact the financial performance of the organisation



## IMPACT MATERIALITY

How the organisation impacts the environment and society

# SUSTAINABILITY STATEMENT

| Stakeholders  | Key Engagement Methods  | Concerns and Interests   | Response to Stakeholders' Concerns  |
|---|---|--|---|
| <b>Employees</b><br>Individuals employed by the Group, including Board                                | <ul style="list-style-type: none"> <li>• Townhall</li> <li>• Top-down session</li> <li>• SkyWorld portal</li> <li>• Email</li> <li>• WhatsApp broadcast</li> <li>• Coffee chat</li> <li>• Employee handbook</li> <li>• Employee survey</li> </ul> | <ul style="list-style-type: none"> <li>• Recognition, career development</li> <li>• Employee benefits and welfare</li> <li>• Workplace health and safety</li> <li>• Company direction and growth plans</li> <li>• Human rights</li> </ul>                            | We maintain close and transparent communications with our employees at all levels. Through our Talent initiatives, we are committed to achieving long-term meaningful employee engagement                                     |
| <b>Shareholders</b><br>Retail and institutional investors   | <ul style="list-style-type: none"> <li>• Investor relations website</li> <li>• Investor briefings</li> <li>• Meeting and site visits</li> </ul>   | <ul style="list-style-type: none"> <li>• Sustainable financial returns</li> <li>• Transparency</li> <li>• Operational efficiency</li> <li>• Business strategy, risk management and corporate governance</li> <li>• Effective leadership</li> </ul>                   | We provide timely updates on our corporate developments and financial performance. We provide reliable disclosure on our financial statements that are reviewed and audited   |
| <b>Business Associates</b><br>Consultants and contractors who provide materials and services          | <ul style="list-style-type: none"> <li>• Meeting</li> <li>• e-Procurement system</li> <li>• Performance evaluation</li> <li>• Events and campaigns</li> </ul>   | <ul style="list-style-type: none"> <li>• Procurement processes</li> <li>• Health and safety</li> <li>• Job and business opportunities</li> <li>• Quality standard</li> </ul>   | We engage with our business associates to build ethical, trustworthy and conducive business alliances. We demonstrate accountability, integrity and honesty across all our operations and interactions                        |
| <b>Media</b><br>Print and digital media that deliver information to the wider audience                | <ul style="list-style-type: none"> <li>• Press release</li> <li>• Media interview</li> <li>• Media tour</li> <li>• Press conference</li> </ul>  | <ul style="list-style-type: none"> <li>• Strategy and direction</li> <li>• Product launches</li> <li>• Market and industry insights</li> <li>• Job and business opportunities</li> </ul>   | We work closely with the media to inform and ensure that our vision, purpose, policies and practices are channelled accordingly to the public in a consistent and credible manner   |
| <b>Government and Regulatory Authority</b><br>Malaysian and Federal municipal councils and regulators | <ul style="list-style-type: none"> <li>• Meeting</li> <li>• Events</li> <li>• Industry workshops</li> </ul>   | <ul style="list-style-type: none"> <li>• Compliance</li> <li>• Product quality</li> <li>• Affordable housing</li> <li>• Environmental impacts</li> <li>• Regulatory filings and payments</li> <li>• Social contributions</li> </ul>                                  | We provide regular updates and close consultations with the regulatory authorities and local governments. Our aim is to ensure that we are constantly in compliance with the rules and regulations                            |
| <b>Communities</b><br>Local communities who are impacted directly and indirectly by operations        | <ul style="list-style-type: none"> <li>• Meeting</li> <li>• Social media</li> <li>• Collaborations</li> </ul>   | <ul style="list-style-type: none"> <li>• Community development</li> <li>• Health and safety</li> <li>• Location connectivity</li> <li>• Infrastructure improvement</li> <li>• Environmental impacts</li> <li>• Affordable housing</li> <li>• Job creation</li> </ul> | We are committed to building long-term meaningful relationship with the communities we operate in, fostering engagement on social and environmental issues to support their wellbeing and enrich the lives of the communities |

# SUSTAINABILITY STATEMENT

## TRADE MEMBERSHIPS AND ENGAGEMENTS

SkyWorld Development is a member of several industry trade associations and actively engages with various professional organisations to stay informed and up-to-date on market developments and trends. Through these engagements, we collaborate with industry leaders to advocate for sustainable practices and climate action to ensure that we remain closely aligned with the latest industry sustainability commitment.

We are committed to ensuring that our Group’s policies are consistent with the positions adopted by the trade associations we participate in. This commitment aims to avoid any discrepancies between the Group’s stance and those of the associations to enhance the alignment in our approach to sustainability and climate-related matters.

| Associations   | Skyworld Development’s Membership And Contribution  |
|--|---|
| <b>Fédération Internationale des Administrateurs de Bien-Conselis Immobiliers (“FIABCI”)</b> | SkyWorld Development is a proud member of FIABCI, the International Real Estate Federation. Through this membership, SkyWorld Development leverages global networking opportunities, gaining insights into international real estate trends and best practices. The Group actively participates in FIABCI events, sharing knowledge, and engaging in initiatives that promote sustainable and innovative real estate development worldwide. |
| <b>REHDA</b>   | As a member of REHDA, SkyWorld Development actively supports the association’s mission to advocate for sustainable development and green building practices in the Malaysian real estate industry. SkyWorld Development contributes to REHDA’s objectives by participating in policy discussions, industry events, and initiatives aimed at improving the regulatory framework and promoting best practices in property development.        |
| <b>Human Resource Association</b>  | SkyWorld Development’s membership in the Human Resource Association underscores our commitment to excellence in human resource management. By engaging with this association, SkyWorld Development stays abreast of the latest human resource trends, policies, and best practices allowing us to implement innovative human resource strategies that enhance employee engagement, development, and overall organisational performance.     |

## MATERIALITY ASSESSMENT PROCESS

SkyWorld Development’s materiality assessment process is a crucial undertaking to pinpoint the most significant sustainability matters relevant to our operations. This process identifies material matters based on their impacts, considering both the inward impact on the Group’s business and the outward impact on our stakeholders and the environment. These identified matters are inherently important as they directly tie into SkyWorld Development’s overarching sustainability strategy. Our identification approach is designed to ensure the accurate identification of issues critical to the triple bottom line – encompassing economic, environmental, and social aspects – thereby enabling effective management and informed resource allocation. Furthermore, this robust approach allows us to strategically prioritise these key issues, ensuring our efforts are focused on areas where we can make the most meaningful difference.

### Phase 1 Identification of Material Matters

A preliminary list of sustainability matters was identified from:

- the key stakeholder concerns identified during engagement.
- financial and non-financial risks and opportunities within the Group’s operating context.
- sector-specific and common sustainability topics and indicators identified by regulators and global ESG reporting standards.
- an analysis of sustainability matters identified by the Group’s peers.

# SUSTAINABILITY STATEMENT

## Phase 2 Refinement and Categorisation of Material Matters

The sustainability matters identified in Phase 1 were distilled into a list of 22 material topics for assessment, which have been categorised into the following pillars:



### Economic Value

- Economic Performance
- Innovation and Technology
- Product Quality and Customer Satisfaction
- Local Procurement



### Environmental Impact

- Climate Change
- Energy and Emissions Management
- Water Consumption
- Waste Management
- Resource Use
- Biodiversity
- Landbank



### Social Responsibility

- Occupational Health and Safety
- Human and Labour Rights
- Diversity and Equality
- Talent Management
- Local Communities



### Governance Transparency

- Corporate Governance
- Anti-Corruption
- Risk Management
- Regulatory Compliance
- Supply Chain Governance
- Data Privacy and Security

## Phase 3 Assessment and Prioritisation of Material Matters

An online materiality assessment survey was held in FY2023 to gather feedback from the Group's internal and external stakeholders. Respondents were asked to rate the importance of each material sustainability matters to SkyWorld Development's value creation ability, as well as the extent of our environmental and social impacts. Respondents were also asked to rank the importance of the Group's various stakeholders in terms of their ability to impact the organisation.

## Phase 4 Analysis and Creation of Materiality Matrix

The feedback gathered from the survey were tabulated using best practices in statistical analysis that incorporated weighted scores for different respondents' feedback based on their relative importance to the Group. The 22 topics were then plotted on a materiality matrix to determine their relative priority to SkyWorld Development's sustainability agenda.

## Phase 5 Validation and Presentation of Materiality Matrix

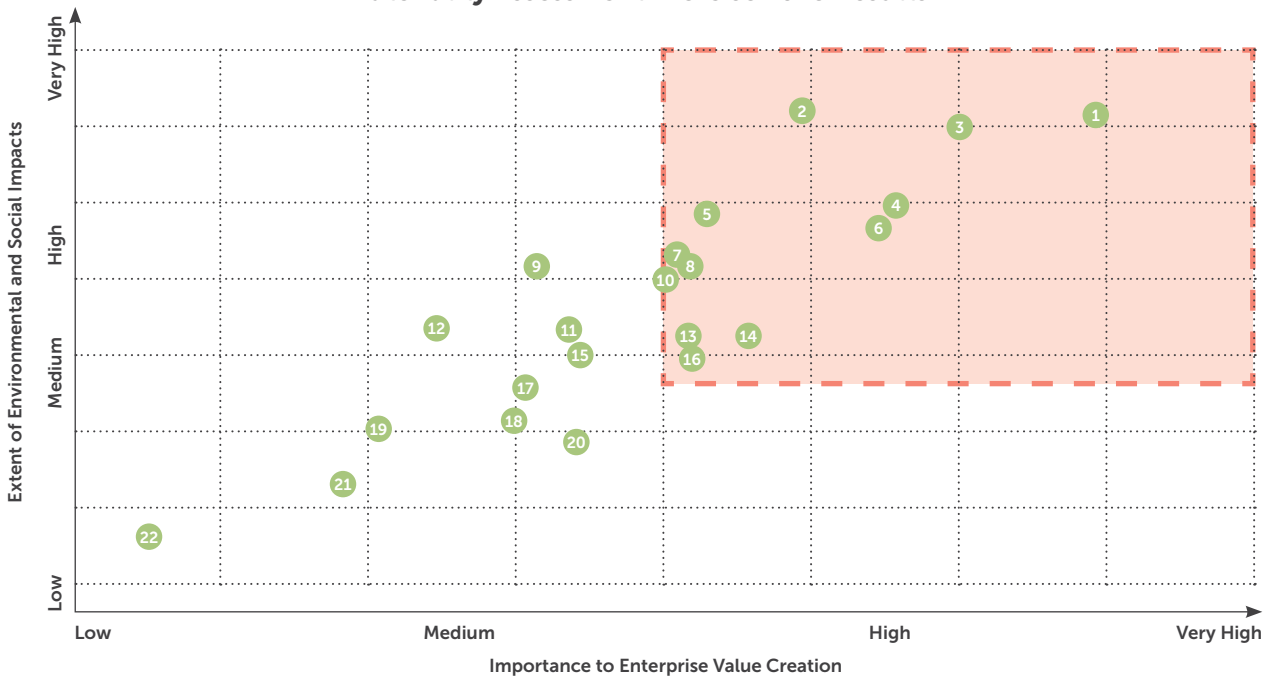
The materiality matrix, as well as additional findings from the materiality assessment survey, were presented to the Board for validation. The materiality matrix has been approved and endorsed by the Board.

# SUSTAINABILITY STATEMENT

## MATERIALITY MATRIX

In FY2025, SkyWorld Development conducted a desktop review of the material topics based on the full materiality assessment results from FY2023. To ensure ongoing alignment with stakeholder interests and operational priorities, a comprehensive materiality assessment will be conducted once every 3 years. The review confirmed that the material matters identified in the previous assessment remain relevant to both stakeholders and our operations. The materiality matrix was approved by the Board on 20 July 2023.

**Materiality Assessment Exercise 2023 Results**



- |   |                             |
|---|-----------------------------|
| ① Product Quality and Customer Satisfaction | ⑬ Diversity and Equality    |
| ② Anti-Corruption                           | ⑭ Talent Management         |
| ③ Occupational Health and Safety            | ⑮ Resource Use              |
| ④ Data Privacy and Security                 | ⑯ Economic Performance      |
| ⑤ Risk Management                           | ⑰ Water Consumption         |
| ⑥ Human and Labour Rights                   | ⑱ Innovation and Technology |
| ⑦ Local Communities                         | ⑲ Biodiversity              |
| ⑧ Regulatory Compliance                     | ⑳ Landbank                  |
| ⑨ Corporate Governance                      | ㉑ Supply Chain Governance   |
| ⑩ Waste Management                          | ㉒ Local Procurement         |
| ⑪ Energy and Emissions Management           |                             |
| ⑫ Climate Change                            |                             |

Note: Material topic number 15, Resource Consumption, has been revised to "Resource Use" to ensure better alignment with the Group's business operations and relevant reporting frameworks.

# SUSTAINABILITY STATEMENT

## ECONOMIC VALUE

SkyWorld Development is committed to responsible business practices as we pursue financial growth, and these efforts collectively contribute to sustainable value creation. Strategically, SkyWorld Development focuses on creating and sustaining economic value through various avenues. Prioritising strong economic performance ensures the Group's long-term financial stability, while the integration of innovation and technology enhances efficiency and competitiveness. A steadfast commitment to product quality and customer satisfaction enables the delivery of award-winning products that effectively meet customer needs. Furthermore, SkyWorld Development emphasises local procurement to actively support the economic advancement of the communities in which it operates.

### MATERIAL TOPICS



### UNSDGs ALIGNMENT

|  |  |   |
|--|--|---|
|  | <b>Goal 8: Decent Work and Economic Growth</b>         | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. |
|  | <b>Goal 9: Industry, Innovation and Infrastructure</b> | Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.            |
|  | <b>Goal 10: Reduced Inequalities</b>                   | Reduce inequality within and among countries.   |
|  | <b>Goal 11: Sustainable Cities and Communities</b>     | Make cities and human settlements inclusive, safe, resilient and sustainable.   |

# SUSTAINABILITY STATEMENT

## ECONOMIC PERFORMANCE

SkyWorld Development's commitment to enhancing financial value for our stakeholders underscores the fundamental importance of strong economic performance to the organisation. Robust economic performance is not merely a desirable outcome but a necessity for SkyWorld Development's sustained growth and operational capabilities. It provides the financial foundation for future developments, allows for strategic investments, and ultimately enables the Company to deliver on our promises to our stakeholders. Moreover, this financial strength allows SkyWorld Development the capacity to strategically plan and integrate comprehensive ESG considerations into our core business operations and future growth strategies.

| Economic Value Distribution (RM'000)               | FY2025         | FY2024         | FY2023         |
|--|----------------|----------------|----------------|
| Total Monetary Value / Spend on Procurement        | 367,020        | 470,405        | 563,253        |
| Total Payout to Employees in Salaries and Benefits | 45,092         | 45,547         | 46,211         |
| Net Taxes Paid to Government                       | 36,123         | 42,797         | 79,234         |
| Net Repayments to Financiers                       | 41,409         | 14,439         | (144,777)      |
| Dividend Returns to Shareholders                   | 15,000         | 42,500         | -              |
| <b>Total</b>                                       | <b>504,644</b> | <b>615,688</b> | <b>543,921</b> |

## INDIRECT ECONOMIC IMPACT

SkyWorld Development actively manages our operations to generate significant socio-economic multiplier effects for our diverse stakeholders. This is achieved through several key avenues. Firstly, the Company's developments directly contribute to job creation during both the construction and operational phases. Secondly, SkyWorld Development fosters supply chain value creation by engaging with a wide range of local businesses and suppliers, thereby stimulating economic activity within the region. Furthermore, the Company strives to provide consistent and healthy shareholders' returns, ensuring financial benefits for our investors. Finally, SkyWorld's Developments play a crucial role in city development, contributing to the urban landscape and often acting as catalysts for further economic and social growth in their vicinities.

## INFRASTRUCTURE ENHANCEMENT

SkyWorld Development has undertaken significant infrastructure projects that provide both direct and indirect benefits to our stakeholders and the wider community.

- Road expansion initiatives have been implemented to ease traffic flow, improving accessibility for residents and commuters.
- Temporary car parks built to address the issue of illegal parking.
- The creation of a central park provides valuable green space for recreation and enhances the overall quality of life for the community.
- River diversion projects invested to mitigate flood risks, protecting properties and ensuring the safety of residents.

# SUSTAINABILITY STATEMENT

## SkyArena Sports Complex

The largest multi-level and multi-function sports complex in Malaysia, offers a safe and controlled environment for community sport activities and serves as a venue for hosting events. This iconic development has also garnered significant recognition, winning 3 prestigious awards including the Best Public Architecture Award for Asia Pacific and the WOW Award for the Most Iconic Development at the Star Property Awards 2020.

To accommodate over 2,000 residents living in SkyArena, the Group has been working on the expansion of Jalan Ayer by one and a half times its original width. This initiative provides greater road access to SkyArena residents and visitors, reducing congestion along the 2 km stretch in front of SkyArena which will connect to Jalan Genting Kelang and the DUKE Highway, and providing direct access from Jalan Genting Kelang connecting directly to Jalan Ayer Jerneh through a 1km flyover.

## SkyBridge

SkyBridge was built to enhance connectivity and indirectly stimulate the local economy by improving access to community spaces, potentially increasing foot traffic and benefiting nearby businesses. Furthermore, by easing traffic congestion, particularly during peak hours, SkyBridge contributes to smoother commutes and potentially reduces lost productivity for businesses and individuals in the area.

Additionally, we prioritise the development of transit-oriented adjacent properties during design and development stages, such as SkyMeridien Residences, to ensure the proximity to public transportation. This strategic focus enhances accessibility to allow residents to conveniently connect to a wide range of amenities beyond the immediate vicinity of our developments. The Group's developments have both current and expected impacts on the communities and the local economy. A notable positive impact is SAMA Square, SkyWorld Development's first 24-hour lifestyle hub, which contributes to job creation by providing employment opportunities for local residents. It also fosters an ecosystem that offers convenience and amenities for the surrounding community, enhancing their daily lives. However, SkyWorld Development acknowledges potential negative impacts associated with our developments, such as high-density development, which can sometimes strain local resources and infrastructure. The Company is also mindful of potential environmental impacts that may arise from our construction activities and is expected to implement measures to mitigate these concerns. This balanced view reflects SkyWorld Development's understanding of our role within the broader community and its commitment to considering both the positive and negative consequences of our developments.

## CHAMPIONING AFFORDABLE AND SUSTAINABLE HOMEOWNERSHIP

SkyWorld Development recognises our role in contributing to broader economic and social well-being beyond direct financial metrics. A key aspect of this is the commitment to providing quality affordable homes, creating an opportunity for individuals and families in lower-than-average income groups to achieve homeownership. This not only improves their quality of life but also fosters economic stability within the community.

Notably, SkyWorld Development's upcoming Penang development stands as our largest affordable housing initiative in Malaysia, underscoring our commitment to both affordability and sustainable construction practices, thereby striving to deliver broader economic and environmental benefits.

# SUSTAINABILITY STATEMENT

## Case Study Championing Urban Regeneration at SkyArena



Since our first project launch in year 2014, SkyWorld Development has consistently focused on our development process on the urban regeneration of mature neighbourhoods across Kuala Lumpur such as Setapak, Sentul, Setiawangsa, Taman Desa, and Bukit Jalil.

Driven by a clear strategic blueprint centred on quality, affordability, and sustainability that integrate innovative technologies, sustainable building practices, community enrichment and smart living infrastructure, the Group has delivered more than 11,154 units of high-quality residential and commercial properties, elevating urban living standards in the Klang Valley.



# SUSTAINABILITY STATEMENT



Ascenda Residences, SkyArena



Curvo Residences, SkyArena

## Placemaking for Urban Regeneration

One standout example of SkyWorld Development's urban regeneration approach is SkyArena, a comprehensive 28-acre integrated township situated in Setapak, Kuala Lumpur. Historically perceived as a "lao ren cun" ("old people village" in Chinese) from its inception as a tin mining and rubber plantation town, Setapak faced challenges of declining attractiveness and diminishing property values due to its ageing demographics, traditional landed properties, and limited appeal to younger generations.

Recognising the potential for transformation due to its proximity to Kuala Lumpur's city centre, SkyWorld Development strategically launched our landmark SkyArena development in Setapak, envisioning it as an integrated development with a Gross Development Value ("GDV") of approximately RM2.3 billion. Featuring modern high-rise residences, expansive green spaces, and state-of-the-art recreational facilities designed explicitly for active, healthy living, the SkyArena development was conceived strategically to attract young families, professionals, and local upgraders, with the aim to rejuvenate Setapak's demographics and reshape the residents' lifestyle aspirations.

# SUSTAINABILITY STATEMENT



The multi-phase development is 8 years in the making. Since the initial launch of Ascenda Residences in year 2014, SkyArena has evolved to include Bennington Residences, and the ongoing Curvo Residences – all renowned for their quality and innovative design.

Notably, SkyArena also features Kuala Lumpur’s largest integrated multi-level sports complex, boasting Olympic-standard swimming pools, professional-grade sports courts, fitness facilities, and community event spaces, offering exceptional recreational and wellness opportunities for residents of all ages that earned it an impressive GLASSIC score of 81%.



SkyArena Sports Complex

Additionally, SkyWorld Development has committed substantial investments towards infrastructure enhancements around SkyArena. The project to widen Jalan Ayer Jerneh and construct a dedicated flyover significantly improved the area’s connectivity and alleviated local traffic congestion. These infrastructure upgrades have further elevated Setapak’s economic landscape.



# SUSTAINABILITY STATEMENT



These strategic investments to meet community needs have helped reshape local perceptions of Setapak, attracting younger generations back into the community. Notably, the majority of purchasers at SkyArena are upgraders from the area, representing a triumph in urban regeneration which focuses on creating a vibrant ecosystem tailored to the needs of existing residents without displacing them, while attracting new families and professionals to uplift the local living standards. By providing modern residences equipped with cutting-edge amenities and fostering a sense of belonging through expansive green spaces and world-class recreational facilities, SkyArena is proving to be a catalyst for positive transformation.



## Recognition for Sustainable Urban Regeneration

SkyArena’s transformative impact has not gone unnoticed, earning The Edge Malaysia Excellence in Place Regeneration Award in 2022. This recognition underscores SkyWorld Development’s successful role in rejuvenating Setapak into a vibrant, desirable urban location.

Looking ahead, SkyWorld Development continues to embed our proven principles of urban regeneration – such as quality workmanship, innovative design, sustainability, and active community engagement – across all ongoing and future developments, ensuring a lasting positive legacy for Kuala Lumpur’s urban communities.

# SUSTAINABILITY STATEMENT

## INNOVATION AND TECHNOLOGY

Innovation and technology are at the core of SkyWorld Development's strategy, serving as crucial drivers for achieving business objectives and staying competitive in the dynamic property development landscape. By embracing cutting-edge solutions, SkyWorld Development enhances our operational efficiency, unlocks new avenues for value creation, and ultimately delivers superior customer experiences.

A key aspect of this is the implementation of Building Information Modelling ("BIM"), which facilitates efficient design and construction processes across a majority of our developments. Complementing BIM is the adoption of PPVC in the upcoming Penang development, enabling SkyWorld Development to maintain consistently high-quality standards while significantly accelerating development timelines through its highly automated process. Furthermore, this approach offers significant benefits, including a reduction in air and noise pollution for the surrounding community – a crucial consideration for an urban developer surrounded by mature developments. PPVC also contributes to reduced construction waste and a safer working environment for workers. The synergy between BIM and PPVC not only allows for greater scalability in operations but also provides the agility needed to adapt to daily operational demands effectively.

This strategic embrace of innovation and technology yields significant positive effects, including a substantial boost to business performance and operational efficiency. It opens new avenues for value creation by fostering the development of innovative value propositions and enhancing the overall customer experience.

Furthermore, the integration of technology advances SkyWorld Development's sustainability efforts through data analytics, enabling better monitoring, analysis, and reduction of energy consumption. Automation facilitated by PPVC further enhances resource use efficiency, minimises waste generation, improves construction timelines, and reduces the reliance on manual labour, ultimately contributing to a more sustainable and productive development process.

## PRODUCT QUALITY AND CUSTOMER SATISFACTION

SkyWorld Development is deeply committed to delivering high-quality products, recognising the immediate economic value and the long-term benefits of cultivating lasting customer relationships and enhancing customer satisfaction, while contributing to the broader sustainability goals. By focusing on quality products and services, SkyWorld Development actively supports SDG 3 (Good Health and Wellbeing) through environmental comfort considerations, SDG 6 (Clean Water and Sanitation) with decent water supply and discharge systems, SDG 7 (Affordable and Clean Energy) through accessible pricing strategies, and SDG 11 (Sustainable Cities and communities) by utilising durable materials and workmanship to minimise material wastage and the need for repeated repairs.

As part of our efforts to improve product quality, we take measures to ensure that our projects feature various accessibility options to accommodate a wider array of customers. This includes the provision of accessible infrastructure, such as ramps and lifts, to provide disabled persons access across all of our properties (100% of existing projects), allowing every person to navigate our developments with ease.



EdgeWood Residences



SkyVogue Residences



SkyVogue Residences

# SUSTAINABILITY STATEMENT

## QLASSIC

The Product Department’s Project Management Office Unit holds the primary accountability for project quality throughout the development lifecycle. Simultaneously, the Customer Advocacy Department’s Customer Relations Unit is directly responsible for ensuring and enhancing customer satisfaction. To provide an independent layer of oversight and ensure adherence to quality standards, the Project Audit Unit, an independent unit, conducts random inspections on project quality, utilising the QLASSIC standard as a benchmark for assessment.

SkyWorld Development employs a comprehensive strategy to ensure product quality and customer satisfaction. The Group has invested RM3.8 million to set up a 13,000 sq ft facility called the SkyWorld Quality Centre to showcase the quality of construction of our developments. The SkyWorld Quality Centre was also established as a training ground for SkyWorld Development’s staff, as well as a sharing hub for our consultants and engineers, university students, prospective homebuyers and also for the public who want to know more about the various aspects of construction quality.

|   |  |   |   |
|---|--|---|---|
| <p><b>Concept Stage</b></p> <p>Top-tier quality standards are set, including achieving specific QLASSIC scores for different product series and adhering to in-house SkyWorld Healthy Home and good practice design guidelines.</p> | <p><b>Planning Stage</b></p> <p>Award-winning expectations are determined together with in-house design audits, and engaging third parties for design assessment and BIM clash analysis.</p> | <p><b>Implementation Stage</b></p> <p>The Group utilises Inspection Test Plans (“ITP”) and conducts Project Quality Inspections (PQI) based on QLASSIC standards, mandating rectification for any substandard work.</p> | <p><b>Project Completion</b></p> <p>During the handover and defect liability period, we conduct thorough house tours with owners, educating them on reporting defects through their community app, SkyWorld Connects 2.0, ensuring ongoing support and addressing any concerns.</p> |
|---|--|---|---|

SkyWorld Development has a strong vision for quality control in all of our developments, demonstrated by our commitment to achieving QLASSIC certification by Construction Industry Development Berhad (“CIDB”) since our very first development in year 2014. We are aiming for at least 75% of the QLASSIC score for our mid-range products under SkySignature series and a minimum of 70% for our affordable series products - SkyAwani.

| Build Quality Data                           | Name of Development |                  |                     |                     |
|--|---------------------|------------------|---------------------|---------------------|
|  | Vesta Residences    | Curvo Residences | EdgeWood Residences | SkyVogue Residences |
| QLASSIC Score                                | -                   | -                | 86                  | 84                  |
| Industrialised Building System (“IBS”) Score | 53                  | 72               | 51                  | 64                  |

Note:

- Vesta Residences and Curvo Residences have not been assessed for the QLASSIC score as they are still under construction. The assessments will be conducted prior to the project handover.

# SUSTAINABILITY STATEMENT

## INNOVATING URBAN LIVING

At SkyWorld Development, our Research and Development Unit plays an important role in driving innovation and ensuring the sustainability of our developments. With each new development, SkyWorld Development reinforces its vision—delivering homes that seamlessly integrate quality, innovation, and affordability, while shaping the future of city living for generations to come. Two key initiatives implemented in FY2025 exemplify our commitment by prioritising both sustainability and advanced construction practices.

### SkyWorld Healthy Home

Our SkyWorld Healthy Home initiative is a long-term strategy rooted in four fundamental pillars:

#### Elements of SkyWorld Healthy Home



Each of these pillars is carefully prioritised to create environments that support both physical and mental well-being.

Through this initiative, we focus on sustainable building practices and passive design principles that encourage healthier, more balanced lifestyles. By integrating these core elements, we are committed to delivering not just quality homes, but a higher standard of healthy living.

Beyond these pillars, we've incorporated thoughtful enhancements that further elevate the urban living experience. Our developments feature energy-efficient design solutions that reduce heat gain and optimise thermal comfort, eco-friendly materials that minimise environmental impact, and advanced soundproofing technologies that ensure a quieter, more peaceful home environment. Together, these elements form a holistic approach to wellness, sustainability, and long-term liveability.

EdgeWood Residences stands as a prime example of our commitment to these principles, demonstrating how innovative design can support healthier living. As our Healthy Home initiative continues to evolve, we remain deeply committed to making sustainable and wellness-focused living accessible to all including through our affordable housing schemes. Backed by measurable outcomes and recognised green certifications, our Healthy Home vision reflects our mission to shape the future of urban living, creating homes that unite quality, innovation, and well-being for generations to come.

Looking ahead, SkyWorld Development plans to uphold our existing high-quality standards while actively pursuing more innovative design features by refining the internal quality audit system, and investing in our initiatives include exploring new and sustainable construction technologies to replace labour-intensive methods, aiming for reduced environmental impact, less air pollution on project sites, and improved health and well-being for workers.

# SUSTAINABILITY STATEMENT

## CUSTOMER SATISFACTION AND COMPLAINTS

At SkyWorld Development, understanding and enhancing customer satisfaction is a key priority. Our focus areas include measuring customer opinions and perceptions across various touchpoints such as purchase experience, service level, experience with the SkyWorld Connects app, product quality and design, and overall living experience. To further gauge customer experience and loyalty, we utilise the Net Promoter Score (“NPS”) as a crucial metric.

Our customer satisfaction survey framework involves conducting Pre-Vacant Possession and Post-VP assessments annually for each development, with Handing Over Vacant Possession surveys conducted specifically during the development handover period. Following the handover, SkyWorld Development implements a Customer Experience and Perception (CEP) for each development, which includes regular surveys taken during the program’s activities, averaging between 12 to 16 programmes annually.

In FY2025, SkyWorld Development demonstrated exceptional customer satisfaction with a satisfaction rate of 99%.

| Customer Satisfaction and Complaints        | FY2025    | FY2024    | FY2023    |
|---|-----------|-----------|-----------|
| NPS (%)                                     | 77        | 87        | 92        |
| Customer Satisfaction Scores (%)            | 99.0      | 97.7      | 98.2      |
| Customer Complaints Received                | 512 cases | 262 cases | 344 cases |
| Customer Complaints Resolved                | 512 cases | 254 cases | 341 cases |
| Number of Complaints from Regulatory Bodies | 0 cases   | 8 cases   | 3 cases   |

SkyWorld Development’s dedication to product quality and customer satisfaction is consistently recognised through prestigious industry awards in FY2025. Please refer to Page 11 for more information.



# SUSTAINABILITY STATEMENT

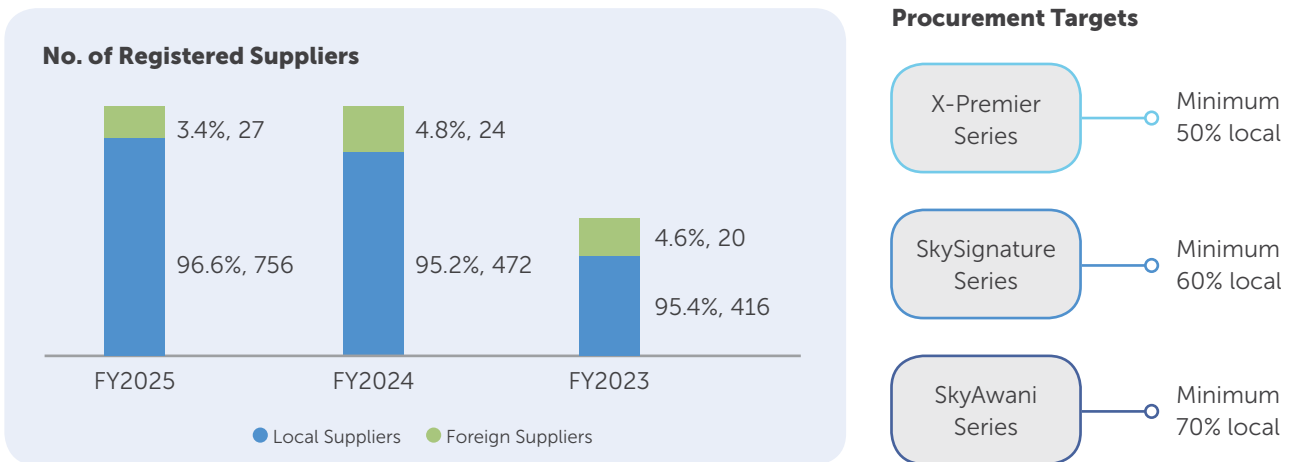
## LOCAL PROCUREMENT

Local procurement is defined as goods or services provided by local vendors to the developer. SkyWorld Development is committed to prioritising local procurement by utilising materials and products from local vendors wherever feasible. Exceptions to this commitment are made when local options are unable to meet specific requirements, which include developments such as the upcoming X-Premier Series, which represents SkyWorld Development’s premium residential offering, featuring strategically selected imported materials to meet the discerning expectations of this niche market segment, and the imported mild steel moulds required for the setting up of our PPVC factory.

By prioritising local vendors, the Company contributes to the nation’s economic advancement through the reduction of currency outflows and the creation of job vacancies for local residents. Operationally, sourcing locally can significantly reduce construction delays due to more timely deliveries, which in turn helps to mitigate cost fluctuations between the tender and delivery phases, providing greater stability to the construction budget.

The CEO oversees the overall local procurement strategy, with consensus to be reached between the CEO, Product Head, and Operations Head. The Contract Unit under the Operation Department, in close collaboration with the Product Department, is responsible for handling the operational aspects of local procurement, which operates as a centralised department.

To support and develop local procurement and the local value chain, the organisation follows a process that includes working out estimated materials costs and then separately apportioning local and imported materials.



| Procurement Spend (RM'000)                | FY2025  | FY2024  | FY2023  |
|---|---------|---------|---------|
| Total Procurement Spending                | 367,020 | 470,405 | 563,253 |
| Total Local Procurement Spending          | 366,967 | 470,296 | 563,203 |
| Total Foreign Procurement Spending        | 53      | 108     | 50      |
| Proportion of Spending on Local Suppliers | 99.99%  | 99.98%  | 99.99%  |

SkyWorld Development has demonstrated strong performance in driving our local procurement agenda. In FY2025, 99.99% of the Group’s total procurement was directed towards local suppliers, underscoring the Company’s commitment in this area. Further evidence of this success is the fact that 756 out of a total of 783 suppliers are local businesses, constituting 96.6% of the Group’s overall supplier network. This highlights the significant role local vendors play in SkyWorld Development’s procurement strategy.

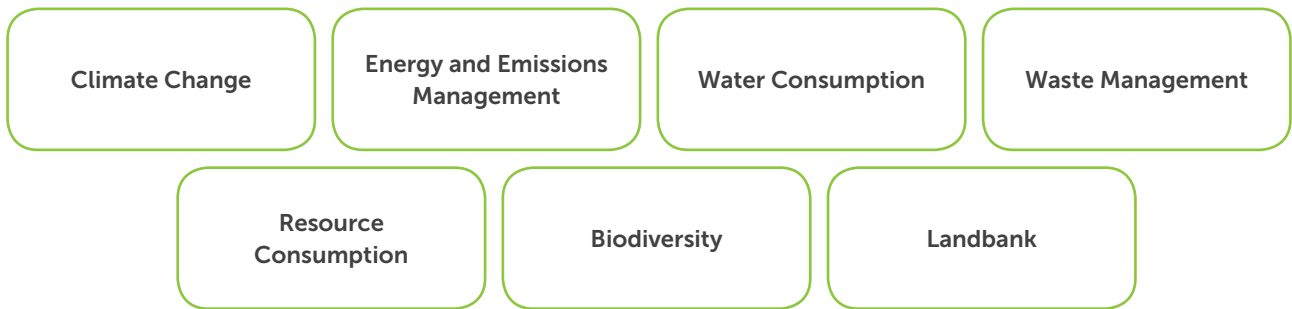
# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL IMPACT

SkyWorld Development is committed to addressing climate change through strategic actions aimed at enhancing energy efficiency and resource optimisation across all our operations. In FY2024, we adopted the TCFD framework to improve climate risk management and disclosure practices. To further strengthen our sustainability efforts, we updated and published the Group Sustainability and Climate Change Policy in FY2025, to reinforce our commitment to sustainable practices and climate adaptation.

Additionally, our commitment to maintaining the highest standards of environmental stewardship extends to numerous initiatives impacting our waste management, resource use, water use and discharge, and biodiversity protection. For instance, SkyWorld Development's Environmental Management System, which complies with ISO14001, has been applied to 100% of our completed, ongoing, and new developments as of FY2025.

### MATERIAL TOPICS



### UNSDGs ALIGNMENT

- Goal 9: Industry, Innovation and Infrastructure**

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.
- Goal 11: Sustainable Cities and Communities**

Make cities and human settlements inclusive, safe, resilient and sustainable.
- Goal 13: Climate Action**

Take urgent action to combat climate change and its impacts.
- Goal 15: Life on Land**

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

# SUSTAINABILITY STATEMENT

## CLIMATE CHANGE

SkyWorld Development is deeply committed to supporting Malaysia's Nationally Determined Contributions ("NDCs"), the Kyoto Protocol, and the Paris Agreement in our efforts to combat climate change. As a responsible urban developer, we recognise the critical need for climate adaptation and mitigation strategies to ensure our operations are sustainable and resilient in the face of growing environmental challenges.

In line with our commitment to sustainability, we have been an official supporter of the TCFD framework since FY2024. We are committed to continue aligning our climate-related disclosures to the recommendations of the TCFD. This framework guides our efforts to enhance climate risk management and improve the transparency of our climate-related disclosures, allowing us to assess and respond to both climate risks and opportunities across our developments.



## CLIMATE ADAPTATION AND MITIGATION

SkyWorld Development integrates climate adaptation and mitigation strategies to enhance energy efficiency and resource optimisation across our operations. We are enhancing our data collection processes to ensure accurate tracking and reporting. Our approach includes adopting renewable energy, implementing green building practices, green certifications, green space allocations, and the installation of EV infrastructure and integrating energy-efficient fixtures.

Furthermore, we established the Group Sustainability and Climate Change Policy in FY2025 to better integrate and align EESG considerations into the Company's operations, ensuring that sustainability is embedded at every level.

Recognising the importance of continuous learning, we invested in a climate change workshop to strengthen our internal capabilities and identify our physical and transitional climate change risks and opportunities with the guidance from external ESG consultant and participated by our Management and the Heads of the Group's various operations.

Invested **RM18,773** to conduct climate workshop as of FY2025

Beyond these overarching strategies, we are also integrating sustainable design elements into our developments, such as:

- Motion sensor lighting
- LED light fittings
- Energy-efficient air conditioners
- Energy-saving regenerative lifts
- EV charging bays
- Tinted glass

These features are part of SkyWorld Development's Energy Management System, which incorporates smart meters installed in relevant areas to monitor and optimise energy consumption. Since year 2020, all common areas in our developments have been equipped with full LED lighting to further enhance energy efficiency across our portfolio.

# SUSTAINABILITY STATEMENT

## Development Highlight Vesta Residences Sustainability Features

To demonstrate one of the Group’s best sustainability developments, several climate mitigation and adaptations measures are currently being implemented at our Vesta Residences development:

- Mandating the use of architectural materials that comply with the local code and standards for Residential Envelope Transmittance Value, roof insulation applications, and hardscape and roof applications
- Selecting materials that are low in Volatile Organic Compounds and formaldehyde for adhesives, sealants, interior paints and coatings, and flooring
- Installation of water efficient fittings, water usage monitoring devices, rainwater harvesting systems and siphonic rainwater discharge systems
- Selecting drought-tolerant plant species for landscaping
- Selecting energy-efficient lifts/vertical transportation systems
- Empowering low carbon mobility through masterplanning, installation of EV charging stations, and provision of bicycle parking lots
- Mandating the installation of Solar Photovoltaic systems to cover at least 30% of total roof area
- Installing pneumatic waste collection system to ensure efficient waste management for residents
- Requiring indoor environmental quality verification such as air quality, noise level, daylighting and artificial lighting system
- Reducing soil and air-borne pollution caused by construction activities by preparing Erosion and Sedimentation Control Plan in compliance with Manual Saliran Mesra Alam (“MSMA”, or Urban Stormwater Management Manual) requirement before construction commencement
- Monitoring of electricity, water and fuel consumption efficiency throughout construction
- Tracking waste generated and sent for recycling during construction

## FUTURE DEVELOPMENT PLANS

As we continue to innovate and advance our sustainability goals, we have set clear targets for our future developments. We aim to achieve 90% of common areas to be designed with natural ventilation and approximately 75% of habitable space exposed to natural daylight.

Every housing unit from each development will feature a minimum of 3 natural cross-ventilation openings, which will help cool down the unit naturally and reduce the need for air conditioning. Computer simulations will be employed to refine tower positioning to maximise the use of natural resources to cool the living environment.

## CLIMATE ACTION THROUGH COMMITMENTS AND COLLABORATIONS

To ensure effective climate action management, we are committed to establishing quantitative GHG emissions reduction targets and are enhancing our data collection processes to support this. These targets and initiatives serve to align our climate change journey with Malaysia’s Net Zero aspirations, supporting the National Energy Transition Roadmap (“NETR”), Low Carbon Cities Framework (“LCCF”), and the National Low Carbon Cities Masterplan.

Additionally, SkyWorld Development is also catalysing climate action through memberships in organisations that share knowledge and best practices on green energy transition, green building, and emissions reduction. We are committed to take appropriate action to ensure consistency between our climate change policy and the positions taken by our trade associations. At the moment, SkyWorld Development has deemed our trade associations’ position on climate change to be aligned with ours.



REHDA actively supports climate action and sustainable practices through collaborations with developers and government agencies to create a more conducive environment within the real estate and construction industry. Skyworld Development has embraced REHDA’s green building and carbonating tool, GreenRE, with a commitment to have all new launched High-Rise Developments in Malaysia within each financial year to be green building certified.

# SUSTAINABILITY STATEMENT

## ENERGY AND EMISSIONS MANAGEMENT

As a real estate developer, SkyWorld Development recognises the significant impact of energy consumption and emissions in the built environment. From construction activities to building operations, the industry is energy-intensive, contributing to carbon emissions and environmental degradation. As cities grow, the demand for energy-efficient and low-carbon developments increases, making it essential for us to integrate sustainable energy solutions and reduce reliance on conventional power sources.

To drive this transition, SkyWorld Development has a dedicated Research and Development unit to explore renewable energy adoption. This initiative aims to reduce reliance on diesel and electricity from national grids while enhancing energy efficiency across our operations. In line with this, we have implemented several measures at our headquarter ("HQ") to enhance energy efficiency. 30% of the HQ has adopted a smart system to manage electricity usage by incorporating motion sensors and meeting room booking system; 75% of the HQ is equipped with sub-meters to monitor energy consumption on each floor and encourage energy-saving actions where needed. Furthermore, we have installed LED light fittings in 95% of the HQ space, significantly improving the overall energy efficiency of the HQ building. We plan to expand the coverage of smart systems to further control electricity usage within the building, including motion sensors and meeting room booking systems. These targets will be tracked and assessed annually to monitor our progress and ensure we are achieving our sustainability objectives. The KPIs will be reviewed and reported on in FY2025 to confirm the extent of these goals' fulfilment.

Beyond operational improvements, we are committed to incorporating renewable energy across our developments, such as Vesta Residences, Curvo Residences and the upcoming development, SkyRia Residences, which are planning to install solar panels and utilise renewable energy sources to further reduce dependence on non-renewable energy sources.

Building Management Systems are implemented in some of our properties such as SkyLuxe on the Park Residences, SkyAwani Residences, SkyAwani IV Residences, Ascenda Residences, and SkyMeridien Residences with systems in place measuring energy efficiency to optimise building performance. Ongoing developments are meticulously designed with LED light fittings and distinct electrical wire circuits, ensuring minimal use of artificial lighting during peak and off-peak hours through well-defined zoning. In addition, completed property developments have been retrofitted with LED light fittings in the car park podium areas, effectively reducing overall electricity consumption.

## PRIORITISING ENERGY EFFICIENCY

As construction activities intensify, managing and optimising energy consumption remains a key focus at SkyWorld Development. Despite the increased energy demands due to expansion, SkyWorld Development strives to enhance operational efficiency.

In FY2025, diesel consumption increased to 252,380 litres. This is primarily due to the rise in construction activities, reflecting the higher operational demands of ongoing developments.

Similarly, electricity consumption reached 812,499 kWh, marking a 9.4% increase compared to FY2024. Despite the higher energy demand driven by the expansion of construction activities, SkyWorld Development has effectively controlled the growth of electricity consumption, keeping the increase below 10%, which demonstrates efficient energy management amidst more intensive construction activities.

# SUSTAINABILITY STATEMENT

| Diesel Consumption (in Litres) | FY2025         | FY2024        | FY2023     |
|--------------------------------|----------------|---------------|------------|
| Development Sites:             |                |               |            |
| EdgeWood Residences            | 25,880         | 765           | 656        |
| Curvo Residences               | 194,000        | 60,000        | -          |
| Vesta Residences               | 32,500         | 3,200         | -          |
| <b>Total</b>                   | <b>252,380</b> | <b>63,965</b> | <b>656</b> |

| Total Electricity Consumption (in kWh)          | FY2025         | FY2024         | FY2023         |
|---|----------------|----------------|----------------|
| Sales Galleries:                                |                |                |                |
| Setiawangsa                                     | 111,561        | 135,659        | 118,543        |
| Setapak   | 401,101        | 407,860        | 337,424        |
| HQ  | 299,837        | 199,520        | 148,150        |
| <b>Total</b>                                    | <b>812,499</b> | <b>743,039</b> | <b>604,117</b> |
| Like-for-like change in electricity consumption | 9.4%           | 23.0%          | 5.3%           |

Note: Electricity consumption data is calculated based on the utility bill from Tenaga Nasional Berhad (TNB).

| Energy Intensity             | FY2025   | FY2024  | FY2023  |
|------------------------------|----------|---------|---------|
| Total Energy (GJ)            | 11,929.8 | 4,957.2 | 2,198.2 |
| Group Revenue (RM'mil)       | 445.5    | 688.0   | 841.4   |
| Energy Intensity (GJ/RM'mil) | 26.8     | 7.2     | 2.6     |

Note:

- The energy data above is scoped to the EdgeWood Residences, Curvo Residences, and Vesta Residences development sites, the Setiawangsa and Setapak Sales Galleries, and HQ only.

However, the energy intensity showed a significant increase due to a decline in revenue compared to the previous year. While energy consumption rose, the lower revenue base led to a higher energy intensity. We have implemented ongoing efforts to improve energy efficiency and control consumption, especially as construction activity continues to drive energy demand.

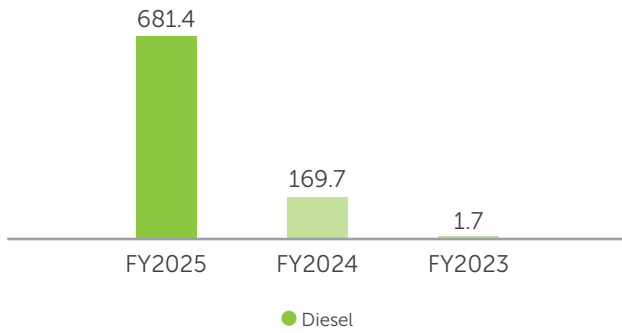
## MINIMISING GHG EMISSIONS

In FY2025, SkyWorld Development's total Scope 1, 2, and 3 emissions amounted to 1,566.4 tonnes CO<sub>2</sub>e, reflecting a combination of changes across different emission scopes.

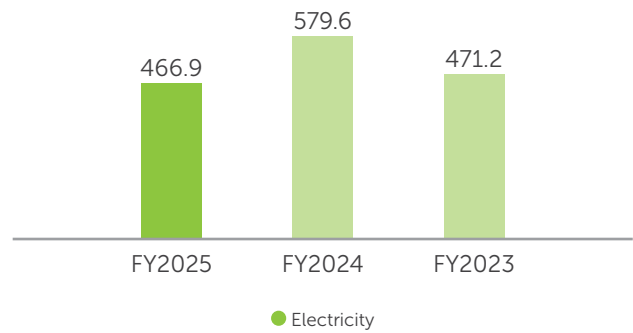
Scope 1 emissions increased to 681.4 tonnes CO<sub>2</sub>e, primarily due to the rise in diesel usage linked to the expansion of construction activities. This increase highlights the growing operational demands, though efforts are being made to improve fuel efficiency and reduce emissions in the future. In contrast, Scope 2 emissions decreased to 466.9 tonnes CO<sub>2</sub>e; Scope 3 emissions decreased to 418.11 tonnes CO<sub>2</sub>e. This reduction indicates that SkyWorld Development has effectively implemented energy-efficient measures, contributing to lower electricity usage and minimising our indirect emissions, particularly through strategies aimed at reducing waste and promoting more sustainable travel and commuting practices.

# SUSTAINABILITY STATEMENT

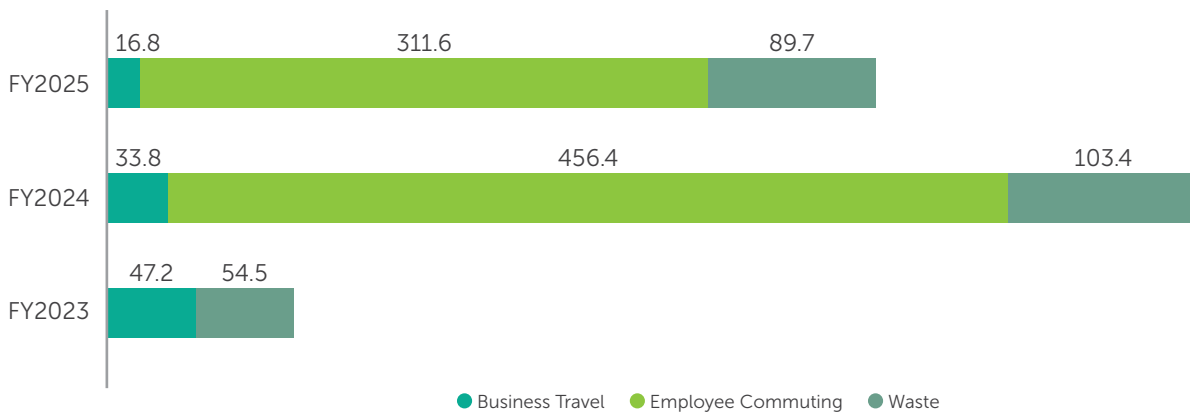
## Total Scope 1 (Tonnes CO<sub>2</sub>e)



## Total Scope 2 (Tonnes CO<sub>2</sub>e)



## Total Scope 3 (Tonnes CO<sub>2</sub>e)



| Emission Intensity                             | FY2025  | FY2024  | FY2023 |
|--|---------|---------|--------|
| Total Scope 1 Emissions (tCO <sub>2</sub> e)   | 681.4   | 169.7   | 1.7    |
| Total Scope 2 Emissions (tCO <sub>2</sub> e)   | 466.9   | 579.6   | 471.2  |
| Total Scope 3 Emissions (tCO <sub>2</sub> e)   | 418.1   | 593.6   | 101.7  |
| Total Emission (tCO <sub>2</sub> e)            | 1,566.4 | 1,342.9 | 574.6  |
| Group Revenue (RM'mil)                         | 445.5   | 688.0   | 841.4  |
| Emission Intensity (tCO <sub>2</sub> e/RM'mil) | 3.5     | 2.0     | 0.7    |

Notes:

- Total emission is calculated based on the subtotal of total Scope 1, Scope 2, and Scope 3.
- The emission factor used to calculate SkyWorld Development's carbon emissions is based on U.S. Environmental Protection Agency GHG Emission Factors Hub, United Nations Framework Convention on Climate Change Harmonised Grid Factors 2021, and Intergovernmental Panel on Climate Change database.
- Waste emission data is calculated based on the emission factor of Commercial and Industrial Waste stated in United Kingdom Government GHG Conversion Factors 2022.
- The emissions data above are scoped to EdgeWood Residences, Curvo Residences and Vesta Residences development sites, the Setiawangsa and Setapak Sales Galleries, and HQ only.

Overall, the decrease in Scope 2 and Scope 3 emissions, combined with the increase in Scope 1 emissions, resulted in a total emissions figure of 1,566.41 tonnes CO<sub>2</sub>e for the year. We will continue to focus on sustainable energy consumption and efficient operational practices to further reduce emissions in the coming years by engaging in carbon trading provides incentives for emissions offset and aligning with SkyWorld's goal to achieve Net Zero Carbon by 2050.

# SUSTAINABILITY STATEMENT

## WATER MANAGEMENT

Water management is a critical aspect of sustainable urban development, particularly in high-density cities like Kuala Lumpur, where demand for water continues to rise. Water infrastructure faces increasing stress due to rapid urbanisation and the growing impacts of climate change, which exacerbate water scarcity.

As a property developer, SkyWorld Development acknowledges our role in promoting responsible water usage, both in construction activities and within the communities we build. Efficient water management is essential not only for environmental sustainability but also for ensuring long-term resource availability for urban populations.

To mitigate these challenges, we are committed to implementing efficient water management practices across our operations. Our focus is on reducing water consumption and promoting conservation measures wherever possible. Currently, SkyWorld Development primarily sources water from municipal supplies, and we continuously explore opportunities to enhance water efficiency in our developments.

| Water Withdrawal Breakdown by Source (m <sup>3</sup> ) | FY2025          | FY2024          | FY2023          |
|--|-----------------|-----------------|-----------------|
| Surface water from rivers, lakes, natural ponds        | 0               | 0               | 0               |
| Groundwater from wells, boreholes                      | 0               | 0               | 0               |
| Used quarry water collected in the quarry              | 0               | 0               | 0               |
| Municipal potable water                                | 32,297.5        | 19,634.8        | 12,896.3        |
| External wastewater                                    | 0               | 0               | 0               |
| Harvested rainwater*                                   | 0               | 0               | 0               |
| Sea water, water extracted from the sea or the ocean   | 0               | 0               | 0               |
| <b>Total</b>   | <b>32,297.5</b> | <b>19,634.8</b> | <b>12,896.3</b> |
| Like-for-like change in water withdrawal               | 64.49%          | 52.25%          | 190.65%         |

Note: While SkyWorld Development employs rainwater harvesting systems in our developments, the amount of water collected and utilised from these systems is not measured or recorded at present.

SkyWorld Development is dedicated to improving water consumption efficiency across all our operations. In line with GreenRE standards, we aim to reduce annual potable water consumption by using water-efficient fittings. Additionally, we are committed to installing sub-meters to monitor water usage in common areas, including irrigation systems, swimming pools, and other water features.

As part of our commitment, we have implemented water reduction strategies and water management plans at every stage of the development. Currently, water-saving sanitary fittings have been adopted in all green building certified developments, aligning with our broader water management objectives. Additionally, we have implemented rainwater collection systems and rain harvesting systems across our developments. Since year 2020, all our developments have included on-site retention ponds to effectively manage runoff water. This system significantly reduces our reliance on municipal water for landscape irrigation and maintenance. As of FY2025, 14 out of 16 sites are equipped with rainwater harvesting systems, representing 87.5% of our total operations.

| Development Name                  | Location    | Rainwater Harvesting Adoption |
|-----------------------------------|-------------|-------------------------------|
| Completed Developments            |             |                               |
| Ascenda Residences                | Setapak     | Yes                           |
| Bennington Residences             | Setapak     | Yes                           |
| SkyLuxe on the Park Residences    | Bukit Jalil | Yes                           |
| SkyMeridien Residences            | Sentul      | Yes                           |
| SkySierra Residences (The Valley) | Setiawangsa | Yes                           |
| SkyAwani Residences               | Sentul      | Yes                           |
| SkyAwani II Residences            | Sentul      | Yes                           |
| SkyAwani III Residences           | Setapak     | Yes                           |
| SkyAwani IV Residences            | Setapak     | Yes                           |
| SkyAwani V Residences             | Sentul      | Yes                           |

# SUSTAINABILITY STATEMENT

| Development Name     | Location    | Rainwater Harvesting Adoption |
|----------------------|-------------|-------------------------------|
| SkyBlox              | Setapak     | No                            |
| SAMA Square          | Setapak     | No                            |
| SkyVogue Residences  | Taman Desa  | Yes                           |
| EdgeWood Residences  | Setapak     | Yes                           |
| Ongoing Developments |             |                               |
| Curvo Residences     | Setapak     | Yes                           |
| Vesta Residences     | Setiawangsa | Yes                           |

As part of our water management strategy, we collaborate closely with consultants and contractors to manage water usage during construction. Although we do not yet have independent verifications of water use data or formal water use policies, we are actively working towards enhancing our water management plan. Moving forward,

we are exploring potential investments in research and development to address and mitigate water-related risks.

For instance, we have required the appointed contractor of Vesta Residences to use water-efficient fittings, with at least a Water Efficiency Labelling Scheme (“WELS”) 2-tick rating or its equivalent. Additionally, we are installing permanent water meters on the development to monitor water usage.

As of FY2025, SkyWorld Development had no incidents of non-compliance with water quality or quantity standards. 100% of the water used by the Group is sourced from municipal supplies, and over the past three years, SkyWorld Development has not withdrawn or consumed water from regions deemed to be water-stressed regions according to the World Resource Institute’s Aqueduct Water Risk Atlas Tool. While our projects are not located in water-stressed regions, we remain committed to sustainable water management, particularly in rapidly urbanising countries like Vietnam, where water resources may face increasing pressure.

| Total Water Consumption Volume (m <sup>3</sup> )                | FY2025          | FY2024               | FY2023          |
|---|-----------------|----------------------|-----------------|
| Development Sites:  |                 |                      |                 |
| EdgeWood Residences   | 2,927.0         | 6.3                  | 3.2             |
| Curvo Residences  | 5,199.0         | 1,668.0              | -               |
| Vesta Residences  | 9,559.0         | 2,503.0              | -               |
| SkyVogue Residences   | 7,559.0         | -                    | -               |
| Sales Galleries:  |                 |                      |                 |
| Setiawangsa   | 483.7           | 6,764.0 <sup>2</sup> | 5,393.0         |
| Setapak   | 4,901.2         | 6,888.0              | 4,870.0         |
| HQ  | 1,668.6         | 1,805.5              | 2,630.0         |
| <b>Total</b>  | <b>32,297.5</b> | <b>19,634.8</b>      | <b>12,896.3</b> |
| Percentage of water consumption from water-stressed regions (%) | 0               | 0                    | 0               |
| Total water (effluents) discharge                               | 32,297.5        | 19,634.8             | 12,896.3        |

Notes:

- 1 Water consumption data is calculated based on the utility bill provided by Air Selangor.
- 2 Four months of the water consumption at the Setiawangsa Sales Gallery has been allocated under Vesta Residences, as the water source is derived from the Setiawangsa Sales Gallery, but Vesta Residences is the primary consumer.
- 3 All water withdrawal is assumed to be fully utilised and discharge as effluents. All water is discharged to municipal sewage systems to be treated in the nearest wastewater treatment plants of each site further downstream. Discharged water management of every site complies with the Environmental Quality (Sewage) Regulations 2009.

# SUSTAINABILITY STATEMENT

| Water Intensity                              | FY2025 <sup>3</sup> | FY2024   | FY2023   |
|--|---------------------|----------|----------|
| Total Water Consumption (m <sup>3</sup> )    | 32,297.5            | 19,634.8 | 12,896.3 |
| Group Revenue (RM'million)                   | 445.5               | 688.0    | 841.4    |
| Water Intensity (m <sup>3</sup> /RM'million) | 72.5                | 28.5     | 15.3     |

Notes:

- 1 The FY2023 and FY2024 Water Withdrawal and Consumption data above are scoped to the EdgeWood Residences, Curvo Residences and Vesta Residences development sites, the Setiawangsa and Setapak Sales Galleries, and HQ only.
- 2 The FY2025 water withdrawal and Consumption data above are scoped to the EdgeWood Residences, Curvo Residences, Vesta Residences and SkyVogue Residences development sites, the Setiawangsa and Setapak Sales Galleries, and HQ only.
- 3 SkyVogue Residences has been included in the scope of reporting in FY2025.

The increase in water consumption in FY2025 can be attributed to the expansion of project sites and the growing number of development activities has led to a higher demand for water. However, it is noteworthy that the water consumption at the HQ has consistently decreased over the past two consecutive years, reducing 961.4 m<sup>3</sup> of water consumption from FY2023 to FY2025.

## WASTE MANAGEMENT

SkyWorld Development is committed to reducing waste generation and enhancing data collection across our operations. We work closely with consultants, contractors, and suppliers to identify opportunities for improving waste management practices. A key initiative in our approach is ensuring that appointed main contractors are held accountable for coordinating with waste management companies to guarantee the proper collection and disposal of waste at all development sites.

To implement comprehensive waste reduction strategies, we focus not only on waste minimisation measures but also on preemptive actions during the design and construction phases of our developments. Our strategies include:

- Prioritise GBI and GreenRE certifications to ensure resource use efficiency and reduce waste generation.
- Automated waste control chutes for better hygiene in living areas.
- Recycling site waste during construction to minimise landfill use.
- Adoption of IBS methods to reduce initial waste from typical construction methods.
- Use of green products and environmentally friendly materials to reduce pollution.
- Provision of recycle bins at common areas to raise recycling awareness (e.g., EdgeWood Residences).
- Integration of effluent management in the project development process.
- Strict monitoring of construction sequences and adherence to ITP to prevent rework and material wastage.

As part of our ongoing commitment, the Group has set a target to establish a 3-year baseline for non-hazardous waste diverted from disposal by FY2027. This initiative is integral to our strategy of prioritising waste reduction and reinforcing the 3R principles—Reduce, Reuse, and Recycle—across all stages of our development projects as well as the office waste at our Headquarters Office. As of FY2025, we have successfully diverted 43% of non-hazardous waste from landfills across four of sites.

# SUSTAINABILITY STATEMENT

| Waste (tonnes)                           | FY2025       | FY2024         | FY2023       |
|--|--------------|----------------|--------------|
| Non-recycled waste directed to disposal: |              |                |              |
| EdgeWood Residences                      | -            | 980.0          | 585.0        |
| Curvo Residences                         | 165.0        | 96.0           | -            |
| Vesta Residences                         | 24.4         | 10.6           | -            |
| SkyVogue Residences                      | 2.7          | -              | -            |
| Recycled waste diverted from disposal:   |              |                |              |
| EdgeWood Residences                      | 0            | 0              | 0            |
| Curvo Residences                         | 0            | 0              | -            |
| Vesta Residences                         | 118.1        | 23.8           | -            |
| SkyVogue Residences                      | 24.8         | -              | -            |
| <b>Total waste generated</b>             | <b>335.0</b> | <b>1,110.4</b> | <b>585.0</b> |

Notes:

- FY2023 and FY2024 waste data is scoped to the EdgeWood Residences, Curvo Residences and Vesta Residences development sites only.
- FY2025 waste data is scoped to the EdgeWood Residences, Curvo Residences, Vesta Residences and SkyVogue Residences development sites only.

## RESOURCE USE

SkyWorld Development is committed to responsible resource management. We recognise the growing challenge of resource scarcity and the urgent need for efficient resource use in our operations, especially as we rely on construction raw materials sourced from nature.

To address this, we work closely with consultants and contractors to ensure compliance with GBI and GreenRE requirements by incorporating green building principles and value engineering exercises during the project design and development stages. We have successfully pursued green building certifications for several of our developments to further reinforce our eco-friendly construction practices.

As of FY2025, 7 out of 18 completed and ongoing developments representing 38.9% have achieved GBI certification, and 3 developments (or 16.7%) are GreenRE rated.

| Development Name                  | Location    | GBI Rating | Year of Issue | Status             |
|-----------------------------------|-------------|------------|---------------|--------------------|
| Bennington Residences             | Setapak     | Certified  | 2016          | Completed          |
| SkyLuxe on the Park Residences    | Bukit Jalil | Certified  | 2021          | Completed          |
| SkyMeridien Residences            | Sentul      | Certified  | 2023          | Completed          |
| SkySierra Residences (The Valley) | Setiawangsa | Certified  | 2020          | Completed          |
| SkyVogue Residences               | Taman Desa  | Certified  | 2021          | Completed          |
| Curvo Residences                  | Setapak     | Certified  | 2024          | Under Construction |
| SkyAman 1 Residences              | Cheras      | Certified  | 2025          | Upcoming           |

# SUSTAINABILITY STATEMENT

Sustainability considerations are embedded in the planning phase, particularly in the selection of materials. For instance, we have set ambitious targets for SkyVogue Residences, including 28% recycled materials and ensuring that 60% of materials used are locally sourced. We aim to strike a balance between performance, durability, and environmental footprint by evaluating construction materials at the design stage. Primary construction materials consumed across our developments include cement, reinforcement bars, bricks, tiles, aluminium window frames, timber, plasterboard, and machinery and equipment.

Raw material used data shows a significant increase, from 8,236.5 tonnes in FY2024 to 44,120 tonnes in FY2025. This increase is attributed to the development of SkyVogue Residences which required a large volume of construction materials.

| Raw Material Used (tonnes) | FY2025          | FY2024         |
|----------------------------|-----------------|----------------|
| Wood                       | 332.0           | 42.0           |
| Cement                     | 11,809.5        | 492.5          |
| Crusher run                | 2,423.5         | 2,500.0        |
| Reinforced steel bar       | 29,555.0        | 5,202.0        |
| <b>Total</b>               | <b>44,120.0</b> | <b>8,236.5</b> |

Notes:

- Raw material used data for FY2024 is scoped to the EdgeWood Residences, Curvo Residences and Vesta Residences development sites only.
- Raw material used data for FY2025 is scoped to EdgeWood Residences, Curvo Residences, Vesta Residences and SkyVogue Residences development sites only.

## BIODIVERSITY

Although as an urban developer, SkyWorld Development’s biodiversity risk exposure is relatively lower than companies adopting a township development model, we nevertheless embrace our responsibility in preserving biodiversity while ensuring that our developments do not disrupt or harm natural habitats. Our efforts are further reinforced through the implementation of the Group Sustainability & Climate Change Policy. Under this policy, we are committed to minimising, reducing, or avoiding our impact on natural ecosystems. This is achieved by conducting biodiversity risk assessments and integrating biodiversity considerations into our development planning and operations to preserve, protect, and restore flora and fauna diversity in the areas where we operate, particularly those listed on the International Union for Conservation of Nature (“IUCN”) Red List of Threatened Species.

To ensure our developments are in compliance with local biodiversity laws, we regularly engage with the Department of Environment to determine sites that have potential biodiversity risks and conduct assessments accordingly. We prioritise complying with legal and governmental requirements, including conducting Environmental Impact Assessment (EIA) where necessary, such as for our upcoming development, SkyRia Residences. Additionally, we ensure that biodiversity assessments are carried out prior to the commencement of any development to align with our commitment to environmental responsibility.

Part of our planned development, SkyRia Residences, located in Taman Melawati, includes portions of a protected forest reserve within the 9.5 acres of allocated landbanks, while the planned development for SkyAman 1 Residences in Cheras requires land clearing. To minimise our biodiversity impact in these areas, we are undertaking the necessary biodiversity assessments prior to commencement of development. These efforts demonstrate our dedication to integrating biodiversity protection initiatives across our properties, reinforcing our approach to responsible development that thoughtfully balances environmental preservation with urban progress.

These assessments are conducted to thoroughly evaluate the ecological value of each site, identify potential environmental impacts, and establish conservation priorities before any construction begins. By incorporating these assessments early in the development process, we ensure that we maintain our commitment to protecting biodiversity and minimising harm to natural ecosystems throughout our developments.

# SUSTAINABILITY STATEMENT

## Biodiversity Assessment at SkySanctuary

In FY2025, we successfully conducted a comprehensive biodiversity assessment at SkySanctuary, an urban development in Setapak, Kuala Lumpur. This assessment indicates that 16.7% of all existing operations and developments have been assessed for biodiversity risks. SkySanctuary, once a degraded shrubland with illegal factories and unregulated dumping areas, has undergone significant rehabilitation and landscaping efforts. These efforts have successfully reintroduced green spaces and recreational parks to the site.

According to the IUCN, the assessment identified several High Conservation Value (“HCV”) plant species at the site which contributes to the restoration of threatened species in line with broader conservation objectives. No significant HCV mammal species were recorded, but the Javan myna, classified as Vulnerable on the IUCN Red List, was identified among bird species. Furthermore, we are actively engaging with Dewan Bandaraya Kuala Lumpur and other local entities to collaborate on invasive species control.

SkyWorld Development is committed to biodiversity protection, led by the Product Department through a risk management framework that focuses on identifying and mitigating biodiversity risks. This includes rehabilitation efforts and the introduction of native plant species to enhance the site’s ecological integrity. The ongoing commitment to sustainable land management and native species restoration demonstrates a long-term vision for achieving a net positive biodiversity impact in the project development process.

| Project Development  | Location       | Assessed for Biodiversity Risks (Y/N) | In or Adjacent to Sites with High Biodiversity Value | EIA Required | Status    |
|----------------------|----------------|---------------------------------------|--|--------------|-----------|
| SkyVogue Residences  | Taman Desa     | N                                     | No   | No           | Completed |
| EdgeWood Residences  | Setapak        | Y                                     | No   | No           | Completed |
| Curvo Residences     | Setapak        | N                                     | No   | No           | Ongoing   |
| Vesta Residences     | Setiawangsa    | N                                     | No   | No           | Ongoing   |
| SkyRia Residences    | Taman Melawati | N                                     | Yes  | Yes          | Upcoming  |
| SkyAman 1 Residences | Cheras         | N                                     | Yes  | Yes          | Upcoming  |

Looking ahead, we plan to conduct additional biodiversity assessments for both upcoming and ongoing developments to identify potential environmental impacts early in the development process and allow for the integration of biodiversity protection measures.

## Green Spaces Development

SkyWorld Development remains committed to our target of allocating more than 10% of green spaces in all new launched residential developments in Malaysia annually. This initiative reflects our ongoing dedication to fostering sustainable urban growth and enhancing the quality of life for residents and surrounding communities.

As of FY2025, SkyWorld Development is pleased to report that we have successfully incorporated 20% - 38% of green space within each development area, surpassing our expectations for urban greening and setting a benchmark for future developments. This achievement underscores our commitment to promoting sustainable urbanisation and enhancing green space development in Klang Valley.

# SUSTAINABILITY STATEMENT

## LANDBANK

SkyWorld Development adopts a responsible and forward-looking approach in managing our landbank. We acknowledge that land acquisition plays a critical role in shaping sustainable urban landscapes. Therefore, we ensure all potential land acquisitions are thoroughly evaluated not only for commercial viability but also for their environmental and social implications.

Our land assessment process incorporates a range of environmental criteria, including biodiversity impacts, proximity to protected, and opportunities for ecosystem restoration. In response to growing climate risks, we also assess the vulnerability of potential sites to hazards such as flooding, extreme weather, and long-term climate change impacts. This proactive risk consideration ensures long-term resilience for the community and environment across our future developments. As of FY2025, SkyWorld Development holds 257.7 acres of reserve landbanks in the Klang Valley and Penang, Malaysia as well as Ho Chi Minh City, Vietnam. *Further details about the Group's Landbanks can be found in the Management Discussion And Analysis (page 27).*



# SUSTAINABILITY STATEMENT

## SOCIAL RESPONSIBILITY

SkyWorld Development is committed to ‘putting people first’ in all our actions, from how we support our employees and workers in their daily tasks, to our engagement with the communities where we conduct our business. SkyWorld Development acknowledges the significance of social responsibility in its operations. Our considerations in this area include human and labour rights, diversity and equality within our workforce, our approach to talent management, our commitment to workplace safety, and our engagement with local communities. These aspects reflect our broader understanding of our role and responsibilities within the societal context in which we operate.

### MATERIAL TOPICS

Human and Labour Rights





Diversity and Equality

Talent Management

Occupational Health and Safety

Local Communities

### UNSDGs ALIGNMENT

|   |   |
|---|---|
|  | <p><b>Goal 3: Good Health and Well-being</b><br/>Ensure healthy lives and promote well-being for all at all ages.</p>   |
|  | <p><b>Goal 4: Quality Education</b><br/>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>                               |
|  | <p><b>Goal 5: Gender Equality</b><br/>Achieve gender equality and empower all women and girls.</p>  |
|  | <p><b>Goal 8: Decent Work and Economic Growth</b><br/>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p> |

# SUSTAINABILITY STATEMENT

## HUMAN AND LABOUR RIGHTS

SkyWorld Development not only complies with all relevant Malaysian labour laws, such as the Malaysian Employment Act 1995, and other applicable regulations in our operating regions, but also firmly adheres to the principles of basic human rights. Furthermore, our dedication extends beyond this compliance, as SkyWorld Development is committed to implementing best practices in labour standards throughout the entire Group.

SkyWorld Development underscores our dedication to human rights by aligning with the International Bill of Human Rights and upholding the following guidelines and practices.

|  |   |   |   |
|--|---|---|---|
|  <p>Universal Declaration of Human Rights</p> |  <p>International Labour Organisation's Declaration on Fundamental Principles and Rights at Work</p> |  <p>UN Guiding Principles on Business and Human Rights</p> |  <p>10 Principles of the United Nations Global Compact</p> |
|--|---|---|---|

SkyWorld Development's other labour practices and commitments, guiding not only our employees but also our vendors, suppliers, and contractors, encompass compliance with the following local laws:

|   |  |  |  |
|---|--|--|--|
|  <p>Ensuring <b>equal opportunity and non-discrimination</b> of Race, Religion, Gender, Age, Marital Status, Nationality, and Disability</p> |  <p>Respecting employees' right to <b>dignity at work</b></p>   |  <p>Supporting a <b>harassment-free and violence-free workplace</b></p>                               |  |
|  <p><b>Prohibiting retaliation</b> or any form of physical and mental disciplinary practice</p>  |  <p>Respecting employees' right to <b>freedom of association</b></p>  |  <p>Respecting employees' right to <b>collective bargaining</b></p>                                   |  |
|  <p>Ensuring compliance with <b>Minimum Wage Order 2022</b> and laws governing <b>working hours and fair wages and compensation</b></p>      |  <p>Prohibition and prevention of forced labour, debt bondage, human trafficking and all forms of <b>modern slavery</b></p> |  <p>Recognition of <b>children's rights</b> and prohibition and <b>prevention of child labour</b></p> |  |
|  <p>Respecting employees' right to <b>minimum notice periods</b> for significant changes in duties or work location</p>                      |  <p>Respecting people's right to their own <b>culture</b>, to practice their religion and to speak their language</p>       |  <p>Upholding the right to <b>safe working conditions</b></p>  |  <p>Eliminating excessive working hours</p> |

# SUSTAINABILITY STATEMENT

As part of our commitment, SkyWorld Development published a comprehensive Human Rights Policy to further integrate human rights principles into all our business practices in FY2025. SkyWorld Development ensures our human rights commitments are communicated through multiple channels, starting with an introduction during the employee induction process. These commitments are further detailed within key documents, such as the Code of Business Conduct, which are readily accessible to all employees on SkyWorld Development's intranet, via email communications, and through staff broadcast messages. Moreover, the Company emphasises our dedication to human rights by highlighting these relevant documents and commitments within our annual sustainability reports, making them visible to external stakeholders as well.

At SkyWorld Development, clearly communicating our human rights principles is vital for setting clear expectations, fostering a respectful environment, and upholding our ethical standards for all stakeholders.

## HUMAN RIGHTS DUE DILIGENCE IN THE SUPPLY CHAIN

SkyWorld Development is committed to ensuring that no human rights violations occur, either directly within our property development operations or anywhere within our supply chain. The Group undertakes human rights due diligence within our supply chain with clear oversight from the Chief Compliance Officer, who also serves as the Executive Director. The day-to-day responsibilities for managing this process are handled by the Risk Working Committee, together with the Operations and Talents Departments. To ensure effective management and implementation of these due diligence efforts, SkyWorld Development allocates appropriate human capital and financial resources.

SkyWorld Development expects all contractors and subcontractors to acknowledge their commitment to comply with local Malaysian laws concerning human rights, labour standards, worker welfare, child labour, and human trafficking. Failure to do so will result in consequences, which may include the termination of the supplier's services and reporting the matter to the relevant authorities for appropriate legal action.

SkyWorld Development undertakes ongoing risk assessments on labour issues as a core part of our business processes and supply chain due diligence, particularly when engaging new procurement partners to evaluate potential labour risk issues and human rights impacts for new, on-going and existing developments. Key human rights issues are identified through internal risk assessments conducted as part of the sustainability strategy, which involves engaging with stakeholders to understand and address their concerns, ultimately pinpointing the most salient human rights risks for SkyWorld Development within the property development sector. For each of these identified human rights issues, SkyWorld Development has established prevention plans as detailed below:

| Human Rights Issues  | Prevention Plan  |
|--|--|
| Ensuring the protection of workers from occupational hazards and accidents                                 | <ul style="list-style-type: none"> <li>Providing adequate safety training and equipment</li> <li>Establishing emergency response procedures</li> </ul>   |
| Respecting workers' right to representation, freedom of association, and collective bargaining             | <ul style="list-style-type: none"> <li>Employees are entitled to join, endorse or take part in any organisation, cultural or professional society or political group, as long as it does not violate the law</li> <li>At the moment, the Group's employees and workers have not requested the establishment of a union or any other representative body to advocate for their rights or exercise their entitlement to collective bargaining</li> </ul> |
| Prevention of modern slavery such as bonded or forced labour, excessive work hours and unfair compensation | <ul style="list-style-type: none"> <li>Conducting due diligence on suppliers and contractors</li> <li>Providing training and raising awareness for workers</li> <li>Ensuring fair compensation through commitment to equal pay for equal work in compliance with Minimum Wages Order (Amendment) 2018</li> </ul>   |

SkyWorld Development upheld our commitment to human rights and labour standards in FY2025, with no reported incidents of non-compliance or human rights violations. This includes the continued absence of child labour, human trafficking, and forced or compulsory labour. Our record also remains clear of any human rights breaches involving the rights of indigenous people.

# SUSTAINABILITY STATEMENT

## GRIEVANCE MECHANISM

SkyWorld Development is committed to promptly investigating all grievances and concerns and to ensuring remedies for affected parties where the organisation has caused or contributed to negative impacts. We have established a clear grievance mechanism for all staff members through the Whistleblowing Policy. Employees can report on incidents of misconduct, bullying, grievances, or concerns related to regulatory or policy non-compliance, harassment, human rights exploitation, and other issues through safe channels without fear of reprisal.

## MINIMUM NOTICE PERIOD

To ensure employees have ample opportunity to understand changes and voice any concerns or grievances, the Group is dedicated to providing sufficient time for them to seek clarification from their immediate supervisor or the Talents Department. To minimise the impact of major operational changes on our employees, SkyWorld Development aims to provide a minimum notice period for significant changes in duties or work location, with the specific duration varying based on the nature and extent of the change. Notably, any changes to employee benefits or employment conditions are communicated to employees at least one month prior to their implementation. Reflecting the effectiveness of these practices, SkyWorld Development received no complaints regarding operational changes in FY2025.

## DIVERSITY AND EQUALITY

SkyWorld Development is dedicated to fostering a diverse and inclusive workplace where all employees, irrespective of age, gender, race, religion, disability, or nationality, enjoy equal opportunities for success. This commitment extends to creating an environment where employees feel safe to be their authentic selves, free from any fear of discrimination. We firmly believe that a diverse workforce is not just a desirable attribute but an integral component of our business success. We recognise that the varied skills, expertise, and experiences brought by our employees from diverse backgrounds constitute a significant portion of the Group's intellectual capital, directly influencing our growth and overall achievements. To this end, SkyWorld Development actively aims to cultivate an inclusive environment that attracts skilled and diverse talent from all segments of society. We expect this commitment to foster enhanced collaboration and creativity among our employees, ultimately providing SkyWorld Development with a crucial competitive edge within the property development sector. Furthermore, our selection process during recruitment is rooted in equitable and merit-based principles, ensuring that all individuals have a fair opportunity to thrive and contribute meaningfully to the Company's objectives.

SkyWorld Development prioritises the employment of citizens from the country where our operations are based, reflecting our commitment to hiring local talent. While we place emphasis on local recruitment, we also maintain a firm stance against discrimination on the basis of nationality. When considering candidates from other nationalities, we ensure that all local employment laws and immigration regulations are strictly adhered to throughout the hiring process.

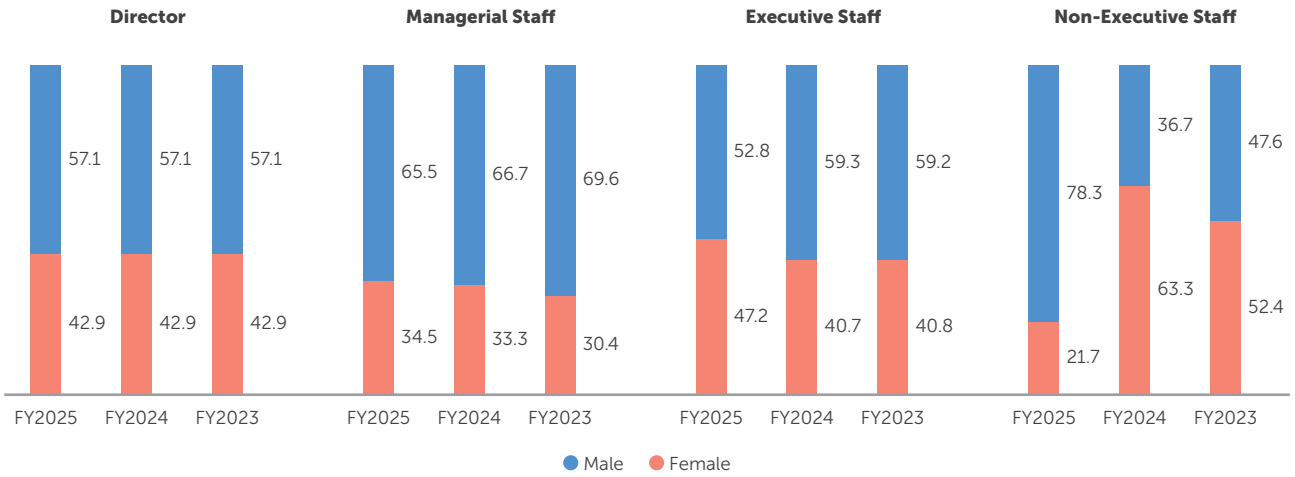
| Workforce Breakdown                                  | FY2025 | FY2024 | FY2023 |
|--|--------|--------|--------|
| Total Workforce                                      | 223    | 242    | 209    |
| Women in Global Workforce                            | 41.3%  | 43.8%  | 39.7%  |
| Permanent Staff                                      | 93.0%  | 86.0%  | 97.0%  |
| Temporary/Contract Staff                             | 7.0%   | 14.0%  | 3.0%   |
| Full-Time Staff Voluntary Turnover Rate <sup>1</sup> | 30.0%  | 27.0%  | 28.0%  |
| Total Turnover <sup>1</sup>                          | 62     | 56     | 57     |
| Total New Hires                                      | 70     | 134    | 90     |

Note:

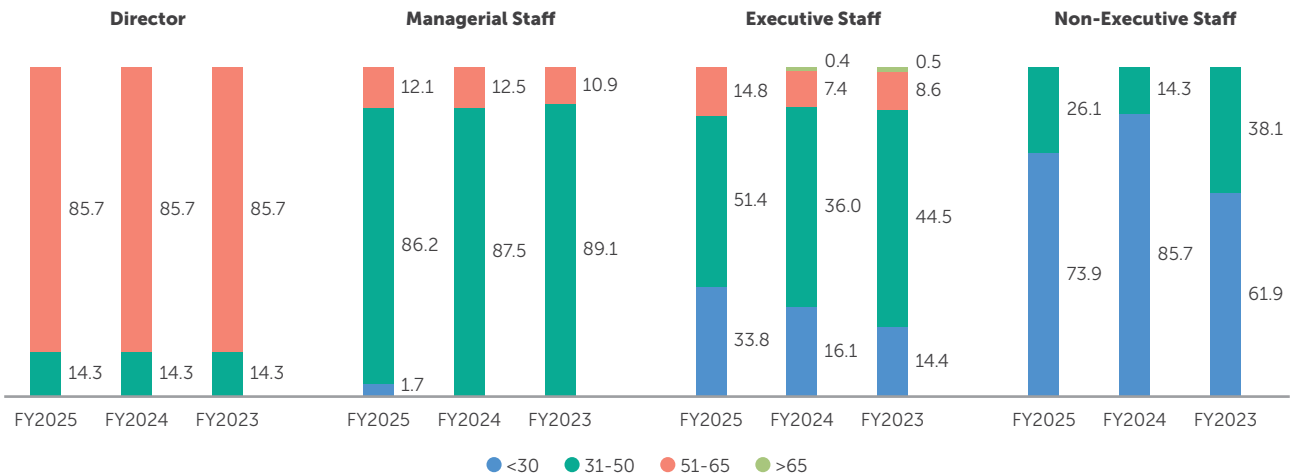
<sup>1</sup> Excludes part-timers, interns, temporary and probationary staff as well as involuntary termination.

# SUSTAINABILITY STATEMENT

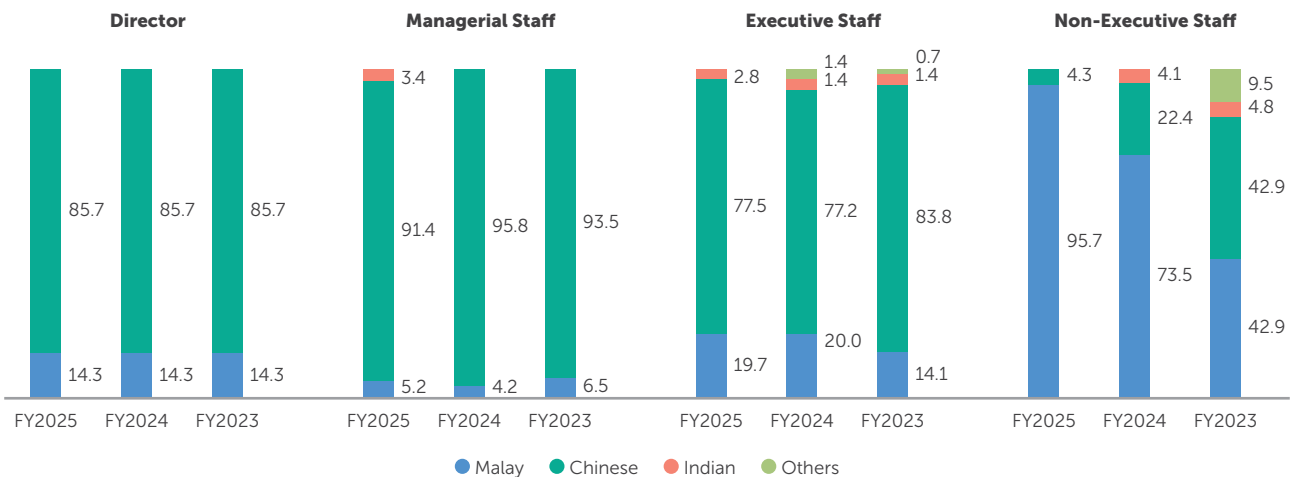
## Gender Diversity



## Age Diversity

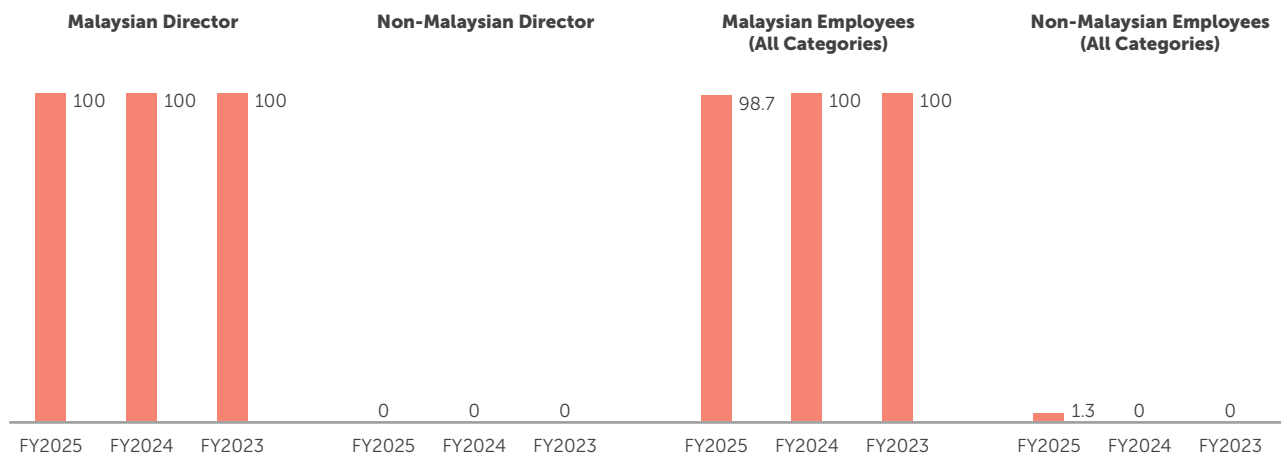


## Ethnic Diversity



# SUSTAINABILITY STATEMENT

## Nationality Breakdown



| Disability Breakdown                     | FY2025 | FY2024 | FY2023 |
|--|--------|--------|--------|
| Directors with Disabilities              | 0%     | 0%     | 0%     |
| Staff with Disabilities (All Categories) | 0%     | 0%     | 0%     |

## EMPOWERING THE UNDERREPRESENTED

At SkyWorld Development, we are deeply committed to fostering an inclusive environment across all aspects of our operations. While our talent management remains firmly rooted in merit-based principles, we also aspire to actively enhance employment opportunities for individuals from traditionally underrepresented, marginalised, or vulnerable groups within our community. This commitment extends beyond our workforce and into the very fabric of our developments. We ensure that all our property designs comply with local accessibility standards and regulations, reflecting our broader dedication to creating spaces that are inclusive and accessible to everyone.

SkyWorld Development is dedicated to playing our part in reducing youth unemployment by actively supporting the hiring of fresh graduates and providing valuable internship opportunities. We believe in investing in the future of students who intern with the Group, exposing them to real-world scenarios and practical experience, while allowing them to contribute meaningfully to SkyWorld Development as an award-winning employer. Our programmes are designed to equip these young individuals with market-ready skills, making them sought-after talent in any field they choose to pursue. Ultimately, our commitment to fostering the growth and development of young talent aligns directly with the United Nations Sustainable Development Goal 4: Quality Education.

| Internship data   | FY2025 | FY2024 | FY2023 |
|---|--------|--------|--------|
| Number of interns   | 16     | 36     | 4      |
| Number of interns absorbed to permanent employee after graduation | 4      | 4      | 0      |
| Absorption rate of interns to permanent employee                  | 25%    | 11%    | 0%     |

We are committed to promoting social mobility and inclusivity, aiming to empower underrepresented communities and ensure that all individuals have equal opportunities within our operations and developments.

# SUSTAINABILITY STATEMENT

## TALENT MANAGEMENT

At SkyWorld Development, we recognise that our people are the cornerstone of our success. Talent management and development are therefore of paramount importance, overseen diligently by both our Board and Management. A key focus is on robust staff retention strategies, which are meticulously implemented by our dedicated Talents Department. Our approach to talent management is comprehensive, incorporating the fundamental principles of equality, diversity, and inclusivity across the entire employee lifecycle, from initial hiring through to ongoing retention, competitive compensation and rewards, and meaningful professional development opportunities.

To provide every employee with the chance to advance within the Company, we ensure that internal career opportunities are broadcasted to all staff through email notifications and staff broadcast messages. Ultimately, our aim is to foster high levels of employee satisfaction, which we believe is intrinsically linked to achieving organisational excellence across SkyWorld Development.

|                            | FY2025 | FY2024 | FY2023 |
|----------------------------|--------|--------|--------|
| Employee Satisfaction Rate | 73%    | 70%    | 68%    |

## TRAINING AND DEVELOPMENT

SkyWorld Development adopts a structured and comprehensive approach to employment development training, underpinned by a firm commitment outlined in the employee handbook. This commitment translates into defined processes to ensure a systematic and effective approach. The Talent Learning under Talent Department champions training and development across the organisation, taking accountability for the learning framework and collaborating with respective departments to co-develop their Training Needs Analysis ("TNA"), fostering a strong partnership to achieve Company's goals.

The Group utilises the TalentOz system to manage training, including registration, tracking of learning hours and progress, and feedback collection for continuous improvement. A self-nomination process with superior approval is in place for programme attendance. All training programmes will end with a mandatory feedback session to improve the content and trainer efficiency. Monthly training reports are provided to managers for monitoring.

Function-specific training needs in the Sales, Product and Operations Departments, are identified through TNA process managed in collaboration with the Talent Learning Unit. This process involves half-yearly meetings between managers from the respective Departments and the Talent

Learning Unit to pinpoint current challenges and KPI gaps that can be addressed through training. Subsequently, 1-3 priority training areas are agreed upon for the next 9 months, the most suitable training programs are selected or co-developed with the respective department, and pilot runs are conducted with follow-up to monitor progress and effectiveness. Furthermore, we actively encourage our employees to identify external personal development programmes that can enhance their job performance and productivity, with a clear process for superior approval.

SkyWorld Development conducted performance appraisals for all permanent staffs (100%), with the exception of those who resigned or were yet to have their employment confirmed. Furthermore, the Company maintains a regular performance appraisal schedule, with all permanent staffs (100%) staffs receiving an appraisal on a yearly basis. This annual appraisal cycle commences in May of each year, ensuring consistent feedback and development opportunities for all team members.

To drive training and development, SkyWorld Development is allocating resources across various domains, including the ongoing digitalisation of learning through a blended approach supported by an upcoming LMS portal, and a pool of eleven internal trainers received Human Resource Development Corporation Train The Trainer certification as of FY2025.

# SUSTAINABILITY STATEMENT

| Employment Development Training Data | FY2025    | FY2024    | FY2023    |
|--------------------------------------|-----------|-----------|-----------|
| Total Training Hours as a Company    | 7,311.0   | 10,731.0  | 8,573.0   |
| Senior Management Staff              | 197.0     | 523.0     | 450.0     |
| Management Staff                     | 871.0     | 1,164.0   | 1,095.0   |
| Executives                           | 5,992.0   | 8,592.0   | 6,720.0   |
| Non-executives                       | 251.0     | 452.0     | 308.0     |
| Total Company Training Spend (RM)    | 103,417.0 | 256,383.6 | 311,213.1 |
| Average Training Hours Per Employee  | 33.0      | 44.0      | 41.0      |

| Average Training Hours by Gender | FY2025 | FY2024 | FY2023 |
|----------------------------------|--------|--------|--------|
| Male                             | 37.0   | 57.0   | 49.0   |
| Female                           | 28.0   | 26.0   | 29.0   |

| Average Training Hours by Employee Category | FY2025 | FY2024 | FY2023 |
|---|--------|--------|--------|
| Senior Management Staff                     | 4.7    | 9.7    | 5.9    |
| Management Staff                            | 5.1    | 8.3    | 7.2    |
| Executives                                  | 6.3    | 7.3    | 6.0    |
| Non-executives                              | 5.7    | 5.7    | 4.6    |

| Training Attendance Data            | FY2025  | FY2024  | FY2023  |
|-------------------------------------|---------|---------|---------|
| Total Employees Training Attendance | 1,212.0 | 1,443.0 | 1,421.0 |

Note: The training data reflected a higher number of male employees trained compared to female employees, due to the employee composition where males represent a larger proportion of the workforce.

Mandatory programmes such as Orientation, Scaling Up, and 7 Habits of Highly Effective People are implemented company-wide to cultivate the desired culture and equip employees with essential business management and personal development skills. On the other hand, the Sales and Product Departments training are structured with a dedicated roadmap and framework for the initial 2 years. The programs undergo annual reviews to ensure its performance, progress, and effectiveness are continually monitored. The product training roadmap, however, is designed to be ongoing without a specified end date. Employees in Years 1 and 2 will complete the Essential Series, followed by the Advance Series in Years 3 and 4. From Year 5 onward, participants are required to take an exam, and successful completion is mandatory; failure to pass necessitates re-attendance of the training. This roadmap and framework are developed by the Talent Learning Unit to ensure timely skill development. For our management team, we conduct a yearly in-house training programme focused on sharpening their leadership skills through Situational Leadership training, further developing their personal effectiveness with the 7 Habits of Highly Effective People module, and enhancing their business management acumen with Scaling Up principles.

Courses carried out in FY2025 include:

### Mandatory Training

- Orientation for New Joiner
- Scaling Up – Introductory/People/Execution
- 7 Habits of Highly Effective People – Module 1 & 2
- Competency and Cybersecurity Awareness

### Sales Training

- Concept Selling – After Sales Service/Healthy Home/Quality/Project Secret Recipe
- Fast Start 30 – Power Prospecting/Power Presentation/Customer Relations Management/Closing and Follow Up
- Personal Branding & Image

# SUSTAINABILITY STATEMENT

## Product Training

- Inspection Test Plan (Civil and Structural/ Mechanical and Electrical/Architecture)
- Design Good Practice (Civil and Structural/ Mechanical and Electrical/Architecture)
- SHASSIC
- Site Quality Inspection / Site Safety Inspection
- QLASSIC
- BIM
- R-Drive

## Personal Development and Others

- Dominance, Influence, Steadiness and Conscientiousness – Self Discovery
- DISC – Effective Communication
- MyTime Boxing
- Sales Coaching

Looking ahead, SkyWorld Development aims to improve our training and development strategies to meet future needs and drive organisational growth. Key initiatives include the implementation of blended learning approaches, combining eLearning with physical sessions for all mandatory training programmes to enhance accessibility and engagement. To proactively build leadership capacity, a Management Development Program Lite will be introduced to nurture and prepare high-potential individuals at the Senior Executive and Assistant Manager levels for future advancement into managerial roles.

Furthermore, we will invest in enhancing the competency of our internal trainers through quarterly "Sharpen the Saw" sessions, ensuring the consistent delivery of high-quality training content. We also plan to revamp our existing mandatory sales and product training programmes to ensure their effectiveness and alignment with business needs and current strategic direction. Finally, a comprehensive leadership framework will be developed, providing clear career pathways and aligning training needs with the Company's structure and evolving requirements, ensuring a robust pipeline of talent across all levels.

## EMPLOYEE ENGAGEMENT

SkyWorld Development is deeply invested in cultivating a highly engaged and motivated workforce through a range of initiatives designed to foster open communication, collaboration, and a strong sense of belonging. Building upon the foundation of formal training, our commitment to employee engagement is clearly demonstrated through regular interactive platforms such as the yearly CEO Dialogue with managers. This forum provides a valuable opportunity for leadership to share strategic direction, gather feedback, and engage in meaningful conversations with key personnel. Furthermore, our executive coffee chats with the C-Suite and management team offer more informal settings for employees to connect with senior leaders. This is a mechanism to allow employee representatives to engage with Company's management to foster transparency and accessibility. Beyond these communication channels, SkyWorld Development actively promotes team cohesion and morale through regularly organised company and management team-building activities, which strengthen relationships and create a positive and collaborative work environment.

|  | FY2025 | FY2024 | FY2023 |
|--|--------|--------|--------|
| Total spend (RM'mil) on employee engagement activities | 362.3  | 623.8  | 1887.5 |

# SUSTAINABILITY STATEMENT

## EMPLOYEE ENGAGEMENT EVENTS AND ACTIVITIES

### Top Down 2024 and Hari Raya Celebration

The SkyWorld Development's Top Down 2024 event, held on 17 May 2024 in Kuala Lumpur, celebrated a decade of Company achievements and outlined an inspiring vision for the future. In conjunction with the formal presentations, which covered significant milestones like new land acquisitions, planned development launches, and numerous awards, the event integrated with a delightful Raya-themed dinner. This cultural celebration provided a wonderful opportunity for everyone to relax, enjoy delicious Raya food, and strengthen their bonds, fostering a sense of optimism and unity among the SkyWorld Development family.



### SkyWorld Development Townhall 2024

The SkyWorld Development Townhall 2024 served as an annual cornerstone event to foster connection, engagement, and camaraderie among approximately 200 SkyRians from various locations. Apart from the sharing of "SkyWorld 2.0" and the Group's goals, a crucial agenda of the Townhall was the opportunity for employees to participate in a live Q&A session. The Townhall provided a safe space for open dialogue between employees and top management, it allows employees to voice their concerns and questions while getting instant feedback.



# SUSTAINABILITY STATEMENT

## Health Campaign 2024

We emphasise on employee well-being through initiatives focused on both physical and mental health. The Health Campaign 2024 directly addressed physical health by offering essential health check-ups, including blood tests, urine analysis, and in-body composition assessments, to keep employees informed about their health status. The campaign also provided personalised 1-on-1 medical consultations to discuss individual check-up results and offer further guidance on maintaining and improving health. In terms of mental well-being, the health talks were organised to offer knowledge to enhance mental stability and reduce stress.



## Paintball Event

To foster teamwork and strengthen bonds, SkyWorld Development organised the first-ever Paintball Event. This event encouraged employees to strategise and collaborate in competitive rounds, with teams aiming for higher scores and working together to eliminate opponents. An unplanned bonus round of "Capture the Flag" further promoted regrouping and intense effort from two large teams working towards a common objective. The event successfully created "unforgettable memories, strengthened bonds, and a whole lot of laughs" which directly contributed to a stronger team spirit.

## Annual Dinner & Chinese New Year Celebration 2025

On 7 February 2025, the Green Wonderland: SkyWorld Development Annual Dinner 2025, in conjunction with Chinese New Year, aimed to celebrate joy, recognition, and unity among SkyRians, while also embracing a "Go Green" theme reflecting the Company's commitment to a healthier environment and lifestyle. The event successfully fostered a strong sense of belonging through festive activities, which symbolise prosperity and good luck for the year ahead. A key highlight was the acknowledgement of high-performing staff and long-serving staff through various awards, such as Long Service Awards, Sales Team Awards (Best Sales Performance, Best Service, Best of the Best Sales Team), and Site Team Awards (Best Project Coordinator, Best Project Team Leader) as a token of appreciation to the employees' dedication and contribution to SkyWorld Development.



# SUSTAINABILITY STATEMENT

## COMPETITIVE EMPLOYEE REMUNERATION AND BENEFITS

SkyWorld Development adopts a merit-based approach in allocating remuneration and benefits to our employees, ensuring that performance is recognised and rewarded. Our comprehensive benefits package includes handphone claims, medical outpatient claims, group hospitalisation claims, insurance coverage (group term life and group personal accident), a health screening package subsidy, internal bonding claim, car allowance, company car park provision, and petrol subsidy. Demonstrating our strong commitment to employee well-being, SkyWorld Development ensures that all employees receive remuneration that exceeds minimum wage. Furthermore, we regularly review our remuneration and benefits packages against industry benchmarks to remain competitive and attract top talent.

| Employee Benefits (RM'000)   | FY2025 | FY2024 | FY2023 |
|--|--------|--------|--------|
| Total Payments Made to Employees in Terms of Salaries, Bonuses and Benefits      | 40,575 | 37,221 | 35,884 |
| Total Statutory Payments Made for Employees' Retirement Benefits (EPF)           | 3,988  | 4,600  | 4,517  |
| Total Payments for Employees' Social Security Organisation (SOCSSO) Contribution | 240    | 221    | 205    |
| Percentage of Employees Entitled to Employee Benefits (%)                        | 93     | 86     | 97     |

SkyWorld Development is committed to closing the gender pay gap to foster a fair and equitable workplace. We are actively working towards ensuring equal remuneration for men and women in similar roles and with comparable experience and qualifications.

| Ratio of Basic Salary and Remuneration of Women to Men Ratios for Key Employee Categories | FY2025 | FY2024 | FY2023 |
|---|--------|--------|--------|
| Managerial Staff  |        |        |        |
| 1. Average Salary of Women (RM)   | 17,000 | 17,000 | 17,000 |
| 2. Average Salary of Men (RM)   | 29,000 | 28,000 | 29,000 |
| 3. Women to Men Salary Ratio  | 58.6%  | 60.7%  | 58.6%  |
| Executive Staff   |        |        |        |
| 1. Average Salary of Women (RM)   | 5,600  | 5,400  | 5,700  |
| 2. Average Salary of Men (RM)   | 7,200  | 7,200  | 7,200  |
| 3. Women to Men Salary Ratio  | 77.8%  | 75.0%  | 79.2%  |
| Non-executive Staff   |        |        |        |
| 1. Average Salary of Women (RM)   | 2,800  | 2,800  | 2,900  |
| 2. Average Salary of Men (RM)   | 3,100  | 3,100  | 3,500  |
| 3. Women to Men Salary Ratio  | 90.3%  | 90.3%  | 82.9%  |

# SUSTAINABILITY STATEMENT

SkyWorld Development recognises the importance of enabling all employees to balance their professional and personal responsibilities. In support of this, we provide parental leave to all full-time employees who are expecting parents. This provision is in accordance with the prevailing Malaysian employment laws.

| Parental Leave                                       | FY2025   | FY2024   | FY2023   |
|--|----------|----------|----------|
| Employees Entitled for Maternity and Paternity Leave |          |          |          |
| 1. Number  | 127      | 130      | 129      |
| 2. Percentage  | 57%      | 54%      | 62%      |
| Employees Who Took Paternity Leave                   |          |          |          |
| 1. Number  | 7        | 2        | 4        |
| 2. Percentage  | 5.51%    | 1.54%    | 3.10%    |
| Employees Who Took Maternity Leave                   |          |          |          |
| 1. Number  | 3        | 2        | 2        |
| 2. Percentage  | 2.4%     | 1.6%     | 1.6%     |
| Male Return to Work Rates                            | 100% (7) | 100% (2) | 100% (4) |
| Female Return to Work Rates                          | 100% (3) | 100% (2) | 100% (2) |
| Male Retention Rates Post 12 Months                  | 78%      | 100%     | 100%     |
| Female Retention Rates Post 12 Months                | 100%     | 100%     | 100%     |

## OHS

SkyWorld Development is dedicated to continuous improvement on our OHS practices and is committed to the health and safety of all individuals involved in our developments. The Board maintains oversight on the management of health and safety risks while our CEO, who is also on the Board, holds overall responsibility for OHS Management.

An effective Safety, Health and Environment ("SHE") guideline is paramount in ensuring the well-being of employees and the sustainability of any organisation. By implementing robust safety measures, businesses can mitigate risks, reduce accidents, and foster a culture of responsibility and care.

The purpose of this guideline is to provide a comprehensive overview of safety and health requirements, encompassing various aspects such as risk assessment, preventive measures, corrective action, emergency response, and regulatory compliance. By adhering to these guidelines, organizations and individuals can create safer environments conducive to productivity, learning, and overall quality of life.

SkyWorld Development's Project Safety, Health and Environment Guidelines serve as a cornerstone of responsible organisational governance, underscoring the commitment to prioritise safety as a core value. This introduction aims to outline the fundamental principles and objectives of such a plan, emphasising the importance of initiative-taking management in safeguarding both human lives and organisational integrity. Through diligent planning, implementation, and continuous improvement, businesses can create safer, healthier, and more sustainable workplaces for the benefit of all stakeholders.

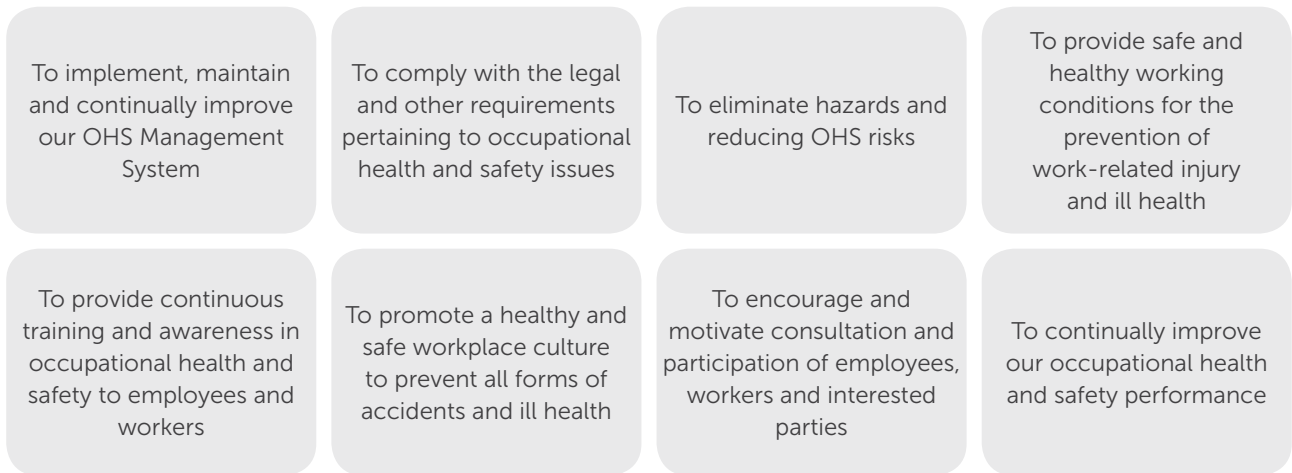
# SUSTAINABILITY STATEMENT

## OHS MANAGEMENT STRATEGY

SkyWorld Development’s Project Safety, Health and Environment Guidelines in the OHS Policy references the following Related Acts, regulations, industrial codes of practice, standards and good practice:

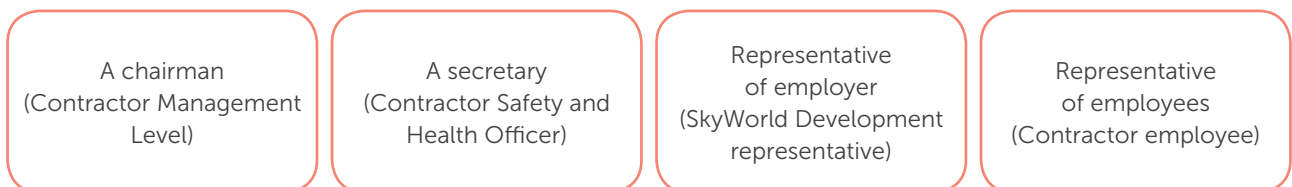


Our OHS Policy includes eight core elements:



Based on the SHE Guidelines, the contractor shall provide Project Safety Plan ("PSP") related to OHS matters before the commencement of the development for review by the SkyWorld Development's Project Audit Unit for approval. The Project Audit Unit will carry out an interim assessment according to the PSP / guidelines / Safety and Health Committee regulation. Contractors have the liability to monitor OHS matters, as a passing score for the monthly assessment shall be achieved as per the Group's requirement. Otherwise, penalties will be issued by the Group.

Contractors are required to form a Safety and Health Committee ("SHC") with a proper organisation chart and responsibilities for each role. The committee consists of:



The committee will assist in the development of safety and health rules and safety systems of work, review the effectiveness of safety and health programmes, and carry out studies on the trends of accident and near-miss accidents.

The contractors are also responsible for conducting regular workplace inspections and generate reports such as monthly internal audit reports and SHE-related inspections reports. SHASSIC assessment will be conducted at the end of each development cycle and is expected to achieve a score of at least 80%. At present, none (0%) of our development sites have obtained ISO 45001 or OHSAS 18001 certification.

# SUSTAINABILITY STATEMENT

## SAFETY TRAINING AND COMMUNICATION

SkyWorld Development allocates a dedicated budget for conducting necessary OHS programmes, with the primary aim of fostering a robust safety culture throughout the organisation. In FY2025 alone, key training programs conducted by SkyWorld Development included slinging, rigging and signalman training, critical working at height training, and practical fire extinguisher and fire drill demonstration training. Reinforcing our dedication to professional development and safety standards, SkyWorld Development also actively applies for CIDB training and accreditation for their workers, operations, and employees.

OHS communication at SkyWorld Development is facilitated through regular discussions across various platforms. Worker representatives actively participate in monthly Health, Safety, Security, and Environment ("HSSE") meetings and weekly grand toolbox meetings, ensuring a continuous flow of information. The purpose of these weekly toolbox meetings is specifically to share and discuss any observed unsafe practices. Health and safety issues are thoroughly discussed at both individual project levels and across the entire Company, fostering a proactive approach to risk management. Furthermore, workers whose work and workplace are controlled by the organisation are represented by formal joint management-worker health and safety committees, providing a platform where both workers and management can freely voice their concerns and contribute to a safer working environment.

## OHS RISK ASSESSMENT

SkyWorld Development proactively conducts OHS Risk Assessments on existing development sites with the primary aim of identifying high-risk activities. Contractors are the primary parties responsible for monitoring OHS risks on-site. Meanwhile, our Product Department representatives will monitor based on SHASSIC guidelines and highlight key issues during the execution phase. This crucial process is facilitated through the implementation of the Hazard Identification, Risk Assessment and Risk Control ("HIRARC") methodology and it follows DOSH Guidelines 2008. All new and ongoing developments undergo HIRARC assessments, which are regularly updated based on the evolving nature of the work activity.

The effectiveness of these assessments is continuously monitored and reinforced through a rigorous schedule of HSE audits, including daily and monthly site inspections. Furthermore, the records and findings from these ongoing inspections are formally audited during quarterly site performance audits, half-yearly internal audits, and annual ISO audits. Complementing this comprehensive audit framework is the periodic SHASSIC assessment, which provides an additional layer of evaluation within its defined development cycle.

### Dengue Prevention

Skyworld Development places significant emphasis on the prevention of mosquito-borne diseases, including malaria and dengue. To mitigate this risk, various initiatives have been implemented, encompassing strategies such as regular larviciding and fogging activities. Furthermore, proactive measures involve the daily or weekly identification and elimination of potential mosquito breeding sites across all development sites. Complementing these efforts are awareness campaigns and community clean-up initiatives designed to educate workers and promote a healthy and safe working environment free from the threat of dengue.

# SUSTAINABILITY STATEMENT

## PERFORMANCE-LINKED KPIS

Skyworld Development prioritises OHS through performance-linked KPIs. The Group has set annual OHS targets to reduce health and safety impacts and reduce OHS incidents, such as achieving 100% compliance with all relevant OHS regulations, maintaining a zero-fatality rate across all operations, and consistently scoring at least 80% on the SHASSIC score. To ensure these targets are met, OHS performance is tracked monthly and subjected to monthly internal audits, while external assurance is provided by SHASSIC and QLASSIC during and after the construction process. Data analysis encompasses a comprehensive review of worker induction records, any issued Notices of Prohibition or Stop Work Orders, all incident and accident records, and the results of SHASSIC scores. The insights derived from this data are then actively discussed at both individual project levels and across the entire company.

| OHS Data  | FY2025          | FY2024          | FY2023 |
|---|-----------------|-----------------|--------|
| Total Manhours Worked   | 4,857,445       | 3,556,554       | 0      |
| No. of Work-related Fatalities  | 0               | 0               | 0      |
| Employee Fatalities   | 0               | 0               | 0      |
| Contractor Fatalities   | 0               | 0               | 0      |
| No. of Recordable Work-related Injuries                                 | 0               | 0               | 0      |
| Total no. of Lost days / LTI  | 0               | 0               | 0      |
| Incident Report   | 1               | 0               | 0      |
| Unsafe Act Unsafe Condition   | 1               | 0               | 0      |
| Occupational Diseases Rate  | 0               | 0               | 0      |
| Absenteeism Rate - Days   | 0               | 0               | 0      |
| Absenteeism Rate - Headcount  | 0               | 0               | 0      |
| Injury Rate (including fatalities)                                      | 0               | 0               | 0      |
| Rate of High-consequence Work-related Injuries                          | 0               | 0               | 0      |
| Lost Day Rate   | 0               | 0               | 0      |
| Fatality Rate   | 0               | 0               | 0      |
| LTI Rate <sup>2</sup>   | 0               | 0               | 0      |
| Number of Employees Trained on Health and Safety Standards <sup>4</sup> | 12 <sup>5</sup> | 18 <sup>5</sup> | 17     |

### Notes:

- OHS Data is scoped to the contractors of Curvo Residences, EdgeWood Residences, Vesta Residences and SkyVogue Residences development sites only.
- The LTI Rate measures workplace safety by calculating the number of incidents resulting in employees and contract workers being unable to work due to injury or illness, expressed as the number of such incidents per 1,000,000 hours worked.
- In FY2025, SkyWorld employed an alternative contractor with different tallying systems for the total manhours worked. We are continuously developing the data collection method to standardise the tallied hours.
- Excludes site workers.
- The number of employees trained on health and safety standards for FY2023 and FY2024 has been restated due to revisions in the data collection process.

SkyWorld Development is proud to report that the Group has once again achieved our target of zero fatalities and zero LTI in FY2025, a significant achievement when compared to the national average fatality rate of 0.48\* for the construction industry in 2022. Looking ahead, we are targeting the continued maintenance of zero LTIs for the next 5 years to provide a safe and secure working environment for all employees and contractors.

\* Source: National Occupational Accident and Disease Statistics 2022 DOSM

# SUSTAINABILITY STATEMENT

## COMMITMENT TO INDUSTRY STANDARDS AND ENGAGEMENT

SkyWorld Development is actively involved in advancing OHS standards within Malaysia’s construction industry. In FY2025, the Group’s Project Audit Unit was invited by the CIDB to share SkyWorld Development’s experience with the internationally recognised QCLASSIC framework, contributing to knowledge-sharing and capacity-building across the sector.

Furthermore, Skyworld Development’s SkySierra Residences (The Valley) was recognised at the QUEST 2024 event organised by CIDB, for excellence in MyCREST (Malaysian Carbon Reduction and Environmental Sustainability Tool), QCLASSIC, and SHASSIC. SkyAwani V Residences and SkyVogue Residences were also recognised for their outstanding performance in SHASSIC, earning 5-star ratings.



# SUSTAINABILITY STATEMENT

## LOCAL COMMUNITY

At SkyWorld Development, our commitment to social responsibility is a core tenet that actively drives us to engage in numerous initiatives aimed at supporting underprivileged communities. We encourage all employees to participate in at least one volunteer event annually. SkyWorld Development is working closely with local authorities to jointly develop sustainable communities for all. Our community investment is strategically focused on key areas where we can make a tangible difference, including promoting literacy and education, enhancing health and well-being, alleviating poverty, improving community infrastructure, providing crucial financial support to those facing hardship, and ultimately enhancing the overall quality of life within the community. To further solidify our dedication and create a lasting impact, SkyWorld Development has established the SkyWorld Foundation, a dedicated foundation to specifically serve the needs of the underprivileged within our local community.

### SKYWORLD FOUNDATION

The SkyWorld Foundation embodies our commitment to shaping a better community, driven by three core pillars:

|   |   |  |
|---|---|--|
| <br><b>Urban Community</b> | <br><b>Quality Education</b> | <br><b>Green Tech</b> |
|---|---|--|

Guided by our mantra, "One For All; All For One," the SkyWorld Foundation actively engages in a range of impactful initiatives. From refurbishing shelter homes and installing solar panel systems to lighting up streets, we are also dedicated to training youths in essential digital and life skills and empowering underprivileged women to achieve a better living. Every initiative undertaken by the SkyWorld Foundation is fulfilled with the vision of a brighter tomorrow for our community.

In FY2025, SkyWorld Development is proud to have contributed a total of RM 725,498 in support of various community SkyWorld Foundation’s initiatives. These contributions have directly supported approximately 4 beneficiary organisations, which in turn have positively impacted countless individuals, families, and the wider community.

### POWERED UP BY SKYWORLD FOUNDATION

SkyWorld Foundation has launched the "Powered Up" initiative, where we sponsor the installation of solar panels at charitable homes, to help reduce the monthly electricity costs of these homes. Our team of 4 dedicated individuals played an important role in volunteering for the "Powered Up" initiative. We believe that this could help these homes to allocate savings toward other critical resources and enhance their operational efficiency.

SkyWorld Foundation has provided sustainable energy solutions to the beneficiary organisations. This initiative reflects SkyWorld Development’s broader commitment to improve the lives of the underprivileged while contributing to cleaner energy solutions.

Total investment in  
**"Powered Up"**  
 initiative  
**RM725,498**

# SUSTAINABILITY STATEMENT

## COMMUNITY ENGAGEMENT: SKYSHARE COMMUNITY

SkyWorld Development's SkyShare Community initiative is a series of programs designed to strengthen the relationship with our residents and foster a sustainable, thriving community. SkyWorld Development aims to engage residents in activities that promote sustainability, well-being, and personal development. These initiatives not only encourage healthy lifestyles but also create opportunities for learning and mutual support.

Total investment in community engagement  
**RM112,008.44**

### Green Living Day

SkyWorld Development sponsored the Green Living Day event, organised in collaboration with Terra Green. The event, held at SkyMeridien Residences in October 2024 and SkyAwani IV Residences in November 2024, aimed to engage residents and promote sustainable living habits. It featured a sustainable living sharing session with presentations, a Solar DIY Workshop for kids and parents, a recycling and vegetable exchange program, and a green vendor booth section. This initiative was aimed at encouraging residents to adopt green lifestyle habits and fostered a sense of community focused on environmental responsibility by reducing pollution through recycling.



### We Care for Health

In collaboration with Health Lane Family Pharmacy, SkyWorld Development organised a free health screening event focused on the prevention of diabetes, cardiovascular diseases, and other common health issues. The event was held at SkySierra Residences (The Valley) in May 2024 and at SkyAwani V Residences in July 2024. This initiative aimed to promote better health and well-being among residents, providing them with valuable insights into their health and the importance of early detection and prevention.

# SUSTAINABILITY STATEMENT



### Life Saving Cardiopulmonary Resuscitation ("CPR") and Automated External Defibrillators ("AED") Course

In collaboration with St. John Ambulans Malaysia, SkyWorld Development organised a CPR and AED Course in September 2024 at SkyAwani III Residences and SkySierra Residences (The Valley). The course aimed to raise awareness about the importance of CPR and AED in saving lives. Through guided interactive workshops, residents were trained on how to effectively perform CPR and use an AED, equipping them with critical life-saving skills in emergency situations.

### Goal Setting for Better Mental Health

In an era where stress levels are increasingly high, mental health has become a crucial focus for many individuals. To address this, SkyWorld Development organised a Mental Health Workshop in January 2025 in collaboration with Serene Psychological Services. Dr. Sam Jeng Mun led a session on how to manage emotions and raise awareness about mental health issues. The workshop aimed to equip residents with practical tools for improving their mental well-being, promoting self-care, and recognising the signs of stress and mental health concerns.



## COMMUNITY SPONSORSHIPS AND DONATIONS

In FY2025, SkyWorld Development also made significant contributions focused on uplifting the underprivileged community, particularly through donations and sponsorships to local service centres such as social service centres of Batu and Setiawangsa, where we supported festive and essential goods distribution programmes. Contributions were also extended to charitable organisations such as Yayasan Generasi Gemilang and SkyWorld Foundation, which serve vulnerable groups through education and community empowerment initiatives.

In addition, SkyWorld Development actively supported the preservation of local culture and youth development, including sponsorships for cultural events like Randai Si Jundai and youth-focused programmes such as the Smart Leader initiative for secondary school students in Perlis. The Group also sponsored sporting events, such as the Malaysia Football League 2024, and professional community events, including the REHDA Annual Dinner.

Total investment  
in community  
sponsorships and  
donations

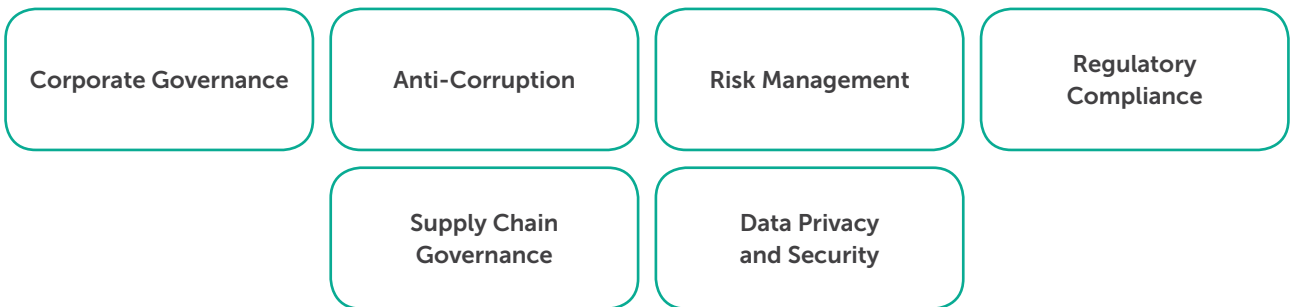
**RM142,500**

# SUSTAINABILITY STATEMENT

## GOVERNANCE TRANSPARENCY

SkyWorld Development is committed to governance transparency through ethical conduct, integrity, and accountability. The Group’s governance framework upholds professional excellence, high-performance standards, and equal opportunities while ensuring compliance with regulatory requirements and sustainability goals. By implementing robust oversight, disclosure practices, and independent governance structures, the Group strengthens stakeholder trust and corporate responsibility.

### MATERIAL TOPICS



### UNSDGs ALIGNMENT

- 

**Goal 8: Decent Work and Economic Growth**

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- 

**Goal 16: Peace, Justice and Strong Institutions**

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- 









**Goal 17: Partnerships for the Goals**

Strengthen the means of implementation and revitalise the global partnership for sustainable development.

# SUSTAINABILITY STATEMENT

## CORPORATE GOVERNANCE

Integrity, transparency, and accountability are embedded in SkyWorld Development’s governance framework and climate-risk management, the Group has implemented key measures as below:

|   |   |   |  |
|---|---|---|--|
|    | Appointed an Independent Non-Executive Director who is a member of the Malaysian Institute of Accountants as the Chair of the Audit & Risk Management Committee ("ARMC"). |    | Appointed the CEO to provide focused management of sustainability strategically across the Group's operations.   |
|    | Appointed a fully independent non-executive Directors for both the ARMC and Nomination & Remuneration Committee   |    | Ensured the Board understands and is kept abreast with sustainability issues relevant to the Company and our stakeholders, including climate-related risks and opportunities.  |
|    | Ensured that Directors who have an interest in a transaction abstain from deliberation and voting on the relevant resolution.   |    | Ensured that the Company's sustainability strategies, priorities and performance are communicated to our internal and external stakeholders.   |
|  | Ensured that the Board reviews conflicts of interest and Related Party Transactions on a quarterly basis.   |  | Disclosed Directors' qualifications, expertise, other directorships held, and Board and Board Committees meetings attendance regularly. <i>(Please see Directors' Profile on pages 14 and Corporate Governance Overview Statement on pages 33 for more information.)</i> |

A comprehensive annual evaluation is conducted by the Nomination & Remuneration Committee of SkyWorld Development to assess the Board’s effectiveness in governance, strategic decision-making, and oversight of sustainability initiatives.

As of FY2025, the Board comprises seven (7) Directors, of whom four (4) are Independent Non-Executive Directors. Additionally, three (3) female Directors serve on the Board, representing 42.9% of female representation, a figure that surpasses the 30% female Directors recommendation under the MCCG.

For further insights into SkyWorld Development’s corporate governance framework and adherence to MCCG-recommended best practices, please refer to the Group’s Corporate Governance Report at <https://www.skyworldgroup.com.my/investor-relations/reports>.

Below are the Annual General Meeting ("AGM") and notice dates for FY2025:

| AGM   | FY2025     | FY2024     |
|---|------------|------------|
| AGM Notice Date (DD-MM-YYYY)                                  | 31-07-2025 | 31-07-2024 |
| AGM Date (DD-MM-YYYY)   | 26-09-2025 | 27-09-2024 |
| Number of days between the date of notice and date of meeting | 57 Days    | 58 Days    |

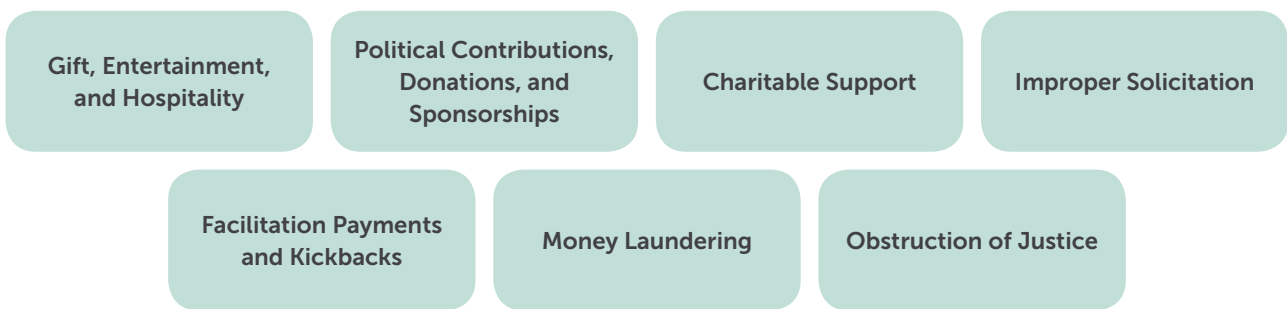
Note: Please refer to page 228 of this Annual Report for the FY2025 Notice of AGM.

# SUSTAINABILITY STATEMENT

## ANTI-CORRUPTION

SkyWorld Development upholds the highest standards of integrity and maintains a zero-tolerance policy against all forms of bribery and corruption comprehensively. The Group acknowledges the significant risks of non-compliance, including erosion of stakeholder trust and legal consequences under Section 17A of the Malaysian Anti-Corruption Commission (“MACC”) Act. Oversight of anti-corruption efforts is led by the Board to ensure accountability and alignment with the Group’s governance commitments.

SkyWorld Development’s ABAC Policy serves as a comprehensive framework that provides clear guidelines for employees in managing bribery and corruption concerns. This policy covers key areas, including:



The ABAC Policy applies to all employees and intermediaries including business partners, associates, agents, vendors, suppliers, contractors, consultants, distributors and any other third-party service providers or persons who perform services for or on behalf of SkyWorld Development and has been communicated to all applicable stakeholders to ensure comprehensive understanding and compliance. Individuals found engaging in corrupt practices face strict repercussions, which may include suspension, termination, legal action, or reporting to authorities.

## TRAINING ON CORRUPTION

SkyWorld Development regularly conducts anti-corruption training and briefings for both new and existing employees. To ensure widespread awareness, anti-corruption messaging is continuously communicated across the Group through multiple channels to foster a culture of integrity and compliance.

| Anti-Corruption Training and Communication   | FY2025        | FY2024        | FY2023        |
|--|---------------|---------------|---------------|
| Number and Percentage of governance body members that have received training on anti-corruption:   |               |               |               |
| a. Total number of Directors   | 7             | 7             | 7             |
| b. Number of Directors who have received training on anti-corruption   | 7             | 7             | 7             |
| c. Percentage of Directors who have received training on anti-corruption   | 100%          | 100%          | 100%          |
| Percentage of employees that have received training and communication on the organisation’s anti-corruption policies and procedures, by employee category: |               |               |               |
| a. Managerial staff  | 100%          | 100%          | 100%          |
| b. Executive staff   | 100%          | 100%          | 100%          |
| Breakdown of number and percentage of business partners who have been briefed on this organisation’s anti-corruption policies and procedures               | 783<br>(100%) | 496<br>(100%) | 496<br>(100%) |

# SUSTAINABILITY STATEMENT

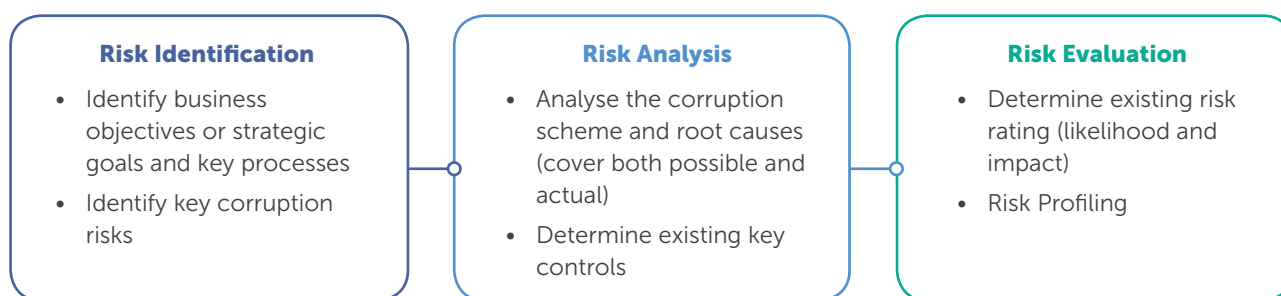
## CORRUPTION DUE DILIGENCE

SkyWorld Development implements rigorous due diligence on business partners, suppliers, and associates to ensure strict compliance with our comprehensive ABAC Policy. Employees are responsible for conducting thorough due diligence on customers and counterparties.

Prior to engagement, all business partners and vendors must formally acknowledge their understanding and commitment to adhering to the ABAC Policy by signing the acknowledgement letter.

## RISK ASSESSMENT AND INTERNAL AUDIT

SkyWorld Development has implemented a comprehensive corruption risk assessment framework, with annual evaluations conducted by the Risk Management Committee. Additionally, risk assessments are proactively reviewed whenever there are changes in regulations or business conditions to ensure that emerging corruption risks are identified and appropriate mitigating controls are effectively implemented.



| Corruption Risk Assessment   | FY2025 | FY2024 | FY2023 |
|--|--------|--------|--------|
| Percentage of operations assessed for corruption-related risks (%)   | 100%   | 100%   | -      |
| Total number of confirmed incidents of corruption  | 0      | 0      | 0      |
| Total number of confirmed incidents in which employees were dismissed or disciplined for corruption  | 0      | 0      | 0      |
| Total number of confirmed incidents when contracts with suppliers and contractors were terminated or not renewed due to violations related to corruption | 0      | 0      | 0      |
| Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases     | 0      | 0      | 0      |
| Cost of fines, penalties or settlements in relation to corruption (RM)   | 0      | 0      | 0      |
| Total amount of political contributions made (RM)  | 0      | 0      | 0      |

In FY2025, no risk were identified and deemed as “high” corruption risk based on the risk assessment.

# SUSTAINABILITY STATEMENT

## RISK MANAGEMENT

SkyWorld Development recognises that ESG-related risks, including climate change, human and labour rights, OHS, and corruption, can significantly impact business continuity, stakeholder confidence, and overall competitiveness. Failure to address these risks effectively could disrupt operations, diminish trust, and threaten the Group’s long-term viability.

The Board holds ultimate responsibility for the oversight on all sustainability, ESG, and climate-related risks to ensure they are proactively managed and integrated into the Group’s risk management framework. The Group’s risk management approach is structured as follows:

### Risk Responsibility

Risk management is overseen by the Board through the ARMC, which ensures the adequacy, effectiveness, and integrity of the Group’s internal control systems through regular reviews and an ongoing risk management process.

### Risk Monitoring and Mitigation

The Board and Management have implemented a robust framework for managing risks and internal controls within the Group. Leveraging the Group’s Enterprise Risk Management Framework, which references the ISO 31000:2018 Risk Management Guidelines, we diligently identify, monitor, and address significant strategic, operational, and project risks that may impact the Group’s ability to generate value. Our Risk Register is regularly updated and reviewed half-yearly by the ARMC. ESG and climate-related risks such as non-compliance with Bursa Securities’ disclosure requirements on the 11 common sustainability matters and TCFD-aligned climate risk disclosure, as well as risks associated with indicative poor ESG ratings, have been incorporated into the Risk Register.

### Risk Resilience

Our assessments demonstrate that we have adequate internal controls and risk management systems to meet our objectives. These systems ensure compliance with laws, regulations, policies and procedures, maintain the integrity of information, and safeguard our assets. We are committed to continually enhancing our risk management and internal controls to better manage ESG risks as we advance our sustainability agenda.

Please see the Statement on Risk Management and Internal Control on pages 46 to 51 for more information.

# SUSTAINABILITY STATEMENT

## UPHOLDING ETHICAL CONDUCT

SkyWorld Development has established comprehensive Code of Business Conduct ("Code") for employees and directors, which govern corporate behaviour and interactions with stakeholders, including suppliers, contractors, vendors, business partners, and other related parties. The Code focuses on three key areas:



The Group fosters a culture of integrity by encouraging employees to report any potential breaches of the Code in accordance with the established guidelines. The Board maintains oversight to ensure compliance and uphold the highest ethical standards.

All reports are promptly investigated with integrity, transparency, confidentiality, and impartiality. Employees and officers are expected to fully cooperate with internal audits, investigations, and any necessary corrective actions. In instances where external investigations are required, all officers must respond appropriately, provide full cooperation, and refrain from interfering with lawful government inquiries, audits, or regulatory investigations.

To remain effective in addressing evolving ethical concerns, the Code undergoes periodic reviews and updates. In FY2025, SkyWorld Development recorded zero substantiated claims or incidents of non-compliance with the Code.

## WHISTLEBLOWING MECHANISM AND POLICY

SkyWorld Development has established a robust Whistleblowing Policy, providing a clear and structured framework for reporting misconduct, unethical behaviour, or any improper practices within the Group. This policy ensures that both internal and external stakeholders, including employees, contractors, joint venture partners and the public, have access to a secure and accountable reporting channel.

To uphold integrity and transparency, the policy guarantees confidentiality for individuals who disclose actual or suspected wrongdoing, provided the report is made in good faith. Whistleblowers are also fully protected against harassment, retaliation, or any form of adverse action to enhance an ethical and accountable corporate culture.

All reports submitted through our Whistleblowing Channel will undergo a rigorous assessment and investigation process, and it is handled with utmost integrity, transparency and diligence. The Group is committed to maintaining a fair and impartial review process, where allegations of misconduct are thoroughly examined and appropriate actions are taken in accordance with internal policies and public regulatory requirements. In FY2025, no whistleblowing reports were received through this channel.



# SUSTAINABILITY STATEMENT

## REGULATORY COMPLIANCE

At SkyWorld Development, integrity and ethical business conduct form the cornerstone of our operations. The Board and management are unwavering in their commitment to strict regulatory compliance, ensuring that all business activities adhere to the highest legal and ethical standards.

To reinforce compliance, SkyWorld Development has implemented a transparent and structured governance framework that enables continuous monitoring, evaluation and validation of business processes. This proactive approach ensures that all operations remain aligned with evolving legal requirements while upholding corporate integrity.

| Regulatory Compliance Performance   | FY2025 | FY2024 | FY2023 |
|---|--------|--------|--------|
| No. of environmental non-compliance incidents in the Company and/or subsidiaries that resulted in a fine or censure | 0      | 0      | 0      |
| No. of socioeconomic non-compliance incidents in the Company and/or subsidiaries that resulted in a fine or censure | 0      | 0      | 0      |
| Total cost of fines for environmental non-compliance  | 0      | 0      | 0      |
| Total cost of fines for socio-economic non-compliance   | 0      | 0      | 0      |

## ANTI-COMPETITIVE PRACTICES

SkyWorld Development is fully committed to fair competition and strictly prohibits any anti-competitive practices. This includes unethical actions such as price fixing, bid rigging, market or output restrictions, and the allocation of customers, suppliers, geographic areas, or product lines. The Group does not tolerate any form of collusion with competitors or the abuse of market power to gain an unfair advantage. We uphold the principle that all business transactions must be conducted in a manner that is both ethical and transparent.

During the reporting year, the Group has had no pending or completed legal actions relating to anti-competitive behaviour or violations of anti-trust and monopoly laws.



# SUSTAINABILITY STATEMENT

## SUPPLY CHAIN GOVERNANCE

SkyWorld Development is committed to integrating sustainability principles throughout our value chain, with a strong focus on supporting the local economy. We prioritise the engagement of local suppliers and vendors in procurement processes to ensure that our contracts foster economic growth within the communities.

We also actively encourage our third-party partners to adopt sustainable environmental and social practices which aligns with our core values. Goods and services are carefully selected based on their sustainability, competitive pricing and environmental impact, with the goal of maximising value for stakeholders while minimising our carbon footprint.

Our supply chain management strategy emphasises engagement and collaboration with supply chain partners to ensure full compliance with local laws, regulatory standards and ethical practices. This includes upholding human rights, labour standards and OHS. By fostering strong partnerships and maintaining high standards, we mitigate risks associated with these areas and enhance the resilience of our supply chain.

A total of 284 of our suppliers have endorsed ABAC policies through third-party declarations. Key concerns addressed with our supply chain partners include:

- Complying with local laws, including environmental regulations
- Preventing modern slavery and human rights abuses
- Maintaining a safe, healthy and non-discriminatory workplace
- Preventing all forms of bribery and corruption

SkyWorld Development builds strong, collaborative relationships with our supply chain partners by identifying best practices and innovative solutions. We aim to enhance ESG data collection in collaboration with these partners to foster transparency and drive continuous improvements in our reporting processes.

The Group further improve the environmental and social impact through our supply chain. This includes a mindful approach to sourcing materials for our developments, considering factors such as energy and water consumption, emissions, waste management, biodiversity impacts and other environmental and pollution concerns.

|   | FY2025 |
|---|--------|
| No. of supplier screened using environmental criteria | 0      |
| No. of supplier screened using socioeconomic criteria | 0      |

Note: SkyWorld Development is in the process of formalising our supplier screening framework, which is scheduled for implementation in FY2025.

## SUPPLIER CODE OF CONDUCT

### SUPPLY CHAIN POLICY

To streamline operations and ensure consistency across our value chain, SkyWorld Development developed a comprehensive supply chain management framework – SkyWorld Development’s Supply Chain Policy since FY2024. This policy applies to all subsidiaries of SkyWorld Development and extends to every supplier, vendor, contractor, consultant, distributor and other third parties engaged by the Company.

SkyWorld Development ensures that our suppliers align with the Company’s ESG principles by conducting comprehensive due diligence and risk assessments to identify and mitigate environmental and social risks. This includes supplier training on sustainability issues, regular monitoring, and audits to ensure adherence to these standards. Suppliers are encouraged to adopt sustainable practices and reduce their environmental impact. Additionally, all suppliers must comply with anti-corruption policies, anti-money laundering practices, and fair competition standards. This framework makes sure all supply chain activities align with the Group’s high standards of ethics and sustainability.

# SUSTAINABILITY STATEMENT

## CODE OF BUSINESS CONDUCT

Furthermore, SkyWorld Development’s Code of Business Conduct applies to all suppliers, ensuring that they adhere to ethical business practices in line with the Group’s core values. This Code emphasizes integrity, fairness, and transparency, reinforcing expectations for suppliers to uphold the same high ethical standards. By incorporating the Code into our supplier agreements, we ensure that every supplier is held to the same principles that guide our operations and contribute to a responsible and sustainable supply chain.

## DATA PRIVACY AND SECURITY

SkyWorld Development is fully committed to safeguarding customer data privacy in strict compliance with the Personal Data Protection Act 2010 (“PDPA”). We have entrusted the important responsibility of protecting customer privacy to the Customer Advocacy and IT Departments, which oversee and manage all aspects of data protection. Recognising that our data encompasses both sensitive and non-sensitive customer information, we have implemented comprehensive data protection protocols and procedures to prevent any misuse of information or data breaches.

We affirm and pledge that we will only collect necessary data with the explicit consent of the data owner. Any data sharing with third parties will only occur with the strict consent of the data owner. Our approach to data privacy is further supported by the development of Standard Operating Procedures (“SOPs”), which outline the steps for collecting, using, securing, and responding to data breaches, customer complaints, and consent revocations.

We require all employees, suppliers, business partners and any third parties with access to customer data to uphold strict confidentiality. This expectation is embedded in the Code, which is binding for all employees. Vendors and third parties who handle sensitive customer data are also required to sign Non-Disclosure Agreements or relevant agreements to provide formal documentation, ensuring compliance with the law.

Over the past 3 years, SkyWorld Development has not faced any fines, penalties or warnings related to non-compliance with data privacy regulations or voluntary codes. We implemented several measures to further enhance our data security. We have fully transitioned to AWS cloud hosting to ensure high availability, advanced security, and disaster recovery. Additionally, we have strengthened our security infrastructure with local backups and implemented cyber security measures such as phishing protection and a firewall upgrade to enhance overall security.

| Data Privacy and Security  | FY2025 | FY2024               | FY2023               |
|--|--------|----------------------|----------------------|
| Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | 0      | 4 cases              | 6 cases              |
| Number of complaints from regulatory bodies  | 0      | 8 cases <sup>1</sup> | 3 cases <sup>1</sup> |
| Total fines related to PDPA non-compliance (RM)  | 0      | 0                    | 0                    |

Note:

<sup>1</sup> The number of complaints from regulatory bodies in FY2023 and FY2024 has been restated to reflect precise figures based on updated information.



# SUSTAINABILITY STATEMENT

## ESG PERFORMANCE TABLE

| Indicator   | Measurement Unit | 2023       | 2024      | 2025       |
|---|------------------|------------|-----------|------------|
| <b>Bursa (Anti-corruption)</b>  |                  |            |           |            |
| Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category              |                  |            |           |            |
| Senior Management & Management  | Percentage       | 100.00     | 100.00    | 100.00     |
| Executive   | Percentage       | 100.00     | 100.00    | 100.00     |
| Non-Executive   | Percentage       | 100.00     | 100.00    | 100.00     |
| Bursa C1(b) Percentage of operations assessed for corruption-related risks  | Percentage       | -          | 100.00    | 100.00     |
| Bursa C1(c) Confirmed incidents of corruption and action taken  | Number           | 0          | 0         | 0          |
| <b>Bursa (Community/Society)</b>  |                  |            |           |            |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR              | 218,304.00 | 15,000.00 | 980,006.44 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities  | Number           | 20         | 3         | 16         |
| <b>Bursa (Diversity)</b>  |                  |            |           |            |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category                             |                  |            |           |            |
| Age Group by Employee Category  |                  |            |           |            |
| Management 30 and Below   | Percentage       | 0.00       | 0.00      | 1.70       |
| Management Between 31-50  | Percentage       | 89.10      | 87.50     | 86.20      |
| Management Between 51-65  | Percentage       | 10.90      | 12.50     | 12.10      |
| Management 66 and Above   | Percentage       | 0.00       | 0.00      | 0.00       |
| Executive 30 and Below  | Percentage       | 14.40      | 16.10     | 33.80      |
| Executive Between 31-50   | Percentage       | 44.50      | 36.00     | 51.40      |
| Executive Between 51-65   | Percentage       | 8.60       | 7.40      | 14.80      |
| Executive 66 and Above  | Percentage       | 0.50       | 0.40      | 0.00       |
| Non-executive 30 and Below  | Percentage       | 61.90      | 85.70     | 73.90      |
| Non-executive Between 31-50   | Percentage       | 38.10      | 14.30     | 26.10      |
| Non-executive Between 51-65   | Percentage       | 0.00       | 0.00      | 0.00       |
| Non-executive 66 and Above  | Percentage       | 0.00       | 0.00      | 0.00       |
| Gender Group by Employee Category   |                  |            |           |            |
| Management Male   | Percentage       | 69.60      | 66.70     | 65.50      |
| Management Female   | Percentage       | 30.40      | 33.30     | 34.50      |
| Executive Male  | Percentage       | 59.20      | 59.30     | 52.80      |
| Executive Female  | Percentage       | 40.80      | 40.70     | 47.20      |
| Non-executive Male  | Percentage       | 47.60      | 36.70     | 78.30      |
| Non-executive Female  | Percentage       | 52.40      | 63.30     | 21.70      |
| Bursa C3(b) Percentage of directors by gender and age group   |                  |            |           |            |
| Male  | Percentage       | 57.10      | 57.10     | 57.10      |
| Female  | Percentage       | 42.90      | 42.90     | 42.90      |
| 30 and Below  | Percentage       | 0.00       | 0.00      | 0.00       |
| Between 31-50   | Percentage       | 14.30      | 14.30     | 14.30      |
| Between 51-65   | Percentage       | 85.70      | 85.70     | 85.70      |
| 66 and Above  | Percentage       | 0.00       | 0.00      | 0.00       |

Internal assurance External assurance No assurance

(\*)Restated

# SUSTAINABILITY STATEMENT

| Indicator  | Measurement Unit | 2023      | 2024      | 2025      |
|--|------------------|-----------|-----------|-----------|
| <b>Bursa (Energy management)</b>   |                  |           |           |           |
| Bursa C4(a) Total energy consumption   | Megawatt         | 610.61    | 1,377.00  | 3,313.80  |
| <b>Bursa (Health and safety)</b>   |                  |           |           |           |
| Bursa C5(a) Number of work-related fatalities  | Number           | 0         | 0         | 0         |
| Bursa C5(b) Lost time incident rate ("LTIR")   | Rate             | 0.00      | 0.00      | 0.00      |
| Bursa C5(c) Number of employees trained on health and safety standards   | Number           | 12        | 18 *      | 17        |
| <b>Bursa (Labour practices and standards)</b>  |                  |           |           |           |
| Bursa C6(a) Total hours of training by employee category   |                  |           |           |           |
| Senior Management  | Hours            | 450       | 523       | 197       |
| Management   | Hours            | 1,095     | 1,164     | 871       |
| Executive  | Hours            | 6,720     | 8,592     | 5,992     |
| Non-Executive  | Hours            | 308       | 452       | 251       |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff  | Percentage       | 3.00      | 14.00     | 7.00      |
| Bursa C6(c) Total number of employee turnover by employee category   |                  |           |           |           |
| Management   | Number           | 10        | 13        | 12        |
| Executive  | Number           | 42        | 38        | 50        |
| Non-Executive  | Number           | 5         | 5         | 0         |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations  | Number           | 0         | 0         | 0         |
| <b>Bursa (Supply chain management)</b>   |                  |           |           |           |
| Bursa C7(a) Proportion of spending on local suppliers  | Percentage       | 99.99     | 99.98     | 99.99     |
| <b>Bursa (Data privacy and security)</b>   |                  |           |           |           |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data       | Number           | 6         | 4         | 0         |
| <b>Bursa (Water)</b>   |                  |           |           |           |
| Bursa C9(a) Total volume of water used   | Megalitres       | 12.900000 | 19.600000 | 32.300000 |
| <b>Bursa (Waste management)</b>  |                  |           |           |           |
| Bursa C10(a) Total waste generated   | Metric tonnes    | 585.00    | 1,110.40  | 335.00    |
| Bursa C10(a)(i) Total waste diverted from disposal   | Metric tonnes    | 0.00      | 23.80     | 142.90    |
| Bursa C10(a)(ii) Total waste directed to disposal  | Metric tonnes    | 585.00    | 1,086.60  | 192.10    |
| <b>Bursa (Emissions management)</b>  |                  |           |           |           |
| Bursa C11(a) Scope 1 emissions in tonnes of CO2e   | Metric tonnes    | 1.70      | 169.70    | 681.40    |
| Bursa C11(b) Scope 2 emissions in tonnes of CO2e   | Metric tonnes    | 471.20    | 579.60    | 466.90    |
| Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting) | Metric tonnes    | 101.70    | 593.60    | 418.10    |

Internal assurance External assurance No assurance (\*)Restated

Note:

Please refer to the OHS section on page 108 of this Annual Report for details on the restatement of number of employees trained on health and safety standards for FY2023 and FY2024.

# SUSTAINABILITY STATEMENT

## IFRS S2/TCFD-ALIGNED CLIMATE REPORT

| Governance  |  |
|---|--|
| Disclose the organisation’s governance around climate-related risks and opportunities.  |  |
| <p>a. Disclose the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities</p>                                       | <p>SkyWorld Development's framework for governing climate-related risks and opportunities places ultimate oversight and strategic accountability with our Board. The Board receives support from the ARMC and the Sustainability Management Committee in these duties. Integral to implementing the strategy is the CEO, who is also a Board member and is tasked with leading the strategic management of sustainability and climate matters and embedding them in daily operations.</p> <p>While the Board Charter is being updated to outline the Board's responsibilities regarding ESG and climate change, the ARMC's Terms of Reference detail its role in overseeing risk management, which includes climate-related risks. To ensure the highest governance body possesses the necessary expertise, Directors participate in training sessions covering areas like ESG trends and the financial implications of climate change.</p> <p>Information on climate risks, opportunities and sustainability performance metrics (such as energy use and emissions) is conveyed to the Board through regular updates. Management is also kept informed via periodic reports and meetings, and the ARMC reviews the comprehensive Risk Register, which contains ESG and climate risks, twice a year.</p> <p>The process for managing risks associated with major transactions, such as significant capital expenditures or acquisitions, involves the ARMC evaluating these proposals with a specific focus on climate-related risks and opportunities to ensure they align with the Group's climate goals and risk framework. The ARMC then provides its analysis and recommendations to the Board and Management.</p> <p>The Board retains ultimate authority over setting sustainability, ESG and climate targets, which are initially developed by the Sustainability Management Committee and formally approved by the Board. Monitoring of progress towards these climate targets is conducted by both the Sustainability Management Committee and the Sustainability Working Committee through on-going performance reviews and tracking of ESG key performance indicators. Finally, performance related to managing material sustainability issues, including climate, influences the Board's decisions on Director remuneration, and the Company is actively working towards formalising a mechanism to link the achievement of these targets to remuneration for the Board and Management.</p> <p><i>More details can be found at Sustainability Governance Structure (page 59 to 60), Governance Transparency (page 113 to 139) and Climate Change (page 81 to 82) sections of the Sustainability Report. The Board Charter and ARMC's Terms of Reference can be accessed at <a href="https://www.skyworldgroup.com.my/investor-relations/governance-documents">https://www.skyworldgroup.com.my/investor-relations/governance-documents</a>.</i></p> |
| <p>b. Disclose management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities</p> | <p>The Sustainability Management Committee, comprising the CEO and Heads of Department, supports the ARMC and the Board by providing active management of sustainability and climate matters. This committee is instrumental in supporting the CEO to drive ESG implementation, formulating strategies and targets, allocating resources, and evaluating progress and reporting directly to the Board. The Sustainability Working Committee, made up of Managers and Executive staff from relevant departments, is responsible for the day-to-day operationalisation of ESG initiatives, driving implementation within their areas, and gathering performance data.</p> <p>The Management is responsible for implementing and maintaining robust risk management and internal control frameworks that encompass climate considerations. This involves identifying, assessing, monitoring and reporting risks, including recognising emerging climate risks and notifying the Board promptly. Management utilises various controls and procedures, such as updated policies like the Group Sustainability and Climate Change Policy and SOPs, to support oversight.</p> <p><i>For more information, please refer to the Sustainability Governance Structure (page 59 to 60) and Governance Transparency (page 113 to 139).</i></p>  |

# SUSTAINABILITY STATEMENT

| <b>Strategy</b>  |   |
|--|---|
| Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.  |   |
| <p>a. Disclose the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects</p> <p>b. Disclose the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain</p> | <p>SkyWorld Development acknowledges climate change as both a significant risk and an opportunity for our enterprise. We have systematically identified pertinent climate change risks, which we have classified into physical and transition risks across short, medium, and long-term time frames. This classification takes into account the operational lifespan of our assets and infrastructure, along with the anticipated timelines for the emergence of climate-related challenges.</p> <div style="background-color: #76923c; color: white; text-align: center; padding: 2px;"><b>Physical Risks</b></div> <div style="border: 1px solid black; padding: 5px;"> <p><b>Extreme Rainfall Pattern</b><br/>                     Impact Timeframe: <b>S M L</b><br/>                     Severity: Low to Moderate<br/>                     Increased damages, construction delays, higher development costs for design and flood protection features, supply chain disruptions and impacts on workforce travel and safety are associated with extreme rainfall patterns and more frequent flash floods in urban areas. These patterns can also affect property value and the availability of suitable landbank.</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p><b>Rising Temperature</b><br/>                     Impact Timeframe: <b>S M L</b><br/>                     Severity: Low to Moderate<br/>                     Increased worker health issues and OHS incidents reducing productivity and causing project delays, increased property defects and higher maintenance and operational costs, and higher development costs from planning and design changes are impacts associated with rising temperatures.</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p><b>Drought</b><br/>                     Impact Timeframe: <b>M L</b><br/>                     Severity: Insignificant<br/>                     Structural issues in properties requiring costly repairs due to soil shrinkage, delays in construction time, and impact on landbank availability associated with prolonged dry conditions.</p> </div> <div style="background-color: #76923c; color: white; text-align: center; padding: 2px;"><b>Transitional Risks</b></div> <div style="border: 1px solid black; padding: 5px;"> <p><b>Increased Green Requirements</b><br/>                     Impact Timeframe: <b>S M L</b><br/>                     Severity: Low to Moderate<br/>                     Increased requirements for green building features and materials, potential impacts on property pricing or earnings margins and risks of fines or delays in regulatory approvals are associated with evolving government and industry regulations.</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p><b>Access to Financing</b><br/>                     Impact Timeframe: <b>S M L</b><br/>                     Severity: Low to Moderate<br/>                     Likelihood of reduced financing margins or higher interest rates, the requirement to incorporate sustainable features to secure loans and increased transition costs to energy-efficient operations as financiers increasingly prioritise sustainability performance.</p> </div> |

# SUSTAINABILITY STATEMENT

| Strategy  |  |
|---|--|
| Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material. |  |
|   | <b>Opportunities</b>   |
|   | <p><b>Renewable Energy Adoption</b><br/>Impact Timeframe: <b>S M L</b><br/>Decreased energy costs and carbon footprint, increased likelihood of green building certification, and strengthened brand reputation.</p>   |
|   | <p><b>Increased Demand for Industrialised Building System</b><br/>Impact Timeframe: <b>S L</b><br/>Increased business opportunities and strengthened brand reputation, alongside decreased manpower and material costs and improved resilience to climate risks.</p>   |
|   | <p><b>Carbon Credit Purchase</b><br/>Impact Timeframe: <b>S M</b><br/>Reduction in carbon emissions through offsetting, increased incentives and strengthened brand reputation, aligning with the Group's goal to achieve Net Zero Carbon by 2050.</p>   |
|   | <p><b>Expansion into New Business Sectors and Industries</b><br/>Impact Timeframe: <b>L</b><br/>Increased business diversification into niche green sectors to increase revenue and strengthened brand reputation.</p>   |
|   | <p>Legend:<br/> <b>S</b> – short-term (0-2 years)<br/> <b>M</b> – medium-term (3-5 years)<br/> <b>L</b> – long-term (6-10 years)</p> <p><i>Details about the risks and opportunities mentioned above can be found in the TCFD Climate Change Risk Assessment and Scenario Planning Report.</i></p>   |
| c. Disclose the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan      | <p>Climate risks and opportunities significantly impact SkyWorld Development's business model and value chain. Risks can lead to increased costs, construction delays, potential damages and challenges in accessing financing, with impacts often concentrated at specific sites and within the supply chain. Opportunities, conversely, offer potential benefits through operational efficiencies, cost savings from areas like renewable energy adoption and efficient construction methods and enhanced market positioning.</p> <p>SkyWorld Development's strategy integrates climate considerations into planning, design and resource allocation to incorporate sustainable features and energy-efficient solutions. This involves direct mitigation actions focused on enhancing site resilience and worker safety and indirect efforts to leverage sustainability for financing and align with regulatory requirements. These strategic adjustments contribute to SkyWorld Development's preliminary transition plan towards a net-zero carbon goal, which is influenced by external dependencies including regulatory support and financial market evolution.</p> |
| d. Disclose the current and anticipated effects of those climate-related risks and opportunities on the entity's financial position, financial performance, and cash flows                  | <p>Financially, climate risks are anticipated to increase various costs across development, operations, maintenance and compliance, potentially impacting revenue and cash flow through development delays and penalties. Opportunities, however, are expected to generate cost savings over time and potentially create new revenue streams. SkyWorld Development aims to manage these financial implications across the short, medium and long term through our strategic adaptation efforts, investments in resilience and initiatives to secure sustainable funding, seeking to enhance long-term financial performance. Additionally, SkyWorld Development is working towards quantifying the financial impacts arising from these risks to enhance our strategic decision-making process going forward.</p> <p><i>Detailed information on impacts of climate-related risks and opportunities is presented in the TCFD Climate Change Risk Assessment and Scenario Planning Report.</i></p>   |

# SUSTAINABILITY STATEMENT

| <b>Strategy</b>   |  |
|---|--|
| Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material. |  |
| <p>e. Disclose the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties</p>  | <p>SkyWorld Development is firmly committed to limiting the increase in global temperature to 1.5°C. This commitment aligns with Malaysia's Nationally Determined Contributions under the Paris Agreement. Furthermore, SkyWorld Development actively participates in organisations such as the REHDA, collaborating and sharing expertise on crucial areas like green energy transition, green building practices and emissions reduction, ensuring the Group's approach is informed by industry best practices and consistent with the collective efforts of our trade associations.</p> <p>To effectively build a strategy resilient to the uncertainties of future climate conditions, SkyWorld Development utilises climate scenario analysis. This includes examining pathways like RCP 4.5, which suggests a future with moderate yet significant global warming leading to increased physical climate risks, and the NGFS Net Zero 2050 scenario, which depicts a future where stringent climate policies and rapid technological innovation limit warming to 1.5°C, thereby presenting more pronounced transition risks and opportunities. These scenarios provide a vital framework for evaluating how different emission trajectories and resulting climate impacts or policy responses could specifically influence SkyWorld Development's business environment, from operational realities and supply chains to market demand and the regulatory landscape.</p> <p>The insights gained from this scenario analysis directly inform and shape SkyWorld Development's strategic approach, ensuring it is robust and adaptable across a range of potential climate futures. To enhance resilience against physical impacts, such as the operational disruptions and safety risks posed by extreme rainfall and rising temperatures, the Group is dedicating resources to implement precautionary and mitigation plans. This includes ramping up the adoption of off-site construction methods, such as the use of the industrialised building system (IBS), which enables faster build times and reduces exposure to adverse weather; establishing proactive climate alert systems for early warning; and implementing measures to improve the working environment and maximise automation to counter the effects of heatwaves on worker productivity and safety. Concurrently, to effectively navigate the evolving landscape of transition risks driven by policies aimed at decarbonisation, SkyWorld Development is intensifying efforts to integrate green building features and sustainability standards into our developments. This strategic focus involves continuous engagement with governmental and industry bodies to remain ahead of regulatory changes, undertaking enhanced marketing efforts to communicate the value proposition of sustainable features to customers, and implementing robust financial planning to manage the potentially higher upfront capital expenditure associated with green building and access sustainable financing options.</p> <p>The effectiveness of these strategic adjustments and detailed risk mitigation measures is subject to continuous monitoring and assessment. This ongoing evaluation process is crucial for ensuring that SkyWorld Development's strategy remains relevant and effective in supporting organisational resilience in the face of dynamic climate-related risks and opportunities.</p> <p><i>Detailed information on impacts of climate-related risks and opportunities is presented in the TCFD Climate Change Risk Assessment and Scenario Planning Report. The additional information about climate adaptation and mitigation measures can be found in the Climate Change section (page 81 to 82).</i></p> |

# SUSTAINABILITY STATEMENT

| <b>Risk Management</b><br>Disclose how the organisation identifies, assesses, and manages climate-related risks. |   |
|--|---|
| a. Describe the organisation's processes for identifying and assessing climate-related risks                     | <p>The core process for identifying, assessing, prioritising, and monitoring climate-related risks and opportunities includes dedicated exercises such as the recent climate change workshop conducted in FY2024. During this workshop, potential physical and transitional risks and associated opportunities were identified, their potential impacts assessed, and their timeframes mapped. A crucial element of this process is the utilisation of climate scenario analysis, examining pathways like RCP 4.5 and NGFS Net Zero 2050 that aims to limit global warming to 1.5°C and 2.4°C above pre-industrial levels, to understand potential challenges and opportunities under different climate futures and inform the development of adaptation and mitigation plans. Furthermore, climate change is identified and prioritised as a material sustainability matter through regular materiality assessments informed by stakeholder feedback, which helps in prioritising focus areas and monitoring the ongoing relevance of climate considerations.</p> <p>The insights and findings derived from these climate risk and opportunity identification and assessment processes are integral to SkyWorld Development's overall risk management framework. The evaluated potential impacts, timeframes, and scenario-based considerations directly inform the Group's broader strategic planning, the prioritisation of climate-related risks relative to other significant business risks, the allocation of resources for mitigation and adaptation efforts, and the development of specific risk treatment plans. This integration ensures that climate-related risks and opportunities are systematically considered within decision-making processes and ongoing risk monitoring activities, contributing to the Group's overall resilience and strategic direction.</p> <p><i>For more information about the process of assessing and identifying climate-related risks, please refer to the Materiality Assessment Process (page 65 to 66).</i></p>   |
| b. Describe the organisation's processes for managing climate-related risks                                      | <p>SkyWorld Development manages climate-related risks within our established Enterprise Risk Management ("ERM") framework. This framework is aligned with the ISO 31000:2018 standard and is facilitated by the Board, serving as the guiding structure for identifying, evaluating, monitoring, and managing all significant risks faced by the Group, including those stemming from climate change.</p> <p>The management of climate-related opportunities is integrated into SkyWorld Development's processes, facilitated by the ERM framework's role in strategic decision-making and resource allocation. Opportunities identified during assessment, including those highlighted by climate scenario analysis regarding potential market shifts towards green building, sustainable technologies, or new niche sectors, are evaluated within this framework. This evaluation helps to inform how these opportunities can be pursued and leveraged to enhance business strategy and create value, ensuring that potential benefits are considered alongside risks within the Group's forward planning.</p> <p>The processes for managing both climate-related risks and opportunities are deeply integrated into SkyWorld Development's overall ERM framework. Climate risks identified and evaluated based on their severity, likelihood, and potential impact, along with the relevant controls and proposed mitigation plans implemented by Management, are documented in comprehensive risk management reports. These reports undergo rigorous and regular examination by the ARMC. The ARMC's oversight role ensures the adequacy and effectiveness of the internal control systems managing these risks and facilitates their scrutiny and alignment with the Group's overall strategic objectives, embedding climate considerations within high-level governance and ongoing risk monitoring.</p> <p><i>Further details about SkyWorld Development's risk management approach can be found in the Statement on Risk Management and Internal Control (page 46 to 51). Management of climate-related risks and other green practices can be found in the Environmental Impact section (page 80 to 92).</i></p> |

# SUSTAINABILITY STATEMENT

| <b>Risk Management</b>   |  |
|--|--|
| Disclose how the organisation identifies, assesses, and manages climate-related risks.   |  |
| c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management  | <p>Findings from key exercises, including the materiality assessment findings tabled to the Board in FY2023 and the outcomes of the climate change workshop and report, are reviewed to ensure relevant climate risks, encompassing physical impacts and transitional factors like regulatory changes and market shifts, are incorporated. Specific climate and ESG-related risks, such as non-compliance with disclosure requirements and risks associated with ESG ratings, have been formally embedded within the Group's central Risk Register.</p> <p>These integrated risks are subject to continuous monitoring and review under the oversight of the Audit &amp; Risk Management Committee (ARMC), ensuring they are assessed and managed proactively in harmony with the Group's broader risk management strategy.</p> <p><i>For more information about the Group's overall risk management, please refer to the Statement on Risk Management and Internal Control (page 46 to 51).</i></p>   |
| <b>Metrics and Targets</b>   |  |
| Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.          |  |
| a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | <p>SkyWorld Development evaluated our greenhouse gas ("GHG") emissions by measuring both direct (Scope 1) and indirect (Scope 2) emissions stemming from our business activities. Furthermore, in line with Bursa Securities's Sustainability Reporting Guide (3rd Edition), SkyWorld Development tracks and reports Scope 3 emissions.</p> <ul style="list-style-type: none"> <li>• Scope 1 emissions: tonnes of CO<sub>2</sub> equivalent per litre of fuel consumed.</li> <li>• Scope 2 emissions: tonnes of CO<sub>2</sub> equivalent per kilowatt-hour of electricity consumed.</li> <li>• Scope 3 emissions: tonnes of CO<sub>2</sub> equivalent per passenger-kilometre, considering various transportation methods for employee commuting and business travel; tonnes of CO<sub>2</sub> equivalent per tonne of waste generated, considering the type of waste and disposal method.</li> </ul> <p>The total emissions are then analysed against the Group's revenue in RM million to ascertain the overall emission intensity.</p> <p><i>More information about the metrics used is provided in Energy and Emissions Management (page 83 to 85).</i></p> |
| b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks   | <p>In accordance with the GHG Protocol Corporate Accounting and Reporting Standard, we measure our emissions by applying emission factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the US Environmental Protection Agency's Climate Leaders initiative. The global warming potential factors for all greenhouse gases are in agreement with the 2023 Sixth Assessment Report of the Intergovernmental Panel on Climate Change, based on a 100-year assessment period.</p> <p>SkyWorld Development's CO<sub>2</sub>e emissions across Scope 1, 2 and 3 are:</p> <ul style="list-style-type: none"> <li>• Scope 1 = 681.4 tCO<sub>2</sub>e</li> <li>• Scope 2 = 466.9 tCO<sub>2</sub>e</li> <li>• Scope 3 = 418.1 tCO<sub>2</sub>e</li> <li>• Total = 1,566.4 tCO<sub>2</sub>e</li> </ul> <p><i>More information about the Group's emission performance is provided in Energy and Emissions Management (page 83 to 85).</i></p>   |

# SUSTAINABILITY STATEMENT

## Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

c. Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets

The targets set by SkyWorld Development to manage climate-related risks and opportunities include:

- Green Building Certifications

**Target:** To achieve a minimum Bronze GreenRE Certification or GBI Compliant rating for all new high-rise developments in Klang Valley by FY2025.

**Performance:** Achieved 100% compliance with the target for all new high-rise developments obtained Broze/Silver/Gold GreenRE Certification.

- Green Spaces

**Target:** To allocate more than 10% green spaces with the high-rise developments in Klang Valley by FY2025.

**Performance:** Allocated 20% - 38% of green spaces in EdgeWood Residences, SkyVogue Residences, Curvo Residences, Vesta Residences, and SkySierra Residences (The Valley).

- Energy-Efficient Lighting

**Target:** To provide energy-efficient lighting in all common areas for high-rise development in Klang Valley by FY2025.

**Performance:** 100% of development have been installed with energy-efficient lighting in all common areas.

- Electric Vehicle Infrastructure

**Target:** To install at least two electric vehicle charging stations at each high-rise development in Klang Valley by FY2025.

**Performance:** Installed 33.33% electric vehicle charging stations at SkyAwani 2 Residences, SkyAwani 5 Residences, SkyLuxe On The Park, Meridian Residences, SkySierra Residences (The Valley), SkyVogue Residences, and EdgeWood Residences

- Sustainability Reporting

**Target:** To adopt TCFD for sustainability reporting by FY2025; to comply fully with the recommendations of the NSRF by FY2028

**Performance:** Adopted TCFD for sustainability reporting in FY2024; in progress of fully complying with IFRS S1 & S2 in line with NSRF timeframes.

*For more information about climate-related risks and opportunities targets, please refer to ESG Scorecard (page 61 to 62).*

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY DISCLOSURE INDEX (in accordance to IFRS-S1 Framework)

| Recommended Disclosures | IFRS S1 Location / Explanation  |
|-------------------------|---|
| GOVERNANCE              | <p>a) Board Oversight</p> <p>b) Management's Role</p> <p>As outlined in SkyWorld Development's Board Charter, the Board maintains strategic oversight on ESG, sustainability, and climate-related risks and opportunities. The CEO, who is an Executive Director, actively drives ESG implementation through the Sustainability Management Committee, and monitors the operationalisation of ESG initiatives and policies by the Sustainability Working Committee. The Sustainability Governance Structure outlined on page 59 to 60 of this Annual Report keeps the Board and Management informed about sustainability-related risks and opportunities, which have been integrated within the risk management framework to ensure the associated trade-offs are considered as part of the Group's overall strategy.</p> <p>Furthermore, the Executive Committee reports potential non-compliances to the Compliance Officer on a monthly basis for deliberation, while matters deemed material are reported to the Executive Chairman for escalation to the ARMC, which deliberates on risk and compliance matters on a quarterly basis. The Policies and Frameworks that form the Group's primary sustainability risk management and control measures can be found on page 60 and on the Company's website at <a href="https://www.skyworldgroup.com.my/investor-relations/governance-documents">https://www.skyworldgroup.com.my/investor-relations/governance-documents</a>.</p> <p>The Executive Committee has established targets to monitor the effectiveness of the Group's strategy in managing key sustainability-related risks, which are reviewed, monitored, updated and approved by the Board on an annual basis.</p>   |
| STRATEGY                | <p>a) Risks and Opportunities</p> <p>b) Impact on Business Model and Value Chain</p> <p>c) Strategy and Decision-making</p> <p>d) Financial Position</p> <p>e) Resilience of Strategy</p> <p>SkyWorld Development's sustainability-related risks and opportunities have been identified through the FY2023 MAE (see page 65 to 67 of this Annual Report), with 23 sustainability matters deemed material to the Group based on the extent of their environmental and social impacts as well as their importance to SkyWorld Development's Enterprise Value Creation, as determined by the stakeholders surveyed. Why these topics are deemed material, i.e. their potential risks and opportunities to SkyWorld Development's business model and value chain, are detailed across the respective material matters' topical disclosure on page 68 to 121 of this Annual Report. The Group has yet to assess the severity, likelihood and impact timeframes of these sustainability-related risks.</p> <p>Taking advantage of the reliefs provided under the National Sustainability Reporting Framework (NSRF), SkyWorld Development has initiated its sustainability risk and opportunities assessments through a climate-focused lens in FY2024. The physical and transitional climate risks and opportunities identified and their impacts on SkyWorld Development's business model, value chain and financials, are outlined in the IFRS S2/TCFD-aligned Climate Report on page 124 to 130 of this Annual Report.</p> <p>Climate-scenario analysis – specifically by examining pathways like RCP 4.5 and NGFS Net Zero 2050 that aims to limit global warming to 1.5°C and 2.4°C above pre-industrial levels – informs the strategic assessment of the Group's climate risks. It allows the Group to factor in the potential challenges and opportunities under different climate futures in the development of adaptation and mitigation plans. While the impacts of these risks on the Group's financial position are understood on a qualitative level,</p> <p>SkyWorld Development is working towards quantifying the financial impacts arising from these risks to enhance our strategic decision-making process going forward.</p> <p>The findings of the climate risk assessment and materiality assessments have been cascaded up the Sustainability Governance Structure to ensure that the Board and Management remain informed about existing and emerging sustainability and climate risks of the Group to aid in their strategic deliberations.</p> <p>The Executive Committee has established targets to monitor the effectiveness of the Group's strategy in managing key sustainability-related risks. These are reviewed and updated annually to ensure their continued effectiveness in safeguarding SkyWorld Development's sustainability resilience.</p> |
| RISK MANAGEMENT         | <p>a) Risk ID and Assessment Processes</p> <p>b) Risk Management Processes</p> <p>c) Integration into Overall Risk Management</p> <p>SkyWorld Development employs a comprehensive stakeholder engagement and double materiality assessment as the principal mechanism for identifying and prioritising sustainability-related risks for management. Please refer to page 63 to 67 of this Annual Report for more information on the processes, inputs and parameters used.</p> <p>Climate risks are identified through a dedicated climate risk assessment exercise incorporating scenario analysis. The methodologies and processes employed are set out in the IFRS S2/TCFD-aligned Climate Report on page 124 to 130 of this Annual Report.</p> <p>Information on the management approaches of the respective sustainability material matters are outlined in the respective topical disclosures across page 68 to 121 of this Annual Report, which includes tracking the Group's performance against various sustainability indicators benchmarked against best practice ESG standards and frameworks outlined on page 55.</p> <p>The identified sustainability and climate-related risks have been integrated into the broader ERM Framework that is aligned with ISO 31000:2018 standards and managed in tandem with other organisational risks.</p>  |
| METRICS & TARGETS       | <p>a) Metrics Used</p> <p>b) Performance Data</p> <p>c) Targets Set</p> <p>Metrics tracked include the 11 common sustainability topic indicators recommended by Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) (see page 122 to 123 of this Annual Report), along with many of the recommended indicators of the GRI Standards and FTSE4Good Bursa Malaysia Index, which are disclosed with 3-year data on a rolling basis within the respective material matters across page 68 to 121. A GRI Index is provided on page 134 to 139.</p> <p>In line with the recommendations of IFRS S1, SkyWorld Development has also considered and disclosed various metrics prescribed under the SASB Real Estate Industry and Home Builders Industry Sector Specific Disclosures deemed relevant to the Group (see page 132) to the extent of the Group's current data availability. The Group is committed to progressively improve its SASB disclosure following our inaugural adoption in FY2025.</p> <p>Please refer to ESG Scorecard on page 61 to 62 of this Annual Report.</p>   |

# SUSTAINABILITY STATEMENT

## SASB DISCLOSURE INDEX

### REAL ESTATE INDUSTRY

| Topic             | Code         | Metric   | Disclosure  |
|-------------------|--------------|--|---|
| Energy Management | IF-RE-130a.1 | Energy consumption data coverage as a percentage of total floor area, by property sector   |   |
|                   | IF-RE-130a.2 | (1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property sector                           | Please refer to Energy and Emissions Management on page 83      |
|                   | IF-RE-130a.3 | Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector  | Please refer to Energy and Emissions Management on page 83      |
|                   | IF-RE-130a.4 | Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector   |   |
|                   | IF-RE-130a.5 | Description of how building energy management considerations are integrated into property investment analysis and operational strategy                                     | Please refer to Climate Adaptation and Mitigation on page 81    |
| Water Management  | IF-RE-140a.1 | Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector |   |
|                   | IF-RE-140a.2 | (1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector         | Please refer to Water Consumption on page 87                    |
|                   | IF-RE-140a.3 | Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector   | Please refer to Water Consumption on page 87                    |
|                   | IF-RE-140a.4 | Description of water management risks and discussion of strategies and practices to mitigate those risks   | Please refer to Water Consumption on page 87                    |
| Climate Change    | IF-RE-450a.1 | Number of lots located in 100-year flood zones   |   |
| Adaptation        | IF-RE-450a.2 | Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks   | Please refer to IFRS S2/TCFD-aligned Climate Report on page 124 |
| Activity Metric   | IF-RE-000.A  | Number of assets, by property sector   |   |
|                   | IF-RE-000.B  | Leasable floor area, by property sector  |   |
|                   | IF-RE-000.C  | Percentage of indirectly managed assets, by property sector  |   |
|                   | IF-RE-000.D  | Average occupancy rate, by property sector   |   |

# SUSTAINABILITY STATEMENT

## ASSURANCE STATEMENT

The SS2025 has not been subjected to an assurance process. Nevertheless, the information and data disclosed have been reviewed by the data owners and respective business divisions to ensure the SS2025 provides a fair and accurate account of SkyWorld Development's sustainability efforts and outcomes.

The SS2025 has been approved by the Board on 17 July 2025.

# SUSTAINABILITY STATEMENT

## GRI CONTENT INDEX

|                          |   |
|--------------------------|---|
| <b>STATEMENT OF USE:</b> | SkyWorld Development Berhad has reported the information cited in this GRI content index for FY2025 the GRI Standards |
| <b>GRI 1 USED:</b>       | GRI 1: Foundation 2021  |

| GRI STANDARD  | GRI CODE | GRI DISCLOSURE  | BURSA SRG3 ALIGNMENT               | F4GBM ALIGNMENT      | SASB ALIGNMENT   | UNSDG ALIGNMENT | UNGC ALIGNMENT | PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE  |
|---|----------|---|------------------------------------|----------------------|--|-----------------|----------------|--|
| <b>PILLAR: ORGANISATIONAL OVERVIEW, STAKEHOLDER</b> |          |   |                                    |                      |  |                 |                |  |
| GRI 2: General Disclosures 2021                     | 2-1      | Organizational details  | -                                  |                      | SASB Activity Metrics IF-RE-000.A  |                 |                | Who We Are (page 6); Corporate Information (page 13)   |
|   | 2-2      | Entities included in the organization's sustainability reporting            | Scope and Basis of Scope           |                      |  |                 |                | Scope, Boundary and Limitations (page 55)  |
|   | 2-3      | Reporting period, frequency and contact point                               |                                    |                      |  |                 |                |  |
|   | 2-4      | Restatements of information   |                                    | -                    |  |                 |                | Diversity and Equality (Page 96); Performance-Linked KPIs (Page 108); Data Privacy and Security (Page 121)   |
|   | 2-5      | External assurance  | Assurance                          |                      |  |                 |                | Data Quality (Page 55); Statement of Assurance (Page 133)  |
|   | 2-6      | Activities, value chain and other business relationships                    | -                                  |                      |  |                 |                | Who We Are (Page 6); Stakeholder Management (Page 63 - 64)   |
|   | 2-7      | Employees   | Labour Practices & Standards C6(b) | Labour Standards     | -  | SDG5, 8         | Principle 6    | Diversity and Equality (Page 96 - 98)  |
|   | 2-8      | Workers who are not employees   |                                    |                      |  |                 |                |  |
|   | 2-9      | Governance structure and composition  | Sustainability Governance          | Corporate Governance |  | SDG16, 17       | Principle 10   | Board of Directors' Profiles (Page 14 - 17); Corporate Governance Overview Statement (Page 33 - 42); Sustainability Governance Structure (Page 59 - 60); Stakeholder Management (Page 63 - 64) |
|   | 2-10     | Nomination and selection of the highest governance body                     |                                    |                      | Corporate Governance Overview Statement (Page 33 - 42); Corporate Governance (Page 114)  |                 |                |  |
|   | 2-11     | Chair of the highest governance body  |                                    |                      | Board of Directors' Profiles (Page 14 - 17); Corporate Governance Overview Statement (Page 33 - 42); Sustainability Governance Structure (Page 59 - 60); Corporate Governance (Page 114) |                 |                |  |
|   | 2-12     | Role of the highest governance body in overseeing the management of impacts |                                    |                      | Sustainability Governance Structure (Page 59 - 60); Materiality Assessment Process (Page 65 - 66)  |                 |                |  |
|   | 2-14     | Role of the highest governance body in sustainability reporting             |                                    |                      | Sustainability Governance Structure (Page 59 - 60); Code of Business Conduct (Page 34)   |                 |                |  |
|   | 2-15     | Conflicts of interest   |                                    |                      |  |                 |                |  |

# SUSTAINABILITY STATEMENT

| GRI STANDARD                       | GRI CODE | GRI DISCLOSURE   | BURSA SRG3 ALIGNMENT      | F4GBM ALIGNMENT   | SASB ALIGNMENT | UNSDG ALIGNMENT | UNGC ALIGNMENT           | PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE   |
|------------------------------------|----------|--|---------------------------|---|----------------|-----------------|--------------------------|---|
| GRI 2: General Disclosures 2021    | 2-16     | Communication of critical concerns   | Sustainability Governance | Corporate Governance  | -              | SDG16, 17       | Principle 10             | Corporate Governance Overview Statement (Page 33 - 42); Grievance Mechanism (Page 96); Whistleblowing Mechanism and Policy (Page 118) |
|                                    | 2-17     | Collective knowledge of the highest governance body                            |                           |   |                |                 |                          | Corporate Governance Overview Statement (Page 33 - 42)  |
|                                    | 2-18     | Evaluation of the performance of the highest governance body                   |                           |   |                |                 |                          |   |
|                                    | 2-19     | Remuneration policies  |                           |   |                |                 |                          |   |
|                                    | 2-20     | Process to determine remuneration  |                           |   |                |                 |                          |   |
|                                    | 2-21     | Annual total compensation ratio  |                           | Competitive Employee Remuneration and Benefits (Page 104 - 105) |                |                 |                          |   |
|                                    | 2-22     | Statement on sustainable development strategy                                  |                           | Risk Management; Human Rights & Community                       |                |                 | Principle 1, 2, 3, 7, 10 | Chief Executive Officer's Message (Page 56 - 57)  |
|                                    | 2-23     | Policy commitments   |                           |   |                |                 |                          | Policies and Frameworks (Page 60)   |
|                                    | 2-24     | Embedding policy commitments   |                           |   |                |                 |                          | Human and Labour Rights (Page 94 - 96)  |
|                                    | 2-25     | Processes to remediate negative impacts  |                           |   |                |                 |                          | Human and Labour Rights (Page 94 - 96)  |
|                                    | 2-26     | Mechanisms for seeking advice and raising concerns                             |                           |   |                |                 |                          | Regulatory Compliance (Page 119)  |
|                                    | 2-27     | Compliance with laws and regulations   |                           |   |                |                 |                          | Human and Labour Rights (Page 94 - 96)  |
|                                    | 2-28     | Membership associations  |                           |   |                |                 |                          | Trade Memberships and Engagements (Page 65)   |
|                                    | 2-29     | Approach to stakeholder engagement   |                           |   |                |                 |                          | Stakeholder Management (Page 63 - 64)   |
|                                    | 2-30     | Collective bargaining agreements   |                           |   |                |                 |                          | Labour Standards  |
| <b>PILLAR: MATERIALITY</b>         |          |  |                           |   |                |                 |                          |   |
| GRI 3: Material Topics 2021        | 3-1      | Process to determine material topics   | Materiality Assessment    | -   | -              | -               | -                        | Materiality Assessment Process (Page 65 - 66)   |
|                                    | 3-2      | List of material topics  | Management Approach       |   |                |                 |                          | Materiality Matrix (Page 67)  |
|                                    | 3-3      | Management of material topics  |                           |   |                |                 |                          | Throughout the Sustainability Statement FY2025  |
| <b>PILLAR: ECONOMIC</b>            |          |  |                           |   |                |                 |                          |   |
| GRI 201: Economic Performance 2016 | 201-1    | Direct economic value generated and distributed                                | -                         | -   | -              | SDG1, 8, 10, 13 | -                        | Economic Performance (Page 69 - 74)   |
|                                    | 201-2    | Financial implications and other risks and opportunities due to climate change | TCFD Aligned Disclosure   | Adaptation IF-RE-450a.2   |                |                 |                          | IFRS S2/TCFD-aligned Climate Report (Page 124 - 130)  |
|                                    | 201-3    | Defined benefit plan obligations and other retirement plans                    | -                         | -   |                |                 |                          | Competitive Employee Remuneration and Benefits (Page 104 - 105)   |
|                                    | 201-4    | Financial assistance received from government                                  | -                         | -   |                |                 |                          | Not Available   |

# SUSTAINABILITY STATEMENT

| GRI STANDARD                            | GRI CODE | GRI DISCLOSURE  | BURSA SRG3 ALIGNMENT              | F4GBM ALIGNMENT          | SASB ALIGNMENT | UNSDG ALIGNMENT   | UNGC ALIGNMENT    | PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE             |
|---|----------|---|-----------------------------------|--------------------------|----------------|-------------------|-------------------|---|
| <b>PILLAR: ECONOMIC</b>                 |          |   |                                   |                          |                |                   |                   |   |
| GRI 202: Market Presence 2016           | 202-1    | Ratios of standard entry level wage by gender compared to local minimum wage    | -                                 | Human Rights & Community | -              | SDG5, 8, 10       | Principle 6       | Competitive Employee Remuneration and Benefits (Page 104 - 105)     |
|   | 202-2    | Proportion of senior management hired from the local community                  |                                   |                          |                |                   |                   | Diversity and Equality (Page 96 - 98)                               |
| GRI 203: Indirect Economic Impacts 2016 | 203-1    | Infrastructure investments and services supported                               | -                                 | Human Rights & Community | -              | SDG1, 2, 3, 9, 11 | -                 | Championing Affordable and Sustainable Homeownership (Page 70 - 74) |
|   | 203-2    | Significant indirect economic impacts   |                                   |                          |                |                   |                   | Indirect Economic Impact (Page 69)                                  |
| GRI 204: Procurement Practices 2016     | 204-1    | Proportion of spending on local suppliers                                       | Supply Chain Management C7(a)     | Human Rights & Community | -              | SDG8, 17          | -                 | Local Procurement (Page 79)   |
| <b>PILLAR: GOVERNANCE</b>               |          |   |                                   |                          |                |                   |                   |   |
| GRI 205: Anti-corruption 2016           | 205-1    | Operations assessed for risks related to corruption                             | Anti-Corruption C1(a) C1(b) C1(c) | Anti-Corruption          | -              | SDG4, 16          | Principle 10      | Anti-Corruption (Page 115 - 116)                                    |
|   | 205-2    | Communication and training about anti-corruption policies and procedures        |                                   |                          |                |                   |                   |   |
|   | 205-3    | Confirmed incidents of corruption and actions taken                             |                                   |                          |                |                   |                   |   |
| GRI 206: Anti-competitive Behavior 2016 | 206-1    | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | -                                 | -                        | -              | SDG8, 10, 16      | Principle 10      | Anti-Competitive Practices (Page 119)                               |
| GRI 207: Tax 2019                       | 207-1    | Approach to tax   | -                                 | Tax Transparency         | -              | SDG10, 16, 17     | -                 | Not Available   |
|   | 207-2    | Tax governance, control, and risk management                                    |                                   |                          |                |                   |                   |   |
|   | 207-3    | Stakeholder engagement and management of concerns related to tax                |                                   |                          |                |                   |                   |   |
|   | 207-4    | Country-by-country reporting  |                                   |                          |                |                   |                   |   |
| <b>PILLAR: ENVIRONMENTAL</b>            |          |   |                                   |                          |                |                   |                   |   |
| GRI 301: Materials 2016                 | 301-1    | Materials used by weight or volume  | Materials S5(a)                   | Pollution & Resources    | -              | SDG12             | Principle 7, 8, 9 | Resource Use (Page 89 - 90)   |
|   | 301-2    | Recycled input materials used   |                                   |                          |                |                   |                   | Not Available   |
|   | 301-3    | Reclaimed products and their packaging materials                                |                                   |                          |                |                   |                   |   |
| GRI 302: Energy 2016                    | 302-1    | Energy consumption within the organization                                      | Energy Management C4(a)           | Climate Change           | -              | SDG7, 12, 13      | Principle 7, 8, 9 | Energy and Emissions Management (Page 83 - 85)                      |
|   | 302-2    | Energy consumption outside of the organization                                  |                                   |                          |                |                   |                   |   |
|   | 302-3    | Energy intensity  |                                   |                          |                |                   |                   |   |
|   | 302-4    | Reduction of energy consumption   |                                   |                          |                |                   |                   |   |
|   | 302-5    | Reductions in energy requirements of products and services                      |                                   |                          |                |                   |                   |   |

# SUSTAINABILITY STATEMENT

| GRI STANDARD                                    | GRI CODE | GRI DISCLOSURE  | BURSA SRG3 ALIGNMENT                               | F4GBM ALIGNMENT                   | SASB ALIGNMENT   | UNSDG ALIGNMENT  | UNGC ALIGNMENT    | PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE |
|---|----------|---|--|-----------------------------------|--|------------------|-------------------|---|
| <b>PILLAR: ENVIRONMENTAL</b>                    |          |   |  |                                   |  |                  |                   |   |
| GRI 303: Water and Effluents 2018               | 303-1    | Interactions with water as a shared resource  | Water C9(a)<br>Effluents S8(a)                     | Water Use<br>Pollution & Resource | Water Management IF-RE-140a.4<br><br>Water Management IF-RE-140a.2<br><br>-<br><br>Water Management IF-RE-140a.3 | SDG6, 12         | Principle 7, 8, 9 | Water Management (Page 86 - 88)                         |
|   | 303-2    | Management of water discharge-related impacts   |  |                                   |  |                  |                   |   |
|   | 303-3    | Water withdrawal  |  |                                   |  |                  |                   |   |
|   | 303-4    | Water discharge   |  |                                   |  |                  |                   |   |
|   | 303-5    | Water consumption   |  |                                   |  |                  |                   |   |
| GRI 304: Biodiversity 2016                      | 304-1    | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | Biodiversity S1(a)<br>S1(b)<br>S1(c)               | Biodiversity                      | -  | SDG14, 15        | Principle 7, 8, 9 | Biodiversity (Page 90 - 91)                             |
|   | 304-2    | Significant impacts of activities, products and services on biodiversity  |  |                                   |  |                  |                   |   |
|   | 304-3    | Habitats protected or restored  |  |                                   |  |                  |                   |   |
|   | 304-4    | IUCN Red List species and national conservation list species with habitats in areas affected by operations                                |  |                                   |  |                  |                   |   |
| GRI 305: Emissions 2016                         | 305-1    | Direct (Scope 1) GHG emissions  | Emissions Management C11(a)<br>C11(b)<br>C11(c)    | Climate Change                    | -  | SDG7, 12, 13     | Principle 7, 8, 9 | Energy and Emissions Management (Page 83 - 85)          |
|   | 305-2    | Energy indirect (Scope 2) GHG emissions   |  |                                   |  |                  |                   |   |
|   | 305-3    | Other indirect (Scope 3) GHG emissions  |  |                                   |  |                  |                   |   |
|   | 305-4    | GHG emissions intensity   |  |                                   |  |                  |                   |   |
|   | 305-5    | Reduction of GHG emissions  |  |                                   |  |                  |                   |   |
|   | 305-6    | Emissions of ozone-depleting substances (ODS)   | Emissions - Air Quality/ Pollution S4(a)           | Pollution & Resources             | -  |                  |                   | Not Available   |
|   | 305-7    | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions   |  |                                   |  |                  |                   |   |
| GRI 306: Waste 2020                             | 306-1    | Waste generation and significant waste-related impacts  | Waste Management C10(a)<br>C10(a)(i)<br>C10(a)(ii) | Pollution & Resources             | -  | SDG6, 12         | Principle 7, 8, 9 | Waste Management (Page 88 - 89)                         |
|   | 306-2    | Management of significant waste-related impacts   |  |                                   |  |                  |                   |   |
|   | 306-3    | Waste generated   |  |                                   |  |                  |                   |   |
|   | 306-4    | Waste diverted from disposal  |  |                                   |  |                  |                   |   |
|   | 306-5    | Waste directed to disposal  |  |                                   |  |                  |                   |   |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1    | New suppliers that were screened using environmental criteria   | Supply Chain (Env) S6(a)<br>S6(b)                  | Supply Chain (Environment)        | -  | SDG8, 11, 12, 16 | Principle 7, 8    | Supply Chain Governance (Page 120)                      |
|   | 308-2    | Negative environmental impacts in the supply chain and actions taken  |  |                                   |  |                  |                   |   |

# SUSTAINABILITY STATEMENT

| GRI STANDARD                                  | GRI CODE | GRI DISCLOSURE  | BURSA SRG3 ALIGNMENT                 | F4GBM ALIGNMENT  | SASB ALIGNMENT | UNSDG ALIGNMENT | UNGC ALIGNMENT | PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE                                       |
|---|----------|---|--------------------------------------|------------------|----------------|-----------------|----------------|---|
| <b>PILLAR: SOCIAL</b>                         |          |   |                                      |                  |                |                 |                |   |
| GRI 401: Employment 2016                      | 401-1    | New employee hires and employee turnover  | Labour Practices and Standards C6(c) | Labour Standards | -              | SDG5, 8         | Principle 6    | Diversity and Equality (Page 96 - 98)   |
|   | 401-2    | Benefits provided to full-time employees that are not provided to temporary or part-time employees            |                                      |                  |                |                 |                | Competitive Employee Remuneration and Benefits (Page 104 - 105)                               |
|   | 401-3    | Parental leave  |                                      |                  |                |                 |                |   |
| GRI 402: Labor/ Management Relations 2016     | 402-1    | Minimum notice periods regarding operational changes  | -                                    | -                | -              | SDG8            | -              | Minimum Notice Period (Page 96)   |
| GRI 403: Occupational Health and Safety 2018  | 403-1    | Occupational health and safety management system  | Health and Safety C5(a) C5(b) C5(c)  | Health & Safety  | -              | SDG3, 4, 8      | -              | Occupational Health and Safety (OHS) (Page 105 - 109)   |
|   | 403-2    | Hazard identification, risk assessment, and incident investigation  |                                      |                  |                |                 |                |   |
|   | 403-3    | Occupational health services  |                                      |                  |                |                 |                |   |
|   | 403-4    | Worker participation, consultation, and communication on occupational health and safety                       |                                      |                  |                |                 |                |   |
|   | 403-5    | Worker training on occupational health and safety   |                                      |                  |                |                 |                |   |
|   | 403-6    | Promotion of worker health  |                                      |                  |                |                 |                |   |
|   | 403-7    | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships |                                      |                  |                |                 |                |   |
|   | 403-8    | Workers covered by an occupational health and safety management system  |                                      |                  |                |                 |                |   |
|   | 403-9    | Work-related injuries   |                                      |                  |                |                 |                |   |
|   | 403-10   | Work-related ill health   |                                      |                  |                |                 |                |   |
| GRI 404: Training and Education 2016          | 404-1    | Average hours of training per year per employee   | Labour Practices and Standards C6(a) | Labour Standards | -              | SDG4, 5, 8      | -              | Training and Development (Page 99 - 101)  |
|   | 404-2    | Programs for upgrading employee skills and transition assistance programs                                     |                                      |                  |                |                 |                |   |
|   | 404-3    | Percentage of employees receiving regular performance and career development reviews                          |                                      |                  |                |                 |                |   |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1    | Diversity of governance bodies and employees  | Diversity C3(a) C3(b)                | Labour Standards | -              | SDG5, 8, 10     | Principle 6    | Corporate Governance Overview Statement (Page 33 - 42); Diversity and Equality (Page 96 - 98) |
|   | 405-2    | Ratio of basic salary and remuneration of women to men  |                                      |                  |                |                 |                | Competitive Employee Remuneration and Benefits (Page 104 - 105)                               |
| GRI 406: Non-discrimination 2016              | 406-1    | Incidents of discrimination and corrective actions taken  | -                                    | Labour Standards | -              | SDG5, 8, 10, 16 | Principle 6    | 0 incidents of discrimination   |

# SUSTAINABILITY STATEMENT

| GRI STANDARD   | GRI CODE | GRI DISCLOSURE   | BURSA SRG3 ALIGNMENT   | F4GBM ALIGNMENT          | SASB ALIGNMENT | UNSDG ALIGNMENT  | UNGC ALIGNMENT    | PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE |
|--|----------|--|--|--------------------------|----------------|------------------|-------------------|---|
| <b>PILLAR: SOCIAL</b>  |          |  |  |                          |                |                  |                   |   |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1    | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | -  | Labour Standards         | -              | SDG8, 10, 16     | Principle 1, 2, 3 | Human and Labour Rights (Page 94 - 96)                  |
| GRI 408: Child Labor 2016                                      | 408-1    | Operations and suppliers at significant risk for incidents of child labor                                      | -  | Labour Standards         | -              | SDG8, 10, 16     | Principle 1, 2, 5 | Human and Labour Rights (Page 94 - 96)                  |
| GRI 409: Forced or Compulsory Labor 2016                       | 409-1    | Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | -  | Labour Standards         | -              | SDG8, 10, 16     | Principle 1, 2, 4 | Human and Labour Rights (Page 94 - 96)                  |
| GRI 410: Security Practices 2016                               | 410-1    | Security personnel trained in human rights policies or procedures  | -  | -                        | -              | SDG4, 16         | Principle 1, 2    | Not Available   |
| GRI 411: Rights of Indigenous Peoples 2016                     | 411-1    | Incidents of violations involving rights of indigenous peoples   | -  | Human Rights & Community | -              | SDG10, 16        | Principle 1, 2    | Human and Labour Rights (Page 94 - 96)                  |
| GRI 413: Local Communities 2016                                | 413-1    | Operations with local community engagement, impact assessments, and development programs                       | Community/ Society C2(a) C2(b)                                     | Human Rights & Community | -              | SDG11, 16, 17    | -                 | Local Community (Page 110 - 112)                        |
|  | 413-2    | Operations with significant actual and potential negative impacts on local communities                         |  |                          |                |                  |                   |   |
| GRI 414: Supplier Social Assessment 2016                       | 414-1    | New suppliers that were screened using social criteria   | Supply Chain (Social) S7(a) S7(b)                                  | Supply Chain (Social)    | -              | SDG8, 10, 11, 16 | Principle 1, 2    | Supply Chain Governance (Page 120)                      |
|  | 414-2    | Negative social impacts in the supply chain and actions taken  |  |                          |                |                  |                   |   |
| GRI 415: Public Policy 2016                                    | 415-1    | Political contributions  | -  | Anti-Corruption          | -              | SDG16            | Principle 10      | Anti-Corruption (Page 115 - 116)                        |
| GRI 416: Customer Health and Safety 2016                       | 416-1    | Assessment of the health and safety impacts of product and service categories                                  | Customer Health & Safety/ Product Responsibility S3(a) S3(b) S3(c) | Customer Responsibility  | -              | SDG3, 16         | -                 | Not Applicable  |
|  | 416-2    | Incidents of non-compliance concerning the health and safety impacts of products and services                  |  |                          |                |                  |                   |   |
| GRI 417: Marketing and Labeling 2016                           | 417-1    | Requirements for product and service information and labeling  | -  | Customer Responsibility  | -              | SDG16            | -                 | Not Applicable  |
|  | 417-2    | Incidents of non-compliance concerning product and service information and labeling                            |  |                          |                |                  |                   |   |
|  | 417-3    | Incidents of non-compliance concerning marketing communications  |  |                          |                |                  |                   |   |
| GRI 418: Customer Privacy 2016                                 | 418-1    | Substantiated complaints concerning breaches of customer privacy and losses of customer data                   | "Data Privacy and Security C8(a)"                                  | Human Rights & Community | -              | SDG16            | -                 | Data Privacy and Security (Page 121)                    |

A hand is shown holding a coin over a world map. The map is overlaid with various financial charts, including bar graphs and line graphs with percentage indicators like +3%, +4%, and +6%. The background is dark and textured.

# 7

## Financial Statements

- |            |   |            |                                   |
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# DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible to prepare the financial statements of the Group and the Company in accordance with the applicable Malaysian Financial Reporting Standards, the International Financial Reporting Standards and the requirements of the Companies Act 2016 so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 March 2025.

In preparing the financial statements for FY2025, the Directors have:

- Adopted the appropriate and relevant accounting policies and applied them consistently;
- Made judgements, estimates and assumptions based on their best knowledge of current events and actions; and
- Prepared the financial statements on a going-concern basis.

The Directors are also responsible to ensure the financial statements of the Group and the Company are prepared with reasonable accuracy from the accounting records of the Group and the Company.

The Directors have also taken the necessary steps to ensure that appropriate systems are in place for safeguarding the assets of the Group and the Company for the prevention and detection of fraud and other irregularities. The systems, by their nature, can only provide reasonable and not absolute assurance against material misstatements, loss or fraud.

# DIRECTORS' REPORT

The directors of **SKYWORLD DEVELOPMENT BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 March 2025.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the provision of management services to its subsidiaries and business of property development and investment holding.

The information on the name, place of incorporation, principal activities, and proportion of ownership interest and voting power held by the holding company in each subsidiary are set out in Note 15 to the financial statements.

## RESULTS

The results of the Group and of the Company for the year are as follows:

|                           | <b>Group<br/>RM</b> | <b>Company<br/>RM</b> |
|---------------------------|---------------------|-----------------------|
| Profit before tax         | 84,551,576          | 47,920,893            |
| Income tax expense        | (28,464,551)        | (3,680,413)           |
| Profit for the year       | 56,087,025          | 44,240,480            |
| Profit attributable to:   |                     |                       |
| Owners of the Company     | 56,154,284          | 44,240,480            |
| Non-controlling interests | (67,259)            | -                     |
|                           | 56,087,025          | 44,240,480            |

In the opinion of the directors, the results of the Group and of the Company during the year have not been substantially affected by any item, transaction or event of a material and unusual nature.

## DIVIDENDS

The amount of dividends declared or paid by the Company since 31 March 2024 were as follows:

|   | <b>RM</b>  |
|---|------------|
| In respect of the year ended 31 March 2024  |            |
| - final interim single-tier dividend of 1.00 sen per ordinary share, paid on 15 July 2024     | 10,000,000 |
| In respect of the year ended 31 March 2025  |            |
| - first interim single-tier dividend of 0.50 sen per ordinary share, paid on 30 December 2024 | 5,000,000  |
|   | 15,000,000 |

On 23 May 2025, the directors had declared a final single-tier dividend of 0.60 sen per ordinary share amounting to RM6,000,000 in respect of the current year which was paid on 15 July 2025. The financial statements of the current year do not reflect this declared dividend. The final dividend will be accounted for in equity as appropriation of retained earnings in the year ended 31 March 2026.

# Directors' Report

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year other than those disclosed in the financial statements.

## ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the year.

## SHARE OPTIONS

No options were granted to any person to take up the unissued shares of the Company during the year other than the issue of options pursuant to the Employees' Share Option Scheme ("ESOS").

At an Extraordinary General Meeting held on 28 June 2024, the Company's shareholders approved the establishment of a Long Term Incentive Plan ("LTIP") comprising the ESOS and Performance Share Grant Plan. The salient features, terms and details of the LTIP are disclosed in Note 28 to the financial statements.

The options offered for the subscription of unissued ordinary shares and the respective exercise prices are as follows:

| Grant date | Exercise date         | Exercise price | Number of options over ordinary shares |           |           |                 |
|------------|-----------------------|----------------|--|-----------|-----------|-----------------|
|            |                       |                | As at 1.4.2024                         | Granted   | Exercised | As at 31.3.2025 |
| 8.10.2024  | 1.8.2027 to 31.7.2031 | RM0.80         | -                                      | 8,200,000 | -         | 8,200,000       |

## OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that there are no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- (a) which would require the writing off of bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) 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.

# Directors' Report

## OTHER STATUTORY INFORMATION (CONT'D)

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the 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 year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the 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.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the year and the date of this report which is likely to affect substantially the results of the Group and of the Company in the year in which this report is made.

## DIRECTORS

The directors of the Company in office during the year and during the period from the end of the year to the date of this report are:

Datuk Seri Ng Thien Phing\*  
 Datuk Lam Soo Keong @ Low Soo Keong\*  
 Lee Chee Seng\*  
 Chan Seng Fatt  
 Ong Soo Chan  
 Phang Sze Fui  
 Zalinah Binti A Hamid

\* The directors are also directors of the Company's subsidiaries.

The names of the directors of the Company's subsidiaries in office during the year and during the period from the end of the year to the date of this report, excluding those who are already listed above are:

Seow Seng Wei  
 Tan Poh Tuck  
 Zafidi Bin Mohamad

## DIRECTORS' INTERESTS

The interests in shares in the Company and its related corporations of those who were directors of the Company at the end of the year according to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016, are as follows:

|                                     | Number of ordinary shares |            |      | As at<br>31.3.2025 |
|-------------------------------------|---------------------------|------------|------|--------------------|
|                                     | As at<br>1.4.2024         | Bought     | Sold |                    |
| <b>Company</b>                      |                           |            |      |                    |
| Datuk Seri Ng Thien Phing           | 424,373,952               | 19,823,000 | -    | 444,196,952        |
| Datuk Lam Soo Keong @ Low Soo Keong | 102,757,679               | -          | -    | 102,757,679        |
| Lee Chee Seng                       | 50,082,469                | -          | -    | 50,082,469         |
| Ong Soo Chan                        | 100,000                   | -          | -    | 100,000            |
| Phang Sze Fui                       | 100,000                   | -          | -    | 100,000            |

# Directors' Report

## DIRECTORS' INTERESTS (CONT'D)

|                                     | Number of irredeemable convertible preference shares ("ICPS") |        |      | As at<br>31.3.2025 |
|-------------------------------------|---|--------|------|--------------------|
|                                     | As at<br>1.4.2024   | Bought | Sold |                    |
| <b>Company</b>                      |   |        |      |                    |
| Datuk Seri Ng Thien Phing           | 134,251,455   | -      | -    | 134,251,455        |
| Datuk Lam Soo Keong @ Low Soo Keong | 38,711,949  | -      | -    | 38,711,949         |
| Lee Chee Seng                       | 11,536,596  | -      | -    | 11,536,596         |

|                | Number of share options under Employees' Share Option Scheme ("ESOS") |           |           | As at<br>31.3.2025 |
|----------------|---|-----------|-----------|--------------------|
|                | As at<br>1.4.2024   | Granted   | Exercised |                    |
| <b>Company</b> |   |           |           |                    |
| Lee Chee Seng  | -   | 3,000,000 | -         | 3,000,000          |

By virtue of the above directors' interest in the shares of the Company, the abovementioned directors are also deemed to have an interest in the shares of the subsidiaries to the extent that the Company has an interest.

Other than as disclosed above, none of the other directors in office at the end of the year held shares or had beneficial interest in the shares of the Company or its related corporations during or at the beginning and end of the year.

## DIRECTORS' BENEFITS

Since the end of the previous year, none of the directors of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as disclosed below) 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 benefit which may be deemed to have arisen from the transactions disclosed in Note 24 to the financial statements.

|  | Group and Company<br>RM |
|--|-------------------------|
| Executive Directors' remuneration:     |                         |
| - Salaries, wages and allowances       | 5,540,251               |
| - Bonus                                | 852,752                 |
| - Employees provident fund             | 758,222                 |
| - Social security contribution         | 3,827                   |
| - Other emoluments                     | 14,732                  |
|  | 7,169,784               |
| Non-executive Directors' remuneration: |                         |
| - Fees                                 | 276,000                 |
| - Other emoluments                     | 34,740                  |
|  | 310,740                 |
|  | 7,480,524               |

During and at the end of the year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate other than the ICPS and the share options granted under ESOS as disclosed above. The salient terms of the ICPS and ESOS are disclosed in Note 27 and Note 28 to the financial statements respectively.

# Directors' Report

## **INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS**

The Company maintains directors' and officers' liability insurance for purposes of Section 289 of the Companies Act, 2016, throughout the year, which provides appropriate insurance cover for the directors and officers of the Company. The amount of insurance premium paid during the year amounted to RM49,621 (2024: RM46,204).

There were no indemnities given to or insurance effected for the auditors of the Company in accordance with Section 289 of the Companies Act, 2016.

## **SIGNIFICANT EVENTS SUBSEQUENT TO END OF THE FINANCIAL YEAR**

The details of significant events subsequent to end of the year are as disclosed in Note 40 to the financial statements.

## **AUDITORS**

The auditors, Deloitte PLT, have indicated their willingness to continue in office.

## **AUDITORS' REMUNERATION**

The amount paid/payable as remuneration of the auditors of the Group and of the Company for the year ended 31 March 2025 is RM560,000 and RM172,400 respectively.

Signed on behalf of the Board, as approved by the Board in accordance with a resolution of the directors,

**DATUK SERI NG THIEN PHING**

**DATUK LAM SOO KEONG @ LOW SOO KEONG**

Kuala Lumpur  
17 July 2025

# INDEPENDENT AUDITORS' REPORT

to the Members of Skyworld Development Berhad  
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

We have audited the financial statements of **SKYWORLD DEVELOPMENT BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 31 March 2025 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 151 to 222.

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 March 2025, and of their financial performance and their cash flows for the 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.

### 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 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.

#### Revenue recognition from property development activities

Revenue from property development activities of the Group recognised during the year as disclosed in Note 3 to the financial statements amounted to RM422,992,047, which represents approximately 95% of the revenue of the Group. There is no revenue from property development activities of the Company during the year.

Property development revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of the performance obligation is measured based on the Group's and the Company's efforts or inputs to the satisfaction of the performance obligation (e.g. by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract).

Significant judgement is required in determining the progress towards complete satisfaction of that performance obligation based on the certified work-to-date corroborated by the level of completion of the development based on actual costs incurred to date over the estimated total property development costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgements, management relies on past experience and the work of specialist.

# Independent Auditors' Report

to the members of Skyworld Development Berhad  
(Incorporated in Malaysia)

## How the key audit matter was addressed in our audit

In addressing the matter above, we performed, amongst others, the following procedures:

- Obtained an understanding of the relevant controls in place in respect of revenue recognition for property development activities and performed procedures to evaluate design and implementation and tested operating effectiveness of such controls.
- Evaluated management-prepared estimated total property development costs and ensured that those estimates were appropriate and reflected current costs of operations and costs to complete. Challenged the reasonableness of management's assumptions and estimations on the estimated total property development costs and performed retrospective review to establish the accuracy of management-prepared estimated total property development costs.
- Verified gross development value and assessed the terms and conditions of the major sales contracts to determine that revenue recognised conforms with the Group policies and the requirements of MFRS 15 *Revenue from Contracts with Customers*.
- Tested samples of actual costs incurred to supporting documents such as contractors' claims or suppliers' invoices. Where costs have not been billed or certified, assessed the adequacy of management's accruals of such costs by reviewing subsequent contractors' claims, supplier invoices or approved architect's certificates.
- Checked the mathematical accuracy of the property development revenue and property development cost recognised based on percentage of completion calculations and considered the implications of any changes in estimate.
- Performed site visits and assessed the status of the projects' development and ascertained the reasonableness of the percentage of completion.

## **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 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 and the Company or to cease operations, or have no realistic alternative but to do so.

# Independent Auditors' Report

to the members of Skyworld Development Berhad

(Incorporated in Malaysia)

## 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 of 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 and 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 and the Company to cease to continue as a going concern.
- 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and 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 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

to the members of Skyworld Development Berhad

(Incorporated in Malaysia)

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

## **OTHER MATTER**

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.

**DELOITTE PLT (LLP0010145-LCA)**  
**Chartered Accountants (AF 0080)**

**WONG YEW CHOONG**  
**Partner - 03195/06/2025 J**  
**Chartered Accountant**

Kuala Lumpur  
17 July 2025

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2025

|  | Note | 2025<br>RM    | Group<br>2024<br>RM | 2025<br>RM   | Company<br>2024<br>RM |
|--|------|---------------|---------------------|--------------|-----------------------|
| Revenue  | 3    | 445,489,252   | 688,038,113         | 91,716,036   | 260,745,553           |
| Cost of sales  | 4    | (280,128,398) | (434,620,450)       | (193,228)    | (65,966,098)          |
| Gross profit   |      | 165,360,854   | 253,417,663         | 91,522,808   | 194,779,455           |
| Other operating income   | 5    | 15,604,923    | 11,738,514          | 29,808,148   | 22,809,984            |
| Selling and marketing expenses                                 |      | (14,756,773)  | (17,288,375)        | (6,014,326)  | (5,642,238)           |
| Administrative expenses  |      | (66,987,561)  | (71,769,444)        | (56,406,436) | (65,755,845)          |
| Finance costs  | 6    | (14,669,867)  | (16,164,162)        | (10,989,301) | (12,017,114)          |
| <b>Profit before tax</b>                                       | 7    | 84,551,576    | 159,934,196         | 47,920,893   | 134,174,242           |
| Income tax expense   | 9    | (28,464,551)  | (53,423,557)        | (3,680,413)  | (9,756,219)           |
| <b>Profit for the year</b>                                     |      | 56,087,025    | 106,510,639         | 44,240,480   | 124,418,023           |
| <b>Other comprehensive (loss)/income:</b>                      |      |               |                     |              |                       |
| Items that may be reclassified subsequently to profit or loss: |      |               |                     |              |                       |
| Exchange differences on translating foreign operations         |      | (4,289,540)   | 701,816             | -            | -                     |
| Other comprehensive (loss)/income for the year, net of tax     |      | (4,289,540)   | 701,816             | -            | -                     |
| <b>Total comprehensive income for the year</b>                 |      | 51,797,485    | 107,212,455         | 44,240,480   | 124,418,023           |
| <b>Profit attributable to:</b>                                 |      |               |                     |              |                       |
| Owners of the Company  |      | 56,154,284    | 106,783,953         | 44,240,480   | 124,418,023           |
| Non-controlling interests                                      | 15   | (67,259)      | (273,314)           | -            | -                     |
|  |      | 56,087,025    | 106,510,639         | 44,240,480   | 124,418,023           |
| <b>Total comprehensive income attributable to:</b>             |      |               |                     |              |                       |
| Owners of the Company  |      | 51,864,744    | 107,485,769         | 44,240,480   | 124,418,023           |
| Non-controlling interests                                      | 15   | (67,259)      | (273,314)           | -            | -                     |
|  |      | 51,797,485    | 107,212,455         | 44,240,480   | 124,418,023           |
| <b>Earnings per share (sen):</b>                               |      |               |                     |              |                       |
| Basic  | 36   | 5.62          | 11.36               | -            | -                     |
| Diluted  | 36   | 4.73          | 9.61                | -            | -                     |

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

# STATEMENTS OF FINANCIAL POSITION

as at 31 March 2025

|  |      | Group                |                      | Company            |                    |
|--|------|----------------------|----------------------|--------------------|--------------------|
|  | Note | 2025<br>RM           | 2024<br>RM           | 2025<br>RM         | 2024<br>RM         |
| <b>ASSETS</b>  |      |                      |                      |                    |                    |
| <b>Non-current Assets</b>                                      |      |                      |                      |                    |                    |
| Property, plant and equipment                                  | 10   | 33,456,201           | 31,563,044           | 16,756,940         | 12,138,811         |
| Right-of-use assets  | 11   | 612,498              | 878,774              | 188,056            | 656,537            |
| Intangible assets  | 12   | 1,492,935            | 2,019,854            | -                  | -                  |
| Investment property  | 13   | 71,000,000           | 68,308,466           | -                  | -                  |
| Inventories - land held for<br>property development            | 14   | 498,086,601          | 523,780,235          | 20,948,086         | 20,598,531         |
| Investment in subsidiaries                                     | 15   | -                    | -                    | 119,501,985        | 112,442,179        |
| Goodwill   | 16   | 1,227,458            | 1,213,898            | -                  | -                  |
| Deferred tax assets  | 17   | 10,184,940           | 11,502,761           | 3,479,781          | 4,311,863          |
| Prepaid expenses   | 23   | 1,957,630            | 1,957,630            | -                  | -                  |
| <b>Total Non-current Assets</b>                                |      | <b>618,018,263</b>   | <b>641,224,662</b>   | <b>160,874,848</b> | <b>150,147,921</b> |
| <b>Current Assets</b>  |      |                      |                      |                    |                    |
| Inventories - property development costs                       | 18   | 258,547,222          | 175,251,087          | -                  | -                  |
| Inventories - completed properties                             | 19   | 7,387,390            | 15,387,508           | -                  | -                  |
| Contract assets  | 20   | 38,710,565           | 96,063,295           | -                  | 44,700,000         |
| Contract cost assets   | 21   | 3,965,349            | 3,007,124            | -                  | -                  |
| Trade receivables  | 22   | 147,796,149          | 98,599,077           | 13,395,031         | 37,683,463         |
| Other receivables, refundable deposits<br>and prepaid expenses | 23   | 90,653,557           | 13,876,089           | 44,433,310         | 2,872,919          |
| Amount owing by subsidiaries                                   | 24   | -                    | -                    | 526,980,850        | 451,186,050        |
| Current tax assets   |      | 16,325,561           | 15,317,479           | 6,590,106          | 6,318,732          |
| Cash and bank balances   | 25   | 349,621,260          | 499,921,528          | 228,994,504        | 243,895,204        |
| <b>Total Current Assets</b>                                    |      | <b>913,007,053</b>   | <b>917,423,187</b>   | <b>820,393,801</b> | <b>786,656,368</b> |
| <b>TOTAL ASSETS</b>  |      | <b>1,531,025,316</b> | <b>1,558,647,849</b> | <b>981,268,649</b> | <b>936,804,289</b> |

# Statements of Financial Position

as at 31 March 2025

|   |      | Group                   |                            | Company            |                    |
|---|------|-------------------------|----------------------------|--------------------|--------------------|
|   | Note | 2025<br>RM              | 2024<br>RM                 | 2025<br>RM         | 2024<br>RM         |
| <b>EQUITY AND LIABILITIES</b>                       |      |                         |                            |                    |                    |
| <b>Capital and Reserves</b>                         |      |                         |                            |                    |                    |
| Share capital                                       | 26   | 244,959,957             | 244,959,957                | 244,959,957        | 244,959,957        |
| Irredeemable convertible preference shares          | 27   | 150,000,000             | 150,000,000                | 150,000,000        | 150,000,000        |
| Other reserves                                      | 28   | (3,327,616)             | 597,014                    | 364,910            | -                  |
| Retained earnings                                   | 29   | 488,383,835             | 450,547,527                | 350,002,428        | 320,761,948        |
| <b>Equity Attributable to Owners of the Company</b> |      |                         |                            |                    |                    |
| Non-controlling interests                           | 15   | 880,016,176<br>(20,923) | 846,104,498<br>(3,271,640) | 745,327,295<br>-   | 715,721,905<br>-   |
| <b>Total Equity</b>                                 |      | <b>879,995,253</b>      | <b>842,832,858</b>         | <b>745,327,295</b> | <b>715,721,905</b> |
| <b>Non-current Liabilities</b>                      |      |                         |                            |                    |                    |
| Lease liabilities                                   | 30   | 342,188                 | 297,007                    | 54,642             | 118,965            |
| Bank borrowings                                     | 31   | 188,855,573             | 276,142,128                | -                  | -                  |
| Land costs payable                                  | 34   | 6,750,000               | 9,750,000                  | -                  | -                  |
| Deferred tax liabilities                            | 17   | 182,957                 | 1,135,266                  | -                  | -                  |
| <b>Total Non-current Liabilities</b>                |      | <b>196,130,718</b>      | <b>287,324,401</b>         | <b>54,642</b>      | <b>118,965</b>     |
| <b>Current Liabilities</b>                          |      |                         |                            |                    |                    |
| Trade payables                                      | 32   | 144,921,853             | 154,245,862                | 21,930,700         | 38,531,924         |
| Other payables and accrued expenses                 | 33   | 44,829,369              | 41,896,478                 | 6,832,422          | 10,956,358         |
| Contract liabilities                                | 20   | 138,880                 | 9,921,278                  | -                  | -                  |
| Amount owing to subsidiaries                        | 24   | -                       | -                          | 68,045,829         | 9,378,891          |
| Land costs payable                                  | 34   | 3,518,968               | 564,556                    | -                  | -                  |
| Lease liabilities                                   | 30   | 245,856                 | 569,974                    | 106,922            | 520,418            |
| Bank borrowings                                     | 31   | 260,383,622             | 213,415,415                | 138,970,839        | 161,575,828        |
| Current tax liabilities                             |      | 860,797                 | 7,877,027                  | -                  | -                  |
| <b>Total Current Liabilities</b>                    |      | <b>454,899,345</b>      | <b>428,490,590</b>         | <b>235,886,712</b> | <b>220,963,419</b> |
| <b>Total Liabilities</b>                            |      | <b>651,030,063</b>      | <b>715,814,991</b>         | <b>235,941,354</b> | <b>221,082,384</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 |      | <b>1,531,025,316</b>    | <b>1,558,647,849</b>       | <b>981,268,649</b> | <b>936,804,289</b> |

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

# STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2025

| Group  | Note  | Share capital RM | Irredeemable preference shares RM | Distributable reserve - Retained earnings RM | Non-distributable Translation reserve RM | Attributable to owners of the Company RM | Non-controlling interests RM | Total equity RM |
|--|-------|------------------|-----------------------------------|--|--|--|------------------------------|-----------------|
| <b>As at 1 April 2023</b>                                |       | 62,500,000       | -                                 | 547,396,210                                  | (104,802)                                | 609,791,408                              | 5,869,008                    | 615,660,416     |
| Transactions with owners of the Company:                 |       |                  |                                   |  |  |  |                              |                 |
| Issuance of ordinary shares pursuant to public issue     | 26(c) | 166,400,000      | -                                 | -  | -  | 166,400,000                              | -                            | 166,400,000     |
| Expenses on issuance of shares                           | 26    | (3,940,043)      | -                                 | -  | -  | (3,940,043)                              | -                            | (3,940,043)     |
| Issuance of irredeemable convertible preference shares   | 27    | -                | 150,000,000                       | (150,000,000)                                | -  | -  | -                            | -               |
| Acquisition of remaining equity interest in a subsidiary | 26(b) | 20,000,000       | -                                 | (11,132,636)                                 | -  | 8,867,364                                | (8,867,364)                  | -               |
| Incorporation of new subsidiaries                        | 15(i) | -                | -                                 | -  | -  | -  | 30                           | 30              |
| Dividends paid   | 29(b) | -                | -                                 | (42,500,000)                                 | -  | (42,500,000)                             | -                            | (42,500,000)    |
| Total transactions with owners of the Company            |       | 182,459,957      | 150,000,000                       | (203,632,636)                                | -  | 128,827,321                              | (8,867,334)                  | 119,959,987     |
| Profit for the year                                      |       | -                | -                                 | 106,783,953                                  | -  | 106,783,953                              | (273,314)                    | 106,510,639     |
| Other comprehensive income for the year                  |       | -                | -                                 | -  | 701,816                                  | 701,816                                  | -                            | 701,816         |
| <b>As at 31 March 2024</b>                               |       | 244,959,957      | 150,000,000                       | 450,547,527                                  | 597,014                                  | 846,104,498                              | (3,271,640)                  | 842,832,858     |

# Statements of Changes in Equity

for the year ended 31 March 2025

| Group  | Note  | Share capital RM | Irredeemable convertible preference shares RM | Distributable reserve - Retained earnings RM | Non-distributable reserve - |                                |              | Attributable to owners of the Company RM | Non-controlling interests RM | Total equity RM |
|--|-------|------------------|---|--|-----------------------------|--------------------------------|--------------|--|------------------------------|-----------------|
|  |       |                  |   |  | Translation reserve RM      | Share-based payment reserve RM |              |  |                              |                 |
| <b>As at 1 April 2024</b>                                  |       | 244,959,957      | 150,000,000                                   | 450,547,527                                  | 597,014                     | -                              | 846,104,498  | (3,271,640)                              | 842,832,858                  |                 |
| Transactions with owners of the Company:                   |       |                  |   |  |                             |                                |              |  |                              |                 |
| Acquisition of remaining equity interest in subsidiaries   | 15(g) | -                | -   | (3,317,976)                                  | -                           | -                              | (3,317,976)  | 3,317,976                                | -                            |                 |
| Dividends paid   | 29(b) | -                | -   | (15,000,000)                                 | -                           | -                              | (15,000,000) | -  | (15,000,000)                 |                 |
| Share options granted under Employees' Share Option Scheme | 28    | -                | -   | -  | -                           | 364,910                        | 364,910      | -  | 364,910                      |                 |
| Total transactions with owners of the Company              |       | -                | -   | (18,317,976)                                 | -                           | 364,910                        | (17,953,066) | 3,317,976                                | (14,635,090)                 |                 |
| Profit for the year  |       | -                | -   | 56,154,284                                   | -                           | -                              | 56,154,284   | (67,259)                                 | 56,087,025                   |                 |
| Other comprehensive loss for the year                      |       | -                | -   | -  | (4,289,540)                 | -                              | (4,289,540)  | -  | (4,289,540)                  |                 |
| <b>As at 31 March 2025</b>                                 |       | 244,959,957      | 150,000,000                                   | 488,383,835                                  | (3,692,526)                 | 364,910                        | 880,016,176  | (20,923)                                 | 879,995,253                  |                 |

## Statements of Changes in Equity

for the year ended 31 March 2025

| Company  | Note  | Share capital<br>RM | Irredeemable convertible preference shares<br>RM | Distributable reserve - Retained earnings<br>RM | Total equity<br>RM |
|--|-------|---------------------|--|---|--------------------|
| <b>As at 1 April 2023</b>                                |       | 62,500,000          | -  | 388,843,925                                     | 451,343,925        |
| Transactions with owners of the Company:                 |       |                     |  |   |                    |
| Issuance of ordinary shares pursuant to public issue     | 26(c) | 166,400,000         | -  | -   | 166,400,000        |
| Expenses on issuance of shares                           | 26    | (3,940,043)         | -  | -   | (3,940,043)        |
| Issuance of irredeemable convertible preference shares   | 27    | -                   | 150,000,000                                      | (150,000,000)                                   | -                  |
| Acquisition of remaining equity interest in a subsidiary | 26(b) | 20,000,000          | -  | -   | 20,000,000         |
| Dividends paid   | 29(b) | -                   | -  | (42,500,000)                                    | (42,500,000)       |
| Total transactions with owners of the Company            |       | 182,459,957         | 150,000,000                                      | (192,500,000)                                   | 139,959,957        |
| Total comprehensive income for the year                  |       | -                   | -  | 124,418,023                                     | 124,418,023        |
| <b>As at 31 March 2024</b>                               |       | 244,959,957         | 150,000,000                                      | 320,761,948                                     | 715,721,905        |

| Company  | Note  | Share capital<br>RM | Irredeemable convertible preference shares<br>RM | Distributable reserve - Retained earnings<br>RM | Non-distributable reserve - Share-based payment reserve<br>RM | Total equity<br>RM |
|--|-------|---------------------|--|---|---|--------------------|
| <b>As at 1 April 2024</b>                                  |       | 244,959,957         | 150,000,000                                      | 320,761,948                                     | -   | 715,721,905        |
| Transactions with owners of the Company:                   |       |                     |  |   |   |                    |
| Dividends paid   | 29(b) | -                   | -  | (15,000,000)                                    | -   | (15,000,000)       |
| Share options granted under Employees' Share Option Scheme | 28    | -                   | -  | -   | 364,910   | 364,910            |
| Total transactions with owners of the Company              |       | -                   | -  | (15,000,000)                                    | 364,910   | (14,635,090)       |
| Total comprehensive income for the year                    |       | -                   | -  | 44,240,480                                      | -   | 44,240,480         |
| <b>As at 31 March 2025</b>                                 |       | 244,959,957         | 150,000,000                                      | 350,002,428                                     | 364,910   | 745,327,295        |

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

# STATEMENTS OF CASH FLOWS

for the year ended 31 March 2025

|   | Group        |              | Company      |               |
|---|--------------|--------------|--------------|---------------|
|   | 2025<br>RM   | 2024<br>RM   | 2025<br>RM   | 2024<br>RM    |
| <b>CASH FLOWS FROM/(USED IN)</b>                            |              |              |              |               |
| <b>OPERATING ACTIVITIES</b>                                 |              |              |              |               |
| Profit before tax   | 84,551,576   | 159,934,196  | 47,920,893   | 134,174,242   |
| Adjustments for:  |              |              |              |               |
| Depreciation of:  |              |              |              |               |
| - Property, plant and equipment                             | 5,616,479    | 3,854,624    | 2,552,790    | 1,808,787     |
| - Right-of-use assets                                       | 579,324      | 559,610      | 517,277      | 515,163       |
| Amortisation of intangible assets                           | 526,919      | 526,918      | -            | -             |
| Dividend income from subsidiaries                           | -            | -            | (36,025,000) | (100,900,000) |
| Fair value gain on short-term investments                   | (4,287,380)  | (1,904,966)  | (4,287,380)  | (1,904,966)   |
| Gain on de-recognition of right-of-use assets               | (7,781)      | -            | -            | -             |
| Gain on fair value adjustment on investment property        | (1,515,624)  | -            | -            | -             |
| Impairment loss on intangible assets                        | -            | 55,623       | -            | -             |
| Interest expenses   | 14,669,867   | 16,164,162   | 10,989,301   | 12,017,114    |
| Interest income   | (7,078,705)  | (7,716,480)  | (24,365,766) | (20,563,832)  |
| Provision for Bumiputera quota penalties                    | 350,000      | -            | -            | -             |
| Provision for ex-gratia payments                            | -            | 4,047,302    | -            | -             |
| Allowance for doubtful debts:                               |              |              |              |               |
| - Trade receivables   | 53,432       | 8,783        | -            | -             |
| - Other receivables and refundable deposits                 | -            | 1,551,648    | -            | 1,540,000     |
| - Amount owing by subsidiaries                              | -            | -            | 839,551      | 4,456,624     |
| Reversal of allowance for doubtful debts:                   |              |              |              |               |
| - Trade receivables   | -            | (5,530)      | -            | (5,530)       |
| - Other receivables and refundable deposits                 | (1,540,000)  | -            | (1,540,000)  | -             |
| Reversal of provision for Bumiputera quota penalties        | -            | (679,383)    | -            | -             |
| Reversal of provision for ex-gratia payments                | (148,092)    | -            | -            | -             |
| Share options granted under Employees' Share Option Scheme  | 364,910      | -            | 364,910      | -             |
| Unrealised loss/(gain) on foreign exchange                  | 2,853        | (3,272)      | -            | -             |
| Operating Profit/(Loss) Before Working Capital Changes      | 92,137,778   | 176,393,235  | (3,033,424)  | 31,137,602    |
| Movement in working capital: (Increase)/Decrease in:        |              |              |              |               |
| Inventories - land held for property development            | (38,107,515) | (47,460,528) | (349,555)    | (1,891,001)   |
| Inventories - property development costs                    | (9,811,449)  | 51,895,325   | -            | 9,669,861     |
| Inventories - completed properties                          | 11,149,921   | 26,688,596   | -            | -             |
| Contract assets   | 57,352,730   | 78,994,560   | 44,700,000   | (1,600,503)   |
| Contract cost assets  | (958,225)    | 2,378,589    | -            | 876,447       |
| Trade receivables   | (49,250,504) | (58,822,783) | 24,288,432   | (21,084,562)  |
| Other receivables, refundable deposits and prepaid expenses | (75,110,704) | (3,153,368)  | (40,020,396) | (330,758)     |
| Amount owing by subsidiaries                                | -            | -            | (55,851,259) | (51,981,300)  |
| (Decrease)/Increase in:                                     |              |              |              |               |
| Trade payables  | (9,324,009)  | (6,911,367)  | (16,601,224) | (11,332,669)  |
| Other payables and accrued expenses                         | 2,568,737    | (13,652,382) | (4,153,095)  | (2,904,734)   |
| Contract liabilities  | (9,782,398)  | 8,800,223    | -            | -             |
| Land costs payable  | (45,588)     | 9,166,322    | -            | -             |
| Cash (Used In)/From Operations                              | (29,181,226) | 224,316,422  | (51,020,521) | (49,441,617)  |
| Interest paid   | (26,360,561) | (28,481,031) | (6,787,715)  | (10,471,326)  |
| Income tax paid   | (39,432,355) | (49,565,588) | (3,119,705)  | (11,651,526)  |
| Income tax refunded   | 3,309,004    | 6,768,140    | -            | 223           |
| Net Cash (Used In)/From Operating Activities                | (91,665,138) | 153,037,943  | (60,927,941) | (71,564,246)  |

# Statements of Cash Flows

for the year ended 31 March 2025

|   | Group                |                     | Company             |                    |
|---|----------------------|---------------------|---------------------|--------------------|
|   | 2025<br>RM           | 2024<br>RM          | 2025<br>RM          | 2024<br>RM         |
| <b>CASH FLOWS FROM/(USED IN)</b>                                      |                      |                     |                     |                    |
| <b>INVESTING ACTIVITIES</b>   |                      |                     |                     |                    |
| Advances to subsidiaries  | -                    | -                   | (192,448,256)       | (146,129,862)      |
| Repayments from subsidiaries  | -                    | -                   | 186,022,432         | 121,752,577        |
| Dividend received   | -                    | -                   | 31,925,000          | 55,000,000         |
| Interest received   | 11,366,085           | 9,621,446           | 7,118,148           | 5,574,699          |
| Acquisition of property,<br>plant and equipment [Note 10(e)]          | (7,514,581)          | (10,787,238)        | (7,170,919)         | (1,728,386)        |
| Additions to intangible assets  | -                    | (55,623)            | -                   | -                  |
| Additions to investment property [Note 13(g)]                         | (1,175,910)          | (15,245,098)        | -                   | -                  |
| Placement of fixed deposits pledged                                   | (650,987)            | (63,388,529)        | (1,136,173)         | (41,789,972)       |
| Incorporation of a subsidiary   | -                    | -                   | -                   | (70)               |
| Net cash flow on acquisition of new subsidiaries                      | 9,570                | -                   | (1)                 | -                  |
| Acquisition of additional equity interest in<br>existing subsidiaries | -                    | -                   | -                   | -                  |
| <b>Net Cash From/(Used In) Investing Activities</b>                   | <b>2,034,177</b>     | <b>(79,855,042)</b> | <b>24,310,231</b>   | <b>(7,321,014)</b> |
| <b>CASH FLOWS (USED IN)/FROM<br/>FINANCING ACTIVITIES</b>             |                      |                     |                     |                    |
| Repayments of bank borrowings   | (171,457,370)        | (201,334,900)       | (47,575,830)        | (122,946,582)      |
| Proceeds from bank borrowings   | 130,048,485          | 186,895,631         | 25,000,000          | 105,263,912        |
| Advances from subsidiaries  | -                    | -                   | 73,509,588          | 35,875,449         |
| Repayments to subsidiaries  | -                    | -                   | (14,802,014)        | (1,715,398)        |
| Proceeds from issuance of shares                                      | -                    | 166,400,000         | -                   | 166,400,000        |
| Payment of shares issuance expenses                                   | -                    | (3,940,043)         | -                   | (3,940,043)        |
| Payment of lease liabilities  | (581,561)            | (546,833)           | (526,615)           | (507,747)          |
| Interest paid   | (39,757)             | (55,507)            | (24,292)            | (42,916)           |
| Dividends paid  | (15,000,000)         | (42,500,000)        | (15,000,000)        | (42,500,000)       |
| <b>Net Cash (Used In)/From Financing Activities</b>                   | <b>(57,030,203)</b>  | <b>104,918,348</b>  | <b>20,580,837</b>   | <b>135,886,675</b> |
| <b>NET (DECREASE)/ INCREASE IN<br/>CASH AND CASH EQUIVALENTS</b>      | <b>(146,661,164)</b> | <b>178,101,249</b>  | <b>(16,036,873)</b> | <b>57,001,415</b>  |
| <b>EFFECT OF EXCHANGE RATE<br/>FLUCTUATIONS ON CASH HELD</b>          | <b>(4,290,091)</b>   | <b>705,088</b>      | <b>-</b>            | <b>-</b>           |
| <b>CASH AND CASH EQUIVALENTS<br/>AT BEGINNING OF YEAR</b>             | <b>402,214,706</b>   | <b>223,408,369</b>  | <b>169,576,287</b>  | <b>112,574,872</b> |
| <b>CASH AND CASH EQUIVALENTS<br/>AT END OF YEAR (NOTE 35)</b>         | <b>251,263,451</b>   | <b>402,214,706</b>  | <b>153,539,414</b>  | <b>169,576,287</b> |

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and was listed on the Main Market of Bursa Malaysia Securities Berhad on 10 July 2023.

The Company is principally engaged in the provision of management services to its subsidiaries and business of property development and investment holding.

The information on the name, place of incorporation, principal activities, and proportion of ownership interest and voting power held by the holding company in each subsidiary are set out in Note 15.

The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The principal place of business of the Company is located at G Floor, Block B, Wisma NTP World, Excella Business Park, Jalan Ampang Putra, Ampang, 55100 Kuala Lumpur.

The financial statements of the Group and of the Company were authorised by the Board of Directors for issuance on 17 July 2025.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The financial statements have been prepared on the historical cost basis except as otherwise stated in the financial statements.

### (a) Adoption of Amendments to MFRSs

In the current year, the Group and the Company have adopted all the Amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are relevant and effective for annual periods beginning on or after 1 April 2024 as follows:

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

The adoption of these Amendments to MFRSs did not result in significant changes to the accounting policies of the Group and of the Company and have no significant effect on the financial performance or position of the Group and of the Company.

### (b) New MFRSs and Amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new MFRSs and Amendments to MFRSs relevant to the Group and the Company which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

|                                    |  |
|------------------------------------|--|
| Amendments to MFRS 10 and MFRS 128 | <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>1</sup></i> |
| Amendments to MFRS 121             | <i>Lack of Exchangeability<sup>2</sup></i>   |
| Amendments to MFRS 9 and MFRS 7    | <i>Amendments to the Classification and Measurement of Financial Instruments<sup>3</sup></i>             |
| Amendments to MFRSs                | <i>Annual Improvements to MFRS Accounting Standards<sup>3</sup></i>                                      |
| MFRS 18                            | <i>Presentation and Disclosure in Financial Statements<sup>4</sup></i>                                   |
| MFRS 19                            | <i>Subsidiaries without Public Accountability: Disclosures<sup>4</sup></i>                               |

<sup>1</sup> Effective date deferred to a date to be determined and announced by MASB.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027, with earlier application permitted.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

### (b) New MFRS and Amendments to MFRSs in issue but not yet effective (cont'd)

The directors anticipate that the abovementioned new MFRSs and Amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these new MFRSs and Amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application, except as further discussed below.

#### MFRS 18 Presentation and Disclosure in Financial Statements

The MFRS 18 *Presentation and Disclosure in Financial Statements* replaces MFRS 101 *Presentation of Financial Statements*, effective for annual periods beginning on or after 1 January 2027. The new MFRS introduces a new structure of profit or loss statement.

- i. Income and expenses are classified into three new main categories:
  - Operating category which typically includes results from the main business activities;
  - Investing category that presents results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
  - Financing category that presents income and expenses from financing liabilities.
- ii. Entities are required to present two new specified subtotals: "Operating profit or loss" or "Profit or loss before financing and income taxes".

Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.

Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics. The adoption of MFRS 18 will have no impact on the Group's and the Company's net profit but will result in the changes of presentation of income statements on the grouping of income and expenses categories, as well as additional disclosure on management-defined performance measures.

### (c) Use of estimates and judgements

In the preparation of the financial statements in conformity with MFRSs, management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes.

|         |   |
|---------|---|
| Note 3  | Revenue and Cost of Sales Recognition for Property Development Activities |
| Note 15 | Impairment of Investment in Subsidiaries                                  |
| Note 17 | Deferred Tax Assets   |
| Note 19 | Net Realisable Value of Completed Properties                              |
| Note 33 | Provision for Bumiputera Quota Penalties                                  |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 3. REVENUE

|  | Group       |             | Company    |             |
|--|-------------|-------------|------------|-------------|
|  | 2025<br>RM  | 2024<br>RM  | 2025<br>RM | 2024<br>RM  |
| Revenue from contracts with customers                        | 445,489,252 | 688,038,113 | 55,691,036 | 159,845,553 |
| Dividend income from subsidiaries (Note 24)                  | -           | -           | 36,025,000 | 100,900,000 |
|  | 445,489,252 | 688,038,113 | 91,716,036 | 260,745,553 |
| Disaggregation of the revenue from contracts with customers: |             |             |            |             |
| Property development   | 422,992,047 | 645,856,876 | (3,764)*   | 107,984,336 |
| Sale of completed units                                      | 16,134,348  | 40,065,925  | -          | -           |
| Property investment income                                   | 5,385,648   | 1,239,328   | -          | -           |
| Property management fee                                      | 3,300       | 2,100       | -          | -           |
| Commission from e-commerce platform                          | 848,295     | 758,070     | -          | -           |
| Sales of service rendered                                    | 125,614     | 115,814     | -          | -           |
| Management fee charged to subsidiaries (Note 24)             | -           | -           | 55,694,800 | 51,861,217  |
|  | 445,489,252 | 688,038,113 | 55,691,036 | 159,845,553 |
| Dividend income from subsidiaries (Note 24)                  | -           | -           | 36,025,000 | 100,900,000 |
|  | 445,489,252 | 688,038,113 | 91,716,036 | 260,745,553 |
| Timing of revenue recognition:                               |             |             |            |             |
| At a point in time   | 16,982,643  | 40,823,995  | 36,025,000 | 100,900,000 |
| Over time  | 428,506,609 | 647,214,118 | 55,691,036 | 159,845,553 |
|  | 445,489,252 | 688,038,113 | 91,716,036 | 260,745,553 |

\* Represents reversal of revenue overrecognised in previous years

### (a) Key sources of estimation uncertainty

#### Revenue and cost of sales recognition for property development activities

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group and the Company will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. The Group and the Company measure revenue after adjusting the effects of any variable consideration and consideration payable to customer. Depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation based on the physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress towards complete satisfaction of that performance obligation based on the certified work-to-date corroborated by the level of completion of the development based on actual costs incurred to date over the estimated total property development costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgements, management relies on past experience and the work of specialist.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 3. REVENUE (CONT'D)

### (b) Property development

Revenue from property development is recognised over time if it creates an asset with no alternative use to the Group and the Company, and the Group and the Company has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's and the Company's efforts or inputs to the satisfaction of the performance obligation (e.g., by reference to the property development costs incurred to date as a percentage of the estimated total costs of development of the contract).

### (c) Sale of completed units

Revenue from sale of completed units is recognised at a point in time upon delivery of properties when the control of the properties has been passed to the buyers and when it is probable that the Group and the Company will collect the consideration to which it is entitled.

### (d) Property investment income

Property investment income is recognised on a straight-line basis over the lease term.

### (e) Property management and management services

Management fees is recognised over time when the service is rendered in accordance to contract term.

### (f) Commission from e-commerce platform

Commission from e-commerce platform is recognised at a point in time upon completion of transactions, which generally occurs upon receipt of confirmation from the buyers that products or services have been duly delivered or rendered by the providers.

### (g) Sales of service rendered

Revenue from service rendered is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation.

## 4. COST OF SALES

|   | Group       |             | Company    |            |
|---|-------------|-------------|------------|------------|
|   | 2025<br>RM  | 2024<br>RM  | 2025<br>RM | 2024<br>RM |
| Property development costs                      | 262,768,568 | 404,102,251 | 193,228    | 65,966,098 |
| Reversal of overprovision of construction costs | (66,642)    | -           | -          | -          |
| Cost of completed units sold (Note 19)          | 11,148,963  | 25,855,703  | -          | -          |
| Property investment and management costs        | 4,985,225   | 2,776,988   | -          | -          |
| Cost of e-commerce platform service             | 399,083     | 391,785     | -          | -          |
| Other direct costs                              | 893,201     | 1,493,723   | -          | -          |
|   | 280,128,398 | 434,620,450 | 193,228    | 65,966,098 |

Property development costs of the Group recognised in the current year consists of reversal adjustment due to over accrual of development cost which amounted to RM8,977,905 (2024: RM155,624) in the previous year.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 5. OTHER OPERATING INCOME

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Fair value gain on short-term investments                      | 4,287,380  | 1,904,966  | 4,287,380  | 1,904,966  |
| Forfeiture of deposits   | 181,611    | 378,617    | -          | -          |
| Gain on fair value adjustment on investment property (Note 13) | 1,515,624  | -          | -          | -          |
| Interest income from:  |            |            |            |            |
| - fixed deposits   | 6,600,425  | 7,582,882  | 2,352,488  | 3,536,135  |
| - short-term investments                                       | 478,280    | 133,598    | 478,280    | 133,598    |
| - subsidiaries (Note 24)                                       | -          | -          | 21,534,998 | 16,894,099 |
| License fee from subsidiaries (Note 24)                        | -          | -          | 9,000      | 3,750      |
| Rental income from:  |            |            |            |            |
| - third parties  | 692,913    | 1,023,554  | -          | -          |
| - subsidiaries (Note 24)                                       | -          | -          | 147,459    | 116,333    |
| Realised gain on foreign exchange                              | 4,911      | 4,271      | -          | -          |
| Sundry income  | 1,843,779  | 710,626    | 998,543    | 221,103    |
|  | 15,604,923 | 11,738,514 | 29,808,148 | 22,809,984 |

## 6. FINANCE COSTS

|   | Group        |              | Company    |            |
|---|--------------|--------------|------------|------------|
|   | 2025<br>RM   | 2024<br>RM   | 2025<br>RM | 2024<br>RM |
| Interest expense on:  |              |              |            |            |
| - Bank borrowings   | 26,360,561   | 29,913,670   | 6,787,715  | 10,471,326 |
| - Amount owing to subsidiaries (Note 24)  | -            | -            | 4,177,294  | 1,502,872  |
| - Lease liabilities (Note 30)   | 39,757       | 55,507       | 24,292     | 42,916     |
| - Unwinding of interest expense of provision on decommissioning costs (Note 33) | 85,846       | -            | -          | -          |
|   | 26,486,164   | 29,969,177   | 10,989,301 | 12,017,114 |
| Less: Finance costs capitalised in:   |              |              |            |            |
| - Property, plant and equipment (Note 10)                                       | -            | (119,574)    | -          | -          |
| - Investment property (Note 13)   | -            | (1,313,065)  | -          | -          |
| - Land held for property development (Note 14)                                  | (11,816,297) | (12,372,376) | -          | -          |
|   | (11,816,297) | (13,805,015) | -          | -          |
|   | 14,669,867   | 16,164,162   | 10,989,301 | 12,017,114 |

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The amount of borrowing costs eligible for capitalisation is determined based on actual interest incurred on borrowings made specifically for the purpose of obtaining a qualifying asset and less any investment income on the temporary investment of that borrowing.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 7. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

|  | Group       |            | Company     |            |
|--|-------------|------------|-------------|------------|
|  | 2025<br>RM  | 2024<br>RM | 2025<br>RM  | 2024<br>RM |
| <b>After charging:</b>   |             |            |             |            |
| Staff costs and directors' remuneration (Note 8)               | 45,092,043  | 45,547,260 | 42,796,375  | 45,547,260 |
| Allowance for doubtful debts:                                  |             |            |             |            |
| - Trade receivables (Note 22)                                  | 53,432      | 8,783      | -           | -          |
| - Other receivables and refundable deposits (Note 23)          | -           | 1,551,648  | -           | 1,540,000  |
| - Amount owing by subsidiaries (Note 24)                       | -           | -          | 839,551     | 4,456,624  |
| Depreciation of:   |             |            |             |            |
| - Property, plant and equipment (Note 10)                      | 5,616,479   | 3,854,624  | 2,552,790   | 1,808,787  |
| - Right-of-use assets (Note 11)                                | 579,324     | 559,610    | 517,277     | 515,163    |
| Amortisation of intangible assets (Note 12)                    | 526,919     | 526,918    | -           | -          |
| Expenses relating to short-term leases                         | 95,998      | 34,689     | 6,350       | -          |
| Expenses relating to leases of low-value assets                | 683,156     | 225,267    | 617,290     | 166,042    |
| Auditors' remuneration   |             |            |             |            |
| - Statutory audit  |             |            |             |            |
| Auditors of the Company  | 550,000     | 540,000    | 162,400     | 162,400    |
| Other auditors   | 49,170      | 5,291      | -           | -          |
| - Other assurance services                                     |             |            |             |            |
| Auditors of the Company  | 10,000      | -          | 10,000      | -          |
| Other auditors   | 109,296     | 48,760     | 109,296     | 48,760     |
| Provision for Bumiputera quota penalties (Note 33)             | 350,000     | -          | -           | -          |
| Provision for ex-gratia payments (Note 33)                     | -           | 4,047,302  | -           | -          |
| Realised loss on foreign exchange                              | -           | -          | 309         | -          |
| Unrealised loss on foreign exchange                            | 2,853       | -          | -           | -          |
| Impairment loss on intangible assets (Note 12)                 | -           | 55,623     | -           | -          |
| <b>After crediting:</b>  |             |            |             |            |
| Gain on derecognition of right-of-use assets                   | (7,781)     | -          | -           | -          |
| Reversal of provision for Bumiputera quota penalties (Note 33) | -           | (679,383)  | -           | -          |
| Reversal of allowance for doubtful debts:                      |             |            |             |            |
| - Trade receivables (Note 22)                                  | -           | (5,530)    | -           | (5,530)    |
| - Other receivables and refundable deposits (Note 23)          | (1,540,000) | -          | (1,540,000) | -          |
| Reversal of provision for ex-gratia payments (Note 33)         | (148,092)   | -          | -           | -          |
| Unrealised gain on foreign exchange                            | -           | (3,272)    | -           | -          |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 8. STAFF COSTS AND DIRECTORS' REMUNERATION

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Staff costs:                               |            |            |            |            |
| - Salaries, wages, allowances and overtime | 27,976,596 | 22,835,780 | 26,020,564 | 22,835,780 |
| - Bonus                                    | 3,402,130  | 7,200,175  | 3,223,471  | 7,200,175  |
| - Employees provident fund                 | 3,229,691  | 3,365,683  | 3,229,691  | 3,365,683  |
| - Social security contribution             | 235,903    | 216,876    | 235,903    | 216,876    |
| - Share-based payment (Note 28)            | 364,900    | -          | 364,900    | -          |
| - Other staff related costs                | 2,402,299  | 3,353,053  | 2,241,322  | 3,353,053  |
|  | 37,611,519 | 36,971,567 | 35,315,851 | 36,971,567 |
| Executive Directors' remuneration:         |            |            |            |            |
| - Salaries, wages and allowances           | 5,540,251  | 5,259,777  | 5,540,251  | 5,259,777  |
| - Bonus                                    | 852,752    | 2,071,537  | 852,752    | 2,071,537  |
| - Employees provident fund                 | 758,222    | 846,036    | 758,222    | 846,036    |
| - Social security contribution             | 3,827      | 3,476      | 3,827      | 3,476      |
| - Other emoluments                         | 14,732     | 79,251     | 14,732     | 79,251     |
|  | 7,169,784  | 8,260,077  | 7,169,784  | 8,260,077  |
| Non-executive Directors' remuneration:     |            |            |            |            |
| - Fees                                     | 276,000    | 276,000    | 276,000    | 276,000    |
| - Other emoluments                         | 34,740     | 39,616     | 34,740     | 39,616     |
|  | 310,740    | 315,616    | 310,740    | 315,616    |
|  | 45,092,043 | 45,547,260 | 42,796,375 | 45,547,260 |

### (a) Short-term employee benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group and of the Company.

### (b) Defined contribution plans

The Group and the Company's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Company have no further liability in respect of the defined contribution plans.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 9. INCOME TAX EXPENSE

|                                       | Group      |            | Company    |            |
|---------------------------------------|------------|------------|------------|------------|
|                                       | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Estimated tax payable:                |            |            |            |            |
| Current year                          | 23,480,778 | 44,561,603 | 2,757,435  | 8,408,473  |
| Under/(Over) provision in prior years | 4,618,261  | 176,321    | 90,896     | (483,658)  |
|                                       | 28,099,039 | 44,737,924 | 2,848,331  | 7,924,815  |
| Deferred tax (Note 17):               |            |            |            |            |
| Current year                          | 1,061,504  | 8,491,109  | 414,038    | 1,134,306  |
| (Over)/Underprovision in prior years  | (695,992)  | 194,524    | 418,044    | 697,098    |
|                                       | 365,512    | 8,685,633  | 832,082    | 1,831,404  |
|                                       | 28,464,551 | 53,423,557 | 3,680,413  | 9,756,219  |

Income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the year.

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

|  | Group       |             | Company     |              |
|--|-------------|-------------|-------------|--------------|
|  | 2025<br>RM  | 2024<br>RM  | 2025<br>RM  | 2024<br>RM   |
| Profit before tax  | 84,551,576  | 159,934,196 | 47,920,893  | 134,174,242  |
| Tax expense calculated using the Malaysia statutory income tax rate of 24% | 20,292,378  | 38,384,207  | 11,501,014  | 32,201,818   |
| Tax effects of:  |             |             |             |              |
| - expenses that are not deductible in determining taxable profit           | 4,236,501   | 14,138,635  | 1,355,896   | 2,046,216    |
| - income not taxable in determining taxable profit                         | (2,363,887) | (1,063,097) | (9,685,437) | (24,705,255) |
| Utilisation of deferred tax assets not previously recognised               | -           | (20,352)    | -           | -            |
| Deferred tax assets not recognised   | 2,377,290   | 1,613,319   | -           | -            |
| Under/(Over) provision of estimated tax payable in prior years             | 4,618,261   | 176,321     | 90,896      | (483,658)    |
| (Over)/Under provision of deferred tax in prior years                      | (695,992)   | 194,524     | 418,044     | 697,098      |
|  | 28,464,551  | 53,423,557  | 3,680,413   | 9,756,219    |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 9. INCOME TAX EXPENSE (CONT'D)

The tax effects of deductible temporary differences, unused tax losses and unabsorbed capital allowances which would give rise to deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unabsorbed capital allowances can be utilised.

Pursuant to guidelines issued by the Malaysian tax authorities in 2018, the Ministry of Finance has allowed companies to carry forward their unabsorbed capital allowances indefinitely until it is fully absorbed.

Pursuant to an amendment to Section 44(5F) of the Income Tax Act 1967, the time limit to utilise unused tax losses has been extended to a maximum of 10 consecutive years. This amendment is deemed to have effect from the year of assessment 2019. Furthermore, unused tax losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessment 2019 to 2028).

Expiry date of the Group's unused tax losses is summarised below:

|                     | 2025<br>RM | Group<br>2024<br>RM |
|---------------------|------------|---------------------|
| Year of assessment: |            |                     |
| 2031                | 364,052    | 364,052             |
| 2032                | 362,981    | 362,981             |
| 2033                | 576,508    | 576,508             |
| 2034                | 6,335,064  | 5,150,273           |
| 2035                | 7,923,005  | -                   |

Any amounts not utilised upon expiry period of the above year of assessment will be disregarded.

As at year end, the estimated amount of unused tax losses, unabsorbed capital allowances and other deductible temporary differences for which deferred tax assets are not recognised in the financial statements due to uncertainty of realisation are as follows:

|  | 2025<br>RM | Group<br>2024<br>RM |
|--|------------|---------------------|
| Unused tax losses                      | 15,561,610 | 6,453,814           |
| Unabsorbed capital allowances          | 1,944,029  | 1,618,852           |
| Other deductible temporary differences | 537,174    | 64,774              |
|  | 18,042,813 | 8,137,440           |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 10. PROPERTY, PLANT AND EQUIPMENT

| Group                                | Building<br>RM | Computer<br>software<br>RM | Electrical<br>fittings<br>RM | Furniture<br>and<br>fittings<br>RM | Motor<br>vehicles<br>RM | Office<br>equipment<br>RM | Renovation<br>RM | Plant and<br>machinery<br>RM | Capital<br>work in<br>progress<br>RM | Total<br>RM |
|--------------------------------------|----------------|----------------------------|------------------------------|------------------------------------|-------------------------|---------------------------|------------------|------------------------------|--------------------------------------|-------------|
| <b>Cost</b>                          |                |                            |                              |                                    |                         |                           |                  |                              |                                      |             |
| As at 1 April 2023                   | 6,650,000      | 3,772,553                  | 46,670                       | 981,351                            | 79,013                  | 2,198,323                 | 8,606,690        | 106,850                      | 11,284,373                           | 33,725,823  |
| Additions                            | 8,026,057      | 299,715                    | 660,036                      | 26,000                             | -                       | 737,012                   | 1,926,922        | 88,284                       | -                                    | 11,764,026  |
| Reclassification                     | 10,275,982     | -                          | -                            | -                                  | -                       | -                         | 1,008,391        | -                            | (11,284,373)                         | -           |
| As at 31 March 2024/<br>1 April 2024 | 24,952,039     | 4,072,268                  | 706,706                      | 1,007,351                          | 79,013                  | 2,935,335                 | 11,542,003       | 195,134                      | -                                    | 45,489,849  |
| Additions                            | -              | 734,996                    | 156,000                      | 4,240                              | -                       | 584,453                   | 6,034,892        | -                            | -                                    | 7,514,581   |
| Currency exchange<br>translation     | -              | (5,165)                    | -                            | -                                  | -                       | -                         | -                | -                            | -                                    | (5,165)     |
| Written off                          | -              | (20,887)                   | -                            | (370,460)                          | -                       | (20,177)                  | -                | -                            | -                                    | (411,524)   |
| <b>As at 31 March 2025</b>           | 24,952,039     | 4,781,212                  | 862,706                      | 641,131                            | 79,013                  | 3,499,611                 | 17,576,895       | 195,134                      | -                                    | 52,587,741  |
| <b>Accumulated<br/>depreciation</b>  |                |                            |                              |                                    |                         |                           |                  |                              |                                      |             |
| As at 1 April 2023                   | 166,250        | 3,186,491                  | 46,667                       | 770,806                            | 79,012                  | 1,747,724                 | 4,025,366        | 49,865                       | -                                    | 10,072,181  |
| Charge for the year<br>(Note 7)      | 1,657,419      | 261,489                    | 84,040                       | 51,613                             | -                       | 231,190                   | 1,533,352        | 35,521                       | -                                    | 3,854,624   |
| As at 31 March 2024/<br>1 April 2024 | 1,823,669      | 3,447,980                  | 130,707                      | 822,419                            | 79,012                  | 1,978,914                 | 5,558,718        | 85,386                       | -                                    | 13,926,805  |
| Charge for the year<br>(Note 7)      | 2,439,806      | 338,038                    | 162,408                      | 54,349                             | -                       | 357,545                   | 2,225,305        | 39,028                       | -                                    | 5,616,479   |
| Currency exchange<br>translation     | -              | (220)                      | -                            | -                                  | -                       | -                         | -                | -                            | -                                    | (220)       |
| Written off                          | -              | (20,887)                   | -                            | (370,460)                          | -                       | (20,177)                  | -                | -                            | -                                    | (411,524)   |
| <b>As at 31 March 2025</b>           | 4,263,475      | 3,764,911                  | 293,115                      | 506,308                            | 79,012                  | 2,316,282                 | 7,784,023        | 124,414                      | -                                    | 19,131,540  |
| <b>Net carrying<br/>amount</b>       |                |                            |                              |                                    |                         |                           |                  |                              |                                      |             |
| <b>As at 31 March 2024</b>           | 23,128,370     | 624,288                    | 575,999                      | 184,932                            | 1                       | 956,421                   | 5,983,285        | 109,748                      | -                                    | 31,563,044  |
| <b>As at 31 March 2025</b>           | 20,688,564     | 1,016,301                  | 569,591                      | 134,823                            | 1                       | 1,183,329                 | 9,792,872        | 70,720                       | -                                    | 33,456,201  |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 10. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

| Company                          | Building<br>RM | Computer<br>software<br>RM | Electrical<br>fittings<br>RM | Furniture<br>and<br>fittings<br>RM | Motor<br>vehicles<br>RM | Office<br>equipment<br>RM | Renovation<br>RM | Total<br>RM |
|----------------------------------|----------------|----------------------------|------------------------------|------------------------------------|-------------------------|---------------------------|------------------|-------------|
| <b>Cost</b>                      |                |                            |                              |                                    |                         |                           |                  |             |
| As at 1 April 2023               | 6,650,000      | 3,652,057                  | 46,670                       | 603,927                            | 79,013                  | 2,168,076                 | 8,606,690        | 21,806,433  |
| Additions                        | -              | 115,932                    | 134,413                      | 26,000                             | -                       | 536,417                   | 915,624          | 1,728,386   |
| As at 31 March 2024/1 April 2024 | 6,650,000      | 3,767,989                  | 181,083                      | 629,927                            | 79,013                  | 2,704,493                 | 9,522,314        | 23,534,819  |
| Additions                        | -              | 628,638                    | -                            | 4,240                              | -                       | 536,149                   | 6,001,892        | 7,170,919   |
| As at 31 March 2025              | 6,650,000      | 4,396,627                  | 181,083                      | 634,167                            | 79,013                  | 3,240,642                 | 15,524,206       | 30,705,738  |
| <b>Accumulated depreciation</b>  |                |                            |                              |                                    |                         |                           |                  |             |
| As at 1 April 2023               | 166,250        | 3,145,593                  | 46,667                       | 396,866                            | 79,012                  | 1,727,467                 | 4,025,366        | 9,587,221   |
| Charge for the year (Note 7)     | 133,000        | 221,726                    | 13,957                       | 54,108                             | -                       | 201,504                   | 1,184,492        | 1,808,787   |
| As at 31 March 2024/1 April 2024 | 299,250        | 3,367,319                  | 60,624                       | 450,974                            | 79,012                  | 1,928,971                 | 5,209,858        | 11,396,008  |
| Charge for the year (Note 7)     | 133,000        | 263,384                    | 26,883                       | 53,653                             | -                       | 281,551                   | 1,794,319        | 2,552,790   |
| <b>As at 31 March 2025</b>       | 432,250        | 3,630,703                  | 87,507                       | 504,627                            | 79,012                  | 2,210,522                 | 7,004,177        | 13,948,798  |
| <b>Net carrying amount</b>       |                |                            |                              |                                    |                         |                           |                  |             |
| <b>As at 31 March 2024</b>       | 6,350,750      | 400,670                    | 120,459                      | 178,953                            | 1                       | 775,522                   | 4,312,456        | 12,138,811  |
| <b>As at 31 March 2025</b>       | 6,217,750      | 765,924                    | 93,576                       | 129,540                            | 1                       | 1,030,120                 | 8,520,029        | 16,756,940  |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 10. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The costs of property, plant and equipment comprise their purchase costs and any expenditure that are directly attributable to the acquisition of the assets and other costs directly attributable to bringing the asset to working condition for its intended use.

Gain or loss on disposals are determined by comparing net disposal proceeds with carrying amounts and are recognised in profit or loss.

Capital work-in-progress is stated at cost and not depreciated until such time when the asset is available for use.

Depreciation on other property, plant and equipment is charged to profit or loss on a straight-line basis over their estimated useful lives. The principal annual rates used for this purpose are as follows:

|                        |                          |
|------------------------|--------------------------|
| Building               | 2% - 33 $\frac{1}{3}$ %  |
| Computer software      | 20% - 33 $\frac{1}{3}$ % |
| Electrical fittings    | 20%                      |
| Furniture and fittings | 10%                      |
| Motor vehicles         | 20%                      |
| Office equipment       | 10% - 20%                |
| Renovation             | 11% - 33 $\frac{1}{3}$ % |
| Plant and machinery    | 20%                      |

- (b) Included in property, plant and equipment of the Group and of the Company are fully depreciated assets which are still in use, with an aggregate cost of approximately RM8,536,921 (2024: RM7,927,020).
- (c) In the previous year, finance costs of RM119,574 are capitalised in the property, plant and equipment of the Group at the rates ranging from 5.26% to 5.51% per annum.
- (d) Property, plant and equipment of the Group amounting to RM14,600,946 (2024: RM16,907,752) are charged to the banks for credit facilities granted to the Group as disclosed in Note 31.
- (e) The details of additions to property, plant and equipment are as follows:

|                                     | Group      |            | Company    |            |
|-------------------------------------|------------|------------|------------|------------|
|                                     | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Cash payments                       | 7,514,581  | 10,787,238 | 7,170,919  | 1,728,386  |
| Loan transaction cost               | -          | 8,239      | -          | -          |
| Provision for decommissioning costs | -          | 968,549    | -          | -          |
|                                     | 7,514,581  | 11,764,026 | 7,170,919  | 1,728,386  |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 11. RIGHT-OF-USE ASSETS

| Group                            | Office<br>building<br>RM | Office<br>equipment<br>RM | Motor<br>vehicle<br>RM | Total<br>RM      |
|----------------------------------|--------------------------|---------------------------|------------------------|------------------|
| <b>Cost</b>                      |                          |                           |                        |                  |
| As at 1 April 2023               | 1,566,703                | 138,895                   | -                      | 1,705,598        |
| Additions (Note 30)              | 980,570                  | 18,036                    | 266,684                | 1,265,290        |
| Derecognition                    | -                        | (11,841)                  | -                      | (11,841)         |
| As at 31 March 2024/1 April 2024 | 2,547,273                | 145,090                   | 266,684                | 2,959,047        |
| Additions (Note 30)              | 187,829                  | 48,796                    | 261,041                | 497,666          |
| Derecognition                    | -                        | -                         | (266,684)              | (266,684)        |
| <b>As at 31 March 2025</b>       | <b>2,735,102</b>         | <b>193,886</b>            | <b>261,041</b>         | <b>3,190,029</b> |
| <b>Accumulated depreciation</b>  |                          |                           |                        |                  |
| As at 1 April 2023               | 1,459,483                | 73,021                    | -                      | 1,532,504        |
| Charge for the year (Note 7)     | 488,000                  | 27,163                    | 44,447                 | 559,610          |
| Derecognition                    | -                        | (11,841)                  | -                      | (11,841)         |
| As at 31 March 2024/1 April 2024 | 1,947,483                | 88,343                    | 44,447                 | 2,080,273        |
| Charge for the year (Note 7)     | 505,985                  | 26,992                    | 46,347                 | 579,324          |
| Derecognition                    | -                        | -                         | (81,819)               | (81,819)         |
| Currency exchange translation    | (47)                     | -                         | (200)                  | (247)            |
| <b>As at 31 March 2025</b>       | <b>2,453,421</b>         | <b>115,335</b>            | <b>8,775</b>           | <b>2,577,531</b> |
| <b>Net carrying amount</b>       |                          |                           |                        |                  |
| <b>As at 31 March 2024</b>       | <b>599,790</b>           | <b>56,747</b>             | <b>222,237</b>         | <b>878,774</b>   |
| <b>As at 31 March 2025</b>       | <b>281,681</b>           | <b>78,551</b>             | <b>252,266</b>         | <b>612,498</b>   |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 11. RIGHT-OF-USE ASSETS (CONT'D)

| Company                          | Office<br>building<br>RM | Office<br>equipment<br>RM | Total<br>RM      |
|----------------------------------|--------------------------|---------------------------|------------------|
| <b>Cost</b>                      |                          |                           |                  |
| As at 1 April 2023               | 1,566,703                | 138,895                   | 1,705,598        |
| Additions (Note 30)              | 980,570                  | 18,036                    | 998,606          |
| Derecognition                    | -                        | (11,841)                  | (11,841)         |
| As at 31 March 2024/1 April 2024 | 2,547,273                | 145,090                   | 2,692,363        |
| Additions (Note 30)              | -                        | 48,796                    | 48,796           |
| <b>As at 31 March 2025</b>       | <b>2,547,273</b>         | <b>193,886</b>            | <b>2,741,159</b> |
| <b>Accumulated depreciation</b>  |                          |                           |                  |
| As at 1 April 2023               | 1,459,483                | 73,021                    | 1,532,504        |
| Charge for the year (Note 7)     | 488,000                  | 27,163                    | 515,163          |
| Derecognition                    | -                        | (11,841)                  | (11,841)         |
| As at 31 March 2024/1 April 2024 | 1,947,483                | 88,343                    | 2,035,826        |
| Charge for the year (Note 7)     | 490,285                  | 26,992                    | 517,277          |
| <b>As at 31 March 2025</b>       | <b>2,437,768</b>         | <b>115,335</b>            | <b>2,553,103</b> |
| <b>Net carrying amount</b>       |                          |                           |                  |
| <b>As at 31 March 2024</b>       | <b>599,790</b>           | <b>56,747</b>             | <b>656,537</b>   |
| <b>As at 31 March 2025</b>       | <b>109,505</b>           | <b>78,551</b>             | <b>188,056</b>   |

(a) Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

(b) Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The principal depreciation periods are as follows:

Office building      The Group and the Company have entered into a number of non-cancellable operating lease agreement for the use of buildings. The tenure of these leases ranges between 2 to 3 years (2024: 2 to 3 years), with option to renew upon expiry.

Office equipment      The Group and the Company have leased a number of office equipment from various parties under non-cancellable operating lease agreements. The tenure of these leases ranges between 3 to 8 years (2024: 5 to 8 years).

Motor vehicle      The Group has leased a motor vehicle under a non-cancellable operating lease agreement with a tenure of 5 years (2024: 5 years).

# Notes to the Financial Statements

for the year ended 31 March 2025

## 12. INTANGIBLE ASSETS

| Group                            | Computer<br>software programmes<br>RM | Billboard<br>advertisement<br>rights<br>RM | Total<br>RM |
|----------------------------------|---------------------------------------|--|-------------|
| <b>Cost</b>                      |                                       |  |             |
| As at 1 April 2023               | 254,400                               | 6,313,815                                  | 6,568,215   |
| Additions                        | -                                     | 55,623                                     | 55,623      |
| As at 31 March 2024/1 April 2024 | 254,400                               | 6,369,438                                  | 6,623,838   |
| Written off                      | (254,400)                             | -  | (254,400)   |
| <b>As at 31 March 2025</b>       | -                                     | 6,369,438                                  | 6,369,438   |
| <b>Accumulated amortisation</b>  |                                       |  |             |
| As at 1 April 2023               | -                                     | 263,460                                    | 263,460     |
| Charge for the year (Note 7)     | -                                     | 526,918                                    | 526,918     |
| As at 31 March 2024/1 April 2024 | -                                     | 790,378                                    | 790,378     |
| Charge for the year (Note 7)     | -                                     | 526,919                                    | 526,919     |
| <b>As at 31 March 2025</b>       | -                                     | 1,317,297                                  | 1,317,297   |
| <b>Impairment loss</b>           |                                       |  |             |
| As at 1 April 2023               | 254,400                               | 3,503,583                                  | 3,757,983   |
| Charge for the year (Note 7)     | -                                     | 55,623                                     | 55,623      |
| As at 31 March 2024/1 April 2024 | 254,400                               | 3,559,206                                  | 3,813,606   |
| Written off                      | (254,400)                             | -  | (254,400)   |
| <b>As at 31 March 2025</b>       | -                                     | 3,559,206                                  | 3,559,206   |
| <b>Net carrying amount</b>       |                                       |  |             |
| <b>As at 31 March 2024</b>       | -                                     | 2,019,854                                  | 2,019,854   |
| <b>As at 31 March 2025</b>       | -                                     | 1,492,935                                  | 1,492,935   |

- (a) Intangible assets are stated at cost less accumulated amortisation and impairment losses.

Costs that are directly associated with identifiable assets controlled by the Group and the Company that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Expenditure which enhances or extends the performance of intangible assets beyond their original specifications is recognised as a capital improvement and added to the original cost of the intangible assets.

Amortisation of the intangible assets begins when it is available for use, which means when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceed and the carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

## Notes to the Financial Statements

for the year ended 31 March 2025

### 12. INTANGIBLE ASSETS (CONT'D)

- (b) The billboard advertisement rights granted to the Group is for a period of 6 years from year 2022 and was granted by a local authority in exchange for the construction of an overhead pedestrian bridge. The directors performed impairment assessment on intangible assets at least annually and whenever there is an indication at the end of the reporting period that the asset may be impaired. The recoverable amount is determined based on the higher of fair value less costs to sell and its value-in-use. Based on the assessment, the recoverable amount of the billboard advertisement rights is determined based on its fair value less costs to sell and an impairment loss of RM55,623 has been recognised in the previous year.

Evaluation for impairment is significantly impacted by the prices quoted by the third party advertisement company with a similar tenure with the intangible assets of the Group. The results of such evaluation are also impacted by the discount rate used.

- (c) Qualitative information about fair value measurement of the billboard advertisement rights using significant unobservable inputs (Level 3) in the impairment assessment as at 31 March 2025 and 31 March 2024 are as follows:

| Intangible asset               | Valuation technique            | Significant unobservable inputs   | Range            | Inter-relationship                       |
|--------------------------------|--------------------------------|---|------------------|--|
| Billboard advertisement rights | Comparison method of valuation | Prices quoted by third party advertisement company for similar advertisement services with a similar tenure | RM5,952 per slot | Higher quoted price, higher fair value   |
|                                |                                | Pre-tax discount rate   | 5.7% per annum   | Higher range of inputs, lower fair value |

There has been no change to the valuation technique during the year.

### 13. INVESTMENT PROPERTY

|  | 2025<br>RM | Group<br>2024<br>RM |
|--|------------|---------------------|
| At beginning of year                   | 68,308,466 | 53,053,498          |
| Additions                              | 1,175,910  | 15,254,968          |
| Gain on fair value adjustment (Note 5) | 1,515,624  | -                   |
| At end of year                         | 71,000,000 | 68,308,466          |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 13. INVESTMENT PROPERTY (CONT'D)

- (a) Investment properties are properties which are owned or held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes (including property under construction for such purposes). Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise.

When the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value has been reliably determinable or construction is complete, whichever is earlier.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied, the deemed cost for subsequent accounting is the fair value at the date of change in use.

- (b) Leasehold commercial properties are leased to third parties. Each of the lease contains an initial non-cancellable lease period of 3 years (2024: 3 years). Subsequent renewals are negotiated with the lessee and average renewal periods are 3 years (2024: 3 years).

Rental income and direct operating expenses recognised in profit and loss in relation to investment properties are as follows:

|                           | <b>2025</b> | <b>Group</b> | <b>2024</b> |
|---------------------------|-------------|--------------|-------------|
|                           | <b>RM</b>   |              | <b>RM</b>   |
| Rental income             | 2,888,084   |              | -           |
| Direct operating expenses | (1,131,674) |              | -           |

- (c) In the previous year, finance costs of RM1,313,065 were capitalised in the investment property of the Group at the rates ranging from 5.76% to 6.76% per annum.
- (d) Investment property of the Group amounting to RM35,545,428 (2024: RM35,545,428) are charged to the banks for credit facilities granted to the Group as disclosed in Note 31.
- (e) The carrying amount of the Group's investment property of RM71,000,000 (2024: RM68,308,466) has been arrived at based on a valuation carried out by an independent valuer not related to the Group. There is no material differences between the fair value and carrying value of the asset as at the reporting date.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 13. INVESTMENT PROPERTY (CONT'D)

- (f) Qualitative information about fair value measurement of investment property using significant unobservable inputs (Level 3) as at 31 March 2025 are as follows:

| Components of investment property     | Valuation technique               | Significant unobservable inputs  | Range                                       | Inter-relationship                     |
|---------------------------------------|-----------------------------------|--|---|--|
| Commercial land                       | Comparison method of valuation    | Recent sales or listings of similar properties in the vicinity or similar localities | (2024: RM3,014 to RM4,628) per square meter | Higher quoted price, higher fair value |
| Buildings erected on the subject land | Cost approach method of valuation | Depreciated reproduction or replacement cost of the building and other improvements  | (2024: RM1,615 to RM2,690) per square meter | Higher quoted price, higher fair value |

- (g) The details of additions to investment property are as follows:

|                       | 2025<br>RM | Group<br>2024<br>RM |
|-----------------------|------------|---------------------|
| Cash payments         | 1,175,910  | 15,245,098          |
| Loan transaction cost | -          | 9,870               |
|                       | 1,175,910  | 15,254,968          |

## 14. INVENTORIES - LAND HELD FOR PROPERTY DEVELOPMENT

|   | Group        |              | Company    |            |
|---|--------------|--------------|------------|------------|
|   | 2025<br>RM   | 2024<br>RM   | 2025<br>RM | 2024<br>RM |
| At beginning of year  | 523,780,235  | 547,873,489  | 20,598,531 | 18,707,530 |
| Additions   | 46,996,773   | 60,179,219   | 349,555    | 1,891,001  |
| Transferred to inventories - property development costs (Note 18) | (76,190,407) | (84,272,473) | -          | -          |
| At end of year  | 494,586,601  | 523,780,235  | 20,948,086 | 20,598,531 |

Included in the inventories - land held for property development are as follows:

|                                       | Group       |             | Company    |            |
|---------------------------------------|-------------|-------------|------------|------------|
|                                       | 2025<br>RM  | 2024<br>RM  | 2025<br>RM | 2024<br>RM |
| Development costs                     | 131,617,673 | 125,237,113 | 20,948,086 | 20,598,531 |
| Long-term leasehold and freehold land | 366,468,928 | 398,543,122 | -          | -          |
|                                       | 498,086,601 | 523,780,235 | 20,948,086 | 20,598,531 |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 14. INVENTORIES - LAND HELD FOR PROPERTY DEVELOPMENT (CONT'D)

- (a) Land held for property development stated at cost less accumulated impairment losses, if any, is classified as a non-current asset when no development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.
- (b) Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, conversion fees and other relevant levies.
- (c) Land held for property development is reclassified to property development costs at the point when development activities commence and where it can be demonstrated that the development activities can be completed within the normal operating cycle.
- (d) Finance costs of RM11,816,297 (2024: RM12,372,376) are capitalised in the land held for property development of the Group at the rates ranging from 4.92% to 5.93% (2024: 4.80% to 6.76%) per annum.
- (e) Land held for property development of the Group amounting to RM302,973,613 (2024: RM367,764,650) are charged to the banks for credit facilities granted to the Group as disclosed in Note 31.

## 15. INVESTMENT IN SUBSIDIARIES

|   | <b>Company</b> |             |
|---|----------------|-------------|
|   | <b>2025</b>    | <b>2024</b> |
|   | <b>RM</b>      | <b>RM</b>   |
| Unquoted shares, at cost:   |                |             |
| At beginning of year  | 112,442,179    | 87,422,215  |
| Acquisition of a new subsidiary   | 1              | -           |
| Acquisition of equity interest in existing subsidiaries                       | 105            | -           |
| Acquisition of additional ordinary shares in existing subsidiaries by way of: |                |             |
| - Issuance of shares  | -              | 20,000,000  |
| - Capitalisation of amount owing by subsidiaries                              | 7,059,700      | 5,019,894   |
| Incorporation of new subsidiaries   | -              | 70          |
| At end of year  | 119,501,985    | 112,442,179 |

### (a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

### (a) Basis of consolidation (cont'd)

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable MFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9 *Financial Instruments* when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

### (b) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with MFRS 112 *Income Taxes* and MFRS 119 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with MFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

### (c) Key sources of estimation uncertainty

#### Impairment of investment in subsidiaries

The Company conducts an annual impairment review of its investment in subsidiaries. When there is an indication that the carrying amount may be impaired, the investment in subsidiaries' recoverable amount, being the higher of its fair value less costs to sell and its value-in-use ("VIU"), will be assessed.

In determining the VIU of the cash generating unit ("CGU") of the investees, being the future economic benefits to be expected from its continued use and ultimate disposal, the Company makes estimates and assumptions that require significant judgements. While the Company believes these estimates and assumptions of VIU could be reasonable and appropriate, changes on these estimates and assumptions of VIU could impact the Company's financial position and results.

- (d) An investment in a subsidiary, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost less impairment losses, if any.

On disposal of such an investment, the difference between the net disposal proceeds and its carrying amount is included in profit or loss.

- (e) The details of the subsidiary companies are as follows:

| Name of company  | Country of incorporation | Proportion of ownership interest and voting power held by the Group |        | Principal activities                         |
|--|--------------------------|---|--------|--|
|  |                          | 2025 %  | 2024 % |  |
| Bennington Development Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development                         |
| Citra Amal Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development                         |
| Curvo Development Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development                         |
| SkyAwani 2 Development Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development                         |
| SkyAwani 5 Development Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development                         |
| SkyWorld Cassia Development Sdn. Bhd. (formerly known as SkyAvana Development Sdn. Bhd.) | Malaysia                 | 100   | 100    | Property development                         |
| SkyLuxe Development Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development                         |
| SkyMeridien Development Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development                         |
| SkySanctuary Development Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development and property investment |
| SkySierra Development Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development                         |
| SkyVogue Development Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development                         |
| SkyVue Development Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development                         |
| SkyAman Development Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development                         |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) The details of the subsidiary companies are as follows: (cont'd)

| Name of company  | Country of incorporation | Proportion of ownership interest and voting power held by the Group |        | Principal activities   |
|--|--------------------------|---|--------|--|
|  |                          | 2025 %  | 2024 % |  |
| West Victory Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development   |
| Medan Srijuta Sdn. Bhd.  | Malaysia                 | 100   | 60     | Property development   |
| NTP World Corporation Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development   |
| SkyWorld Capital Berhad  | Malaysia                 | 100   | 100    | Treasury management  |
| SkyWorld Connects Sdn. Bhd.  | Malaysia                 | 100   | 100    | Management services and e-commerce business and remodelling or renovating residential structures |
| Aqua Legacy Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development   |
| Legasi Spohra Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development   |
| Rimba Maju Realiti Sdn. Bhd.   | Malaysia                 | 100   | 60     | Property development   |
| SkyWorld Land Sdn. Bhd.  | Malaysia                 | 100   | 75     | Property development and investment holding  |
| SkyWorld Properties Sdn. Bhd.  | Malaysia                 | 100   | 80     | Property development and investment holding  |
| SkyWorld Venture Sdn. Bhd.   | Malaysia                 | 100   | 60     | Property development and investment holding  |
| SkyWorld Asset Management Sdn. Bhd.  | Malaysia                 | 100   | 100    | Management services and property investment  |
| SkyRia Development Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development   |
| Klasik Eramas Sdn. Bhd.  | Malaysia                 | 100   | 100    | Property development   |
| SkyWorld Mutiara Development Sdn. Bhd. (formerly known as SkyWorld Staris Development Sdn. Bhd.) | Malaysia                 | 100   | 100    | Property development   |
| SkyWorld Builder Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development   |
| Aspirasi Cekap Sdn. Bhd.   | Malaysia                 | 100   | 100    | Property development   |
| SkyWorld Development (Vietnam) Company Limited*  | Vietnam                  | 100   | 100    | Management consulting services   |
| Prefab Master Sdn. Bhd.  | Malaysia                 | 70  | 70     | Research, designing and advisory services of prefabricated prefinished volumetric construction   |
| Desa Imbangan Sdn. Bhd.  | Malaysia                 | 100   | 60     | Property development   |
| Twin Saga Sdn. Bhd.  | Malaysia                 | 100   | -      | Property development   |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) The details of the subsidiary companies are as follows: (cont'd)

| Name of company   | Country of incorporation | Proportion of ownership interest and voting power held by the Group |        | Principal activities   |
|---|--------------------------|---|--------|--|
|   |                          | 2025 %  | 2024 % |  |
| <b>Subsidiary of SkyWorld Land Sdn. Bhd.</b>                        |                          |   |        |  |
| Central Enclave Sdn. Bhd.   | Malaysia                 | 100   | 75     | Property development   |
| <b>Subsidiary of SkyWorld Properties Sdn. Bhd.</b>                  |                          |   |        |  |
| Kem Batu Kentonmen Development Sdn. Bhd.                            | Malaysia                 | 100   | 80     | Property development   |
| <b>Subsidiary of Prefab Master Sdn. Bhd.</b>                        |                          |   |        |  |
| Prefab Master (Penang) Sdn. Bhd.                                    | Malaysia                 | 70  | 70     | Manufacturing and supplying of prefabricated prefinished volumetric construction |
| <b>Subsidiary of SkyWorld Development (Vietnam) Company Limited</b> |                          |   |        |  |
| SkyWorld Consulting Vietnam Company Limited *                       | Vietnam                  | 100   | -      | Consultancy services related to real estates                                     |

\* The financial statements of the subsidiary are audited by auditors other than the auditors of the Company.

(f) Acquisition of a new subsidiary

- (i) On 10 September 2024, the Company acquired 100% equity interest comprising 2 ordinary shares in Twin Saga Sdn. Bhd. for a total consideration of RM1 via cash.
- (ii) On 11 November 2024, SkyWorld Development (Vietnam) Company Limited, a wholly-owned subsidiary of the Company had acquired 100% equity interest in SkyWorld Consulting Vietnam Company Limited with charter capital of VND50,000,000 (equivalent approximately RM8,700). As a result, SkyWorld Consulting Vietnam Company Limited becomes an indirect subsidiary of the Company with 100% effective interest of the Group.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (g) Acquisition of equity interest in existing subsidiaries
- (i) On 3 April 2024, the Company acquired remaining 40% equity interest comprising of 40,000 ordinary shares in Rimba Maju Realiti Sdn. Bhd. ("RMRSB") for a total consideration of RM1 via cash. Subsequently, the Company's equity interest in RMRSB increased from 60% to 100% and RMRSB became a wholly-owned subsidiary of the Company.
  - (ii) On 24 July 2024, the Company acquired remaining 40% equity interest comprising of 400,000 ordinary shares in Medan Srijuta Sdn. Bhd. ("MSSB") for a total consideration of RM1 via cash. Subsequently, the Company's equity interest in MSSB increased from 60% to 100% and MSSB became a wholly-owned subsidiary of the Company.
  - (iii) On 24 July 2024, the Company acquired remaining 40% equity interest comprising of 40 ordinary shares in SkyWorld Venture Sdn. Bhd. ("SVSB") for a total of consideration of RM1 via cash. Subsequently, the Company's equity interest in SVSB increased from 60% to 100% and SVSB became a wholly-owned subsidiary of the Company.
  - (iv) On 3 September 2024, the Company acquired 100% equity interest comprising 1,000,000 ordinary shares in Desa Imbangan Sdn. Bhd. ("DISB") from its subsidiary, SkyWorld Venture Sdn. Bhd. for a total consideration of RM100 via cash. Subsequently, the Company's equity interest in DISB increased from 60% to 100% and DISB became a wholly-owned subsidiary of the Company.
  - (v) On 26 December 2024, the Company acquired remaining 20% equity interest comprising of 20 ordinary shares in SkyWorld Properties Sdn. Bhd. ("SPSB") for a total of consideration of RM1 via cash. Subsequently, the Company's equity interest in SPSB increased from 80% to 100% and SPSB became a wholly-owned subsidiary of the Company.
  - (vi) On 2 January 2025, the Company acquired remaining 25% equity interest comprising of 25 ordinary shares in SkyWorld Land Sdn. Bhd. ("SLSB") for a total of consideration of RM1 via cash. Subsequently, the Company's equity interest in SLSB increased from 75% to 100% and SLSB became a wholly-owned subsidiary of the Company.
- (h) Acquisition of additional ordinary shares in existing subsidiaries
- (i) On 2 December 2024 and 14 March 2025, the Company increased its investment in Aspirasi Cekap Sdn. Bhd. by RM249,900 and RM750,000 respectively via capitalisation of amount owing by subsidiaries.
  - (ii) On 14 March 2025, the Company increased its investment in Medan Srijuta Sdn. Bhd. by RM400,000 via capitalisation of amount owing by subsidiaries.
  - (iii) On 14 March 2025, the Company increased its investment in SkyVue Development Sdn. Bhd. by RM500,000 via capitalisation of amount owing by subsidiaries.
  - (iv) On 14 March 2025, the Company increased its investment in SkyWorld Builder Sdn. Bhd. by RM199,900 via capitalisation of amount owing by subsidiaries.
  - (v) On 14 March 2025, the Company increased its investment in Klasik Eramas Sdn. Bhd. by RM999,900 via capitalisation of amount owing by subsidiaries.
  - (vi) On 14 March 2025, the Company increased its investment in SkyWorld Capital Berhad ("SCB") by RM1,710,000 via capitalisation of amount owing by subsidiaries. Whilst for the previous year, the Company increased its investment in SCB by RM2,289,998 via the same capitalisation of amount owing by subsidiaries.
  - (vii) On 14 March 2025, the Company increased its investment in Aqua Legacy Sdn. Bhd. ("ALSB") by RM750,000 via capitalisation of amount owing by subsidiaries. Whilst for the previous year, the Company increased its investment in ALSB by RM50,000 via the same capitalisation of amount owing by subsidiaries.
  - (viii) On 14 March 2025, the Company increased its investment in Legasi Spohra Sdn. Bhd. ("LSSB") by RM750,000 via capitalisation of amount owing by subsidiaries. Whilst for the previous year, the Company increased its investment in LSSB by RM50,000 via the same capitalisation of amount owing by subsidiaries.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (h) Acquisition of additional ordinary shares in existing subsidiaries (cont'd)
- (ix) On 14 March 2025, the Company increased its investment in SkyRia Development Sdn. Bhd. ("SDSB") by RM750,000 via capitalisation of amount owing by subsidiaries. Whilst for the previous year, the Company increased its investment in SDSB by RM249,900 via the same capitalisation of amount owing by subsidiaries.
- (x) In the previous year, the Company acquired the remaining 40% equity interest comprising of 2,000,000 ordinary shares in NTP World Corporation Sdn. Bhd. for a total consideration of RM20,000,000 by way of issuance and allotment of 25,000,000 ordinary shares of the Company.
- (xi) In the previous year, the Company increased its investment in SkyWorld Cassia Development Sdn. Bhd. (formerly known as SkyWorld Avana Development Sdn. Bhd.) by RM1,449,998 via capitalisation of amount owing by subsidiaries.
- (xii) In the previous year, the Company increased its investment in West Victory Sdn. Bhd. by RM929,998 via capitalisation of amount owing by subsidiaries.
- (i) Incorporation of new subsidiaries
- (i) In the previous year, the Company had incorporated a 70% owned subsidiary, known as Prefab Master Sdn. Bhd. with paid-up share capital of RM100 comprising 100 new ordinary shares.
- (ii) In the previous year, Prefab Master Sdn. Bhd. had incorporated a new wholly-owned subsidiary, known as Prefab Master (Penang) Sdn. Bhd. with paid-up share capital of RM100 comprising 100 new ordinary shares. As a result, Prefab Master (Penang) Sdn. Bhd. became an indirect subsidiary of the Company with an effective interest of 70% of the Group.
- (j) Subsidiaries with material non-controlling interests

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Set out below are the non-controlling interests of the subsidiaries which the Group regards as material. The equity interests held by non-controlling interests are as follows:

|   | Equity interest held by non-controlling interests                        |            |
|---|--|------------|
|   | 2025<br>%  | 2024<br>%  |
| Prefab Master Sdn. Bhd. ("PMSB")                                    | 30   | 30         |
| Desa Imbangan Sdn. Bhd. ("DISB")                                    | -  | 40         |
|   |  |            |
|   | Loss and total comprehensive loss allocated to non-controlling interests |            |
|   | 2025<br>RM   | 2024<br>RM |
| PMSB  | 12,803   | 1,655      |
| DISB  | 35,332   | 209,914    |
| Individually immaterial subsidiaries with non-controlling interests | 19,124   | 61,745     |
|   | 67,259   | 273,314    |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

(j) Subsidiaries with material non-controlling interests (cont'd)

Set out below are the non-controlling interests of the subsidiaries which the Group regards as material. The equity interests held by non-controlling interests are as follows: (cont'd)

|   | <b>Accumulated<br/>non-controlling<br/>interests</b> |                    |
|---|--|--------------------|
|   | <b>2025<br/>RM</b>                                   | <b>2024<br/>RM</b> |
| PMSB  | (14,428)   | (1,625)            |
| DISB  | -  | (3,223,404)        |
| Individually immaterial subsidiaries with non-controlling interests | (6,495)  | (46,611)           |
|   | (20,923)   | (3,271,640)        |

Summarised financial information of the subsidiaries which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below are the amounts before intercompany elimination.

|  | <b>2025<br/>RM</b> | <b>2024<br/>RM</b> |
|--|--------------------|--------------------|
| <b>PMSB</b>  |                    |                    |
| Non-current assets   | 100                | 100                |
| Current assets   | 229,356            | 5,466              |
| Current liabilities  | (277,548)          | (10,983)           |
| Capital deficiency   | (48,092)           | (5,417)            |
| Capital deficiency attributable to material non-controlling interests at 30%             | (14,428)           | (1,625)            |
| Revenue  | -                  | -                  |
| Expenses   | (42,676)           | (5,517)            |
| Total comprehensive loss   | (42,676)           | (5,517)            |
| Total comprehensive loss attributable to material non-controlling interests for the year | (12,803)           | (1,655)            |
| Net cash outflow from operating activities   | (244,053)          | (5,601)            |
| Net cash outflow from investing activities   | (17,447)           | (5,538)            |
| Net cash inflow from financing activities  | 266,484            | 11,139             |
| Net cash inflow  | 4,984              | -                  |
| Net cash inflow attributable to material non-controlling interests for the year          | 1,495              | -                  |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 15. INVESTMENT IN SUBSIDIARIES (CONT'D)

(j) Subsidiaries with material non-controlling interests (cont'd)

Set out below are the non-controlling interests of the subsidiaries which the Group regards as material. The equity interests held by non-controlling interests are as follows: (cont'd)

|   | <b>2024</b> |
|---|-------------|
|   | <b>RM</b>   |
| <b>DISB</b>   |             |
| Non-current assets  | 1,254,529   |
| Current assets  | 3,128       |
| Current liabilities   | (9,316,166) |
| Capital deficiency  | (8,058,509) |
| Capital deficiency attributable to material non-controlling interests at 40% in the previous year | (3,223,404) |
| Revenue   | -           |
| Expenses  | (524,785)   |
| Total comprehensive loss  | (524,785)   |
| Total comprehensive loss attributable to material non-controlling interests for the previous year | (209,914)   |
| Net cash outflow from operating activities  | (57,386)    |
| Net cash inflow from investing activities   | 1           |
| Net cash inflow from financing activities   | 37,240      |
| Net cash outflow  | (20,145)    |
| Net cash outflow attributable to material non-controlling interests for the previous year         | (8,058)     |

## 16. GOODWILL

|                      | <b>2025</b> | <b>Group</b> | <b>2024</b> |
|----------------------|-------------|--------------|-------------|
|                      | <b>RM</b>   |              | <b>RM</b>   |
| At beginning of year | 1,213,898   |              | 1,213,898   |
| Additions            | 13,560      |              | -           |
| At end of year       | 1,227,458   |              | 1,213,898   |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 16. GOODWILL (CONT'D)

- (a) Goodwill acquired is allocated at acquisition to the cash generating unit ("CGU") of the Group that is expected to benefit from the business combination.
- (b) Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's CGUs (or groups of CGUs) expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.
- (c) On disposal of a CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.
- (d) During the year, additional goodwill on consolidation as at the date of acquisition are as follows:

|   | <b>Twin Saga<br/>Sdn. Bhd.<br/>RM</b> | <b>SkyWorld<br/>Consulting<br/>Vietnam<br/>Company<br/>Limited<br/>RM</b> | <b>Total<br/>RM</b> |
|---|---------------------------------------|---|---------------------|
| Cash consideration paid                                     | 1                                     | 8,700   | 8,701               |
| <u>Fair value at date of acquisition</u>                    |                                       |   |                     |
| Cash and bank balances                                      | (2)                                   | (18,269)  | (18,271)            |
| Other receivables, refundable deposits and prepaid expenses | -                                     | (126,764)   | (126,764)           |
| Other payables and accrued expenses                         | 1,600                                 | 148,294   | 149,894             |
| Net liabilities   | 1,598                                 | 3,261   | 4,859               |
| Goodwill arising from acquisition                           | 1,599                                 | 11,961  | 13,560              |

- (e) Impairment test for goodwill on consolidation

For the purpose of impairment testing, the goodwill has been allocated to the respective individual CGU. The recoverable amount of the CGUs was based on its value in use calculation using cash flow projections based on the Group's financial budgets covering a three-year period.

The key assumptions used:

- (i) Gross margins

Gross margins are based on average values achieved in the three years preceding the start of the budget period.

- (ii) Discount rate

The pre-tax discount rate used of 5.77% (2024: 5.71%) is on a basis that reflect specific risks relating to the CGUs.

The values assigned to the key assumptions represent management's assessment of future trends as well as historical data in the industry which are based on both external and internal sources. Based on the above, the carrying amount of the Group's CGUs was determined to be lower than the recoverable amount and no impairment loss was recognised. The directors believe that no reasonably possible changes in any of the above key assumptions would cause the carrying amount of the Group's CGUs to materially exceed their recoverable amount.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 17. DEFERRED TAX ASSETS/(LIABILITIES)

|                                       | Group      |             | Company    |             |
|---------------------------------------|------------|-------------|------------|-------------|
|                                       | 2025<br>RM | 2024<br>RM  | 2025<br>RM | 2024<br>RM  |
| Deferred tax assets                   | 10,184,940 | 11,502,761  | 3,479,781  | 4,311,863   |
| Deferred tax liabilities              | (182,957)  | (1,135,266) | -          | -           |
|                                       | 10,001,983 | 10,367,495  | 3,479,781  | 4,311,863   |
| At beginning of year                  | 10,367,495 | 19,053,128  | 4,311,863  | 6,143,267   |
| Recognised in profit or loss (Note 9) | (365,512)  | (8,685,633) | (832,082)  | (1,831,404) |
| At end of year                        | 10,001,983 | 10,367,495  | 3,479,781  | 4,311,863   |

The components and movements of deferred tax assets and liabilities during the year prior to offsetting are as follows:

| Group                            | Contract liabilities<br>RM | Others temporary differences<br>RM | Unused tax losses<br>RM | Net<br>RM   |
|----------------------------------|----------------------------|------------------------------------|-------------------------|-------------|
| As at 1 April 2023               | 6,673,941                  | 12,379,187                         | -                       | 19,053,128  |
| Recognised in profit or loss     | (6,050,232)                | (4,694,002)                        | 2,058,601               | (8,685,633) |
| As at 31 March 2024/1 April 2024 | 623,709                    | 7,685,185                          | 2,058,601               | 10,367,495  |
| Recognised in profit or loss     | 1,919,987                  | (278,443)                          | (2,007,056)             | (365,512)   |
| <b>As at 31 March 2025</b>       | 2,543,696                  | 7,406,742                          | 51,545                  | 10,001,983  |

| Company                          | Others temporary differences<br>RM |
|----------------------------------|------------------------------------|
| As at 1 April 2023               | 6,143,267                          |
| Recognised in profit or loss     | (1,831,404)                        |
| As at 31 March 2024/1 April 2024 | 4,311,863                          |
| Recognised in profit or loss     | (832,082)                          |
| <b>As at 31 March 2025</b>       | 3,479,781                          |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 17. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

### (a) Key sources of estimation uncertainty

#### Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unabsorbed capital allowances could be utilised.

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits.

- b) Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle its current tax assets and liabilities on a net basis..

## 18. INVENTORIES - PROPERTY DEVELOPMENT COSTS

|   | Group         |               | Company    |              |
|---|---------------|---------------|------------|--------------|
|   | 2025<br>RM    | 2024<br>RM    | 2025<br>RM | 2024<br>RM   |
| At beginning of year  | 175,251,087   | 142,364,640   | -          | 9,669,861    |
| Additions   | 277,523,800   | 348,080,780   | 193,228    | 55,476,290   |
| Transferred from inventories - land held for property development (Note 14) | 76,190,407    | 84,272,473    | -          | -            |
| Completed properties transferred to inventories                             | (3,149,803)   | (1,142,780)   | -          | -            |
|   | 525,815,491   | 573,575,113   | 193,228    | 65,146,151   |
| Costs charged to profit or loss:  |               |               |            |              |
| Current year  | (267,268,269) | (398,324,026) | (193,228)  | (65,146,151) |
| At end of year  | 258,547,222   | 175,251,087   | -          | -            |

Included in the inventories - property development costs are as follows:

|                                       | Group       |             |
|---------------------------------------|-------------|-------------|
|                                       | 2025<br>RM  | 2024<br>RM  |
| Development costs                     | 164,720,606 | 99,987,889  |
| Long-term leasehold and freehold land | 93,826,616  | 75,263,198  |
|                                       | 258,547,222 | 175,251,087 |

- (a) Property development costs comprising costs of land, direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors that meet the definition of inventories are recognised as an asset and are stated at the lower of cost and net realisable value.

The asset is subsequently recognised as an expense in profit or loss when/or as the control of the asset is transferred to the customer over time or at a point in time.

- (b) Property development costs of the Group amounting to RM93,826,616 (2024: RM61,188,464) are charged to the banks for credit facilities granted to the Group as disclosed in Note 31.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 19. INVENTORIES - COMPLETED PROPERTIES

|  | 2025<br>RM | Group<br>2024<br>RM |
|--|------------|---------------------|
| Completed development properties:<br>- At cost       | 7,387,390  | 15,387,508          |
| Charged to profit or loss:<br>Cost of sales (Note 4) | 11,148,963 | 25,855,703          |

### Key sources of estimation uncertainty

#### Net realisable value of completed properties

Completed development properties are stated at the lower of cost and net realisable value. The Group determines net realisable value based on historical trends and management estimates of future selling pricing. Possible changes in these estimates could result in revisions to the valuation of inventories.

## 20. CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group's and the Company's contract assets and contract liabilities relating to the sales of property development and property investment income as at the end of the year can be summarised as follows:

|                      | Group      |             | Company    |            |
|----------------------|------------|-------------|------------|------------|
|                      | 2025<br>RM | 2024<br>RM  | 2025<br>RM | 2024<br>RM |
| Contract assets      | 38,710,565 | 96,063,295  | -          | 44,700,000 |
| Contract liabilities | (138,880)  | (9,921,278) | -          | -          |
| Net                  | 38,571,685 | 86,142,017  | -          | 44,700,000 |

The movements of the contract assets/(liabilities) are as follows:

|   | Group         |               | Company      |               |
|---|---------------|---------------|--------------|---------------|
|   | 2025<br>RM    | 2024<br>RM    | 2025<br>RM   | 2024<br>RM    |
| At beginning of year                    | 86,142,017    | 173,936,800   | 44,700,000   | 43,099,497    |
| Revenue recognised during the year      | 441,627,723   | 687,162,129   | -            | 107,984,336   |
| Less: Progress billings during the year | (489,198,055) | (774,956,912) | (44,700,000) | (106,383,833) |
| At end of year                          | 38,571,685    | 86,142,017    | -            | 44,700,000    |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 20. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONT'D)

- (a) Contract asset is the right to consideration for goods or services transferred to the customers. The Group's and the Company's contract asset is the excess of cumulative revenue earned over the billings to-date. Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.
- (b) Contract liability is the obligation to transfer goods or services to customers for which the Group and the Company have received the consideration or have billed the customers. The Group's and the Company's contract liability is the excess of the billings to-date over the cumulative revenue earned. Contract liabilities are recognised as revenue when the Group and the Company perform their obligation under the contracts.
- (c) The Group and the Company issue progress billings to purchasers when the billing milestones are attained and recognise revenue when the performance obligations are satisfied.
- (d) The transaction price allocated to the unsatisfied performance obligations of the Group as at 31 March 2025 is RM356,591,986 (2024: RM409,293,927) respectively. The remaining performance obligations are expected to be recognised as follows:

|                       | <b>2025</b> | <b>Group</b> | <b>2024</b> |
|-----------------------|-------------|--------------|-------------|
|                       | <b>RM</b>   |              | <b>RM</b>   |
| Within 1 year         | 145,023,340 |              | 276,948,227 |
| Between 1 and 4 years | 211,568,646 |              | 132,345,700 |
| At end of year        | 356,591,986 |              | 409,293,927 |

## 21. CONTRACT COST ASSETS

|                                  | <b>Group</b> |             | <b>Company</b> |             |
|----------------------------------|--------------|-------------|----------------|-------------|
|                                  | <b>2025</b>  | <b>2024</b> | <b>2025</b>    | <b>2024</b> |
|                                  | <b>RM</b>    | <b>RM</b>   | <b>RM</b>      | <b>RM</b>   |
| At beginning of year             | 3,007,124    | 5,385,713   | -              | 876,447     |
| Additions                        | 5,436,429    | 3,555,260   | -              | (56,500)    |
| Costs charged to profit or loss: |              |             |                |             |
| Current year                     | (4,478,204)  | (5,933,849) | -              | (819,947)   |
| At end of year                   | 3,965,349    | 3,007,124   | -              | -           |

The Group and the Company recognise the incremental costs of obtaining a contract with a customer, which are expected to be recovered, as an asset. The incremental costs of obtaining a contract are costs incurred to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in profit or loss when the carrying amount of the contract cost asset exceeds the expected revenue less expected costs that will be incurred.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 22. TRADE RECEIVABLES

|                                    | Group                    |                        | Company                |                        |
|------------------------------------|--------------------------|------------------------|------------------------|------------------------|
|                                    | 2025<br>RM               | 2024<br>RM             | 2025<br>RM             | 2024<br>RM             |
| Trade receivables                  | 88,698,189               | 33,986,002             | 102,860                | 7,748,792              |
| Amount due from a director         | 309,474                  | 23,085                 | -                      | -                      |
| Stakeholders' sum                  | 58,923,530               | 64,671,602             | 13,365,000             | 30,007,500             |
| Less: Allowance for doubtful debts | 147,931,193<br>(135,044) | 98,680,689<br>(81,612) | 13,467,860<br>(72,829) | 37,756,292<br>(72,829) |
|                                    | 147,796,149              | 98,599,077             | 13,395,031             | 37,683,463             |

- (a) Trade receivables are classified as financial assets measured at amortised cost.
- (b) Amount due from a director, which arose from the sale of development property of the Group, is unsecured and has a credit term of 30 days (2024: 30 days). The amount outstanding which has past due bears late payment interest at a rate of 10% (2024: 10%) per annum.
- (c) The credit term offered by the Group and the Company in respect of trade receivables ranges from 7 to 30 days (2024: 7 to 30 days) from the date of invoice and progress billing. The amount outstanding from purchasers which has past due, bears late payment interest at a rate of 10% (2024: 10%) per annum.

Stakeholders' sum represents retention sums held by solicitors upon handing over of vacant possession to individual purchasers of development properties. These amounts will be paid from 8 to 24 months after the delivery of vacant possession together with interest earned.

- (d) Set out below is the ageing analysis of trade receivables:

|                    | Group                  |                      | Company              |                      |
|--------------------|------------------------|----------------------|----------------------|----------------------|
|                    | 2025<br>RM             | 2024<br>RM           | 2025<br>RM           | 2024<br>RM           |
| Not impaired:      |                        |                      |                      |                      |
| - not past due     | 146,293,724            | 95,272,429           | 13,365,000           | 37,681,942           |
| - past due by:     |                        |                      |                      |                      |
| 1 to 30 days       | 781,784                | 2,442,543            | -                    | -                    |
| 31 to 60 days      | 150,031                | 544,214              | -                    | -                    |
| 61 to 90 days      | 48,255                 | 202,992              | -                    | -                    |
| 91 to 120 days     | 1,765                  | 27,813               | -                    | -                    |
| More than 120 days | 520,590                | 109,086              | 30,031               | 1,521                |
| Impaired           | 147,796,149<br>135,044 | 98,599,077<br>81,612 | 13,395,031<br>72,829 | 37,683,463<br>72,829 |
|                    | 147,931,193            | 98,680,689           | 13,467,860           | 37,756,292           |

Trade receivables that are neither past due nor impaired comprises:

- (i) receivables arising from sale of development units to large number of purchasers with end financing facilities from reputable end financiers and the ownership and rights to the properties revert to the Group and the Company in the event of default; and
- (ii) receivables from creditworthy debtors with good payment records.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 22. TRADE RECEIVABLES (CONT'D)

(e) The movement in the allowance for doubtful debts during the year is as follows:

|                      | Group      |            | Company    |            |
|----------------------|------------|------------|------------|------------|
|                      | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| At beginning of year | 81,612     | 78,359     | 72,829     | 78,359     |
| Additions (Note 7)   | 53,432     | 8,783      | -          | -          |
| Reversal (Note 7)    | -          | (5,530)    | -          | (5,530)    |
| At end of year       | 135,044    | 81,612     | 72,829     | 72,829     |

The Group's and the Company's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, the directors are of the opinion that there is no additional credit risk beyond amounts provided for doubtful debts for the Group's and the Company's trade receivables.

The directors are of the opinion that these debts could be realised in full without material losses in the ordinary course of business as the legal title to the properties sold remained with the Group and the Company until the purchase consideration is fully settled/paid.

(f) The Group's and the Company's credit risk management objectives, policies and exposure are described in Note 38.3.4.

## 23. OTHER RECEIVABLES, REFUNDABLE DEPOSITS AND PREPAID EXPENSES

|  | Group                     |                           | Company                 |                          |
|--|---------------------------|---------------------------|-------------------------|--------------------------|
|  | 2025<br>RM                | 2024<br>RM                | 2025<br>RM              | 2024<br>RM               |
| Other receivables                            | 12,273,288                | 2,649,073                 | 12,076,173              | 1,030,032                |
| Refundable deposits                          | 58,557,226                | 10,727,852                | 31,469,797              | 2,988,352                |
| Prepaid expenses                             | 21,593,002                | 4,378,718                 | 987,340                 | 494,535                  |
| Accrued lease income                         | 569,595                   | -                         | -                       | -                        |
| Goods and services tax receivables           | 1,422,317                 | 1,422,317                 | -                       | -                        |
| Less: Allowance for doubtful debts           | 94,415,428<br>(1,804,241) | 19,177,960<br>(3,344,241) | 44,533,310<br>(100,000) | 4,512,919<br>(1,640,000) |
| Less: Prepaid expenses - non-current portion | 92,611,187<br>(1,957,630) | 15,833,719<br>(1,957,630) | 44,433,310<br>-         | 2,872,919<br>-           |
|  | 90,653,557                | 13,876,089                | 44,433,310              | 2,872,919                |

## Notes to the Financial Statements

for the year ended 31 March 2025

### 23. OTHER RECEIVABLES, REFUNDABLE DEPOSITS AND PREPAID EXPENSES (CONT'D)

- (a) Other receivables (excluding prepaid expenses, accrued lease income and goods and service tax receivables) are classified as financial assets measured at amortised cost.
- (b) Included in refundable deposits of the Group and the Company of RM53,184,805 and RM30,350,242 (2024: RM3,000,000 and RM Nil) respectively are downpayment paid for acquisition of development lands that have yet to complete as at end of the years.
- (c) Included in prepaid expenses of the Group of RM16,272,596 (2024: RM Nil) are prepaid operating and development expenses incurred for development lands which are pending completion of acquisition at end of year. These development costs are capitalised as management is of the view that it is probable for these transactions to be completed in due course.
- (d) The movement in the allowance for doubtful debts during the year is as follows

|                      | Group       |            | Company     |            |
|----------------------|-------------|------------|-------------|------------|
|                      | 2025<br>RM  | 2024<br>RM | 2025<br>RM  | 2024<br>RM |
| At beginning of year | 3,344,241   | 1,792,593  | 1,640,000   | 100,000    |
| Additions (Note 7)   | -           | 1,551,648  | -           | 1,540,000  |
| Reversal (Note 7)    | (1,540,000) | -          | (1,540,000) | -          |
| At end of year       | 1,804,241   | 3,344,241  | 100,000     | 1,640,000  |

- (e) The currency profile of other receivables is as follows:

|                  | Group      |            | Company    |            |
|------------------|------------|------------|------------|------------|
|                  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Ringgit Malaysia | 90,610,714 | 18,336,158 | 44,533,310 | 4,512,919  |
| Vietnamese Dong  | 3,804,714  | 841,802    | -          | -          |
|                  | 94,415,428 | 19,177,960 | 44,533,310 | 4,512,919  |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 24. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the financial statements, the financial statements of the Group and of the Company reflect the following transactions which are determined on a basis as negotiated between the Company and its related parties, being companies in which certain directors of the Company are also directors and have financial interest:

|  | <b>Group</b> |             |
|--|--------------|-------------|
|  | <b>2025</b>  | <b>2024</b> |
|  | <b>RM</b>    | <b>RM</b>   |
| <b>Related parties:</b>                    |              |             |
| Rental of office building                  | 611,059      | 621,870     |
| Rental of office equipment                 | 128,090      | 142,450     |
| Repair and maintenance of office equipment | 590          | 1,545       |
| Insurance brokerage and related services   | 268,071      | 166,618     |

|                           | <b>Company</b> |               |
|---------------------------|----------------|---------------|
|                           | <b>2025</b>    | <b>2024</b>   |
|                           | <b>RM</b>      | <b>RM</b>     |
| <b>Subsidiaries:</b>      |                |               |
| Dividend income (Note 3)  | (36,025,000)   | (100,900,000) |
| Management fees (Note 3)  | (55,694,800)   | (51,861,217)  |
| Interest income (Note 5)  | (21,534,998)   | (16,894,099)  |
| Interest expense (Note 6) | 4,177,294      | 1,502,872     |
| License fee (Note 5)      | (9,000)        | (3,750)       |
| Rental income (Note 5)    | (147,459)      | (116,333)     |

|  |         |         |
|--|---------|---------|
| <b>Related parties:</b>                    |         |         |
| Rental of office building                  | 611,059 | 621,870 |
| Rental of office equipment                 | 128,090 | 142,450 |
| Repair and maintenance of office equipment | 590     | -       |
| Insurance brokerage and related services   | 63,295  | 92,346  |

(a) Amount owing by/(to) subsidiaries represents advances and expenses paid on behalf, is unsecured, bears interest at rates ranging from 5.55% to 6.29% (2024: 5.94% to 7.01%) per annum and repayable on demand.

(b) The movement in the allowance for doubtful debts in amount owing by subsidiaries is as follows:

|                      | <b>Company</b> |             |
|----------------------|----------------|-------------|
|                      | <b>2025</b>    | <b>2024</b> |
|                      | <b>RM</b>      | <b>RM</b>   |
| At beginning of year | 9,923,343      | 5,466,719   |
| Additions (Note 7)   | 839,551        | 4,456,624   |
| At end of year       | 10,762,894     | 9,923,343   |

(c) Compensation of Key Management Personnel

The members of key management personnel of the Group and of the Company comprise directors of the Group and of the Company. Details on the compensation for these key management personnel are disclosed in Note 8.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 25. CASH AND BANK BALANCES

|   | Group              |                    | Company            |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | 2025<br>RM         | 2024<br>RM         | 2025<br>RM         | 2024<br>RM         |
| Cash and bank balances                    | 139,989,554        | 37,589,699         | 95,671,648         | 10,675,637         |
| Housing Development Accounts              | 32,296,552         | 262,484,532        | 568,876            | 107,405,875        |
| Fixed deposits placed with licensed banks | 104,036,264        | 128,368,127        | 59,455,090         | 54,334,522         |
| Short-term investments                    | 73,298,890         | 71,479,170         | 73,298,890         | 71,479,170         |
| <b>Total (Note 35)</b>                    | <b>349,621,260</b> | <b>499,921,528</b> | <b>228,994,504</b> | <b>243,895,204</b> |

- (a) Cash and bank balances, Housing Development Accounts and fixed deposits placed with licensed banks are classified as financial assets measured at amortised cost, while short-term investments are classified as financial assets at fair value through profit and loss.

The fair value of the short-term investments has been determined by reference to the net assets value of the funds at the end of the reporting period as quoted by the licensed fund management companies.

- (b) Housing Development Accounts are held pursuant to the Housing Development (Control and Licensing) Act, 1966 and Housing Developers (Housing Development Account) Regulations, 1991. These bank balances derived from the sales of development projects and are restricted for use on expenditures incurred on the respective development projects. The surplus monies, if any, can be withdrawn from such accounts after the project has been completed and developer's obligation has been fulfilled in accordance to the relevant laws and regulations.
- (c) Fixed deposits placed with licensed banks have maturity periods ranging from 7 days to 48 months (2024: 1 to 24 months) and earn interest at the effective interest rates ranging from 1.60% to 4.40% (2024: 2.35% to 4.10%) per annum.
- (d) The short-term investments are invested into money market instruments managed by licensed fund management companies. The short-term investments are highly liquid and readily convertible to cash.
- (e) Included in fixed deposits placed with licensed banks of the Group and of the Company are:
- fixed deposits pledged to bank for credit facilities granted to the Group and to the Company amounting to RM51,332,612 and RM49,865,805 (2024: RM51,921,848 and RM48,854,328) respectively, as disclosed in Note 31;
  - monies held in escrow accounts amounting to RM27,025,197 and RM5,589,285 (2024: RM25,784,974 and RM5,464,589) for the Group and the Company which are restricted in usage and do not form part of cash and cash equivalents; and
  - fixed deposits placed with licensed banks amounting to RM25,678,455 and RM4,000,000 (2024: RM50,661,305 and RM15,605) for the Group and the Company which are not restricted in usage and form part of cash and cash equivalents.
- (f) The currency profile of cash and bank balances is as follows:

|                      | Group              |                    | Company            |                    |
|----------------------|--------------------|--------------------|--------------------|--------------------|
|                      | 2025<br>RM         | 2024<br>RM         | 2025<br>RM         | 2024<br>RM         |
| Ringgit Malaysia     | 313,576,118        | 454,800,210        | 228,994,504        | 243,895,204        |
| Vietnamese Dong      | 36,039,104         | 45,065,944         | -                  | -                  |
| United States Dollar | 6,038              | 55,374             | -                  | -                  |
| <b>Total</b>         | <b>349,621,260</b> | <b>499,921,528</b> | <b>228,994,504</b> | <b>243,895,204</b> |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 26. SHARE CAPITAL

|   | Group and Company |             |               |             |
|---|-------------------|-------------|---------------|-------------|
|   | 2025              | 2024        |               |             |
|   | No. of shares     | RM          | No. of shares | RM          |
| <b>Ordinary shares:<br/>Issued and fully paid up:</b> |                   |             |               |             |
| At beginning of year                                  | 1,000,000,000     | 244,959,957 | 62,500,000    | 62,500,000  |
| Issuance of shares                                    | -                 | -           | 937,500,000   | 186,400,000 |
| Shares issuance expenses                              | -                 | -           | -             | (3,940,043) |
| At end of year  | 1,000,000,000     | 244,959,957 | 1,000,000,000 | 244,959,957 |

In the previous year, the Company increased its issued and paid-up share capital from RM62,500,000 to RM244,959,957 by way of:

- (a) Issuance of bonus issue of 704,500,000 new ordinary shares on the basis of 1,409 bonus ordinary shares for every 125 existing ordinary shares. The bonus issue of ordinary shares was undertaken without any capitalisation from the reserves of the Company and that the new ordinary shares issued pursuant to the bonus issue of ordinary shares was issued as fully paid shares at nil consideration;
- (b) Issuance of 25,000,000 new ordinary shares at RM0.80 per ordinary shares as purchase consideration for acquisition of remaining 40% equity interest in a subsidiary as disclosed in Note 15(h); and
- (c) Issuance of 208,000,000 new ordinary shares at issue price of RM0.80 per ordinary share for cash pursuant to initial public offering of the Company.

The new ordinary shares issued during the previous year ranked pari passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and is entitled to one vote per share at meetings of the Company.

## 27. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES

|                      | Group and Company |             |               |             |
|----------------------|-------------------|-------------|---------------|-------------|
|                      | 2025              | 2024        |               |             |
|                      | No. of shares     | RM          | No. of shares | RM          |
| At beginning of year | 187,500,000       | 150,000,000 | -             | -           |
| Issuance of shares   | -                 | -           | 187,500,000   | 150,000,000 |
| At end of year       | 187,500,000       | 150,000,000 | 187,500,000   | 150,000,000 |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 27. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (CONT'D)

In the previous year, concurrently with the bonus issue, the Company had undertaken a bonus issue of 187,500,000 new irredeemable convertible preference shares ("ICPS") on the basis of 3 ICPS for every 1 existing ordinary shares to its existing shareholders. The bonus issue of ICPS was undertaken by way of capitalisation from the reserves of the Company amounting to RM150,000,000.

The salient terms of ICPS are as follows:

- (a) The tenure of ICPS is five (5) years commencing from and inclusive of the date of issuance of the ICPS.
- (b) The ICPS does not carry any right to dividend declared by the Company.
- (c) Each registered holder of the ICPS shall have the rights to convert the ICPS held into one (1) new ordinary shares within a period commencing from the third (3rd) anniversary of the date of issuance of the ICPS.
- (d) There will not be any redemption of the ICPS.
- (e) The ICPS shall not be transferable.
- (f) The new ordinary shares to be issued pursuant to the conversion shall, upon allotment and issuance, rank pari passu in all respects with the then existing ordinary shares in issue.

## 28. OTHER RESERVES

|                                      | Group       |            | Company    |            |
|--------------------------------------|-------------|------------|------------|------------|
|                                      | 2025<br>RM  | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Non-distributable:                   |             |            |            |            |
| Foreign currency translation reserve | (3,692,526) | 597,014    | -          | -          |
| Share-based payment reserve          | 364,910     | -          | 364,910    | -          |
|                                      | (3,327,616) | 597,014    | 364,910    | -          |

- (a) Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.
- (b) The share-based payment reserve represents the value of equity-settled share options granted by the Group and the Company to eligible employees, including key management personnel, as part of their remuneration.

On 8 October 2024, the Company has granted to eligible employees 8,200,000 share options under the Long Term Incentive Plan ("LTIP") which was approved by the Company's shareholders at an Extraordinary General Meeting held on 28 June 2024 comprising the Employees' Share Option Scheme ("ESOS") and Performance Share Grant Plan ("PSGP").

The equity-settled share options is made up of the cumulative value of services received from employees recorded on grant of the share options. The exercise price in each grant is set at RM0.80 of the Company's ordinary shares. The share options will be vested over a period of three years, conditional upon the achievement of specified performance condition and market condition, with exercise window period of four (4) years from the vesting date. At each reporting date, the group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 28. OTHER RESERVES (CONT'D)

The main features of LTIP are as follows:

- (i) The LTIP commenced from 18 July 2024, the effective dates of the implementation of the LTIP. The LTIP shall be in force for a period of ten (10) years commencing implementation date and expiring on 17 July 2034.
- (ii) The maximum number of new ordinary shares which may be made available under the LTIP and/or allotted and issued upon vesting of the new ordinary shares under the LTIP shall not be more than 10% of the issued and paid-up ordinary share capital of the Company at any point in time during the duration of the LTIP.
- (iii) Subject to the discretion of the LTIP Committee, only Eligible Persons who fulfil the following conditions as at the date of LTIP awards shall be eligible to participate in the LTIP:
  - is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
  - is employed by the Group on a full-time basis or under an employment contract with the Group for a fixed duration of at least one (1) year and the contract shall have not expired within three (3) months from the LTIP award date;
  - must have been in employment of the Group for such period as may be determined by the LTIP Committee prior and up to the LTIP award date and has not served a notice to resign nor received a notice of termination;
  - is confirmed in writing as full-time employee of the Group prior and up to the LTIP award date; and
  - fulfils any other criteria and/or falls within such category as may be determined by the LTIP Committee at its sole and absolute discretion from time to time.
- (iv) The LTIP Committee shall decide from time to time at its discretion to determine or vary the terms and conditions of the offer, such as eligibility criteria and allocation for each option (i.e. the entitlement to receive new shares under the LTIP), the timing and frequency of the award of the option, the performance target and/or performance conditions to be met prior to offer and vesting of the option and the vesting period.
- (v) The new ordinary shares to be allotted and issued pursuant to the LTIP shall, upon allotment and issuance, rank equally in all respects with the then existing issued ordinary shares.

The LTIP Committee may at its sole and absolute discretion, from time to time within the tenure of the LTIP, grant PSGP to the eligible persons including senior management and any employee. As at 31 March 2025, there is no PSGP granted.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 29. RETAINED EARNINGS AND DIVIDENDS

### (a) Retained earnings

Retained earnings are available for distribution by way of dividends. The Company is under the single tier tax system. Under this system, tax on a company's profit is final tax and dividends paid are exempted from tax in hands of the shareholder.

### (b) Dividends

|  | <b>Group and Company</b> |                   |
|--|--------------------------|-------------------|
|  | <b>2025</b>              | <b>2024</b>       |
|  | <b>RM</b>                | <b>RM</b>         |
| In respect of the year ended 31 March 2023   |                          |                   |
| - first interim single-tier dividend of 3.00 sen per ordinary share, paid on 22 September 2023 | -                        | 30,000,000        |
| In respect of the year ended 31 March 2024   |                          |                   |
| - first interim single-tier dividend of 1.25 sen per ordinary share, paid on 15 January 2024   | -                        | 12,500,000        |
| - final single-tier dividend of 1.00 sen per ordinary share, paid on 15 July 2024              | 10,000,000               | -                 |
| In respect of the year ended 31 March 2025   |                          |                   |
| - first interim single-tier dividend of 0.50 sen per ordinary share, paid on 30 December 2024  | 5,000,000                | -                 |
|  | <b>15,000,000</b>        | <b>42,500,000</b> |

On 23 May 2025, the directors had declared a final single-tier dividend of 0.60 sen per ordinary share amounting to RM6,000,000 in respect of the current year which was paid on 15 July 2025. The financial statements of the current year do not reflect this declared dividend. The final dividend will be accounted for in equity as appropriation of retained earnings in the year ended 31 March 2026.

## 30. LEASE LIABILITIES

|                                 | <b>Group</b>   |                | <b>Company</b> |                |
|---------------------------------|----------------|----------------|----------------|----------------|
|                                 | <b>2025</b>    | <b>2024</b>    | <b>2025</b>    | <b>2024</b>    |
|                                 | <b>RM</b>      | <b>RM</b>      | <b>RM</b>      | <b>RM</b>      |
| At beginning of year            | 866,981        | 148,524        | 639,383        | 148,524        |
| Additions (Note 11)             | 497,666        | 1,265,290      | 48,796         | 998,606        |
| Lease modification              | (192,646)      | -              | -              | -              |
| Finance costs (Note 6)          | 39,757         | 55,507         | 24,292         | 42,916         |
| Payments of leases and interest | (621,318)      | (602,340)      | (550,907)      | (550,663)      |
| Currency exchange translation   | (2,396)        | -              | -              | -              |
| At end of year                  | <b>588,044</b> | <b>866,981</b> | <b>161,564</b> | <b>639,383</b> |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 30. LEASE LIABILITIES (CONT'D)

- (a) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

- (b) The minimum lease payments for the lease liabilities are payable as follows:

| Group   | Future<br>minimum<br>lease<br>payments<br>RM | Interest<br>RM | Present<br>value of<br>minimum<br>lease<br>payments<br>RM |
|---|--|----------------|---|
| <b>2025</b>   |  |                |   |
| <b>Current liabilities:</b>                         |  |                |   |
| - Within one (1) year                               | 270,700                                      | (24,844)       | 245,856   |
| <b>Non-current liabilities:</b>                     |  |                |   |
| - More than one (1) year and within two (2) years   | 170,088                                      | (14,925)       | 155,163   |
| - More than two (2) years and within five (5) years | 198,615                                      | (15,230)       | 183,385   |
| - More than five (5) years                          | 3,696  | (56)           | 3,640   |
|   | 372,399                                      | (30,211)       | 342,188   |
|   | 643,099                                      | (55,055)       | 588,044   |
| <b>2024</b>   |  |                |   |
| <b>Current liabilities:</b>                         |  |                |   |
| - Within one (1) year                               | 604,908                                      | (34,934)       | 569,974   |
| <b>Non-current liabilities:</b>                     |  |                |   |
| - More than one (1) year and within two (2) years   | 160,852                                      | (11,044)       | 149,808   |
| - More than two (2) years and within five (5) years | 155,778                                      | (9,412)        | 146,366   |
| - More than five (5) years                          | 845  | (12)           | 833   |
|   | 317,475                                      | (20,468)       | 297,007   |
|   | 922,383                                      | (55,402)       | 866,981   |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 30. LEASE LIABILITIES (CONT'D)

(b) The minimum lease payments for the lease liabilities are payable as follows: (cont'd)

| Company   | Future<br>minimum<br>lease<br>payments<br>RM | Interest<br>RM | Present<br>value of<br>minimum<br>lease<br>payments<br>RM |
|---|--|----------------|---|
| <b>2025</b>   |  |                |   |
| <b>Current liabilities:</b>                         |  |                |   |
| - Within one (1) year                               | 110,848                                      | (3,926)        | 106,922   |
| <b>Non-current liabilities:</b>                     |  |                |   |
| - More than one (1) year and within two (2) years   | 26,844                                       | (2,177)        | 24,667  |
| - More than two (2) years and within five (5) years | 28,037                                       | (1,702)        | 26,335  |
| - More than five (5) years                          | 3,696  | (56)           | 3,640   |
|   | 58,577                                       | (3,935)        | 54,642  |
|   | 169,425                                      | (7,861)        | 161,564   |
| <b>2024</b>   |  |                |   |
| <b>Current liabilities:</b>                         |  |                |   |
| - Within one (1) year                               | 543,024                                      | (22,606)       | 520,418   |
| <b>Non-current liabilities:</b>                     |  |                |   |
| - More than one (1) year and within two (2) years   | 98,968                                       | (1,777)        | 97,191  |
| - More than two (2) years and within five (5) years | 21,696                                       | (755)          | 20,941  |
| - More than five (5) years                          | 845  | (12)           | 833   |
|   | 121,509                                      | (2,544)        | 118,965   |
|   | 664,533                                      | (25,150)       | 639,383   |

(c) The Group and the Company discounted the lease liabilities by using the Group's and the Company's incremental borrowing rates ranging from 3.40% to 6.00% (2024: 3.40% to 6.00%) per annum.

## 31. BANK BORROWINGS

|                           | Group       |             | Company     |             |
|---------------------------|-------------|-------------|-------------|-------------|
|                           | 2025<br>RM  | 2024<br>RM  | 2025<br>RM  | 2024<br>RM  |
| Term loans                | 363,827,164 | 443,641,547 | 118,970,839 | 141,575,828 |
| Bridging loans            | 15,412,031  | 25,915,996  | -           | -           |
| Islamic Commercial Paper  | 50,000,000  | -           | -           | -           |
| Bank overdrafts (Note 35) | 20,000,000  | 20,000,000  | 20,000,000  | 20,000,000  |
|                           | 449,239,195 | 489,557,543 | 138,970,839 | 161,575,828 |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 31. BANK BORROWINGS (CONT'D)

Bank borrowings are repayable as follows:

|   | Group       |             | Company     |             |
|---|-------------|-------------|-------------|-------------|
|   | 2025<br>RM  | 2024<br>RM  | 2025<br>RM  | 2024<br>RM  |
| <b>Current</b>  | 260,383,622 | 213,415,415 | 138,970,839 | 161,575,828 |
| <b>Non-current:</b>                                       |             |             |             |             |
| Later than one (1) year but not more than two (2) years   | 84,180,736  | 91,108,959  | -           | -           |
| Later than two (2) years but not more than five (5) years | 91,119,971  | 171,870,832 | -           | -           |
| More than five (5) years                                  | 13,554,866  | 13,162,337  | -           | -           |
|   | 188,855,573 | 276,142,128 | -           | -           |
|   | 449,239,195 | 489,557,543 | 138,970,839 | 161,575,828 |

- (a) All bank borrowings are classified as financial liabilities measured at amortised cost.
- (b) As at 31 March 2025, the Group and the Company have term loans, bridging loans, bank overdrafts and other credit facilities totaling to RM1,306,467,833 and RM283,000,000 (2024: RM1,115,188,000 and RM291,000,000) respectively. The Group's and the Company's credit facilities bear interest at rates ranging from 4.64% to 6.35% and 4.64% to 6.35% (2024: 4.63% to 6.76% and 4.63% to 6.70%) respectively per annum.
- (c) The credit facilities of the Group and of the Company are secured by the following:
- (i) third party first to third legal fixed charge over the development lands of the Group;
  - (ii) a fixed charge and floating charge by way of debentures on certain subsidiaries' present and future assets;
  - (iii) charge over property, plant and equipment of the Group amounting to RM14,600,946 (2024: RM16,907,752) as disclosed in Note 10;
  - (iv) charge over investment property of the Group amounting to RM35,545,428 (2024: RM35,545,428) as disclosed in Note 13;
  - (v) charge over land held for property development of the Group amounting to RM302,973,613 (2024: RM367,764,650) as disclosed in Note 14;
  - (vi) charge over property development costs of the Group amounting to RM93,826,616 (2024: RM61,188,464) as disclosed in Note 18;
  - (vii) corporate guarantee by the Company;
  - (viii) deed of subordination from shareholders and directors of the Group and of the Company of all advances, right, benefits, interest including but not limited to profit; and
  - (ix) fixed deposits pledged to bank for credit facilities granted to the Group and to the Company amounting to RM51,332,612 and RM49,865,805 (2024: RM51,921,848 and RM48,854,328) respectively, as disclosed in Note 25.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 31. BANK BORROWINGS (CONT'D)

- (d) On 31 January 2023, the Group lodged a rated Islamic Commercial Paper ("ICP") and Islamic Medium Term Notes ("IMTN") programme amounting to RM300,000,000 in nominal value under the Shariah principle of Wakalah Bi Al-Istithmar ("ICP and IMTN Programme"). The ICP and IMTN Programme is intended for various business conduct including investing activities and working capital requirements. The tenure of the ICP and IMTN Programme is up to 7 years from the date of the first issue.

During the year, the Group had issued the second tranche of ICP under ICP and IMTN Programme with a tenure ranging from 91 days to 181 days at a profit rate ranging from 5.30% to 5.45% as follows:

- (i) On 30 April 2024, the Group issued the second tranche (Series 02) of ICP under ICP and IMTN Programme amounting to RM50,000,000 with a tenure of 91 days at the profit rate of 5.30%.
- (ii) On 30 July 2024, the Group issued the second tranche (Series 03) of ICP under ICP and IMTN Programme amounting to RM50,000,000 with a tenure of 92 days at the profit rate of 5.30%.
- (iii) On 30 October 2024, the Group issued the second tranche (Series 04) of ICP under ICP and IMTN Programme amounting to RM50,000,000 with a tenure of 91 days at the profit rate of 5.30%.
- (iv) On 31 January 2025, the Group issued the second tranche (Series 05) of ICP under ICP and IMTN Programme amounting to RM50,000,000 with a tenure of 181 days at the profit rate of 5.45%.

As at 31 March 2025, there is an outstanding balance of RM50,000,000 under this ICP and IMTN Programme.

In previous year:

- (i) On 10 May 2023, the Group had issued the first tranche of ICP under ICP and IMTN Programme amounting to RM1,000,000 with a tenure of 92 days at the profit rate of 4.30%.
- (ii) On 10 August 2023, the Group fully redeemed the ICP of RM1,000,000. As at 31 March 2024, there is no outstanding balance under this ICP and IMTN Programme.

On 25 April 2025, the Group had issued the third tranche of ICP under ICP and IMTN Programme amounting to RM100,000,000 with a tenure of 3 years at the profit rate of 5.90%.

## 32. TRADE PAYABLES

|                | Group       |             | Company    |            |
|----------------|-------------|-------------|------------|------------|
|                | 2025<br>RM  | 2024<br>RM  | 2025<br>RM | 2024<br>RM |
| Trade payables | 82,933,315  | 79,812,639  | 12,689,782 | 10,252,782 |
| Retention sums | 61,988,538  | 74,433,223  | 9,240,918  | 28,279,142 |
|                | 144,921,853 | 154,245,862 | 21,930,700 | 38,531,924 |

- (a) Trade payables are classified as financial liabilities measured at amortised costs.
- (b) Trade payables comprise amounts outstanding for trade and on-going costs. The credit term granted to the Group and the Company in respect of trade purchases ranges from 30 to 90 days (2024: 30 to 90 days).
- (c) The currency profile of trade payables is as follows:

|                  | Group       |             | Company    |            |
|------------------|-------------|-------------|------------|------------|
|                  | 2025<br>RM  | 2024<br>RM  | 2025<br>RM | 2024<br>RM |
| Ringgit Malaysia | 144,883,600 | 154,233,227 | 21,930,700 | 38,531,924 |
| Vietnamese Dong  | 38,253      | 12,635      | -          | -          |
|                  | 144,921,853 | 154,245,862 | 21,930,700 | 38,531,924 |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 33. OTHER PAYABLES AND ACCRUED EXPENSES

|  | Group      |            | Company    |            |
|--|------------|------------|------------|------------|
|  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Other payables                           | 20,293,286 | 15,184,403 | 2,845,648  | 5,567,343  |
| Accrued expenses                         | 10,707,606 | 13,293,840 | 3,986,774  | 5,389,015  |
| Refundable deposits                      | 6,214,741  | 4,889,064  | -          | -          |
| Provision for decommissioning cost       | 1,054,395  | 968,549    | -          | -          |
| Provision for Bumiputera quota penalties | 3,863,320  | 3,513,320  | -          | -          |
| Provision for ex-gratia payments         | 2,696,021  | 4,047,302  | -          | -          |
|  | 44,829,369 | 41,896,478 | 6,832,422  | 10,956,358 |

- (a) Other payables and accrued expenses are classified as financial liabilities measured at amortised costs.
- (b) The provision for ex-gratia payments refers to voluntary contribution offered to early bookers of the Group's completed project that are expected to be paid out over two years. The Group evaluates the amount of provision required based on past experience and the industry norm.

(c) **Key sources of estimation uncertainty**

Provision for Bumiputera quota penalties

Provision for Bumiputera quota penalties is recognised for expected claims based on estimated penalties to be imposed by local authorities. Significant judgement is required in determining the amount of provision for Bumiputera quota penalties to be made. The Group evaluates the amount of provision required based on past experience and the industry norm.

- (d) The movement of the provision for decommissioning costs is as follows:

|  | Group      |            |
|--|------------|------------|
|  | 2025<br>RM | 2024<br>RM |
| At beginning of year                   | 968,549    | -          |
| Additions                              | -          | 968,549    |
| Unwinding of interest expense (Note 6) | 85,846     | -          |
| At end of year                         | 1,054,395  | 968,549    |

- (e) The movement of the provision for Bumiputera quota penalties is as follows:

|                      | Group      |            |
|----------------------|------------|------------|
|                      | 2025<br>RM | 2024<br>RM |
| At beginning of year | 3,513,320  | 4,192,703  |
| Additions (Note 7)   | 350,000    | -          |
| Reversal (Note 7)    | -          | (679,383)  |
| At end of year       | 3,863,320  | 3,513,320  |

# Notes to the Financial Statements

for the year ended 31 March 2025

### 33. OTHER PAYABLES AND ACCRUED EXPENSES (CONT'D)

(f) The movement of the provision for ex-gratia payments is as follows:

|                      | Group       |            |
|----------------------|-------------|------------|
|                      | 2025<br>RM  | 2024<br>RM |
| At beginning of year | 4,047,302   | -          |
| Additions (Note 7)   | -           | 4,047,302  |
| Utilisation          | (1,203,189) | -          |
| Reversal (Note 7)    | (148,092)   | -          |
| At end of year       | 2,696,021   | 4,047,302  |

(g) The currency profile of other payables and accrued expenses is as follows:

|                  | Group      |            | Company    |            |
|------------------|------------|------------|------------|------------|
|                  | 2025<br>RM | 2024<br>RM | 2025<br>RM | 2024<br>RM |
| Ringgit Malaysia | 44,543,089 | 41,530,385 | 6,832,422  | 10,956,358 |
| Vietnamese Dong  | 286,280    | 366,093    | -          | -          |
|                  | 44,829,369 | 41,896,478 | 6,832,422  | 10,956,358 |

### 34. LAND COSTS PAYABLE

|             | Group      |            |
|-------------|------------|------------|
|             | 2025<br>RM | 2024<br>RM |
| Non-current | 6,750,000  | 9,750,000  |
| Current     | 3,518,968  | 564,556    |

(a) Land costs payable are classified as financial liabilities measured at amortised costs.

(b) The long-term land costs payable is interest-free and repayable in stages upon achieving specific milestones that relate to the development plan.

### 35. CASH AND CASH EQUIVALENTS

|  | Group        |              | Company      |              |
|--|--------------|--------------|--------------|--------------|
|  | 2025<br>RM   | 2024<br>RM   | 2025<br>RM   | 2024<br>RM   |
| Cash and bank balances (Note 25)                     | 349,621,260  | 499,921,528  | 228,994,504  | 243,895,204  |
| Less:  |              |              |              |              |
| Cash and bank balances restricted in usage (Note 25) | (78,357,809) | (77,706,822) | (55,455,090) | (54,318,917) |
| Bank overdrafts (Note 31)                            | (20,000,000) | (20,000,000) | (20,000,000) | (20,000,000) |
|  | 251,263,451  | 402,214,706  | 153,539,414  | 169,576,287  |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 36. EARNINGS PER SHARE

### Basic

The calculation of basic earnings per ordinary share at the end of the year is based on the profit attributable to ordinary equity holders and a weighted average number of ordinary shares outstanding, calculated as follows:

|   | 2025<br>RM    | Group<br>2024<br>RM |
|---|---------------|---------------------|
| Profit attributable to ordinary equity holders                                | 56,154,284    | 106,783,953         |
| Number of ordinary shares at beginning of year                                | 1,000,000,000 | 62,500,000          |
| Weighted average effect of ordinary shares issued:                            |               |                     |
| Arising from bonus issue of ordinary shares                                   | -             | 704,500,000         |
| Arising from acquisition of remaining equity interest in a subsidiary         | -             | 22,260,274          |
| Arising from public issue   | -             | 151,013,699         |
| Weighted average number of ordinary shares                                    | 1,000,000,000 | 940,273,973         |
| Basic earnings per ordinary share attributable to owners of the Company (sen) | 5.62          | 11.36               |

### Diluted

The calculation of diluted earnings per ordinary share at the end of the year is based on the profit attributable to ordinary equity holders and a weighted average number of ordinary shares outstanding, after the adjustment for effects of all dilutive potential shares, calculated as follows:

|   | 2025<br>RM    | Group<br>2024<br>RM |
|---|---------------|---------------------|
| Profit attributable to ordinary equity holders                                  | 56,154,284    | 106,783,953         |
| Weighted average number of ordinary shares (basic)                              | 1,000,000,000 | 940,273,973         |
| Effect of conversion of irredeemable convertible preference shares              | 187,500,000   | 171,061,644         |
| Diluted weighted average number of ordinary shares                              | 1,187,500,000 | 1,111,335,617       |
| Diluted earnings per ordinary share attributable to owners of the Company (sen) | 4.73          | 9.61                |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 36. EARNINGS PER SHARE (CONT'D)

### Diluted (cont'd)

The following potential ordinary shares are anti-dilutive and are thereafter excluded from the weighted average number of ordinary shares for the purpose of diluted earnings per share as the average market price of ordinary shares did not exceed the exercise price of the share options as at year end.

|                                | 2025<br>RM | Group | 2024<br>RM |
|--------------------------------|------------|-------|------------|
| <b>Number of shares</b>        |            |       |            |
| Employees' Share Option Scheme | 8,200,000  |       | -          |

## 37. SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

During the year, the Group's property investment operating division was identified as a reportable segment due to its increased significance. Accordingly, the segment information for the previous year has been presented for comparative purposes to reflect the newly reportable segment within the Group.

For management purposes, the Group is organised into the following operating divisions:

- |  |   |
|--|---|
| (i) Property development   | Comprising development of high-rise residential, commercial and affordable home   |
| (ii) Property management, management services and investment holding | Supervision of third-party management company, provision of management services to the subsidiaries, commission from e-commerce platform and investment holding |
| (iii) Property investment  | Lease of build-to-rent developments   |

Segment assets and segment liabilities are neither included in the internal management reports nor provided regularly to the Group's chief operating decision maker for regular review. Accordingly, there is no further disaggregation of segment assets and segment liabilities of property development of the Group.

Inter-segment revenue comprises of sale of land, management fee charged to subsidiaries and dividend income from subsidiaries.

### Geographical information

No geographical information is provided as the Group's principal activities are carried out predominantly in Malaysia.

### Major customers information

No major customers information is provided as the Group does not have any single customer more than 10% of the total revenue.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 37. SEGMENT INFORMATION (CONT'D)

Information regarding the Group's reportable segments is presented below:

| 2025  | Property development RM | Property management, management services and investment holding RM | Property investment RM | Elimination RM | Total RM      |
|---|-------------------------|--|------------------------|----------------|---------------|
| <b>Revenue</b>  |                         |  |                        |                |               |
| External revenue  | 439,126,395             | 977,209  | 5,385,648              | -              | 445,489,252   |
| Inter-segment revenue   | (276,645)               | 91,964,080   | -                      | (91,687,435)   | -             |
| Total revenue   | 438,849,750             | 92,941,289   | 5,385,648              | (91,687,435)   | 445,489,252   |
| <b>Cost of sales</b>  |                         |  |                        |                |               |
| External cost of sales  | (273,917,531)           | (1,225,642)  | (4,985,225)            | -              | (280,128,398) |
| Inter-segment cost of sales   | (10,570,963)            | -  | (819,481)              | 11,390,444     | -             |
| Total cost of sales   | (284,488,494)           | (1,225,642)  | (5,804,706)            | 11,390,444     | (280,128,398) |
| Gross profit  | 154,361,256             | 91,715,647   | (419,058)              | (80,296,991)   | 165,360,854   |
| Other operating income  |                         |  |                        |                | 15,604,923    |
| Selling and marketing expenses  |                         |  |                        |                | (14,756,773)  |
| Administrative expenses   |                         |  |                        |                | (66,987,561)  |
| Finance costs   |                         |  |                        |                | (14,669,867)  |
| <b>Profit before tax</b>  |                         |  |                        |                | 84,551,576    |
| Income tax expense  |                         |  |                        |                | (28,464,551)  |
| <b>Profit for the year</b>  |                         |  |                        |                | 56,087,025    |
| <b>Other information</b>  |                         |  |                        |                |               |
| Staff costs and directors' remuneration   | (45,092,043)            | -  | -                      | -              | (45,092,043)  |
| Depreciation of:  |                         |  |                        |                |               |
| - Property, plant and equipment   | (2,614,952)             | (47,808)   | (2,953,719)            | -              | (5,616,479)   |
| - Right-of-use assets   | (517,277)               | (62,047)   | (408,358)              | 408,358        | (579,324)     |
| Amortisation of intangible assets   | (526,919)               | -  | -                      | -              | (526,919)     |
| Allowance for doubtful debts of trade receivables                                     | -                       | -  | (53,432)               | -              | (53,432)      |
| Provision for Bumiputera quota penalties  | (350,000)               | -  | -                      | -              | (350,000)     |
| Gain on fair value adjustment on investment property                                  | -                       | -  | 1,515,624              | -              | 1,515,624     |
| Gain on derecognition of right-of-use assets  | -                       | 7,781  | -                      | -              | 7,781         |
| Reversal of allowance for doubtful debts of other receivables and refundable deposits | 1,540,000               | -  | -                      | -              | 1,540,000     |
| Reversal of provision for ex-gratia payments  | 148,092                 | -  | -                      | -              | 148,092       |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 37. SEGMENT INFORMATION (CONT'D)

Information regarding the Group's reportable segments is presented below: (cont'd)

| 2024  | Property<br>development<br>RM | Property<br>management,<br>management<br>services and<br>investment<br>holding<br>RM | Property<br>investment<br>RM | Elimination<br>RM | Total<br>RM   |
|---|-------------------------------|--|------------------------------|-------------------|---------------|
| <b>Revenue</b>  |                               |  |                              |                   |               |
| External revenue  | 685,922,801                   | 875,984  | 1,239,328                    | -                 | 688,038,113   |
| Inter-segment revenue   | 50,934,481                    | 152,761,217  | -                            | (203,695,698)     | -             |
| Total revenue   | 736,857,282                   | 153,637,201  | 1,239,328                    | (203,695,698)     | 688,038,113   |
| <b>Cost of sales</b>  |                               |  |                              |                   |               |
| External cost of sales  | (431,342,812)                 | (500,650)  | (2,776,988)                  | -                 | (434,620,450) |
| Inter-segment cost of sales                                   | (29,875,251)                  | -  | (391,663)                    | 30,266,914        | -             |
| Total cost of sales   | (461,218,063)                 | (500,650)  | (3,168,651)                  | 30,266,914        | (434,620,450) |
| Gross profit  | 275,639,219                   | 153,136,551  | (1,929,323)                  | (173,428,784)     | 253,417,663   |
| Other operating income  |                               |  |                              |                   | 11,738,514    |
| Selling and marketing expenses                                |                               |  |                              |                   | (17,288,375)  |
| Administrative expenses                                       |                               |  |                              |                   | (71,769,444)  |
| Finance costs   |                               |  |                              |                   | (16,164,162)  |
| <b>Profit before tax</b>                                      |                               |  |                              |                   | 159,934,196   |
| Income tax expense  |                               |  |                              |                   | (53,423,557)  |
| <b>Profit for the year</b>                                    |                               |  |                              |                   | 106,510,639   |
| <b>Other information</b>                                      |                               |  |                              |                   |               |
| Staff costs and directors' remuneration                       | (45,547,260)                  | -  | -                            | -                 | (45,547,260)  |
| Depreciation of:  |                               |  |                              |                   |               |
| - Property, plant and equipment                               | (1,829,039)                   | (21,872)   | (2,003,713)                  | -                 | (3,854,624)   |
| - Right-of-use assets   | (559,610)                     | -  | (81,913)                     | 81,913            | (559,610)     |
| Amortisation of intangible assets                             | (526,918)                     | -  | -                            | -                 | (526,918)     |
| Allowance for doubtful debts of:                              |                               |  |                              |                   |               |
| - Trade receivables   | -                             | -  | (8,783)                      | -                 | (8,783)       |
| - Other receivables and refundable deposits                   | (1,540,000)                   | (11,648)   | -                            | -                 | (1,551,648)   |
| Impairment loss on intangible assets                          | (55,623)                      | -  | -                            | -                 | (55,623)      |
| Reversal of provision for Bumiputera quota penalties          | 679,383                       | -  | -                            | -                 | 679,383       |
| Reversal of allowance for doubtful debts of trade receivables | 5,530                         | -  | -                            | -                 | 5,530         |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS

### 38.1 Capital Risk Management

The primary objective of the Group's and of the Company's capital management is to ensure that the Group and the Company maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes for the year ended 31 March 2025 and 31 March 2024.

The Group and the Company monitor capital using a gearing ratio, which is net debts divided by total equity. The net debts represent total bank borrowings less cash and bank balances. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

The net gearing ratios at the end of the reporting period are as follows:

|                              | <b>Group</b>       |                    | <b>Company</b>     |                    |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
|                              | <b>2025<br/>RM</b> | <b>2024<br/>RM</b> | <b>2025<br/>RM</b> | <b>2024<br/>RM</b> |
| Total debts                  | 449,239,195        | 489,557,543        | 138,970,839        | 161,575,828        |
| Less: Cash and bank balances | (349,621,260)      | (499,921,528)      | (228,994,504)      | (243,895,204)      |
| Net debts                    | 99,617,935         | (10,363,985)       | (90,023,665)       | (82,319,376)       |
| Total equity                 | 879,995,248        | 842,832,858        | 745,327,295        | 715,721,905        |
| Gearing ratio (%)            | 11                 | *                  | *                  | *                  |

\* Represent net cash position.

The gearing ratio is not governed by the MFRS and its definition and calculation may vary.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.2 Categories of Financial Instruments

| Group                                     | Amortised<br>cost<br>RM | Fair value<br>through<br>profit or loss<br>RM | Total<br>RM |
|---|-------------------------|---|-------------|
| <b>2025</b>                               |                         |   |             |
| <b>Financial assets</b>                   |                         |   |             |
| Trade receivables                         | 147,796,149             | -   | 147,796,149 |
| Other receivables and refundable deposits | 70,448,585              | -   | 70,448,585  |
| Cash and bank balances                    | 276,322,370             | 73,298,890                                    | 349,621,260 |
| <b>Financial liabilities</b>              |                         |   |             |
| Trade payables                            | 144,921,853             | -   | 144,921,853 |
| Other payables and accrued expenses       | 37,215,633              | -   | 37,215,633  |
| Bank borrowings                           | 449,239,195             | -   | 449,239,195 |
| Land costs payable                        | 10,268,968              | -   | 10,268,968  |
| Lease liabilities                         | 588,044                 | -   | 588,044     |
| <b>2024</b>                               |                         |   |             |
| <b>Financial assets</b>                   |                         |   |             |
| Trade receivables                         | 98,599,077              | -   | 98,599,077  |
| Other receivables and refundable deposits | 11,455,001              | -   | 11,455,001  |
| Cash and bank balances                    | 428,442,358             | 71,479,170                                    | 499,921,528 |
| <b>Financial liabilities</b>              |                         |   |             |
| Trade payables                            | 154,245,862             | -   | 154,245,862 |
| Other payables and accrued expenses       | 33,367,307              | -   | 33,367,307  |
| Bank borrowings                           | 489,557,543             | -   | 489,557,543 |
| Land costs payable                        | 10,314,556              | -   | 10,314,556  |
| Lease liabilities                         | 866,981                 | -   | 866,981     |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.2 Categories of Financial Instruments (cont'd)

| Company                                   | Amortised<br>cost<br>RM | Fair value<br>through<br>profit or loss<br>RM | Total<br>RM |
|---|-------------------------|---|-------------|
| <b>2025</b>                               |                         |   |             |
| <b>Financial assets</b>                   |                         |   |             |
| Trade receivables                         | 13,395,031              | -   | 13,395,031  |
| Other receivables and refundable deposits | 43,445,970              | -   | 43,445,970  |
| Amount owing by subsidiaries              | 526,980,850             | -   | 526,980,850 |
| Cash and bank balances                    | 155,695,614             | 73,298,890                                    | 228,994,504 |
| <b>Financial liabilities</b>              |                         |   |             |
| Trade payables                            | 21,930,700              | -   | 21,930,700  |
| Other payables and accrued expenses       | 6,832,422               | -   | 6,832,422   |
| Amount owing to subsidiaries              | 68,045,829              | -   | 68,045,829  |
| Bank borrowings                           | 138,970,839             | -   | 138,970,839 |
| Lease liabilities                         | 161,564                 | -   | 161,564     |
| <b>2024</b>                               |                         |   |             |
| <b>Financial assets</b>                   |                         |   |             |
| Trade receivables                         | 37,683,463              | -   | 37,683,463  |
| Other receivables and refundable deposits | 2,378,384               | -   | 2,378,384   |
| Amount owing by subsidiary companies      | 451,186,050             | -   | 451,186,050 |
| Cash and bank balances                    | 172,416,034             | 71,479,170                                    | 243,895,204 |
| <b>Financial liabilities</b>              |                         |   |             |
| Trade payables                            | 38,531,924              | -   | 38,531,924  |
| Other payables and accrued expenses       | 10,956,358              | -   | 10,956,358  |
| Amount owing to subsidiary companies      | 9,378,891               | -   | 9,378,891   |
| Bank borrowings                           | 161,575,828             | -   | 161,575,828 |
| Lease liabilities                         | 639,383                 | -   | 639,383     |

### 38.3 Financial Risk Management

The operations of the Group and of the Company are subject to various risks which include liquidity risk, cash flow risk interest rate risk, credit risk and foreign currency risk, in connection with their use or holding of financial instruments. The Group and the Company have adopted a financial risk management framework with the principal objective of effectively managing these risks and minimising any potential adverse effects on the financial performance of the Group and of the Company.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.3 Financial Risk Management (cont'd)

#### 38.3.1 Liquidity Risk Management

Liquidity risk is the risk that an entity will encounter difficulty in meeting its financial obligations due to a shortage of funds.

The Group and the Company practise prudent liquidity risk management to minimise the mismatch of financial assets and financial liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

| Group                               | Carrying amount<br>RM | Effective interest rates per annum % | Contractual cash flows<br>RM | On demand or within 1 year<br>RM | 1 to 2 years<br>RM | 2 to 5 years<br>RM | More than 5 years<br>RM | Total<br>RM |
|-------------------------------------|-----------------------|--------------------------------------|------------------------------|----------------------------------|--------------------|--------------------|-------------------------|-------------|
| <b>2025</b>                         |                       |                                      |                              |                                  |                    |                    |                         |             |
| Trade payables                      | 144,921,853           | -                                    | 144,921,853                  | 144,921,853                      | -                  | -                  | -                       | 144,921,853 |
| Other payables and accrued expenses | 37,215,633            | -                                    | 37,215,633                   | 37,215,633                       | -                  | -                  | -                       | 37,215,633  |
| Land costs payable                  | 10,268,968            | -                                    | 10,268,968                   | 3,518,968                        | 6,750,000          | -                  | -                       | 10,268,968  |
| Bank borrowings                     | 449,239,195           | 4.64 - 6.35                          | 496,718,189                  | 281,137,768                      | 94,085,629         | 106,043,611        | 15,451,181              | 496,718,189 |
| Lease liabilities                   | 588,044               | 3.40 - 6.00                          | 643,099                      | 270,700                          | 170,088            | 198,615            | 3,696                   | 643,099     |
|                                     | 642,233,693           |                                      | 689,767,742                  | 467,064,922                      | 101,005,717        | 106,242,226        | 15,454,877              | 689,767,742 |
| <b>2024</b>                         |                       |                                      |                              |                                  |                    |                    |                         |             |
| Trade payables                      | 154,245,862           | -                                    | 154,245,862                  | 154,245,862                      | -                  | -                  | -                       | 154,245,862 |
| Other payables and accrued expenses | 33,367,307            | -                                    | 33,367,307                   | 33,367,307                       | -                  | -                  | -                       | 33,367,307  |
| Land costs payable                  | 10,314,556            | -                                    | 10,314,556                   | 564,556                          | -                  | 9,750,000          | -                       | 10,314,556  |
| Bank borrowings                     | 489,557,543           | 4.63 - 6.76                          | 546,790,612                  | 238,680,305                      | 104,825,563        | 184,307,303        | 18,977,441              | 546,790,612 |
| Lease liabilities                   | 866,981               | 3.40 - 6.00                          | 922,383                      | 604,908                          | 160,852            | 155,778            | 845                     | 922,383     |
|                                     | 688,352,249           |                                      | 745,640,720                  | 427,462,938                      | 104,986,415        | 194,213,081        | 18,978,286              | 745,640,720 |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.3 Financial Risk Management (cont'd)

#### 38.3.1 Liquidity Risk Management (cont'd)

| Company                             | Carrying amount<br>RM | Effective interest rates per annum % | Contractual cash flows<br>RM | On demand or within 1 year<br>RM | 1 to 2 years<br>RM | 2 to 5 years<br>RM | More than 5 years<br>RM | Total<br>RM |
|-------------------------------------|-----------------------|--------------------------------------|------------------------------|----------------------------------|--------------------|--------------------|-------------------------|-------------|
| <b>2025</b>                         |                       |                                      |                              |                                  |                    |                    |                         |             |
| Trade payables                      | 21,930,700            | -                                    | 21,930,700                   | 21,930,700                       | -                  | -                  | -                       | 21,930,700  |
| Other payables and accrued expenses | 6,832,422             | -                                    | 6,832,422                    | 6,832,422                        | -                  | -                  | -                       | 6,832,422   |
| Amount owing to subsidiaries        | 68,045,829            | 5.55 - 6.02                          | 68,045,829                   | 68,045,829                       | -                  | -                  | -                       | 68,045,829  |
| Bank borrowings                     | 138,970,839           | 4.64 - 6.35                          | 146,500,176                  | 146,500,176                      | -                  | -                  | -                       | 146,500,176 |
| Lease liabilities                   | 161,564               | 3.40 - 6.00                          | 169,425                      | 110,848                          | 26,844             | 28,037             | 3,696                   | 169,425     |
| Financial guarantee*                | -                     | -                                    | -                            | -                                | -                  | -                  | -                       | -           |
|                                     | 235,941,354           |                                      | 243,478,552                  | 243,419,975                      | 26,844             | 28,037             | 3,696                   | 243,478,552 |
| <b>2024</b>                         |                       |                                      |                              |                                  |                    |                    |                         |             |
| Trade payables                      | 38,531,924            | -                                    | 38,531,924                   | 38,531,924                       | -                  | -                  | -                       | 38,531,924  |
| Other payables and accrued expenses | 10,956,358            | -                                    | 10,956,358                   | 10,956,358                       | -                  | -                  | -                       | 10,956,358  |
| Amount owing to subsidiaries        | 9,378,891             | 5.95 - 6.31                          | 9,378,891                    | 9,378,891                        | -                  | -                  | -                       | 9,378,891   |
| Bank borrowings                     | 161,575,828           | 4.63 - 6.70                          | 168,809,389                  | 168,809,389                      | -                  | -                  | -                       | 168,809,389 |
| Lease liabilities                   | 639,383               | 3.40 - 6.00                          | 664,533                      | 543,024                          | 98,968             | 21,696             | 845                     | 664,533     |
| Financial guarantee*                | -                     | -                                    | -                            | -                                | -                  | -                  | -                       | -           |
|                                     | 221,082,384           |                                      | 228,341,095                  | 228,219,586                      | 98,968             | 21,696             | 845                     | 228,341,095 |

\* The total amount of financial guarantees provided by the Company to financial institutions for the credit facilities granted to subsidiaries amounted to RM1,015,995,311 (2024: RM725,750,000).

The financial guarantees provided to financiers for subsidiaries are accounted as financial liabilities if considered likely to crystallise. At end of each reporting period, the Company has assessed the financial guarantee contracts and concluded that the financial impact of the guarantee is not material and it was not probable that the counterparties to financial guarantee contracts will claim under the contracts. The above disclosure represents the maximum amount that is required to be settled in the event of triggering.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.3 Financial Risk Management (cont'd)

#### 38.3.2 Cash Flow Risk Management

The Group and the Company review their cash flow position regularly to manage their exposure to fluctuations in future cash flows associated with their monetary financial instruments.

#### 38.3.3 Interest Rate Risk Management

Interest rate risk is the risk that the fair values or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's interest-bearing financial assets are primarily short-term fixed deposits placed with licensed banks and short-term investments. The interest rates on these deposits are monitored closely to ensure that they are maintained at favourable rates and placements are made at varying maturities. The Group and the Company consider the risk of significant changes to interest rates on these deposits to be low.

The Group and the Company are exposed to interest rate risk through the impact of rate changes on bank borrowings and intercompany indebtedness. The interest rates of the Group's and of the Company's bank borrowings and intercompany indebtedness are disclosed in Note 31 and Note 24 respectively.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial assets and financial liabilities are disclosed in the table below as follows:

|                                  | Group       |             | Company       |               |
|----------------------------------|-------------|-------------|---------------|---------------|
|                                  | 2025<br>RM  | 2024<br>RM  | 2025<br>RM    | 2024<br>RM    |
| <b>Floating rate instruments</b> |             |             |               |               |
| Term loans                       | 363,827,164 | 443,641,547 | 118,970,839   | 141,575,828   |
| Bridging loans                   | 15,412,031  | 25,915,996  | -             | -             |
| Islamic Commercial Paper         | 50,000,000  | -           | -             | -             |
| Bank overdrafts                  | 20,000,000  | 20,000,000  | 20,000,000    | 20,000,000    |
| Amount owing to subsidiaries     | -           | -           | 68,045,829    | 9,378,891     |
| Amount owing by subsidiaries     | -           | -           | (526,980,850) | (451,186,050) |
|                                  | 449,239,195 | 489,557,543 | (319,964,182) | (280,231,331) |

#### Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing bank borrowings at the end of the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 March 2025 would decrease/increase by RM3,414,218 (2024: RM3,720,637) and the Company's post-tax profit for the year ended 31 March 2025 would decrease/increase by RM2,431,728 (2024: RM2,129,758), respectively.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.3 Financial Risk Management (cont'd)

#### 38.3.4 Credit Risk Management

Financial assets that are primarily exposed to credit risk are receivables and bank balances.

##### Credit risk arising from trade receivables

The Group and the Company do not have any significant credit risk as its development units are predominantly rendered and sold to a large number of customers using financing from reputable end-financiers. The Group and the Company do not have significant exposure to any individual or counterparty nor does it have any major concentration of credit risk related to any financial instruments. Credit risks with respect to trade receivables are limited as the ownership and rights to the properties revert to the Group and the Company in the event of default.

As at 31 March 2025 and 31 March 2024, the maximum exposure to credit risk arising from trade receivables is represented by its carrying amounts in the statements of financial position.

##### Credit risk arising from deposits places with licensed banks

Credit risk also arises from deposits placed with licensed banks. The deposits are placed with credit worthy financial institutions. The Group and the Company consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely.

##### Credit risk arising from short-term investments

The Group and the Company minimise credit by investing the surplus funds into money market funds that are managed by licensed fund management companies. There is no expected credit loss recognised from the short-term investments as the probability of default by these licensed fund management companies are negligible.

##### Credit risk arising from other receivables

As at 31 March 2025 and 31 March 2024, the maximum exposure to credit risk arising from other receivables is represented by its carrying amounts in the statements of financial position.

##### Credit risk arising from refundable deposits

Credit risk on refundable deposits is mainly arising from deposits paid for acquisition of land and office and office equipment rented. These deposits will be received at the end of each lease terms. The Group and the Company manage the credit risk together with the leasing arrangement.

As at 31 March 2025 and 31 March 2024, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

##### Credit risk arising from subsidiary companies

The amount due from subsidiaries are monitored closely by the Company. As at 31 March 2025 and 31 March 2024, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

#### 38.3.5 Foreign Currency Risk Management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group is exposed to foreign currency risk on certain transactions entered into by subsidiaries in currencies other than its functional currency, i.e. Vietnamese Dong ("VND"). The exposure to the Group is low and not material as any impact as a result of foreign currency risk would not result in a significant change to the financial statements as a whole.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.4 Fair Values of Financial Instruments

The fair values of financial instruments refer to the amounts at which the instruments could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction. Fair values have been arrived at based on prices quoted in an active, liquid market or estimated using certain valuation techniques such as discounted future cash flows based upon certain assumptions. Amounts derived from such methods and valuation techniques are inherently subjective and therefore do not necessarily reflect the amounts that would be received or paid in the event of immediate settlement of the instruments concerned.

On the basis of the amounts estimated from the methods and techniques as mentioned in the preceding paragraph, the carrying amount of the various financial assets and financial liabilities reflected on the statements of financial position approximate their fair values.

The methodologies used in arriving at the fair values of the principal financial assets and financial liabilities of the Group are as follows:

- Cash and bank balances, trade and other receivables, refundable deposits, intercompany indebtedness, trade and other payables, accrued expenses, short-term borrowings, short-term land costs payable and short-term lease liabilities: The carrying amounts are considered to approximate the fair values as they are either within the normal credit terms or they have short-term maturity period.
- Short-term investments: Fair value of the short-term investments has been determined by reference to the net assets value of the funds at the end of the reporting period as quoted by the licensed fund management companies.
- Long-term borrowings: The fair values of long-term borrowings are determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using an interest rate which takes into consideration the Group's incremental borrowing rate at year end for similar types of debt arrangements.
- Long-term land costs payable: The fair values of long-term land costs payable are determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting date. There is no material differences between the fair value and carrying value of the liability as at the reporting date.
- Long-term lease liabilities: The fair values of long-term financial liabilities are determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting date. There is no material difference between the fair values and carrying values of these liabilities as at the reporting date.

#### Fair value hierarchy

The Group's and the Company's financial instruments are analysed in a three-level fair value hierarchy based on the significance of inputs.

The three level of fair value measurement hierarchy are:

- |          |   |
|----------|---|
| Level 1: | Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.                               |
| Level 2: | Input other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). |
| Level 3: | Input for the asset or liability that are not based on observable market data (unobservable input).   |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 38. FINANCIAL INSTRUMENTS (CONT'D)

### 38.4 Fair Values of Financial Instruments (cont'd)

The following table provides the fair value measurement hierarchy of the Group's and of the Company's financial instruments that are carried at fair value as at 31 March 2025 and 31 March 2024.

|                        | Carrying amount<br>RM | Fair value of financial instruments<br>carried at fair value |               |               |
|------------------------|-----------------------|--|---------------|---------------|
|                        |                       | Level 1<br>RM  | Level 2<br>RM | Level 3<br>RM |
| <b>Group</b>           |                       |  |               |               |
| <b>2025</b>            |                       |  |               |               |
| <b>Financial asset</b> |                       |  |               |               |
| Investment property    | 71,000,000            | -  | -             | 71,000,000    |
| Short-term investments | 73,298,890            | 73,298,890   | -             | -             |
|                        | 144,298,890           | 73,298,890   | -             | 71,000,000    |
| <b>2024</b>            |                       |  |               |               |
| <b>Financial asset</b> |                       |  |               |               |
| Investment property    | 68,308,466            | -  | -             | 69,716,017    |
| Short-term investments | 71,479,170            | 71,479,170   | -             | -             |
|                        | 139,787,636           | 71,479,170   | -             | 69,716,017    |
| <b>Company</b>         |                       |  |               |               |
| <b>2025</b>            |                       |  |               |               |
| <b>Financial asset</b> |                       |  |               |               |
| Short-term investments | 73,298,890            | 73,298,890   | -             | -             |
| <b>2024</b>            |                       |  |               |               |
| <b>Financial asset</b> |                       |  |               |               |
| Short-term investments | 71,479,170            | 71,479,170   | -             | -             |

There is no transfer within the fair value measurement hierarchy during the year.

The valuation techniques and key unobservable inputs used in the valuation model for the Group's investment property (Level 3) is disclosed in Note 13.

# Notes to the Financial Statements

for the year ended 31 March 2025

## 39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from financing activities.

| Group  | Bank<br>borrowings<br>RM | Lease<br>liabilities<br>RM |
|--|--------------------------|----------------------------|
| <b>2025</b>                                      |                          |                            |
| At beginning of year (excluding bank overdrafts) | 469,557,543              | 866,981                    |
| <b>Changes from financing cash flows</b>         |                          |                            |
| Proceeds from bank borrowings                    | 130,048,485              | -                          |
| Repayments of bank borrowings                    | (171,457,370)            | -                          |
| Payment of lease liabilities                     | -                        | (581,561)                  |
| Interest paid                                    | -                        | (39,757)                   |
| <b>Non-cash items</b>                            |                          |                            |
| Additions  | -                        | 497,666                    |
| Interest charged                                 | 26,360,561               | 39,757                     |
| Interest paid                                    | (26,360,561)             | -                          |
| Loan transaction cost                            | 1,090,537                | -                          |
| Derecognition                                    | -                        | (192,646)                  |
| Currency exchange translation                    | -                        | (2,396)                    |
| At end of year (excluding bank overdrafts)       | 429,239,195              | 588,044                    |
| <b>2024</b>                                      |                          |                            |
| At beginning of year (excluding bank overdrafts) | 483,123,089              | 148,524                    |
| <b>Changes from financing cash flows</b>         |                          |                            |
| Proceeds from bank borrowings                    | 186,895,631              | -                          |
| Repayments of bank borrowings                    | (201,334,900)            | -                          |
| Payment of lease liabilities                     | -                        | (546,833)                  |
| Interest paid                                    | -                        | (55,507)                   |
| <b>Non-cash items</b>                            |                          |                            |
| Additions  | -                        | 1,265,290                  |
| Interest charged                                 | 29,913,670               | 55,507                     |
| Interest paid                                    | (29,913,670)             | -                          |
| Loan transaction cost                            | 873,723                  | -                          |
| At end of year (excluding bank overdrafts)       | 469,557,543              | 866,981                    |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONT'D)

| Company   | Amount<br>owing to<br>subsidiaries<br>RM | Bank<br>borrowings<br>RM | Lease<br>liabilities<br>RM |
|---|--|--------------------------|----------------------------|
| <b>2025</b>   |  |                          |                            |
| At beginning of year (excluding bank overdrafts)                          | 9,378,891                                | 141,575,828              | 639,383                    |
| <b>Changes from financing cash flows</b>                                  |  |                          |                            |
| Advances from subsidiaries  | 73,509,588                               | -                        | -                          |
| Repayments to subsidiaries  | (14,802,014)                             | -                        | -                          |
| Dividend received   | 31,925,000                               | -                        | -                          |
| Proceeds from bank borrowings   | -  | 25,000,000               | -                          |
| Repayments of bank borrowings   | -  | (47,575,830)             | -                          |
| Payment of lease liabilities  | -  | -                        | (526,615)                  |
| Interest paid   | -  | -                        | (24,292)                   |
| <b>Non-cash items</b>   |  |                          |                            |
| Additions   | -  | -                        | 48,796                     |
| Dividend received   | (36,025,000)                             | -                        | -                          |
| Interest charged  | 4,177,294                                | 6,787,715                | 24,292                     |
| Interest paid   | -  | (6,787,715)              | -                          |
| Loan transaction costs  | -  | (29,159)                 | -                          |
| Management fee charged and reclassified from amount owing by subsidiaries | (117,930)                                | -                        | -                          |
| At end of year (excluding bank overdrafts)                                | 68,045,829                               | 118,970,839              | 161,564                    |
| <b>2024</b>   |  |                          |                            |
| At beginning of year (excluding bank overdrafts)                          | 19,720,868                               | 159,258,498              | 148,524                    |
| <b>Changes from financing cash flows</b>                                  |  |                          |                            |
| Advances from subsidiary companies  | 35,875,449                               | -                        | -                          |
| Repayments to subsidiary companies  | (1,715,398)                              | -                        | -                          |
| Proceeds from bank borrowings   | -  | 105,263,912              | -                          |
| Repayments of bank borrowings   | -  | (122,946,582)            | -                          |
| Payment of lease liabilities  | -  | -                        | (507,747)                  |
| Interest paid   | -  | -                        | (42,916)                   |
| <b>Non-cash items</b>   |  |                          |                            |
| Additions   | -  | -                        | 998,606                    |
| Dividend received   | (45,900,000)                             | -                        | -                          |
| Interest charged  | 1,502,872                                | 10,471,326               | 42,916                     |
| Interest paid   | -  | (10,471,326)             | -                          |
| Management fee charged and reclassified from amount owing by subsidiaries | (104,900)                                | -                        | -                          |
| At end of year (excluding bank overdrafts)                                | 9,378,891                                | 141,575,828              | 639,383                    |

# Notes to the Financial Statements

for the year ended 31 March 2025

## 40. SIGNIFICANT EVENTS SUBSEQUENT TO END OF THE YEAR

- (a) On 16 April 2025, Rimba Maju Realiti Sdn. Bhd. a wholly-owned subsidiary of the Company had entered into a Sale and Purchase Agreement (“SPA”) with M S Tan Corporation Sdn. Bhd. for the acquisition of freehold land held under Geran Mukim 1697, Lot 1872, Tempat Sungei Teba, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 3.032 acres (equivalent to 1.227 hectares) for a total cash consideration of RM110,000,000.

The completion of the proposed acquisition is pending the fulfilment of the conditions precedent of the SPA.

- (b) On 29 April 2025, the shareholders of the Company have approved the following proposals at Extraordinary General Meeting:

- (i) On 10 December 2024, the Company entered into a Joint Development Agreement (“JDA”) with The Penang Development Corporation (“PDC” or the “Landowner”), and PDC Properties Sdn. Bhd. (“PDCP” or the “Project Manager”), a wholly-owned subsidiary of PDC, to undertake a new affordable housing development comprising of Affordable Homes and New Talent Homes on the parcels of land held under Mukim 13, Bandar Cassia, Seberang Perai Selatan, Pulau Pinang measuring approximately 161.50 acres and Lot 5320, Pajakan Negeri 10926, Mukim 01, Daerah Seberang Perai Tengah, Pulau Pinang measuring approximately 31.29 acres and Lot 10848, Geran 186062, Mukim 01, Daerah Seberang Perai Tengah, Pulau Pinang measuring approximately 2.75 acres (collectively known as the “Land”), in accordance with the terms and conditions set out in the JDA (“Proposed Joint Development”). The Proposed Joint Development entails a joint development of the Project between PDC (the owner or eventual owner of the Land), PDCP (the project manager of the development of the Land) and the Company (or the appointed developer for the Project) on the Land with an estimated Gross Development Value of approximate RM13.0 billion. The Company may develop the Project in phases, within the development period of 15 years.

In accordance with the JDA, PDC shall be entitled to an aggregate guaranteed cash entitlement of RM502,678,044, subject to an annual increase of not less than 6% for each Parcel for which a sale and purchase agreement has yet to be signed (“Landowner’s Entitlement”), for contributing the Land to the Developer for the Proposed Joint Development. In addition, PDCP shall be entitled to a project management fee of not less than 8% of the Landowner’s Entitlement, equivalent to RM40,214,243 based on the Landowner’s Entitlement of RM502,678,044 for its service as the Project Manager (“Project Management Fee”). The Landowner’s Entitlement and Project Management Fee will be paid in staggered payments as stated in the JDA.

- (ii) On 20 January 2025, the Company announced the proposed diversification of its existing business operation to include the business of manufacturing of prefabricated and prefinished modular systems (“Proposed Diversification”).

The Proposed Diversification is envisaged to be undertaken through a collaboration with Teambuild Holding (S) Pte Ltd (“Teambuild”), by leveraging on Teambuild’s expertise, skills, knowledge and technical know-how as a contractor with a strong track record in the use of prefabricated and prefinished volumetric construction technology. This collaboration will be undertaken through the Company’s 70% owned subsidiary, Prefab Master Sdn. Bhd. based on the terms and conditions set out in the Shareholders’ Agreement signed on 20 January 2025.

- (c) On 23 May 2025, the directors of the Company had declared a final single-tier dividend of 0.60 sen per ordinary share amounting to RM6,000,000 in respect of the current year which was paid on 15 July 2025. The financial statements of the current year do not reflect this declared dividend. The final dividend will be accounted for in equity as appropriation of retained earnings in the year ended 31 March 2026.
- (d) On 8 July 2025, further to the approval obtained from the shareholders of the Company at the Extraordinary General meeting held on 29 April 2025 in relation to the Proposed Joint Development, SkyWorld Casia Development Sdn. Bhd. (formerly known as SkyAvana Development Sdn. Bhd.), a wholly-owned subsidiary of the Company entered into a SPA with PDC for the acquisition of freehold land held under Mukim 13, Bandar Cassia, Seberang Perai Selatan, Pulau Pinang, measuring approximately 25.9 acres, to be alienated from part of all that piece of land at the same location measuring in aggregate approximately 161.5 acres for a total purchase price of RM48,512,772.

# STATEMENT BY DIRECTORS

The directors of **SKYWORLD DEVELOPMENT BERHAD** state that, in their 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 March 2025, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Signed on behalf of the Board, as approved by the Board in accordance with a resolution of the Directors,

**DATUK SERI NG THIEN PHING**

Kuala Lumpur  
17 July 2025

**DATUK LAM SOO KEONG @ LOW SOO KEONG**

# DECLARATION BY THE OFFICER

Primarily Responsible for the Financial Management of the Company

I, **LOW WENG CHEONG**, the officer primarily responsible for the financial management of **SKYWORLD DEVELOPMENT BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

**LOW WENG CHEONG**  
(MIA Membership No.: 28892)

Subscribed and solemnly declared by the abovenamed **LOW WENG CHEONG** at **KUALA LUMPUR**, on this 17<sup>th</sup> day of July 2025

Before me,

**COMMISSIONER FOR OATHS**

# LIST OF GROUP'S TOP 10 PROPERTIES

## AS OF 31 MARCH 2025

| No. | Location/Address  | Land area (sq ft)/<br>Build up area (sq ft) | Description/<br>Existing use                   | Date of Acquisition | Tenure                     | Net Book Value RM |
|-----|---|---|--|---------------------|----------------------------|-------------------|
| 1.  | PT 50177 HS(D) 122337,<br>PT 50179 HS(D) 122339,<br>PT 50180 HS(D) 122340,<br>PT 50181 HS(D) 122341 and<br>PT 50182 HS(D) 122342<br>Mukim Setapak<br>District Kuala Lumpur<br>FT Kuala Lumpur | 541,585/-                                   | 5 parcels of vacant land                       | 07-Oct-16           | Leasehold<br>expiring 2120 | 227,022,536       |
| 2.  | PT 50008 HS(D) 123110 and<br>PT 50009 HS(D) 123111<br>Mukim Ulu Kelang<br>Daerah Kuala Lumpur<br>FT Kuala Lumpur  | 226,657/-                                   | 2 parcels of vacant land                       | 09-Apr-19           | Leasehold<br>expiring 2119 | 112,404,576       |
| 3.  | PN 52338 Lot 201208<br>Mukim Setapak<br>District Kuala Lumpur<br>FT Kuala Lumpur  | 193,298/-                                   | Curvo<br>Residences                            | 11-Apr-14           | Leasehold<br>expiring 2086 | 111,008,095       |
| 4.  | PT 50176 HS(D) 122336<br>Mukim Setapak<br>District Kuala Lumpur<br>FT Kuala Lumpur  | 180,768/-                                   | A parcel of vacant land                        | 08-Feb-19           | Leasehold<br>expiring 2120 | 71,000,000        |
| 5.  | PT 50007 HS(D) 123109<br>Mukim Ulu Kelang<br>Daerah Kuala Lumpur<br>FT Kuala Lumpur   | 122,012/-                                   | Vesta<br>Residences                            | 09-Apr-19           | Leasehold<br>expiring 2119 | 69,883,641        |
| 6.  | PN 52340 Lot 201210<br>Mukim Setapak<br>Daerah Kuala Lumpur<br>FT Kuala Lumpur  | 256,935/<br>40,852                          | Setapak Sales<br>Gallery and<br>Quality Centre | 19-Oct-15           | Leasehold<br>expiring 2086 | 65,798,843        |
| 7.  | PM 317 Lot 4249<br>Mukim Setapak<br>District Kuala Lumpur<br>FT Kuala Lumpur  | 413,883/-                                   | A parcel of vacant land                        | 23-Aug-21           | Leasehold<br>expiring 2091 | 52,793,757        |
| 8.  | PN 54950 Lot 482879 and<br>PN 54951 Lot 482880<br>Mukim Kuala Lumpur<br>District Kuala Lumpur<br>FT Kuala Lumpur  | 211,789/-                                   | A parcel of vacant land                        | 06-Dec-19           | Leasehold<br>expiring 2118 | 42,685,170        |
| 9.  | GM 41056 Lot 481366<br>Mukim Kuala Lumpur<br>Daerah Kuala Lumpur<br>FT Kuala Lumpur   | 89,276/-                                    | A parcel of vacant land                        | 10-Mar-22           | Freehold                   | 26,343,622        |
| 10. | PN 53776 Lot 201619<br>Mukim Setapak<br>District Kuala Lumpur<br>FT Kuala Lumpur  | 109,652/-                                   | A parcel of vacant land                        | 11-Apr-14           | Leasehold<br>expiring 2117 | 18,296,834        |

# ANALYSIS OF SHAREHOLDINGS

as at 2 July 2025

|                               |  |
|-------------------------------|--|
| Total Number of Issued Shares | : 1,187,500,000 comprising<br>(i) 1,000,000,000 Ordinary Shares<br>(ii) 187,500,000 Irredeemable Convertible Preference Shares ("ICPS") (non-listed) |
| Class of Shares               | : (i) Ordinary Shares<br>(ii) ICPS (non-listed)  |
| Voting Rights                 | : (i) One vote per ordinary share held<br>(ii) ICPS have no voting rights other than those provided in the Constitution of the Company               |
| No. of Holders                | : (i) Ordinary Shares – 4,846<br>(ii) ICPS – 4   |

## DISTRIBUTION SCHEDULE FOR ORDINARY SHARES

| Size of Shareholdings                    | No. of Shareholders | Total Shareholdings  | %              |
|--|---------------------|----------------------|----------------|
| Less than 100 shares                     | 3                   | 150                  | 0.000          |
| 100 – 1,000 shares                       | 780                 | 369,000              | 0.036          |
| 1,001 – 10,000 shares                    | 2,083               | 11,364,800           | 1.136          |
| 10,001 – 100,000 shares                  | 1,626               | 54,862,050           | 5.486          |
| 100,001 to less than 5% of issued shares | 352                 | 424,449,369          | 42.444         |
| 5% and above of issued shares            | 2                   | 508,954,631          | 50.895         |
| <b>Total</b>                             | <b>4,846</b>        | <b>1,000,000,000</b> | <b>100.000</b> |

## SUBSTANTIAL SHAREHOLDERS

As per the Register of Substantial Shareholders

| Shareholders                        | Direct Interest    |        | Indirect Interest  |   |
|-------------------------------------|--------------------|--------|--------------------|---|
|                                     | No. of Shares Held | %      | No. of Shares Held | % |
| Datuk Seri Ng Thien Phing           | 444,196,952        | 44.420 | -                  | - |
| Datuk Lam Soo Keong @ Low Soo Keong | 102,757,679        | 10.276 | -                  | - |
| Lee Chee Seng                       | 50,082,469         | 5.008  | -                  | - |

## DIRECTORS' SHAREHOLDINGS

| Directors                           | Direct Interest    |        | Indirect Interest  |   |
|-------------------------------------|--------------------|--------|--------------------|---|
|                                     | No. of Shares Held | %      | No. of Shares Held | % |
| Datuk Seri Ng Thien Phing           | 444,196,952        | 44.420 | -                  | - |
| Datuk Lam Soo Keong @ Low Soo Keong | 102,757,679        | 10.276 | -                  | - |
| Lee Chee Seng                       | 50,082,469         | 5.008  | -                  | - |
| Chan Seng Fatt                      | -                  | -      | -                  | - |
| Ong Soo Chan                        | 100,000            | 0.010  | -                  | - |
| Phang Sze Fui                       | 100,000            | 0.010  | -                  | - |
| Zalinah Binti A Hamid               | -                  | -      | -                  | - |

# Analysis of Shareholdings

as at 2 July 2025

## EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

| Directors     | Direct Interest     |       | Indirect Interest   |   |
|---------------|---------------------|-------|---------------------|---|
|               | No. of ESOS Granted | %     | No. of ESOS Granted | % |
| Lee Chee Seng | 3,000,000           | 0.300 | -                   | - |

## 30 LARGEST SHAREHOLDERS AS AT 2 JULY 2025

| No. | Name of Shareholders   | No. of Shares Held | %      |
|-----|--|--------------------|--------|
| 1.  | Ng Thien Phing   | 406,196,952        | 40.619 |
| 2.  | Lam Soo Keong @ Low Soo Keong  | 102,757,679        | 10.276 |
| 3.  | Lee Chee Seng  | 42,082,469         | 4.208  |
| 4.  | Kenanga Nominees (Tempatan) Sdn Bhd<br>– Pledged Securities Account for Ng Thien Phing   | 38,000,000         | 3.800  |
| 5.  | DB (Malaysia) Nominee (Tempatan) Sendirian Berhad<br>– Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund                 | 26,083,800         | 2.608  |
| 6.  | Lembaga Tabung Angkatan Tentera  | 20,164,600         | 2.016  |
| 7.  | Maybank Nominees (Tempatan) Sdn Bhd<br>– Pledged Securities Account for Al-Sultan Abdullah Ibni Sultan Haji Ahmad Shah                             | 20,000,000         | 2.000  |
| 8.  | Citigroup Nominees (Asing) Sdn Bhd<br>– CBNY for Norges Bank (FI 17)   | 19,816,900         | 1.981  |
| 9.  | Citigroup Nominees (Tempatan) Sdn Bhd<br>– Employees Provident Fund Board (EastspringESG)  | 12,673,600         | 1.267  |
| 10. | Maybank Nominees (Tempatan) Sdn Bhd<br>– Maybank Private Wealth Management for Al-Sultan Abdullah Ibni Sultan Haji Ahmad Shah (PW-M00660) (419759) | 9,479,500          | 0.947  |
| 11. | Affin Hwang Nominees (Tempatan) Sdn. Bhd.<br>– Pledged Securities Account for Yeat Sew Chuong  | 9,404,200          | 0.940  |
| 12. | Citigroup Nominees (Tempatan) Sdn Bhd<br>– Employees Provident Fund Board (PHEIM)  | 9,189,500          | 0.918  |
| 13. | Lim Kok Kwang  | 9,062,500          | 0.906  |
| 14. | Zafidi Bin Mohamad   | 8,866,000          | 0.886  |
| 15. | Kenanga Nominees (Tempatan) Sdn Bhd<br>– Pledged Securities Account for Lee Chee Seng  | 8,000,000          | 0.800  |
| 16. | Kwan Thean Poh   | 6,559,300          | 0.655  |
| 17. | CIMB Islamic Nominees (Tempatan) Sdn Bhd<br>– PMB Investment Berhad for Majlis Amanah Rakyat   | 6,000,000          | 0.600  |
| 18. | Citigroup Nominees (Tempatan) Sdn Bhd<br>– Kumpulan Wang Persaraan (Diperbadankan) (Espring ABSR EQ)   | 5,442,300          | 0.544  |
| 19. | Leow Eng Hooi  | 5,330,000          | 0.533  |
| 20. | Maybank Nominees (Tempatan) Sdn Bhd<br>– Maybank Trustees Berhad for Dana Makmur PHEIM (211901)  | 5,176,500          | 0.517  |

# Analysis of Shareholdings

as at 2 July 2025

## 30 LARGEST SHAREHOLDERS AS AT 2 JULY 2024 (CONT'D)

| No.          | Name of Shareholders   | No. of Shares Held | %             |
|--------------|--|--------------------|---------------|
| 21.          | CIMSEC Nominees (Tempatan) Sdn Bhd<br>– CIMB for Kong Chong Soon @ Chi Suim (PB)   | 4,780,000          | 0.478         |
| 22.          | Citigroup Nominees (Tempatan) Sdn Bhd<br>– Kumpulan Wang Persaraan (Diperbadankan) (Principal EQITS)                             | 4,550,000          | 0.455         |
| 23.          | Lim Kok Kwang  | 4,000,000          | 0.400         |
| 24.          | DB (Malaysia) Nominee (Tempatan) Sendirian Berhad<br>– Deutsche Trustees Malaysia Berhad for Eastspring Investmentsmy Focus Fund | 3,691,300          | 0.369         |
| 25.          | Maybank Nominees (Tempatan) Sdn Bhd<br>– Pledged Securities Account for Mohd Razi Bin Jaafar                                     | 3,591,100          | 0.359         |
| 26.          | Queck Han Tiong  | 3,583,000          | 0.358         |
| 27.          | Maybank Nominees (Tempatan) Sdn Bhd<br>– Pledged Securities Account for Chin Wai Hon   | 3,000,000          | 0.300         |
| 28.          | Maybank Nominees (Tempatan) Sdn Bhd<br>– MTrustee Berhad for Phillip Pearl Fund (UT-PM-PPF) (419471)                             | 2,943,700          | 0.294         |
| 29.          | Public Nominees (Tempatan) Sdn Bhd<br>– Pledged Securities Account for Chaw Kim Hock (E-PPG)                                     | 2,844,900          | 0.284         |
| 30.          | Ng Peik Fung   | 2,395,000          | 0.239         |
| <b>Total</b> |  | <b>805,664,800</b> | <b>80.566</b> |

## ICPS HELD BY THE DIRECTORS

| Directors                           | Direct Interest  |        | Indirect Interest |   |
|-------------------------------------|------------------|--------|-------------------|---|
|                                     | No. of ICPS Held | %      | No. of ICPS Held  | % |
| Datuk Seri Ng Thien Phing           | 134,251,455      | 71.600 | -                 | - |
| Datuk Lam Soo Keong @ Low Soo Keong | 38,711,949       | 20.647 | -                 | - |
| Lee Chee Seng                       | 11,536,596       | 6.153  | -                 | - |
| Chan Seng Fatt                      | -                | -      | -                 | - |
| Ong Soo Chan                        | -                | -      | -                 | - |
| Phang Sze Fui                       | -                | -      | -                 | - |
| Zalinah Binti A Hamid               | -                | -      | -                 | - |

## ICPS HOLDERS AS AT 2 JULY 2025

| No.          | Name of ICPS Holders                | No. of ICPS Held   | %              |
|--------------|-------------------------------------|--------------------|----------------|
| 1.           | Datuk Seri Ng Thien Phing           | 134,251,455        | 71.600         |
| 2.           | Datuk Lam Soo Keong @ Low Soo Keong | 38,711,949         | 20.647         |
| 3.           | Lee Chee Seng                       | 11,536,596         | 6.153          |
| 4.           | Zafidi Bin Mohamad                  | 3,000,000          | 1.600          |
| <b>Total</b> |                                     | <b>187,500,000</b> | <b>100.000</b> |

# NOTICE OF 2025 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 2025 Annual General Meeting of SkyWorld Development Berhad (“the Company”) will be held at **Level 1, Block D, Excella Business Park, Jalan Ampang Putra, Ampang, 55100 Kuala Lumpur, Malaysia** on **Friday, 26 September 2025** at **10.00 a.m.** for the following purposes:

## AGENDA

### AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Reports of the Directors and Auditors thereon. **(Please refer to the Explanatory Notes to the Agenda)**
2. To approve the payment of Directors’ fees up to an aggregate amount of RM376,800 for the period from 27 September 2025 until the next Annual General Meeting of the Company, to be paid monthly in arrears. **(Ordinary Resolution 1)**
3. To approve the payment of Directors’ benefits up to an aggregate amount of RM61,200 for the period from 27 September 2025 until the next Annual General Meeting of the Company. **(Ordinary Resolution 2)**
4. To re-elect the following Directors who are retiring in accordance with Clause 76(3) of the Constitution of the Company.
  - (a) Lee Chee Seng **(Ordinary Resolution 3)**
  - (b) Chan Seng Fatt **(Ordinary Resolution 4)**
5. To re-appoint Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 5)**

### AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following resolutions, with or without modifications:-

6. **Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016** **(Ordinary Resolution 6)**

“**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant regulatory authorities (if any), the Directors of the Company be and are hereby authorised to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions and for such purposes and to such persons whomsoever as the Directors may in their absolute discretion deem fit PROVIDED THAT the aggregate number of shares to be issued pursuant to this resolution, when aggregated with the total number of such shares issued during the preceding 12 months does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be authorised to do all such things as they may deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company held after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is the earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting.”

# Notice of 2025 Annual General Meeting

**7. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Ordinary Resolution 7)**

**"THAT** subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries ("the Group") be and is hereby authorised to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.4 of the Circular to Shareholders dated 31 July 2025 provided that such transactions are:-

- (a) necessary for the Group's day-to-day operations;
- (b) undertaken in the ordinary course of business at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and
- (c) not detrimental to the interest of the minority shareholders of the Company.

**THAT** the authority conferred by such mandate shall continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed by the shareholders of the Company in a general meeting, the authority is renewed; or
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) the mandate is revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

**AND THAT** the Directors of the Company be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to this resolution."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

**FOO PEI KOON (MAICSA 7067238) (SSM PC NO. 202108000380)**  
**LEE YIN BIN (MAICSA 7074794) (SSM PC NO. 202508000014)**  
**TE HOCK WEE (MAICSA 7054787) (SSM PC NO. 202008002124)**

Company Secretaries  
Kuala Lumpur

31 July 2025

# Notice of 2025 Annual General Meeting

## NOTES:

1. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 19 September 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this meeting or appoint a proxy to attend, participate, speak and vote on his/her/its behalf.
2. A member of the Company who is entitled to attend and vote at a general meeting may appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than 2 proxies to attend, participate, speak and vote instead of the member at the general meeting.
4. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
6. Where a member, an authorised nominee or an exempt authorised nominee appoints more than 1 proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportion of his shareholdings to be represented by each proxy.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the 2025 Annual General Meeting or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (i) In hard copy form  
To be deposited with Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) By electronic means via Tricor TIIH Online website at <https://tiih.online>  
Please refer to the Administrative Guide of the 2025 Annual General Meeting for further information on electronic submission of proxy form via TIIH Online.
8. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the general meeting or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last day, date and time for lodging the proxy form is **Wednesday, 24 September 2025 at 10.00 a.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
  - a. Identity card (NRIC) (Malaysian), or
  - b. Police report (for loss of NRIC)/Temporary NRIC (Malaysian), or
  - c. Passport (Foreigner).
12. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form with the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia if this has not been lodged with the Company's Share Registrar earlier.
13. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 2025 Annual General Meeting will be put to vote by way of poll.

# Notice of 2025 Annual General Meeting

## EXPLANATORY NOTES TO THE AGENDA

(i) **Item 1 of the Agenda**

**Audited Financial Statements for the financial year ended 31 March 2025**

This item is meant for discussion only. The provision of Section 248(2) and Section 340(1)(a) of the Companies Act 2016 require that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its Annual General Meeting. As such, this agenda item is not a business which requires a motion to be put forward to vote by shareholders.

(ii) **Ordinary Resolution 1**

**Payment of Directors' fees**

On 22 November 2024, the Nomination & Remuneration Committee ("NRC") had conducted a review on the remuneration levels of the Non-Executive Directors and the Board, upon the recommendation from the NRC, has approved an increase in Directors' fee for Independent Non-Executive Directors with effect from 1 April 2025.

The Directors' fees proposed are calculated based on the current board size, revised Directors' fee as well as the provisional sum for the appointment of a new Director to the Board and assuming that all existing Non-Executive Directors will hold office until the next Annual General Meeting of the Company. This resolution is to facilitate payment of the Directors' fees for the period from 27 September 2025 until the next Annual General Meeting of the Company.

(iii) **Ordinary Resolution 2**

**Payment of Directors' benefits**

On 22 November 2024, the Board, upon the recommendation from the NRC, has approved an additional RM800 meeting allowance for the Chairman/Chairperson of the Board Committees with effect from 1 April 2025.

Directors' benefits consist of meeting allowances and other emoluments payable to Non-Executive Directors and in determining the estimated amount, the Board has considered various factors including the current board size and number of scheduled meetings for the Board and Board Committees for the period from 27 September 2025 until the next Annual General Meeting as well as the number of Non-Executive Directors involved in the meeting. In the event the proposed amount is insufficient (due to more meetings or enlarged board size), approval will be sought at the next Annual General Meeting for the shortfall.

(iv) **Ordinary Resolutions 3 and 4**

**Re-election of Directors**

The following Directors of the Company are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 2025 Annual General Meeting:-

- (i) Lee Chee Seng
- (ii) Chan Seng Fatt

Save as disclosed in the 2025 Annual Report, the retiring Directors have no conflict of interest with the Company and have no family relationship with any Director and/or major shareholder of the Company.

Mr Lee Chee Seng is the Executive Director/Chief Executive Officer of the Company who has more than 30 years of experience in construction and property markets. With his extensive experience in the property industry, he provides valuable insights and support in guiding the direction and enhancing the overall performance of the Group.

Mr Chan Seng Fatt has exercised due care and carried out his professional duty proficiently as the Independent Non-Executive Director of the Company. He demonstrates objectivity and independence through his participation at all meetings by giving objective and valuable feedback to the Board.

The NRC had also considered the criteria as prescribed under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time commitment as well as fit and proper assessment. The NRC concluded that the retiring Directors possess relevant mix of experience, skills, industry knowledge and expertise that is beneficial to the Company and they met the fit and proper criteria as stated in the Directors' Fit and Proper Policy in discharging their roles and responsibilities.

(v) **Ordinary Resolution 5**

**Re-appointment of Auditors**

The Board had, through the Audit & Risk Management Committee ("ARMC"), considered the re-appointment of Deloitte PLT as Auditors of the Company. The factors considered by the ARMC in making the recommendation to the Board to table their re-appointment at the 2025 Annual General Meeting are disclosed in the 2025 Annual Report.

# Notice of 2025 Annual General Meeting

(vi) **Ordinary Resolution 6**  
**Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

This proposed resolution, if passed, will empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier.

This is a renewal of the mandate obtained from shareholders at the last Annual General Meeting held on 27 September 2024. The mandate is to provide flexibility to the Company to issue new securities for any possible fund-raising activities including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings and/or acquisitions without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 27 September 2024 and the mandate will lapse at the conclusion of the 2025 Annual General Meeting.

(vii) **Ordinary Resolution 7**  
**Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

This proposed resolution, if passed, will allow the Group to enter into recurrent related party transactions of a revenue or trading nature with its related parties as identified in Section 2.4 of the Circular to Shareholders dated 31 July 2025 without the necessity to convene separate general meetings to seek shareholders' approval as and when such recurrent related party transactions occur. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company and is subject to renewal on an annual basis.

Further details relating to this proposed resolution are set out in the Circular to Shareholders dated 31 July 2025, which is available at the Company's website at <https://www.skyworldgroup.com.my/investor-relations>.

**SKYWORLD DEVELOPMENT BERHAD**Registration No. 200601034211 (753970-X)  
(Incorporated in Malaysia)**PROXY FORM**

|                           |  |
|---------------------------|--|
| <b>CDS ACCOUNT NO.</b>    |  |
| <b>NO. OF SHARES HELD</b> |  |

I/We \_\_\_\_\_ Tel: \_\_\_\_\_  
[Full name in block, MyKad/Passport/Company No.]of \_\_\_\_\_  
(Full Address)

being a Member of the abovenamed Company, hereby appoint the following person(s):

| Full Name (in Block Letters) | MyKad/Passport No. | Proportion of Shareholdings |   |
|------------------------------|--------------------|-----------------------------|---|
|                              |                    | No. of Shares               | % |
| Full Address                 |                    |                             |   |

and

| Full Name (in Block Letters) | MyKad/Passport No. | Proportion of Shareholdings |   |
|------------------------------|--------------------|-----------------------------|---|
|                              |                    | No. of Shares               | % |
| Full Address                 |                    |                             |   |

or failing him/her, the Chairman of the meeting, as my/our proxy/proxies to vote for me/us and on my/our behalf at the 2025 Annual General Meeting of SkyWorld Development Berhad ("the Company") which will be held at **Level 1, Block D, Excella Business Park, Jalan Ampang Putra, Ampang, 55100 Kuala Lumpur, Malaysia** on **Friday, 26 September 2025 at 10.00 a.m.** or at any adjournment thereof, and to vote as indicated below:

| Resolution            | Description of Resolution   | For | Against |
|-----------------------|---|-----|---------|
| Ordinary Resolution 1 | To approve the payment of Directors' fees up to an aggregate amount of RM376,800 for the period from 27 September 2025 until the next Annual General Meeting of the Company, to be paid monthly in arrears. |     |         |
| Ordinary Resolution 2 | To approve the payment of Directors' benefits up to an aggregate amount of RM61,200 for the period from 27 September 2025 until the next Annual General Meeting of the Company.                             |     |         |
| Ordinary Resolution 3 | To re-elect Lee Chee Seng as Director.  |     |         |
| Ordinary Resolution 4 | To re-elect Chan Seng Fatt as Director.   |     |         |
| Ordinary Resolution 5 | To re-appoint Deloitte PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.   |     |         |
| Ordinary Resolution 6 | Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.   |     |         |
| Ordinary Resolution 7 | Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.  |     |         |

(Please indicate with "X" how you wish your vote to be cast. If no instruction as to voting is given, the proxy will vote or abstain from so doing at his/her discretion.)

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Signature  
Member**\* Manner of execution:**

- (a) If you are an individual member, please sign where indicated.  
 (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.  
 (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:  
 (i) at least two (2) authorised officers, one of whom shall be a director; or  
 (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

**NOTES:**

- For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 19 September 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this meeting or appoint a proxy to attend, participate, speak and vote on his/her/its behalf.
- A member of the Company who is entitled to attend and vote at a general meeting may appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than 2 proxies to attend, participate, speak and vote instead of the member at the general meeting.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member, an authorised nominee or an exempt authorised nominee appoints more than 1 proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the 2025 Annual General Meeting or adjourned general meeting at which the person named in the appointment proposes to vote:
  - In hard copy form  
To be deposited with Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - By electronic means via Tricor TIIH Online website at <https://tjih.online>  
Please refer to the Administrative Guide of the 2025 Annual General Meeting for further information on electronic submission of proxy form via TIIH Online.
- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the general meeting or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notariably and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- Last day, date and time for lodging the proxy form is **Wednesday, 24 September 2025 at 10.00 a.m.**
- Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
  - Identity card (NRIC) (Malaysian), or
  - Police report (for loss of NRIC)/Temporary NRIC (Malaysian), or
  - Passport (Foreigner).
- For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form with the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box provided at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia if this has not been lodged with the Company's Share Registrar earlier.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 2025 Annual General Meeting will be put to vote by way of poll.

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The Share Registrar

**SKYWORLD DEVELOPMENT BERHAD**

Registration No. 200601034211 (753970-X)

Tricor Investor & Issuing House Services Sdn Bhd  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South, No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur, Malaysia

AFFIX  
STAMP

[www.skyworldgroup.com.my](http://www.skyworldgroup.com.my)

**SkyWorld Development Berhad**

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