FINANCIAL STATEMENTS

OTHER INFORMATION

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to its subsidiaries.

The principal activities of the Group consist of specialised pipe coating and corrosion protection services; Engineering, Procurement and Construction ("EPC") of gas compressors and process equipment and provision of bioenergy services. See Notes 8 and 41 to the financial statements for further details. There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year attributable to:		
- Owners of the Company	153,045	191,746
- Non-controlling interests	11,455	-
Net profit for the financial year	164,500	191,746

DIVIDENDS

On 28 February 2025, the Directors declared an interim single tier cash dividend of 2.00 sen per share amounting to approximately RM15,498,000 for the financial year ended 31 December 2024. The entitlement date was on 20 March 2025 and was paid on 3 April 2025. This dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025. The Directors did not declare any dividend in the corresponding prior financial year.

RESERVES AND PROVISIONS

There have been no material transfers to or from reserves and provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

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

TREASURY SHARES

During the financial year, the Company did not purchase any of its issued share capital from the open market on Bursa Malaysia Securities Berhad ("Bursa Malaysia").

As at 31 December 2024, the total number of treasury shares held by the Company was 577,054 shares.

Details of the treasury shares are set out in Note 23 to the financial statements.

DIRECTORS

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

Dato' Seri Robert Tan Chung Meng
Gian Carlo Maccagno
Halim Bin Haji Din
Tan Sri Professor Lin See Yan
Tan Jian Hong, Aaron
Tan Sri Saw Choo Boon
Datin Wan Daneena Liza Binti Wan Abdul Rahman
Lily Rozita Binti Mohamad Khairi
Chan Cheu Leong (resigned on 1 July 2024)

The names of Directors of subsidiaries are set out in the respective subsidiaries' statutory accounts and the said information is deemed incorporated herein by such reference and made part thereof.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act, 2016, none of the Directors who held office at the end of the financial year held any shares or debentures in the Company or its subsidiaries during the financial year except as follows:

	Number of ordinary shares			
	As at 1.1.2024	Acquired	Disposed	As at 31.12.2024
The Company				
Dato' Seri Robert Tan Chung Meng				
- direct interest	11,927,314	-	-	11,927,314
- deemed interest#	318,995,312	-	-	318,995,312
Gian Carlo Maccagno				
- direct interest	4,109,055	500,000	-	4,609,055

By virtue of his interests of more than 20% in the shares of the Company, Dato' Seri Robert Tan Chung Meng is deemed to be interested in the shares of all the subsidiaries to the extent that the Company has an interest.

\# Deemed interest held through Wah Seong Enterprises Sdn. Bhd., Karya Insaf (M) Sdn. Bhd., Wah Seong (Malaya) Trading Co. Sdn. Bhd. and Tan Kim Yeow Sendirian Berhad pursuant to Section 8 of the Companies Act, 2016 ("the Act").

DIRECTORS' REMUNERATION

Total Directors' Remuneration incurred by the Group and the Company for the financial year ended 31 December 2024 is RM10,134,000 and RM927,000 respectively as set out in Note 39 to the financial statements.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the benefits shown under Directors' Remuneration in Note 39 and related party transactions in Note 37) by reason of a contract made by the Company or by 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.

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

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of insurance premium paid for the Directors and officers of the Group and the Company on indemnity coverage was RM148,931.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

  (ii) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values 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.

(b) At the date of this report, the Directors are not aware of any circumstances:

  (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; or

  (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

  (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report:

  (i) there are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year which secures the liabilities of any other person; and

  (ii) there are no contingent liabilities in the Group and in the Company which have arisen since the end of the financial year.

OTHER STATUTORY INFORMATION (CONTINUED)

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

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

(f) In the opinion of the Directors:

   (i) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

   (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

Auditors' remuneration for the statutory audit of the Group and the Company totalled for the financial year ended 31 December 2024 is RM3,010,000 and RM93,000 as set out in Note 30 to the financial statements.

AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 11 April 2025. Signed on behalf of the Board of Directors:

GIAN CARLO MACCAGNO
DIRECTOR

DATIN WAN DANEENA LIZA BINTI WAN ABDUL RAHMAN
DIRECTOR

Kuala Lumpur

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016

We, Gian Carlo Maccagno and Datin Wan Daneena Liza Binti Wan Abdul Rahman, two of the Directors of Wasco Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 179 to 300 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and financial performance of the Group and the Company for the financial year ended 31 December 2024 in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 11 April 2025.

GIAN CARLO MACCAGNO
DIRECTOR

DATIN WAN DANEENA LIZA BINTI WAN ABDUL RAHMAN
DIRECTOR

Kuala Lumpur

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT, 2016

I, Ramanathan A/L P.R. Singaram, the officer primarily responsible for the financial management of Wasco Berhad, do solemnly and sincerely declare that, the financial statements set out on pages 179 to 300 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

RAMANATHAN A/L P.R. SINGARAM
CA16937

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 11 April 2025.

Before me:

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WASCO BERHAD
(Incorporated in Malaysia) Registration No. 199901020946 (495846-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Wasco Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies, as set out on pages 179 to 300.

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.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
1.0 Impairment assessment for goodwill of CGU A and CGU B	
Refer to Note 6 - Goodwill and other Intangible Assets to the financial statements. As at 31 December 2024, the Group's goodwill totalled RM154.3 million which is allocated to the following cash generating units ("CGU"): • Specialised Pipe Coating and Corrosion Protection Services (CGU A); and • EPC, Fabrication and Rental of Gas Compressors and Process Equipment (CGU B). We focused on this area due to the size of goodwill and because the recoverable amounts of CGUs are determined based on value in use ("VIU") calculations which involve significant judgements in determining key assumptions on future cash flows generated from these CGUs.	Audit procedures performed over this key audit matter were as follows: • Involved our valuation specialist to assess the appropriateness of the valuation methodology used by management; • Involved our valuation specialist to evaluate the appropriateness of the discount rates used for CGU A and CGU B. In addition to this, our valuation specialist benchmarked discount rates used by management to comparable peers in similar industries, adjusted for business risk and marketability to ascertain reasonableness of discount rates used; • Tested mathematical accuracy of VIU calculations prepared by management; • Compared forecasted revenues to past performance results, market outlook and management's expectation of market developments; • Compared terminal growth rates to external macroeconomic sources of data and industry specific trends; • Assessed reasonableness of probabilities of occurrence assigned to best, base and worst case scenarios for CGU A; and • Assessed reasonableness of probabilities of occurrence assigned to base and worst case scenarios for CGU B; • We also considered the adequacy of disclosures in the financial statements of key assumptions and sensitivity analysis for the CGU. Based on procedures performed, no material exception was noted.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 Directors' Report, Statement on Risk Management and Internal Control and other sections of Annual Report 2024, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

Responsibilities of the Directors for the financial statements

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

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

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:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

TIANG WOON MENG
02927/05/2026 J
Chartered Accountant

Kuala Lumpur
11 April 2025

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	3	**552,124**	563,420	**64**	146
Right-of-use assets	4(a)	**272,013**	276,834	**-**	-
Investment properties	5	**6,289**	6,412	**-**	-
Goodwill and other intangible assets	6	**154,543**	158,083	**-**	-
Deferred tax assets	7	**11,978**	26,719	**-**	-
Investment in subsidiaries	8	**-**	-	**861,776**	736,095
Investment in associates	9	**122,576**	112,742	**-**	-
Investment in joint ventures	10	**26,656**	20,180	**-**	-
Trade and other receivables	13	**4,410**	3,603	**-**	-
Amounts owing by joint ventures	16(a)	**12,410**	23,849	**-**	-
		1,162,999	1,191,842	**861,840**	736,241
CURRENT ASSETS					
Inventories	12	**297,349**	186,324	**-**	-
Contract assets	11	**458,204**	446,339	**-**	-
Trade and other receivables	13	**608,935**	563,572	**189**	515
Amounts owing by subsidiaries	14(a)	**-**	-	**57,298**	16,121
Amounts owing by associates	15	**123**	180	**-**	-
Amounts owing by joint ventures	16(a)	**142**	146	**-**	-
Tax recoverable		**9,385**	15,478	**-**	248
Derivative financial assets	17	**-**	154	**-**	-
Time deposits	18	**111,456**	103,181	**25,673**	684
Cash and bank balances	19	**241,048**	307,163	**12,659**	2,915
		1,726,642	1,622,537	**95,819**	20,483
Assets classified as held for sale	20	**-**	12,090	**-**	23,322
Assets of disposal group classified as held for sale	21	**-**	120,181	**-**	-
TOTAL ASSETS		**2,889,641**	2,946,650	**957,659**	780,046

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	22	**547,690**	547,690	**547,690**	547,690
Treasury shares	23	**(624)**	(624)	**(624)**	(624)
Exchange translation reserves		**(1,455)**	13,566	**-**	-
Retained profits		**297,219**	144,174	**343,131**	151,385
		842,830	704,806	**890,197**	698,451
Non-controlling interests		**105,295**	115,584	**-**	-
TOTAL EQUITY		**948,125**	820,390	**890,197**	698,451
NON-CURRENT AND DEFERRED LIABILITIES					
Deferred tax liabilities	7	**3,635**	8,957	**-**	14
Lease liabilities	4(b)	**213,809**	206,527	**-**	-
Trade and other payables	24	**43,766**	50,525	**-**	-
Loans and borrowings	25	**90,541**	50,916	**-**	-
		351,751	316,925	**-**	14
CURRENT LIABILITIES					
Lease liabilities	4(b)	**18,352**	20,348	**-**	-
Contract liabilities	11	**330,789**	319,826	**-**	-
Trade and other payables	24	**708,500**	595,612	**964**	1,148
Provision for warranties	26	**44,251**	35,510	**-**	-
Amounts owing to subsidiaries	14(b)	**-**	-	**66,420**	35,433
Amounts owing to joint ventures	16(b)	**6,174**	7,573	**-**	-
Loans and borrowings	25	**435,010**	652,046	**-**	45,000
Dividend payable		**-**	4,450	**-**	-
Current tax liabilities		**32,651**	68,294	**78**	-
Derivative financial liabilities	17	**14,038**	4,100	**-**	-
		1,589,765	1,707,759	**67,462**	81,581
Liabilities of disposal group classified as held for sale	21	**-**	101,576	**-**	-
TOTAL LIABILITIES		**1,941,516**	2,126,260	**67,462**	81,595
TOTAL EQUITY AND LIABILITIES		**2,889,641**	2,946,650	**957,659**	780,046

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Gross revenue	27	**3,184,522**	2,605,688	**224,225**	26,598
Cost of sales	28	**(2,632,306)**	(2,159,848)	**-**	-
Gross profit		**552,216**	445,840	**224,225**	26,598
Other operating income	30	**105,502**	64,549	**12,749**	3,206
Selling and distribution expenses		**(32,341)**	(26,876)	**-**	-
Administrative and general expenses	30	**(292,130)**	(215,744)	**(6,509)**	(7,490)
Loss of impairment on non-financial assets		**(25,215)**	(1,866)	**(35,054)**	(3,789)
(Loss)/Reversal of impairment on financial assets		**(52,367)**	7,926	**(4)**	2,442
Other losses - net	29	**(9,976)**	(1,374)	**-**	-
Profit from operations	30	**245,689**	272,455	**195,407**	20,967
Finance costs	31	**(52,635)**	(58,737)	**(1,991)**	(3,812)
Share of results of associates		**19,355**	16,307	**-**	-
Share of results of joint ventures		**8,650**	(11,769)	**-**	-
Profit before tax		**221,059**	218,256	**193,416**	17,155
Tax expense	32	**(54,739)**	(68,133)	**(1,670)**	(4,665)
Profit from continuing operations		**166,320**	150,123	**191,746**	12,490
(Loss)/Profit from discontinued operation		**(1,820)**	4,705	**-**	-
Net profit for the financial year		**164,500**	154,828	**191,746**	12,490
Net profit for the financial year attributable to:					
Owners of the Company		**153,045**	108,402	**191,746**	12,490
Non-controlling interests		**11,455**	46,426	**-**	-
Net profit for the financial year		**164,500**	154,828	**191,746**	12,490
Earnings per share for net profit attributable to the owners of the Company:					
- basic and diluted (sen)	33	**19.77**	14.00		

STATEMENTS OF OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net profit for the financial year		**164,500**	154,828	**191,746**	12,490
Other comprehensive (expense)/income:					
Items that may be subsequently reclassified to profit or loss:					
Foreign currency translation differences for foreign operations		**(16,434)**	3,202	**-**	-
Share of other comprehensive income of joint ventures, net of tax		**462**	3,507	**-**	-
Other comprehensive (expense)/income for the financial year, net of tax		**(15,972)**	6,709	**-**	-
Total comprehensive income for the financial year		**148,528**	161,537	**191,746**	12,490
Total comprehensive income for the financial year attributable to:					
Owners of the Company		**138,024**	113,404	**191,746**	12,490
Non-controlling interests		**10,504**	48,133	**-**	-
Total comprehensive income for the financial year		**148,528**	161,537	**191,746**	12,490
Total comprehensive income/(expense) attributable to owners of the Company arises from:					
Continuing operations		**139,870**	108,920	**191,746**	12,490
Discontinued operations		**(1,846)**	4,484	**-**	-
Total comprehensive income for the financial year		**138,024**	113,404	**191,746**	12,490

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Attributable to owners of the Company						
		Share capital RM'000	Treasury shares RM'000	Exchange translation reserves RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2024		547,690	(624)	13,566	144,174	704,806	115,584	820,390
Net profit for the financial year		-	-	-	153,045	153,045	11,455	164,500
Other comprehensive expense for the financial year		-	-	(15,021)	-	(15,021)	(951)	(15,972)
Total comprehensive (expense)/income for the financial year		-	-	(15,021)	153,045	138,024	10,504	148,528
Transactions with owners:								
Dividend paid to non-controlling interests		-	-	-	-	-	(20,400)	(20,400)
Disposal of a subsidiary		-	-	-	-	-	(393)	(393)
Total transactions with owners		-	-	-	-	-	(20,793)	(20,793)
At 31 December 2024		547,690	(624)	(1,455)	297,219	842,830	105,295	948,125

	Note	Attributable to owners of the Company						
		Share capital RM'000	Treasury shares RM'000	Exchange translation reserves RM'000	Retained profits RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023		547,690	(624)	8,346	24,582	579,994	98,914	678,908
Net profit for the financial year		-	-	-	108,402	108,402	46,426	154,828
Other comprehensive income for the financial year		-	-	5,002	-	5,002	1,707	6,709
Total comprehensive income for the financial year		-	-	5,002	108,402	113,404	48,133	161,537
Transactions with owners:								
Dividend paid/payable to non-controlling interests		-	-	-	-	-	(1,088)	(1,088)
Acquisition of shares in existing subsidiary from non-controlling interests		-	-	-	11,190	11,190	(26,864)	(15,674)
Disposal of subsidiaries		-	-	218	-	218	(3,511)	(3,293)
Total transactions with owners		-	-	218	11,190	11,408	(31,463)	(20,055)
At 31 December 2023		547,690	(624)	13,566	144,174	704,806	115,584	820,390

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share capital RM'000	Treasury shares RM'000	Retained profits RM'000	Total equity RM'000
At 1 January 2024		**547,690**	**(624)**	**151,385**	**698,451**
Total comprehensive income for the financial year		**-**	**-**	**191,746**	**191,746**
At 31 December 2024		**547,690**	**(624)**	**343,131**	**890,197**
At 1 January 2023		547,690	(624)	138,895	685,961
Total comprehensive income for the financial year		-	-	12,490	12,490
At 31 December 2023		547,690	(624)	151,385	698,451

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(loss) before tax					
Continuing operations		**221,059**	218,256	**193,416**	17,155
Discontinued operation		**(1,820)**	6,145	**-**	-
		219,239	224,401	**193,416**	17,155
Adjustments for:					
Property, plant and equipment:					
- Depreciation charge		**76,957**	56,195	**49**	138
- Impairment charge		**25,215**	1,847	**-**	-
- Written off		**2,887**	137	**-**	88
- Net (gain)/loss on disposal		**(209)**	(238)	**21**	(56)
Investment properties:					
- Depreciation charge		**123**	195	**-**	213
- Impairment charge		**-**	19	**-**	-
Right-of-use assets:					
- Depreciation charge		**31,596**	26,583	**-**	-
- Derecognition		**387**	-	**-**	-
Inventories:					
- Allowance for obsolescence		**8,785**	788	**-**	-
- Reversal of allowance for slow moving and obsolescence		**(344)**	(1,777)	**-**	-
- Written off		**993**	1,306	**-**	-
Net (gain)/loss on disposal of:					
- assets classified as held for sale		**(60,767)**	(23,095)	**(12,679)**	-
- subsidiary		**(149)**	305	**-**	-
Share of results of associates		**(19,355)**	(16,307)	**-**	-
Share of results of joint ventures		**(8,650)**	11,769	**-**	-
Trade and other receivables:					
- Net impairment/(reversal) loss		**18,645**	(5,463)	**-**	-
- Recovered		**-**	(352)	**-**	-
Impairment loss/(Reversal) on:					
- amounts owing by associate		**204**	(10,216)	**-**	-
- amounts owing by joint ventures		**12,441**	8,065	**-**	-
- amounts owing by subsidiaries		**-**	-	**4**	(2,442)
- investment in subsidiaries		**-**	-	**35,054**	3,789
Net provision for warranties		**9,648**	12,117	**-**	-
Net unrealised loss/(gain) on foreign exchange		**13,214**	(4,294)	**9**	132
Dividend income		**-**	-	**(220,885)**	(21,302)
Interest income		**(6,124)**	(5,466)	**(3,340)**	(1,323)
Interest expense		**52,635**	62,510	**1,991**	3,812
Fair value loss on:					
- derivative financial instruments		**9,976**	976	**-**	-
		387,347	340,005	**(6,360)**	204

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Changes in working capital:					
Inventories		**(107,481)**	3,869	**-**	-
Receivables		**(14,333)**	(100,292)	**(1,900)**	4,070
Payables		**81,175**	95,723	**(2,754)**	(6,505)
Cash generated from/(used in) operations		**346,708**	339,305	**(11,014)**	(2,231)
Interest received		**6,124**	5,466	**3,340**	1,323
Interest paid		**(52,635)**	(62,508)	**(1,991)**	(3,812)
Tax refund		**610**	-	**-**	-
Tax paid		**(67,532)**	(42,589)	**(514)**	(393)
Net cash generated from/(used in) operating activities		**233,275**	239,674	**(10,179)**	(5,113)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		**(106,617)**	(127,533)	**-**	(129)
Additional investment in subsidiaries		**-**	(2,075)	**(160,735)**	(2,560)
Proceeds from disposal of:					
- property, plant and equipment		**817**	2,772	**12**	60
- assets held for sale		**76,000**	46,227	**36,000**	-
- subsidiaries		**731**	4,128	**-**	-
Transfer from deposits to short term investment		**(14,050)**	158	**(14,970)**	-
Dividends received from:					
- subsidiaries		**-**	-	**220,885**	21,302
- a joint venture		**1,693**	1,070	**-**	-
- an associate		**9,520**	2,787	**-**	-
Net cash of disposal group	21	**-**	(13,856)	**-**	-
Advances to subsidiaries		**-**	-	**(162,480)**	-
Repayment from subsidiaries		**-**	-	**123,525**	-
Redemption of Non-Cumulative Redeemable Preference Shares ("NCRPS") in a subsidiary		**-**	-	**-**	1,000
Net cash (used in)/generated from investing activities		**(31,906)**	(86,322)	**42,237**	19,673

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of term loans		**91,182**	-	**-**	-
Repayments of term loans		**(36,201)**	(25,832)	**-**	-
Drawdown from other bank borrowings		**786,727**	1,064,743	**-**	10,000
Repayments of other bank borrowings		**(1,063,573)**	(1,084,438)	**(45,000)**	(24,766)
Advances from subsidiaries		**-**	-	**153,780**	488
Repayment to subsidiaries		**-**	-	**(121,068)**	-
Repayment of fixed rate notes		**(989)**	(1,396)	**-**	-
Dividends paid to non-controlling interests		**(20,400)**	(6,838)	**-**	-
Lease payment (principal portion)		**(22,781)**	(22,006)	**-**	-
Net cash used in financing activities		**(266,035)**	(75,767)	**(12,288)**	(14,278)
NET CHANGES IN CASH AND CASH EQUIVALENTS		**(64,666)**	77,585	**19,770**	282
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**386,676**	305,495	**3,599**	3,267
EFFECTS OF EXCHANGE RATE CHANGES		**(5,950)**	3,596	**(7)**	50
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		**316,060**	386,676	**23,362**	3,599
Represented by:					
TIME DEPOSITS	18	**111,456**	103,181	**25,673**	684
CASH AND BANK BALANCES	19	**241,048**	307,163	**12,659**	2,915
		352,504	410,344	**38,332**	3,599
LESS:					
TIME DEPOSITS WITH MATURITY MORE THAN 3 MONTHS	18	**(21,474)**	(23,668)	**-**	-
SHORT TERM INVESTMENT	18	**(14,970)**	-	**(14,970)**	-
CASH AND CASH EQUIVALENTS		**316,060**	386,676	**23,362**	3,599

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1 GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad. The address of its registered office and principal place of business are as follows:

Registered office and principal place of business:
Suite 19.01, Level 19
The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

The principal activities of the Company are investment holding and provision of management services to its subsidiaries.

The principal activities of the Group consist of specialised pipe coating and corrosion protection services; Engineering, Procurement and Construction ("EPC") of gas compressors and process equipment and provision of bioenergy services. See Notes 8 and 41 for further details.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. Unless otherwise indicated, the amounts in these financial statements have been rounded to the nearest thousand.

These financial statements were authorised for issue by the Directors on 11 April 2025.

2 ACCOUNTING POLICIES

Unless otherwise stated, the accounting policies in these financial statements have been applied consistently in dealing with items that are considered material.

2.1 Basis of preparation

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

The financial statements have been prepared under the historical cost convention unless otherwise indicated in the accounting policies.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in each respective notes to the financial statements.

2 ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies and disclosures

Standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company but not yet effective

- Amendments to MFRS 121 'Lack of Exchangeability' (effective 1 January 2025)
- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'
- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026)

The Group is currently assessing the detailed implications of applying the accounting policies on the Group's consolidated financial statements.

The amendment shall be applied retrospectively.

3 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Electrical installations, computer and office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Renovation, yard development and store extension RM'000	Capital work in progress RM'000	Total RM'000
2024								
Cost								
At 1 January	50,653	353,189	1,282,941	120,829	13,868	115,566	100,395	2,037,441
Additions	1,908	17,738	41,226	6,343	1,227	7,955	43,201	119,598
Disposals	-	-	(4,295)	(577)	(2,079)	(32)	-	(6,983)
Write-offs	(842)	(540)	(65,058)	(5,220)	(417)	(3,151)	-	(75,228)
Reclassification	-	21,982	16,632	393	-	(2,383)	(36,624)	-
Transfer to other receivables	-	-	(56,370)	-	-	-	-	(56,370)
Transfer to inventories	-	-	(3,817)	-	-	-	-	(3,817)
Transfer from inventories	-	-	305	-	-	-	-	305
Effect of exchange rate changes	(3)	(8,452)	(38,982)	(551)	1,348	(5,934)	(2,855)	(55,429)
At 31 December	51,716	383,917	1,172,582	121,217	13,947	112,021	104,117	1,959,517

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Electrical installations, computer and office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Renovation, yard development and store extension RM'000	Capital work in progress RM'000	Total RM'000
2024								
Accumulated depreciation								
At 1 January	-	133,933	847,834	100,785	12,280	73,224	-	1,168,056
Depreciation charge for the financial year	-	18,342	45,534	9,215	676	3,190	-	76,957
Disposals	-	-	(3,803)	(619)	(1,921)	(32)	-	(6,375)
Write-offs	-	(540)	(35,949)	(5,148)	(417)	(2,237)	-	(44,291)
Transfer to other receivables	-	-	(42,199)	-	-	-	-	(42,199)
Transfer to inventories	-	-	(3,799)	-	-	-	-	(3,799)
Effect of exchange rate changes	-	(4,034)	(26,769)	(315)	1,170	(4,205)	-	(34,153)
At 31 December	-	147,701	780,849	103,918	11,788	69,940	-	1,114,196
Accumulated impairment loss								
At 1 January	-	56,297	249,668	-	-	-	-	305,965
Impairment charge for the financial year	-	-	25,186	29	-	-	-	25,215
Write-offs	-	-	(28,050)	-	-	-	-	(28,050)
Effect of exchange rate changes	-	(2,073)	(7,858)	(2)	-	-	-	(9,933)
At 31 December	-	54,224	238,946	27	-	-	-	293,197
Carrying amount at 31 December	51,716	181,992	152,787	17,272	2,159	42,081	104,117	552,124

During the financial year, the Group acquired property, plant and equipment of RM119,598,000 of which RM12,981,000 remain unpaid and included in other payables as at 31 December 2024.

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Electrical installations, computer and office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Renovation, yard development and store extension RM'000	Capital work in progress RM'000	Total RM'000
2023								
Cost								
At 1 January	59,905	343,825	1,184,828	108,569	15,749	79,622	87,510	1,880,008
Additions	-	344	51,357	9,904	1,172	32,604	32,152	127,533
Disposals	(2,426)	-	(9,539)	(144)	(1,320)	-	-	(13,429)
Write-offs	-	-	(620)	(4,015)	-	(446)	(20,370)	(25,451)
Reclassification	-	169	(3,858)	6,157	-	-	(2,468)	-
Transfer from right-of-use assets	-	12,864	982	-	-	-	-	13,846
Transfer from inventories	-	-	14,005	-	-	-	-	14,005
Transfer to assets held for sale	(6,961)	(12,842)	-	-	-	-	-	(19,803)
Disposal of subsidiary	-	-	-	(138)	-	-	-	(138)
Transfer to assets of disposal group classified as held for sale	-	-	(376)	(2,504)	(1,909)	(1,111)	-	(5,900)
Effect of exchange rate changes	135	8,829	46,162	3,000	176	4,897	3,571	66,770
At 31 December	50,653	353,189	1,282,941	120,829	13,868	115,566	100,395	2,037,441

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Electrical installations, computer and office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Renovation, yard development and store extension RM'000	Capital work in progress RM'000	Total RM'000
2023								
Accumulated depreciation								
At 1 January	-	125,347	784,485	96,640	14,533	68,611	-	1,089,616
Depreciation charge for the financial year	-	7,500	38,488	7,692	607	1,908	-	56,195
Disposals	-	-	(3,779)	(122)	(1,319)	-	-	(5,220)
Write-offs	-	-	(614)	(3,808)	-	(396)	-	(4,818)
Reclassification	-	-	(72)	72	-	-	-	-
Transfer from right-of-use assets	-	50	16	-	-	-	-	66
Transfer to inventories	-	-	(582)	-	-	-	-	(582)
Transfer to assets held for sale	-	(3,329)	-	-	-	-	-	(3,329)
Disposal of subsidiary	-	-	-	(66)	-	-	-	(66)
Transfer to assets of disposal group classified as held for sale	-	-	(224)	(2,213)	(1,720)	(1,041)	-	(5,198)
Effect of exchange rate changes	-	4,365	30,116	2,590	179	4,142	-	41,392
At 31 December	-	133,933	847,834	100,785	12,280	73,224	-	1,168,056

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Electrical installations, computer and office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Renovation, yard development and store extension RM'000	Capital work in progress RM'000	Total RM'000
2023								
Accumulated impairment loss								
At 1 January	-	53,892	243,321	126	-	-	19,717	317,056
Impairment charge for the financial year	-	-	1,847	-	-	-	-	1,847
Disposals	-	-	(5,675)	-	-	-	-	(5,675)
Write-offs	-	-	-	(126)	-	-	(20,370)	(20,496)
Effect of exchange rate changes	-	2,405	10,175	-	-	-	653	13,233
At 31 December	-	56,297	249,668	-	-	-	-	305,965
Carrying amount at 31 December	50,653	162,959	185,439	20,044	1,588	42,342	100,395	563,420

The carrying amount of the Group's property, plant and equipment amounting to RM Nil (2023: RM14,231,000) are subject to operating leases as lessor and are classified under plant, machinery, tools and equipment.

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Computer and equipment RM'000	Renovations, office equipment, furniture and fittings RM'000	Total RM'000
2024			
Cost			
At 1 January	390	50	440
Disposals	-	(38)	(38)
At 31 December	390	12	402
Accumulated depreciation			
At 1 January	280	14	294
Depreciation charge for the financial year	47	2	49
Disposals	-	(5)	(5)
At 31 December	327	11	338
Carrying amount at 31 December	63	1	64

	Building RM'000	Computer and equipment RM'000	Renovations, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Total RM'000
2023					
Cost					
At 1 January	7,288	557	452	708	9,005
Additions	-	91	38	-	129
Disposals	-	(1)	(45)	(708)	(754)
Write-offs	-	(257)	(395)	-	(652)
Transfer to assets held for sale	(7,288)	-	-	-	(7,288)
At 31 December	-	390	50	-	440

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Building RM'000	Computer and equipment RM'000	Renovations, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Total RM'000
2023					
Accumulated depreciation					
At 1 January	818	501	341	708	2,368
Depreciation charge for the financial year	80	37	21	-	138
Disposals	-	(1)	(41)	(708)	(750)
Write-offs	-	(257)	(307)	-	(564)
Transfer to assets held for sale	(898)	-	-	-	(898)
At 31 December	-	280	14	-	294
Carrying amount at 31 December	-	110	36	-	146

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land is not depreciated as it has an indefinite life. Capital work-in-progress and assets under construction included in plant and equipment are not depreciated until these assets are ready for their intended use.

Depreciation is calculated to write off the depreciable amount on a straight line basis over their estimated useful lives. The depreciable amount is determined after deducting residual value from cost. The estimated useful lives of the property, plant and equipment are as follows:

Buildings	10 - 50 years
Plant, machinery, tools and equipment	2 - 25 years
Electrical installations, computer and office equipment, furniture and fittings	3 - 10 years
Motor vehicles	3 - 5 years
Renovation, yard development and store extension	2 - 50 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each financial year.

3 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Key estimates

The determination of useful lives, residual values and depreciation methods involves estimates and assumptions and is reviewed annually. Any changes to useful lives or any other estimates or assumptions, including the expected impact of climate change and the transition to a lower carbon economy, may affect prospective depreciation rates and asset carrying values.

Impairment assessment

The Group assesses whether there is any indication of impairment at the end of each reporting period. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

For certain plant and equipment, fair value less cost to sell is determined based on estimates prepared by an independent expert. The fair value is estimated based on comparison of market transacted price for similar plant and equipment, and where necessary, adjusted for age, usage and conditions of the plant and equipment and expectation of future market outlook of the industry due to the uncertainty of the future economic condition.

During the financial year ended 31 December 2024, there was a demobilisation of an idle plant and machinery located in Europe. As the assets were not expected to generate future economic benefits to the Group, the Group has decided to fully impair the idle assets, amounting to RM25,215,000. Accordingly, impairment charge of RM25,215,000 (2023: RM1,847,000) was recognised in the profit or loss.

Derecognition

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from their use. Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the profit or loss in the financial year the asset is derecognised.

4 LEASES

(a) Right-of-use assets

Group	Note	Land and buildings RM'000	Plant and machineries RM'000	Motor vehicles RM'000	Total RM'000
2024					
Cost					
At 1 January		366,201	6,843	3,026	376,070
Additions		25,157	2,226	1,964	29,347
Remeasurement		1,808	-	-	1,808
Derecognition		(1,287)	-	-	(1,287)
Effect of exchange rate changes		(4,906)	(957)	(425)	(6,288)
At 31 December		386,973	8,112	4,565	399,650
Accumulated depreciation					
At 1 January		95,143	1,936	2,157	99,236
Depreciation charge for the financial year		27,990	1,994	1,612	31,596
Derecognition		(900)	-	-	(900)
Effect of exchange rate changes		(1,607)	(381)	(307)	(2,295)
At 31 December		120,626	3,549	3,462	127,637
Carrying amount at 31 December		266,347	4,563	1,103	272,013

4 LEASES (CONTINUED)

(a) Right-of-use assets (continued)

Group	Note	Land and buildings RM'000	Plant and machineries RM'000	Motor vehicles RM'000	Total RM'000
2023					
Cost					
At 1 January		374,055	2,704	2,129	378,888
Additions		7,863	4,860	787	13,510
Transfer to property, plant and equipment	3	(12,864)	(982)	-	(13,846)
Transfer to assets of disposal group classified as held for sale	21	(4,983)	-	-	(4,983)
Derecognition		(3,702)	-	-	(3,702)
Effect of exchange rate changes		5,832	261	110	6,203
At 31 December		366,201	6,843	3,026	376,070
Accumulated depreciation					
At 1 January		76,388	701	1,896	78,985
Depreciation charge for the financial year		25,219	1,158	206	26,583
Transfer to property, plant and equipment	3	(50)	(16)	-	(66)
Transfer to assets of disposal group classified as held for sale	21	(4,111)	-	-	(4,111)
Derecognition		(3,464)	-	-	(3,464)
Effect of exchange rate changes		1,161	93	55	1,309
At 31 December		95,143	1,936	2,157	99,236
Carrying amount at 31 December		271,058	4,907	869	276,834

Recognition and measurement

The Group leases various offices, yards and motor vehicles. Rental contracts are typically made for fixed periods of 2 to 13 years (2023: 2 to 14 years), but may have extension options. Right-of-use assets are measured at cost, comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date, less any lease incentives received,
- any initial direct costs, and
- restoration costs.

4 LEASES (CONTINUED)

(a) Right-of-use assets (continued)

Recognition and measurement (continued)

Contracts might contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, the Group has elected not to separate lease and non-lease components, and it accounts for these instead as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets cannot be used as security for borrowing purposes.

Right-of-use assets are depreciated over the remaining period of the respective leases ranging from 1 to 90 years (2023:1 to 91 years).

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles, and all leases of low-value assets, are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

The title deeds to certain leasehold land of the Group with the carrying amount of approximately RM17,768,000 (2023: RM18,015,000) have yet to be issued by the relevant authorities.

(b) Lease liabilities

	Group	
	2024 RM'000	**2023 RM'000**
Non-current	**213,809**	206,527
Current	**18,352**	20,348
Carrying amount at 31 December	**232,161**	226,875
Total cash outflow for leases for the financial year	**34,450**	33,637

4 LEASES (CONTINUED)

(b) Lease liabilities (continued)

Recognition and measurement

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Subsequent to the initial recognition, the Group is exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the right-of-use assets.

The maturity analysis of the lease liabilities as at the reporting date is disclosed in Note 43.

(c) Leases as a lessor

Minimum lease receivables on investment properties and equipment are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Not later than 1 year	**1,518**	12,757	-	1,328
Later than 1 year and not later than 2 years	-	11,787	-	187
Later than 2 years and not later than 5 years	-	10,133	-	-
	1,518	34,677	-	1,515

Recognition and measurement

The Group and the Company lease its investment properties under operating leases to non-related parties. The Group also leases its plant and equipment under operating leases to an associate.

Leases of investment properties and equipment, where the Group and the Company retain substantially all risks and rewards incidental to ownership, are classified as operating leases. Rental income from operating leases is recognised in profit or loss on a straight line basis over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

For the financial year, operating lease income from lease contracts in which the Group and the Company act as a lessor totalled RM3,700,000 (2023: RM23,761,000) and RM963,000 (2023: RM1,592,000) respectively.

5 INVESTMENT PROPERTIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cost				
At 1 January	**13,428**	17,907	**-**	19,312
Transfer to assets held for sale	**-**	(4,479)	**-**	(19,312)
At 31 December	**13,428**	13,428	**-**	-
Accumulated depreciation and impairment loss				
At 1 January	**7,016**	8,861	**-**	2,167
Depreciation charge for the financial year	**123**	195	**-**	213
Impairment charge for the financial year	**-**	19	**-**	-
Transfer to assets held for sale	**-**	(2,059)	**-**	(2,380)
At 31 December	**7,139**	7,016	**-**	-
Carrying amount at 31 December	**6,289**	6,412	**-**	-
Fair value	**25,000**	25,000	**-**	-

The carrying amount of the Group's investment properties amounting to RM2,341,000 (2023: RM2,386,000) are subject to operating leases as lessor.

Recognition and measurement

Investment properties are properties held to earn rental income or for capital appreciation or both rather than for use in the production or supply of goods and services or for administrative purposes, or sale in the ordinary course of business.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Freehold and leasehold buildings are depreciated over the shorter of their estimated useful lives of 50 years or lease term.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each financial year.

5 INVESTMENT PROPERTIES (CONTINUED)

Impairment assessment

The Group assesses whether there is any indication that the investment properties are impaired at the end of each reporting period. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use.

During the financial year, there was RM Nil (2023: RM19,000) impairment loss recognised by the Group.

Fair value of investment properties is categorised as follows:

	Group			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2024				
Land	-	-	**14,164**	**14,164**
Buildings	-	-	**10,836**	**10,836**
	-	-	**25,000**	**25,000**
2023				
Land	-	-	14,164	14,164
Buildings	-	-	10,836	10,836
	-	-	25,000	25,000

Valuation processes

The fair values of the investment properties above were estimated based on valuation by independent qualified valuers. The Group engages external, independent, and qualified valuers to determine the fair value of the Group's investment properties and for other land and buildings at least every three years. The last external independent valuation of these land and buildings was performed on 28 March 2023. The fair value of the investment properties was determined by Hartamas Valuation & Consultancy Sdn. Bhd. As at 31 December 2024, the Group has determined that there was no significant change to the fair value of these properties.

The basis of the valuation adopted was based on the market comparison approach. The key inputs under this approach are the market evidence of transacted prices per square feet for similar properties in the area in which the values have been adjusted for key attributes such as property size, location and date of transaction. All resulting fair value estimates for properties are included in level 3. There was no significant change to the fair value of these properties.

5 INVESTMENT PROPERTIES (CONTINUED)

Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements and how a reasonable change in the input would affect the value:

Property category	Valuation technique	Significant unobservable inputs	Range	Relationship of unobservable inputs to fair value
Commercial land	Comparison method	Market value per square feet	RM600 - RM1,402	The higher the market value per square feet, the higher the fair value

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in recurring fair value measurements:

	At fair value		
	Land RM'000	Buildings RM'000	Total RM'000
2024			
As of 1 January / 31 December	**14,164**	**10,836**	**25,000**
2023			
As of 1 January	16,158	32,078	48,236
Fair value adjustments	(1,994)	(21,242)	(23,236)
As of 31 December	14,164	10,836	25,000

6 GOODWILL AND OTHER INTANGIBLE ASSETS

Group	Goodwill RM'000	Trademark RM'000	Technical know-how RM'000	Intellectual property RM'000	Total RM'000
2024					
Cost					
At 1 January	**157,780**	**303**	**112**	**3,702**	**161,897**
Write-offs	**-**	**-**	**(112)**	**-**	**(112)**
Effect of exchange rate changes	**(3,468)**	**(72)**	**-**	**(97)**	**(3,637)**
At 31 December	**154,312**	**231**	**-**	**3,605**	**158,148**
Accumulated amortisation and impairment loss					
At 1 January	**-**	**-**	**112**	**3,702**	**3,814**
Write-offs	**-**	**-**	**(112)**	**-**	**(112)**
Effect of exchange rate changes	**-**	**-**	**-**	**(97)**	**(97)**
At 31 December	**-**	**-**	**-**	**3,605**	**3,605**
Carrying amount at 31 December	**154,312**	**231**	**-**	**-**	**154,543**
2023					
Cost					
At 1 January	152,841	291	112	3,568	156,812
Effect of exchange rate changes	4,939	12	-	134	5,085
At 31 December	157,780	303	112	3,702	161,897
Accumulated amortisation and impairment loss					
At 1 January	-	-	112	3,568	3,680
Effect of exchange rate changes	-	-	-	134	134
At 31 December	-	-	112	3,702	3,814
Carrying amount at 31 December	157,780	303	-	-	158,083

6 GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

Recognition and measurement

a) Goodwill

Goodwill arising from acquisitions of subsidiaries is measured as the excess of the cost of acquisition of subsidiaries, joint ventures and associates over the fair value of the Group's share of the identifiable net assets at the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Impairment assessment

The Group tests goodwill for impairment annually and whenever events or changes in circumstances indicate that the goodwill may be impaired. For the purposes of assessing impairment, goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arose.

The recoverable amounts of the CGUs are determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a period of 5 years (2023: 5 years) based on past performance and their expectations of the market development. Terminal value is estimated at the end of the 5-year period.

Value-in-use was determined by discounting the future cash flows generated from the CGUs based on certain key assumptions on the premise that there will be no material changes in the Group's principal activities. The discount rates used reflect the weighted average cost of capital adjusted for specific risks associated with the CGUs of the Group.

Due to the uncertainty of the future economic condition, management developed the best case, base case and worst case scenarios of cash flow projections. Probabilities of occurrence were assigned to each scenario to arrive at a single set of cash flow projection. The assumptions used in all three scenarios and the probabilities of occurrence assigned required management's judgement.

6 GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

Recognition and measurement (continued)

b) Trademarks, technical know-how & intellectual property

Separately acquired trademarks are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks have an infinite useful life and are carried at cost less accumulated impairment.

Separately acquired technical know-how is shown at historical costs. Technical know-how acquired in a business combination is recognised at fair value at the acquisition date. Technical know-how has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost of technical know-how over its estimated useful lives of 5 years.

Expenditure on acquired intellectual property is capitalised and amortised using the straight line method over their estimated useful life, not exceeding a period of 20 years.

Goodwill is allocated to the Group's cash-generating units ("CGU") identified according to operating divisions. The carrying amounts of goodwill allocated to the respective CGUs are as follows:

	Group	
	2024 RM'000	2023 RM'000
Cash-generating units		
Specialised Pipe Coating and Corrosion Protection Services (CGU A)	**82,846**	84,612
EPC, Fabrication and Rental of Gas Compressors and Process Equipment (CGU B)	**71,466**	73,168
	154,312	157,780

Significant estimates: Key assumptions used for value in use calculations

The key assumptions used in the cash flow projections for CGU A under the best, base and worst case scenarios and CGU B under the base and worst case scenarios are as follows:

CGU A

(a) The revenue forecast for CGU A is supported by management's forecasted projects, which is in line with past performance records, future market outlook and management's expectation of market developments;
(b) Pre-tax discount rate of 18.3% (2023: 19.2%) was applied for all three scenarios, benchmarked against comparable companies at the date of assessment; and
(c) A terminal growth rate of nil (2023: 1.5%) was applied to the best and base case scenario (2023: base case scenario) while no terminal growth was applied to the worst case scenario.

6 GOODWILL AND OTHER INTANGIBLE ASSETS (CONTINUED)

Significant estimates: Key assumptions used for value in use calculations (continued)

CGU B

(a) The revenue forecast for CGU B is supported by management's expected projects, which is in line with past performance records, future market outlook and management's expectation of market developments;
(b) Pre-tax discount rate of 19.1% (2023: 17.5%) was applied for both scenarios, benchmarked against comparable companies at the date of assessment; and
(c) No terminal growth rate was applied to both scenarios.

Sensitivity

CGU A and CGU B

Management believes that no reasonably possible change in any of the key assumptions would cause the carrying value of any CGU to exceed its recoverable amount.

7 DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax assets	**11,978**	26,719	**-**	-
Deferred tax liabilities	**(3,635)**	(8,957)	**-**	(14)
	8,343	17,762	**-**	(14)
At 1 January	**17,762**	41,850	**(14)**	4,310
(Charged)/Credited to profit or loss:				
- Unused tax losses	**(17,725)**	(19,935)	**-**	-
- Property, plant and equipment	**(1,089)**	(233)	**14**	(3)
- Provisions and accruals	**1,560**	(1,025)	**-**	(4,321)
- Unrealised foreign exchange	**2,509**	(1,090)	**-**	-
- Others	**5,986**	(2,773)	**-**	-
	(8,759)	(25,056)	**14**	(4,324)
Effect of exchange rate changes	**(660)**	968	**-**	-
At 31 December	**8,343**	17,762	**-**	(14)

7 DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subject to income tax				
Deferred tax assets (before offsetting)				
- Unused tax losses	**1,451**	19,212	**-**	-
- Property, plant and equipment	**-**	250	**-**	-
- Provisions and accruals	**17,317**	15,757	**-**	-
- Unrealised foreign exchange losses	**2,447**	128	**-**	-
- Others	**8**	10	**-**	-
	21,223	35,357	**-**	-
Offsetting	**(9,245)**	(8,638)	**-**	-
Deferred tax assets (after offsetting)	**11,978**	26,719	**-**	-
Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	**(10,984)**	(10,047)	**-**	(14)
- Unrealised foreign exchange gains	**(933)**	(1,102)	**-**	-
- Others	**(963)**	(6,446)	**-**	-
	(12,880)	(17,595)	**-**	(14)
Offsetting	**9,245**	8,638	**-**	-
Deferred tax liabilities (after offsetting)	**(3,635)**	(8,957)	**-**	(14)

Recognition and measurement

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the tax losses, capital allowances and other deductible temporary differences can be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. Assumptions about generation of future taxable profits depend on the Group's estimate of projected future cash flows. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unused tax losses, unabsorbed capital allowances and unutilised temporary differences that remain unrecognised.

Key estimates

The Group concluded that the deferred tax assets will be recoverable using the estimated future taxable income of the subsidiaries of the Company. It is estimated that the secured project and unsecured project with high probabilities of successful award which will contribute to the future taxable income at the subsidiaries.

7 DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

The Group did not recognise deferred tax assets arising from the following temporary differences of certain subsidiaries as it is not probable that future taxable profit will be available against which the deferred tax assets can be utilised in these subsidiaries.

	Group	
	2024 RM'000	2023 RM'000
Deductible temporary differences on:		
- Unused tax losses	**89,493**	95,040
- Unabsorbed capital allowances	**73,491**	106,609
- Provisions and accruals	**39,942**	24,490
- Others	**2,600**	52,387
	205,526	278,526
Deferred tax assets not recognised is based on respective countries tax rate	**44,971**	62,139

The Group's accumulated unused tax losses, for which no deferred tax assets were recognised on, can be carried forward for another 10 consecutive years (2023: 10 consecutive years) of assessment ("YA") effective from YA2018.

		Group	
	Expiring in	2024 RM'000	2023 RM'000
Unused tax losses			
- YA2018	YA2028	**28,477**	46,003
- YA2019	YA2029	**4,373**	8,611
- YA2020	YA2030	**3,882**	4,341
- YA2021	YA2031	**143**	146
- YA2022	YA2032	**1,672**	8
- YA2023	YA2033	**-**	9,333
		38,547	68,442

8 INVESTMENT IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost	**1,086,925**	926,190
Accumulated impairment losses	**(225,149)**	(190,095)
	861,776	736,095

Recognition and measurement

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Subsidiaries acquired from other companies within Wasco Berhad Group as part of the group reorganisation is accounted for under the "Predecessor Accounting" method as these were entities under common control. Under the predecessor method of accounting, the subsidiaries are consolidated as if the subsidiaries have always been part of Wasco Berhad Group. Assets and liabilities acquired are not restated to their respective fair values and are recognised as the carrying amounts. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities of the acquired entity is recognised as an adjustment to equity. No additional goodwill is recognised.

Other subsidiaries are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases. The cost of an acquisition is measured as the fair value of the assets given, equity interests issued and liabilities incurred or assumed at the date of exchange. Acquisition-related costs are expensed to profit or loss as and when incurred.

The cost of acquisition includes the fair value of any asset or liability resulting from a contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, measured initially at their fair values at the date of acquisition. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired at the date of acquisition is reflected as goodwill in the statement of financial position. If the cost of acquisition is less than the fair value of the Group's share of identifiable net assets of the subsidiary acquired, the difference is recognised directly in the profit or loss.

If a business combination achieved in stages, the previously held equity interest in the acquiree is remeasured to its fair value on the date it becomes a subsidiary and the resulting gain or loss is recognised in profit or loss.

All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Recognition and measurement (continued)

Non-controlling interests represent that portion of the profit or loss, other comprehensive income and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Company. It is measured at the non-controlling's share of the fair value of the subsidiaries' identifiable assets and liabilities at the date of acquisition and the non-controlling's share of changes in the subsidiaries' equity since that date.

Impairment assessment

For the financial year ended 31 December 2024, due to the uncertainty of the future economic condition, the investment in certain subsidiaries of the Company was not expected to be recovered. The Group reviewed the recoverable amount of its investment by assessing the individual subsidiary, each of which is a single CGU by itself.

The recoverable amount was RM717,000 (2023: RM771,000) which is determined based on the net assets approach. The investment in certain subsidiaries are reduced to its recoverable amount. As a result, an impairment loss of RM35,054,000 (2023: RM3,789,000) was recognised in the profit and loss.

The movements in the allowance for impairment losses of investment in subsidiaries during the financial year are as follows:

	Company	
	2024 RM'000	**2023 RM'000**
At 1 January	**190,095**	186,306
Impairment loss recognised	**35,054**	3,789
At 31 December	**225,149**	190,095

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows:

		Group's effective interest			
		2024 %	2023 %	Country of incorporation	Principal activities
	Wasco Energy Ltd.	**100**	100	Bermuda	Investment holding
	Wasco Management Services Sdn. Bhd.	**100**	100	Malaysia	Provision of management support services
~	Wasco (Australia) Pty. Ltd.	**60**	60	Australia	Provision of construction services for the oil and gas industry
#	Wasco Coatings Limited	**100**	100	Hong Kong, SAR	Investment holding
*	Wasco Coatings UK Ltd.	**100**	100	England and Wales	Investment holding
*	Wasco Coatings Singapore Pte. Ltd.	**100**	100	Singapore	Investment holding
~	Turn Key Pipeline Services B.V.	**100**	100	The Netherlands	Provision of engineering design, construction, installation services and supply of equipment for pipe coating plant and facilities for the oil and gas industry
*	Wasco Coatings Middle East QFZ LLC	**60**	60	State of Qatar	Provision of anti-corrosion and concrete weight coating of pipelines to the oil and gas industry
	Wasco Coatings Services Sdn. Bhd.	**100**	100	Malaysia	Provision of pipe coating and related services to the oil and gas industry
*	Wasco Coatings Europe B.V.	**100**	100	The Netherlands	Provision of pipe coating and related services to the oil and gas industry

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

		Group's effective interest 2024 %	Group's effective interest 2023 %	Country of incorporation	Principal activities
#	Wasco Coatings Germany GmbH	-[l]	100	Germany	Dormant
#	Wasco Coatings Germany (Plant and Equipment) GmbH	**100**	100	Germany	Dormant
#	Wasco ISOAF S.R.L	**75**	75[h]	Italy	Provision of line pipe thermal insulation services
#	Wasco ISOAF Tz Limited	**56**	56[h]	Tanzania	Provision of pipe coating, fuel, gas and gas cylinder
	PPSC Industrial Holdings Sdn. Bhd.	**100**	100	Malaysia	Investment holding
	Wasco Resources Sdn. Bhd.	**100**	100	Malaysia	Property investment holding
	Wasco Coatings Malaysia Sdn. Bhd.	**70**	70	Malaysia	Provision of pipe coating and related services to the oil and gas industry
#	Wasco Coatings HK Limited	**100**	100	Hong Kong, SAR	Investment holding, construction of coating plants, marketing and provision of pipe coating and related services to the oil and gas industry
~	Wasco Kanssen Limited	**100**	100	British Virgin Islands	Investment holding and provision of pipe coating services
*	Jingzhou Wasco Kanssen Offshore Petroleum Engineering Co., Ltd.	**100**	100	People's Republic of China	Provision of pipe coating services and trading of goods
*	Kanssen (Yadong) Coating Services (Jingzhou) Company Limited	**100**	100	People's Republic of China	Provision of pipe coating services and trading of goods

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

		Group's effective interest			
		2024 %	2023 %	Country of incorporation	Principal activities
*	PPSC China Limited	**100**	100	Hong Kong, SAR	Investment holding
	Wasco Oil Technologies Sdn. Bhd.	**100**	100	Malaysia	Investment holding
	Wasco Oilfield Services Sdn. Bhd.	**49$^{\pi}$**	49$^{\pi}$	Malaysia	Investment holding
	Wasco Corrosion Services Sdn. Bhd.	**63**	63	Malaysia	Dormant
	Wasco Lindung Sdn. Bhd.	**48$^{\pi}$**	48$^{\pi}$	Malaysia	Manufacture, supply and installation of sacrificial anodes, provision of cathodic protection services and equipment, corrosion protection services, passive fire protection services, special paint coating services and provision of technical training services
	Asiana Emas Sdn. Bhd.	**100**	100	Malaysia	Investment holding
	Wasco Pipe Sabah Sdn. Bhd.	**70**	70	Malaysia	Manufacturing and sales of spiral welded pipes for the oil and gas industry
	Wasco Engineering Group Limited	**100**	100	British Virgin Islands	Investment holding

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

	Group's effective interest			
	2024 %	2023 %	Country of incorporation	Principal activities
# Wasco Engineering International Ltd.	**100**	100	British Virgin Islands	Leasing of compressors and power generators, designing, engineering and fabrication and sale of gas processing and compression systems and gas based power generators; and servicing and selling parts of oil and gas processing and compression systems
* WS Engineering & Fabrication Pte. Ltd.	**100**	100	Singapore	Design, engineering and fabrication of oil and gas processing and compression systems and equipment
* WEGL Offshore Investments Pte. Ltd.	**100**	100	Singapore	Investment holding
* WEGL Investments Pte. Ltd.	**100**	100	Singapore	Investment holding
* PT Wasco Resources Indonesia	**100**	100	Indonesia	Investment and property holding
* WS Engineering Equipment Pte. Ltd.	**100**	100	Singapore	Leasing of equipment and provision of operation and maintenance, and other related services to the oil and gas industry
* WS Engineering Technologies Pte. Ltd.	**100**	100[c]	Singapore	Engineering and fabrication of oil and gas systems and equipment
# PT. Wasco Engineering Indonesia	**100**	100[c]	Indonesia	Provision of engineering, design, fabrication and construction services for oil and gas industry

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

		Group's effective interest			
		2024 %	2023 %	Country of incorporation	Principal activities
*	Wasco E&P Services Limited	**100**	100	Hong Kong, SAR	Investment holding
*	Wasco China International Limited	**100**	100	Hong Kong, SAR	Investment holding
	Wasco Process Engineering Sdn. Bhd.	**100**	100	Malaysia	Contracting of industrial engineering projects
	Peakvest Sdn. Bhd.	**100**	100	Malaysia	Letting of properties
	Wasco Greenergy Sdn. Bhd.	**100**	100[f]	Malaysia	Investment and property holding
	Wasco Thermal Sdn. Bhd.	**60**	60	Malaysia	Undertaking of steam boilers and energy system projects in both local and overseas markets
	Wasco AgroTech Sdn. Bhd.	**100**	100	Malaysia	Manufacturing and supplying of spare parts, equipment and provision of maintenance services for palm oil and other agricultural industries
	PMT Industries (Labuan) Ltd.	**100**	100	Federal Territory of Labuan, Malaysia	Supply of equipment for palm oil and other agricultural industries
	PMT-Dong Yuan Industries Sdn. Bhd.	**100**	100	Malaysia	Fabrication, assembly and supply of machinery and equipment to palm oil industry
*	PT. Wasco AgroTech Indonesia	**100**	100	Indonesia	Supply of spare parts, equipment, provision of maintenance services and engineering consultation for palm oil and other agricultural industries

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

	Group's effective interest 2024 %	Group's effective interest 2023 %	Country of incorporation	Principal activities
Wasco Saito Sdn. Bhd.	**51**	51	Malaysia	Manufacturing accessories and equipment under the brand of 'Saito', for disc bowl centrifuge for palm oil industry, manufacturing of decanters model SID550P and 580P for palm oil industry, and manufacturing and development of new products in any industry
Petro-Pipe Industrial Corporation Sdn. Bhd.	**100**	100	Malaysia	Investment holding
Syn Tai Hung Trading Sdn. Bhd.	**100**	100	Malaysia	Trading and distribution of building materials
~ Syn Tai Hung (Cambodia) Co. Ltd	**100**	100	Kingdom of Cambodia	Trading and warehousing of building materials
Syn Tai Hung Borneo Sdn. Bhd.	**70**	70	Malaysia	Trading and distribution of building materials
Petro-Pipe Engineering Services Sdn. Bhd.	**100**	100	Malaysia	Trading and distribution parts and machineries and other ancillary materials and services
* Wah Seong International Pte Limited	**100**	100	Hong Kong, SAR	Investment holding
Wah Seong Industrial Holdings Sdn. Bhd.	**100**	100	Malaysia	Investment and property holding and provision of management services
Wasco Capital Sdn. Bhd. (formerly known as WSC Capital Sdn. Bhd.)	**100**	100	Malaysia	Treasury management centre providing services to its related companies within Malaysia and overseas which includes cash financing, debt management, investment services and financial risk management

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

		Group's effective interest			
		2024 %	2023 %	Country of incorporation	Principal activities
	Triple Cash Sdn. Bhd.	**79**	79	Malaysia	Investment and property holding
	Sunrise Green Sdn. Bhd.	**65**	65	Malaysia	Investment and property holding
	Member's Voluntary Winding Up				
	Jutasama Jaya Sdn. Bhd.	**-[e]**	-[e]	Malaysia	Dormant
	Stellar Marketing Sdn. Bhd.	**-[j]**	100	Malaysia	Dormant
	WS Integrasi Sdn. Bhd.	**-[b]**	-[b]	Malaysia	Dormant
	Wah Seong Management Services Sdn. Bhd.	**-[g]**	-[g]	Malaysia	Dormant
	PMT-Phoenix Industries Sdn. Bhd.	**-[a]**	-[a]	Malaysia	Dormant
	Petro-Pipe Industries (M) Sdn. Bhd.	**-[o]**	100	Malaysia	Dormant
	PPI Industries Sdn. Bhd.	**-[m]**	100	Malaysia	Dormant
	Maple Sunpark Sdn. Bhd.	**-[n]**	100	Malaysia	Dormant
*	PT Wasco Engineering International	**-[d]**	100	Indonesia	Dormant
~	Wasco Engineering Australia Pty. Ltd.	**-[p]**	100	Australia	Dormant
~	Mackenzie Hydrocarbons (Australia) Pty. Ltd.	**-[q]**	100	Australia	Dormant

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

	Group's effective interest			
	2024 %	2023 %	Country of incorporation	Principal activities
Disposals				
WDG Resources Sdn. Bhd.	-[k]	60	Malaysia	Trading, distribution, wholesale and retail, renting, leasing and service of industry machinery, equipment and parts
Syn Tai Hung Marketing Sdn. Bhd.	-[k]	60	Malaysia	Trading, distribution and service of industry machinery, equipment and spare parts; trading and distribution of building materials; marketing, distribution, service, maintenance and assembly of industrial and agricultural equipment
WDG Assembly Sdn. Bhd. (formerly knowns as STH Edaran Sdn. Bhd.)	-[k]	60	Malaysia	Marketing, distribution, service, maintenance and assembly of industrial and agricultural equipment
* Ashburn International Trade (Tianjin) Co. Ltd.	-	-[i]	People's Republic of China	International trade, processing and assembling, storage of bonded goods and development of high technological products and consultancy services
* Ashburn Offshore Oil & Gas Equipment & Engineering (Tianjin) Co. Ltd.	-	-[i]	People's Republic of China	Design and manufacturing of products to the oil and gas industry

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

* *Audited by a firm other than member firms of PricewaterhouseCoopers International Limited and PricewaterhouseCoopers PLT.*

Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers PLT.

~ *Companies not required by their local laws to appoint statutory auditors.*

q *On 19 December 2024, Mackenzie Hydrocarbons (Australia) Pty. Ltd., an indirect wholly-owned subsidiary of the Company had filed for voluntary deregistration with the Australian Securities & Investments Commission. Subsequently on 24 February 2025, Mackenzie Hydrocarbons (Australia) Pty. Ltd. was deregistered under section 601AA(4) of the Corporations Act 2001.*

p *On 19 December 2024, Wasco Engineering Australia Pty. Ltd., an indirect wholly-owned subsidiary of the Company had filed for voluntary deregistration with the Australian Securities & Investments Commission. Subsequently on 24 February 2025, Wasco Engineering Australia Pty. Ltd. was deregistered under section 601AA(4) of the Corporations Act 2001.*

o *On 2 December 2024, Petro-Pipe Industries (M) Sdn. Bhd. ("PPIM"), an indirect wholly-owned subsidiary of the Company had at its Extraordinary General Meeting approved the special resolution to wind up PPIM by way of the Member's Voluntary Winding Up by its shareholder.*

n *On 29 November 2024, Maple Sunpark Sdn. Bhd. ("MSSB"), a direct wholly-owned subsidiary of the Company had at its Extraordinary General Meeting approved the special resolution to wind up MSSB by way of the Member's Voluntary Winding Up by its shareholder.*

m *On 29 November 2024, PPI Industries Sdn. Bhd. ("PPII"), an indirect wholly-owned subsidiary of the Company had at its Extraordinary General Meeting approved the special resolution to wind up PPII by way of the Member's Voluntary Winding Up by its shareholder.*

l *On 28 October 2024, Wasco Coatings Germany GmbH ("WCG"), an indirect wholly-owned dormant subsidiary of the Company had filed for insolvency with the court in Stralsund, Germany.*

k *On 30 June 2024, Petro-Pipe Industrial Corporation Sdn. Bhd. ("PPIC"), a direct wholly-owned subsidiary of the Company, had entered into a Shares Purchase Agreement ("SPA") for the disposal of 1,200,000 ordinary shares and 4,800,000 redeemable preference shares equivalent to 60% and 80% of the interests respectively in the total issued share capital of WDG Resources Sdn. Bhd. ("WDG"), for a total consideration of approximately RM731,000, based on the terms and conditions as stipulated in the SPA ("Disposal of WDG Shares"). The disposal was completed on 26 August 2024. WDG and its subsidiaries namely Syn Tai Hung Marketing Sdn. Bhd. and WDG Assembly Sdn. Bhd. (formerly known as STH Edaran Sdn. Bhd.) ceased to be indirect subsidiaries of PPIC and the Company accordingly.*

j *On 31 May 2024, Stellar Marketing Sdn. Bhd. ("SMSB"), an indirect wholly-owned subsidiary of the Company, had at its Extraordinary General Meeting approved the special resolution to wind up SMSB by way of the Member's Voluntary Winding Up by its shareholder.*

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

i *On 21 December 2023, Wasco China International Limited ("WCIL"), an indirect wholly-owned subsidiary of the Company surrendered 260,000 ordinary shares, representing 65% equity interest in the total issued share capital of Ashburn International Trade (Tianjin) Co. Ltd. ("Ashburn International") and 552,500 ordinary shares, representing 65% equity interest in the total issued share capital of Ashburn Offshore Oil & Gas Equipment & Engineering (Tianjin) Co. Ltd. ("Ashburn Offshore"), respectively. In consideration for surrendering Ashburn Shares, Ashburn International and Ashburn Offshore repaid the entire capital contribution by WCIL totalling RMB5,010,000 (equivalent to approximately RM3,360,000) and RMB3,490,000 (equivalent to approximately RM2,340,000) respectively, collectively amounting to RMB8,500,000 (equivalent to approximately RM5,700,000). Upon completion of the surrendering of Ashburn Shares, Ashburn International and Ashburn Offshore both ceased to be indirect 65% owned subsidiaries of the Company.*

h *On 13 January 2022, Wasco ISOAF S.r.L ("ISOAF"), which was then an indirect 25% owned joint venture of the Company subscribed 750 ordinary shares, representing 75% equity interest in the issued and paid-up share capital of Wasco ISOAF Tz Limited ("ISOAF Tz"), a company incorporated in Tanzania for a total cash consideration of TZS15,000,000 (equivalent to approximately RM27,000). Upon completion of the subscription of ISOAF Tz shares, ISOAF Tz became a 75% owned subsidiary of ISOAF.*

Subsequently on 10 February 2022, Wasco Coatings Europe B.V. ("WCEu"), an indirect wholly-owned subsidiary of the Company acquired additional 25.1% equity interest in the share capital of ISOAF for a total consideration of EUR6,275 (equivalent to approximately RM29,800). Upon completion of the acquisition of ISOAF shares, ISOAF became an indirect 50.1% owned subsidiary of the Company and its subsidiary, ISOAF Tz became an indirect 37.6% owned subsidiary of the Company, held through ISOAF.

On 19 December 2023, WCEu further acquired a 24.9% equity interest in the share capital of ISOAF for a total consideration of EUR1,000,000 (equivalent to approximately RM4,931,000). Upon completion of the acquisition of ISOAF shares, ISOAF became an indirect 75% owned subsidiary of the Company and ISOAF Tz became an indirect 56% owned subsidiary of the Company, held through ISOAF.

g *On 27 September 2023, Wah Seong Management Services Sdn. Bhd. ("WSMS"), a direct wholly-owned subsidiary of the Company, via its Member's Written Resolution, issued and allotted 2,550,000 new ordinary shares at an issue price of RM1.00 each to the Company for a total consideration of RM2,550,000, credited as fully paid-up in the share capital of WSMS, by way of capitalising RM2,550,000 from the amount due by WSMS to the Company. Subsequently on 12 December 2023, WSMS, had at its Extraordinary General Meeting, approved the special resolution to wind up WSMS by way of the Member's Voluntary Winding Up by its shareholder.*

f *On 5 December 2023, Wasco Greenergy Sdn. Bhd. ("WGreenergy") was incorporated in Malaysia. WGreenergy has an initial issued and paid-up share capital of RM10,000 divided into 10,000 ordinary shares which were fully subscribed and paid-up by the Company.*

e *On 30 October 2023, Jutasama Jaya Sdn Bhd ("JJSB") an indirect wholly-owned subsidiary of the Company, had at its Extraordinary General Meeting, approved the special resolution to wind up JJSB by way of the Member's Voluntary Winding Up by its shareholder.*

d *On 25 September 2023, PT Wasco Engineering International ("PTWEIL"), an indirect wholly-owned subsidiary of the Company had at its Extraordinary General Meeting approved the special resolution to wind up PTWEIL by way of the Member's Voluntary Winding Up by its shareholder.*

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of subsidiaries are as follows (continued):

c *On 15 June 2023, the Company's indirect wholly-owned subsidiary Wasco Engineering Group Limited ("WEGL"), entered into a Share Sale Agreements ("SSA") for the acquisition of 415,557 ordinary shares, equivalent to 8.01% equity interest in the issued and paid-up share capital of WS Engineering Technologies Pte. Ltd. ("WSET") for a total consideration of SGD600,000 (equivalent to approximately RM2,001,000). With the acquisitions of WSET shares, WSET and its subsidiary PT. Wasco Engineering Indonesia became an indirect wholly-owned subsidiary of the Company, held through WEGL.*

b *On 30 December 2022, WS Integrasi Sdn. Bhd. ("WSI"), an indirect wholly-owned subsidiary of the Company had at its Extraordinary General Meeting, approved the special resolution to wind up WSI by way of the Member's Voluntary Winding Up by its shareholder. WSI had held its final meeting for the Member's Voluntary Winding Up on 22 July 2024. WSI was fully dissolved after the expiration of three months from the date of lodgement of the Return by Liquidator relating to the Final Meeting with the Companies Commission of Malaysia and Official Receiver.*

a *On 15 December 2017, PMT-Phoenix Industries Sdn. Bhd. ("PMT-Phoenix"), an indirect wholly-owned subsidiary of the Company had at its Extraordinary General Meeting, approved the special resolution to wind up PMT-Phoenix by way of Member's Voluntary Winding Up. As a result, the Group no longer controls the subsidiary and as such it was not consolidated. Subsequently on 29 February 2024, PMT-Phoenix had held its final meeting for the Member's Voluntary Winding Up. PMT-Phoenix was fully dissolved after the expiration of three months from the date of lodgement of the Return by Liquidator relating to the Final Meeting with the Companies Commission of Malaysia and Official Receiver.*

π *Although the Company does not own more than 50% of the equity shares of Wasco Oilfield Services Sdn. Bhd. ("WOS") and Wasco Lindung Sdn. Bhd. ("WL") and consequently it does not control more than half of the voting power of those shares, it has the power to appoint and remove the majority of the Board of Directors of WOS and WL. Consequently, WOS and WL are controlled by the Company and are consolidated in these financial statements (2023: WOS and WL).*

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	Group					
	Wasco ISOAF S.R.L. RM'000	Wasco Thermal Sdn. Bhd. RM'000	Wasco Coatings Malaysia Sdn. Bhd. RM'000	Wasco Pipe Sabah Sdn. Bhd. RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2024						
NCI percentage of ownership interest and voting interest	27%	40%	30%	30%		
Carrying amount of NCI	24,425	19,301	60,583	(4,894)	5,880	105,295
Net profit allocated to NCI	(7,548)	4,972	18,196	(3,834)	(331)	11,455

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Non-controlling interests in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows (continued):

	Group			
	Wasco ISOAF S.R.L. RM'000	Wasco Thermal Sdn. Bhd. RM'000	Wasco Coatings Malaysia Sdn. Bhd. RM'000	Wasco Pipe Sabah Sdn. Bhd. RM'000
2024				
Summarised financial information before intra-group elimination				
As at 31 December				
Non-current assets	-	71,457	222,347	51,586
Current assets	246,925	74,674	187,803	90,085
Non-current liabilities	-	(42,236)	(153,890)	-
Current liabilities	(155,582)	(55,642)	(54,315)	(81,463)
Net assets	91,343	48,253	201,945	60,208
Financial year ended 31 December				
Revenue	289,290	127,941	219,335	130,624
Net profit/(loss)	(28,226)	12,430	60,656	(12,781)
Cash flows from/(used in) operating activities	(44,409)	(2,822)	110,626	(29,208)
Cash flows (used in)/from investing activities	-	(42,927)	(19,480)	10,623
Cash flows from/(used in) financing activities	34,759	43,617	(147,354)	16,635
Net changes in cash and cash equivalents	(9,650)	(2,132)	(56,208)	(1,950)
Dividend paid to NCI	-	-	20,400	-

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Non-controlling interests in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows (continued):

	Group					
	Wasco ISOAF S.R.L. RM'000	Wasco Thermal Sdn. Bhd. RM'000	Wasco Coatings Malaysia Sdn. Bhd. RM'000	Wasco Pipe Sabah Sdn. Bhd. RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2023						
NCI percentage of ownership interest and voting interest	27%	40%	30%	30%		
Carrying amount of NCI	34,680	14,329	61,551	(1,060)	6,084	115,584
Net profit allocated to NCI	19,488	5,268	19,768	310	1,592	46,426

8 INVESTMENT IN SUBSIDIARIES (CONTINUED)

Non-controlling interests in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows (continued):

	Group			
	Wasco ISOAF S.R.L. RM'000	Wasco Thermal Sdn. Bhd. RM'000	Wasco Coatings Malaysia Sdn. Bhd. RM'000	Wasco Pipe Sabah Sdn. Bhd. RM'000
2023				
Summarised financial information before intra-group elimination				
As at 31 December				
Non-current assets	-	68,868	252,676	61,288
Current assets	326,903	69,975	280,504	74,914
Non-current liabilities	-	-	(160,137)	-
Current liabilities	(197,210)	(103,020)	(167,872)	(108,212)
Net assets	129,693	35,823	205,171	27,990
Financial year ended 31 December				
Revenue	225,703	135,095	264,919	130,677
Net profit	38,136	13,171	65,894	1,032
Cash flows (used in)/generated from operating activities	(66,402)	57,551	67,314	12,420
Cash flows used in investing activities	-	(47,527)	(52,801)	(15,357)
Cash flows (used in)/generated from financing activities	-	(2,720)	43,513	(337)
Net changes in cash and cash equivalents	(66,402)	7,304	58,026	(3,274)
Dividend paid/payable to NCI	-	1,088	-	-

9 INVESTMENT IN ASSOCIATES

	Note	Group 2024 RM'000	Group 2023 RM'000
Quoted shares in Malaysia	(a)	**130,114**	130,114
Unquoted shares		**91,947**	94,527
Share of post-acquisition results and reserves		**(43,649)**	(54,494)
		178,412	170,147
Less: Accumulated impairment loss	(b)	**(55,836)**	(57,405)
		122,576	112,742
Share of net assets of associates		**122,576**	112,742
Quoted shares in Malaysia at fair value		**114,246**	82,223

Recognition and measurement

Investment in associates is accounted for in the consolidated financial statements using the equity method of accounting. Equity accounting is discontinued when the carrying amount of the investment in an associate diminishes by virtue of losses to zero, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Impairment assessment

The carrying amount of investments in associates are compared to their recoverable amount. The recoverable amount was determined using their value-in-use. The value-in-use is the net present value of the projected future cash flows to be derived from that asset. Projected future cash flows are calculated based on historical sector and industry trends, general market and economic conditions, changes in technology and other available information. Due to the uncertainty of the future economic condition, management developed the best case, base case and worst case scenario of cash flow projections. Probabilities of occurrence were assigned to each scenario to arrive at a single set of cash flow projection. The assumptions used in all three scenarios and the probabilities of occurrence assigned required management's judgement.

(a) Quoted shares – Petra Energy Berhad

As at 31 December 2024 and 31 December 2023, the fair values of the Group's investment in quoted shares were based on Level 1 of the fair value hierarchy.

The market value of the Group's interest in quoted shares, representing its fair value as at 31 December 2024, was approximately RM114,246,000 (2023: RM82,223,000). This fair value is approximately RM8,082,000 (2023: RM30,331,000) below the carrying value, giving rise to an impairment indicator on the carrying value of the investment of RM122,328,000 (2023: RM112,554,000).

9 INVESTMENT IN ASSOCIATES (CONTINUED)

(a) Quoted shares – Petra Energy Berhad (continued)

As the fair value less costs of disposal is lower than the value-in-use of the investment, the Group has determined the recoverable amount of the investment using discounted cash flows expected to be generated from the investment. The calculations use pre-tax cash flow projections based on financial budgets approved by the Group covering a period of 5 years (2023: 5 years) based on past performance and management's expectations of market development. Terminal value is estimated at the end of the 5-year period.

Due to the uncertainty of the future economic condition, management developed the best, base case and worst case scenario of cash flow projections. Probabilities of occurrence were assigned to each scenario to arrive at a single set of cash flow projection. The assumptions used in all three scenarios and the probabilities of occurrence assigned required management's judgement.

The key assumptions used in the cash flow projections to determine the recoverable amount for the investment under the best, base case and worst case scenarios are as follows:

(i) The revenue forecast is supported by management's expected projects, which is in line with past performance records, future market outlook and management's expectation of market developments;

(ii) Pre-tax discount rate of 14.5% (2023: 18.5%) was applied for all three scenarios, benchmarked against comparable companies at the date of assessment; and

(iii) A terminal growth rate of nil (2023: Nil) was applied across all three scenarios.

The value-in-use is above the carrying value of the Group's investment in quoted shares. As such, no impairment loss is deemed necessary to be recognised in the financial year ended 31 December 2024 (2023: RM Nil).

Sensitivity

As at 31 December 2024, an increase of 0.6% in pre-tax discount rate, with all other inputs remaining constant, the estimated recoverable amount will be equal to the carrying value.

(b) Impairment of investment in associates

The movements for allowance for impairment losses on investment in associates during the financial year are as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 January	**57,405**	55,133
Effect of exchange rate changes	**(1,569)**	2,272
At 31 December	**55,836**	57,405

9 INVESTMENT IN ASSOCIATES (CONTINUED)

Details of associates are as follows:

	Country of incorporation	Group's effective interest 2024 %	Group's effective interest 2023 %	Principal activities
Petra Energy Berhad	Malaysia	**27**	27	Investment holding
Evraz Wasco Pipe Protection Corporation	Canada	**49**	49	Provision of pipe coating services
Syarikat Beka Sdn. Bhd.	Malaysia	**48**	48	Investment holding
Wah Seong Boustead Company Limited	Myanmar	**50**	50	Property development, trading and provision of auxiliary services

The following table summarises the information of the Group's material associates and reconciles the information to the carrying amount of the Group's interest in the associates. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments:

	Group	
	Petra Energy Berhad RM'000	Evraz Wasco Pipe Protection Corporation RM'000
2024		
Summarised financial information		
As at 31 December		
Non-current assets	**448,483**	**24,277**
Current assets	**400,106**	**14,541**
Non-current liabilities	**(124,290)**	**(15,381)**
Current liabilities	**(269,350)**	**(20,192)**
Net assets	**454,949**	**3,245**
Financial year ended 31 December		
Revenue	**500,571**	**-**
Net profit	**71,727**	**(20,470)**
Total comprehensive income	**71,727**	**(41,905)**

9 INVESTMENT IN ASSOCIATES (CONTINUED)

The following table summarises the information of the Group's material associates and reconciles the information to the carrying amount of the Group's interest in the associates. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments (continued):

	Group			
	Petra Energy Berhad RM'000	Evraz Wasco Pipe Protection Corporation RM'000	Other individually immaterial associates RM'000	Total RM'000
2024				
Reconciliation of net assets to carrying amount				
As at 31 December				
Group's share of net assets	122,328	55,836	181	178,345
Goodwill	-	-	67	67
Less: Accumulated impairment loss	-	(55,836)	-	(55,836)
Carrying amount in statement of financial position	122,328	-	248	122,576
Group's share of results				
Financial year ended 31 December				
Group's share of profit	19,295	-*	60	19,355
Dividend receivable/received	9,520	-	-	9,520

* The Group no longer share the profit of its investment in EWPPC as the carrying amount of the investment in EWPPC was reduced to nil.

9 INVESTMENT IN ASSOCIATES (CONTINUED)

The following table summarises the information of the Group's material associates and reconciles the information to the carrying amount of the Group's interest in the associates. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments (continued):

	Group	
	Petra Energy Berhad RM'000	Evraz Wasco Pipe Protection Corporation RM'000
2023		
Summarised financial information		
As at 31 December		
Non-current assets	274,722	46,304
Current assets	399,252	171,917
Non-current liabilities	(5,397)	-
Current liabilities	(250,161)	(101,067)
Net assets	418,416	117,154
Financial year ended 31 December		
Revenue	553,315	-
Net profit	60,325	29,803
Total comprehensive income	60,325	93,733

9 INVESTMENT IN ASSOCIATES (CONTINUED)

The following table summarises the information of the Group's material associates and reconciles the information to the carrying amount of the Group's interest in the associates. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments (continued):

	Group			
	Petra Energy Berhad RM'000	Evraz Wasco Pipe Protection Corporation RM'000	Other individually immaterial associates RM'000	Total RM'000
2023				
Reconciliation of net assets to carrying amount				
As at 31 December				
Group's share of net assets	112,554	57,405	121	170,080
Goodwill	-	-	67	67
Less: Accumulated impairment loss	-	(57,405)	-	(57,405)
Carrying amount in statement of financial position	112,554	-	188	112,742
Group's share of results				
Financial year ended 31 December				
Group's share of profit	16,227	-*	80	16,307
Dividend receivable/received	5,193	-	190	5,383

* The Group no longer share the profit of its investment in EWPPC as the carrying amount of the investment in EWPPC was reduced to nil.

10 INVESTMENT IN JOINT VENTURES

	Group	
	2024 RM'000	2023 RM'000
Unquoted shares	**169,080**	170,625
Share of post-acquisition results and reserves	**(120,625)**	(128,393)
	48,455	42,232
Less: Accumulated impairment loss	**(21,799)**	(22,052)
	26,656	20,180
Share of net assets of joint ventures	**26,656**	20,180

Recognition and measurement

The Group's interest in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting after initially being recognised as cost. Equity accounting is discontinued when the carrying amount of the investment in joint ventures (including any long term interests that, in substance, form part of the Group's net investment in joint venture) reaches zero, unless the Group has incurred obligation or made payment on behalf of the joint venture.

Impairment assessment

The carrying amount of investments in joint ventures and was compared to their recoverable amount. The recoverable amount was determined using their value-in-use. The value-in-use is the net present value of the projected future cash flows to be derived from that asset. Projected future cash flows are calculated based on historical sector and industry trends, general market and economic conditions, changes in technology and other available information. Due to the uncertainty of the future economic condition, management developed the base case and worst case scenario of cash flow projections. Probabilities of occurrence were assigned to each scenario to arrive at a single set of cash flow projection. The assumptions used in both scenarios and the probabilities of occurrence assigned required management's judgement.

Unquoted shares – Alam-PE Holdings (L) Inc.

For the financial year ended 31 December 2024 and 31 December 2023, there were no impairment loss deemed necessary to be recognised.

10 INVESTMENT IN JOINT VENTURES (CONTINUED)

Impairment of investment in joint ventures

The movements for allowance for impairment loss on investment in joint ventures during the financial year are as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 January	**22,052**	21,658
Effect of exchange rate changes	**(253)**	394
At 31 December	**21,799**	22,052

Details of joint ventures are as follows:

		Group's effective interest		
	Country of incorporation	2024 %	2023 %	Principal activities
Alam-PE Holdings (L) Inc.	Federal Territory of Labuan, Malaysia	**49**	49	Investment holding
Boustead Wah Seong Sdn. Bhd.	Malaysia	**50**	50	Investment holding activities and businesses in property development and management; provision of general fabrication, engineering and oil and gas services; trading and marketing activities and any other businesses or projects as shall be mutually agreed from time to time in Myanmar

10 INVESTMENT IN JOINT VENTURES (CONTINUED)

Details of joint ventures are as follows: (continued)

	Country of incorporation	Group's effective interest 2024 %	Group's effective interest 2023 %	Principal activities
Socotherm Shashi Pipe Coating Co. Ltd.	People's Republic of China	**50**	50	Dormant
Socotherm PPSC Ningbo (Daxie) Pipe Coating Co. Limited	People's Republic of China	**50**	50	Dormant
Sichuan Chuanshi Kanssen (Yadong) Coating Services Company Limited	People's Republic of China	**51**	51	Provision of pipe coating services
Shaanxi Yadong Anti Corrosion Company Limited	People's Republic of China	**55**	55	Provision of pipe coating services
Bayou Wasco Insulation, LLC	United States of America	**49**	49	Provision of thermal insulation coating services to pipes or pipelines
Shinko Wasco Turbine Sdn. Bhd.	Malaysia	**49**	49	Assembly and supply of equipment for palm oil and other agricultural industries
Welspun Wasco Coatings Private Limited	India	**49**	49	Provision of pipe coating services

10 INVESTMENT IN JOINT VENTURES (CONTINUED)

The following table summarises the information of the Group's material joint ventures and reconciles the information to the carrying amount of the Group's interest in the joint ventures. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments:

	Group		
	Alam-PE Holdings (L) Inc. RM'000	Bayou Wasco Insulation, LLC RM'000	Boustead Wah Seong Sdn. Bhd. RM'000
2024			
Summarised financial information			
As at 31 December			
Non-current assets	16,302	51,515	-
Current assets	5,331	164,292	2,892
Cash and cash equivalents	7,516	8,387	23,435
Non-current liabilities	-	(70,791)	-
Current liabilities	(5,505)	(139,642)	(11,943)
Non-controlling interest	-	-	(12,966)
Net assets	23,644	13,761	1,418
Financial year ended 31 December			
Net profit	3,381	12,915	312
Other comprehensive income/(loss)	-	1,328	(378)
Total comprehensive income/(expense)	3,381	14,243	(66)
Included in the total comprehensive income/(expense) are:			
Revenue	18,805	90,639	-
Interest income	27	-	-
Depreciation and amortisation	(713)	-	-
Interest expense	-	(1,136)	(1)
Tax expense	(712)	-	33

10 INVESTMENT IN JOINT VENTURES (CONTINUED)

The following table summarises the information of the Group's material joint ventures and reconciles the information to the carrying amount of the Group's interest in the joint ventures. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments (continued):

	Group				
	Alam-PE Holdings (L) Inc. RM'000	Bayou Wasco Insulation, LLC RM'000	Boustead Wah Seong Sdn. Bhd. RM'000	Other individually immaterial joint ventures RM'000	Total RM'000
2024					
Reconciliation of net assets to carrying amount					
As at 31 December					
Group's share of net assets	11,585	6,742	709	12,744	31,780
Goodwill	11,989	-	-	-	11,989
Less: Accumulated impairment loss	(11,989)	-	-	(9,810)	(21,799)
Reclass to other payables*	-	-	-	4,686	4,686
Carrying amount in statement of financial position	11,585	6,742	709	7,620	26,656
Group's share of results					
Financial year ended 31 December					
Group's share of profit	1,656	6,328	156	510	8,650
Group's share of other comprehensive income/(expense)	-	651	(189)	-	462
Dividend receivable/received	1,470	-	-	174	1,644

* The Group is committed to make good its share of losses of the investment in joint ventures. Accordingly, other payables related to the losses are recognised.

10 INVESTMENT IN JOINT VENTURES (CONTINUED)

The following table summarises the information of the Group's material joint ventures and reconciles the information to the carrying amount of the Group's interest in the joint ventures. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments:

	Group		
	Alam-PE Holdings (L) Inc. RM'000	Bayou Wasco Insulation, LLC RM'000	Boustead Wah Seong Sdn. Bhd. RM'000
2023			
Summarised financial information			
As at 31 December			
Non-current assets	16,775	60,668	-
Current assets	14,131	110,201	3,008
Cash and cash equivalents	4,201	287	23,997
Non-current liabilities	-	(72,780)	-
Current liabilities	(11,843)	(97,196)	(12,065)
Non-controlling interest	-	-	(13,456)
Net assets	23,264	1,180	1,484
Financial year ended 31 December			
Net (loss)/profit	(24,283)	1,211	(3,050)
Other comprehensive income	-	6,542	602
Total comprehensive (expense)/income	(24,283)	7,753	(2,448)
Included in the total comprehensive (expense)/ income are:			
Revenue	20,920	73,562	1,197
Interest income	-	-	227
Depreciation and amortisation	(9,820)	(7,368)	(102)
Interest expense	-	(1,157)	(1,120)
Tax expense	-	-	368

10 INVESTMENT IN JOINT VENTURES (CONTINUED)

The following table summarises the information of the Group's material joint ventures and reconciles the information to the carrying amount of the Group's interest in the joint ventures. The information has been adjusted to reflect the equity method of accounting, including fair value adjustments (continued):

	Group				
	Alam-PE Holdings (L) Inc. RM'000	Bayou Wasco Insulation, LLC RM'000	Boustead Wah Seong Sdn. Bhd. RM'000	Other individually immaterial joint ventures RM'000	Total RM'000
2023					
Reconciliation of net assets to carrying amount					
As at 31 December					
Group's share of net assets	11,399	578	742	12,706	25,425
Goodwill	11,989	-	-	-	11,989
Less: Accumulated impairment loss	(11,989)	-	-	(10,063)	(22,052)
Reclass to other payables*	-	-	-	4,818	4,818
Carrying amount in statement of financial position	11,399	578	742	7,461	20,180
Group's share of results					
Financial year ended 31 December					
Group's share of (loss)/profit	(11,898)	593	(1,525)	1,061	(11,769)
Group's share of other comprehensive income	-	3,206	301	-	3,507
Dividend receivable/received	-	-	-	1,070	1,070

* The Group is committed to make good its share of losses of the investment in joint ventures. Accordingly, other payables related to the losses are recognised.

11 CONTRACT ASSETS/(LIABILITIES)

Net carrying amount of contract assets/(liabilities) is analysed as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 January		
- Contract assets	**446,339**	395,814
- Contract liabilities	**(319,826)**	(314,049)
	126,513	81,765
Over time		
Revenue recognised in the current financial year		
- that was included in the contract liabilities at 1 January	**314,420**	232,936
- from additional contract assets during the financial year	**2,211,956**	1,675,432
Less: Billings during the financial year	**(2,522,775)**	(1,877,084)
	3,601	31,284
Point in time		
Revenue recognised in the current financial year		
- that was included in the contract liabilities at 1 January	**20,529**	14,063
- from additional contract assets during the financial year	**97,990**	120,132
Less: Billings during the financial year	**(117,469)**	(136,779)
	1,050	(2,584)
Transfer to assets/liabilities of disposal group classified as held for sale	**-**	1,895
Effect of exchange rate changes	**(3,749)**	14,153
At 31 December	**127,415**	126,513
At 31 December		
- Contract assets	**458,204**	446,339
- Contract liabilities	**(330,789)**	(319,826)
	127,415	126,513

Revenue relating to performance obligations that are unsatisfied or partially unsatisfied as at 31 December 2024 amounting to RM2,540,000,000 (2023: RM3,144,000,000) are expected to be recognised within the next 12 to 24 months (2023: within the next 12 to 24 months).

18.2% (2023: 35.5%) of the contract asset balances are related to a single customer.

12 INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
Raw materials	**191,540**	88,337
Work-in-progress	**16,886**	29,382
Manufactured and trading goods	**44,050**	45,580
Consumables	**29,307**	19,767
Goods in transit	**2,410**	3,258
Spare parts	**13,156**	-
	297,349	186,324

Inventories recognised as an expense in cost of sales during the financial year ended 31 December 2024 is RM97,987,000 (2023: RM101,705,000).

Recognition and measurement

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first in, first out basis. In the case of finished goods and work in progress, cost comprises materials, direct labour, other direct charges and an appropriate proportion of factory overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to completion and selling expenses.

13 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Gross trade receivables	**556,226**	459,017	**-**	-
Less: Allowance for impairment loss	**(26,187)**	(14,976)	**-**	-
	530,039	444,041	**-**	-
Gross other receivables	**66,037**	36,255	**104**	343
Less: Allowance for impairment loss	**(28,427)**	(14,852)	**(15)**	(15)
	37,610	21,403	**89**	328
Prepaid supplies	**21,002**	74,271	**-**	-
Deposits	**8,244**	8,364	**-**	22
Prepayments	**12,040**	15,493	**100**	165
	608,935	563,572	**189**	515

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Deposits	**4,410**	3,603	**-**	-

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the business segment of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date is as follows:

	Group	
	2024 RM'000	2023 RM'000
Energy Services	**448,209**	408,808
Bioenergy Services	**38,463**	35,233
Trading	**43,367**	-
Total	**530,039**	444,041

Concentration of credit risk is low within the Energy Services segment which primarily trade with oil majors. However, the Group considers the risk of default by these oil majors to be minimal given their relative size and financial strength. There is no concentration of credit risk within the Bioenergy Services and Trading as the balances are distributed over a large number of customers.

The following table contains an analysis of the credit risk exposure for which expected credit loss is recognised:

	Gross trade receivables RM'000	Expected credit loss RM'000	Net trade receivables RM'000
2024			
Not past due	**337,392**	**(10)**	**337,382**
1 to 30 days overdue	**83,174**	**(28)**	**83,146**
31 to 60 days overdue	**38,048**	**(4,256)**	**33,792**
61 to 90 days overdue	**19,739**	**(3,511)**	**16,228**
91 to 180 days overdue	**8,573**	**(737)**	**7,836**
181 to 365 days overdue	**54,166**	**(2,954)**	**51,212**
More than 365 days overdue	**15,134**	**(14,691)**	**443**
Total	**556,226**	**(26,187)**	**530,039**

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

Credit risk concentration profile (continued)

The following table contains an analysis of the credit risk exposure for which expected credit loss is recognised (continued):

	Gross trade receivables RM'000	Expected credit loss RM'000	Net trade receivables RM'000
2023			
Not past due	131,741	(22)	131,719
1 to 30 days overdue	149,681	(1,339)	148,342
31 to 60 days overdue	67,990	(9)	67,981
61 to 90 days overdue	27,624	(12)	27,612
91 to 180 days overdue	19,848	(1,299)	18,549
181 to 365 days overdue	47,210	(3,483)	43,727
More than 365 days overdue	14,923	(8,812)	6,111
Total	459,017	(14,976)	444,041

Receivables that are neither past due nor impaired

Trade and other receivables of the Group and the Company that are not impaired are in respect of creditworthy debtors with reliable payment records and have a low risk of default. Most of the Group's trade receivables arise from customers with more than 5 years of experience with the Group.

The movements in the allowance for impairment loss of trade receivables during the financial year are as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 January	**14,976**	33,100
Impairment loss recognised	**10,783**	2,801
Impairment loss reversed	**(6,309)**	(8,280)
Bad debts written off	**(5,059)**	(374)
Transfer from/(to) assets of disposal group classified as held for sale	**11,927**	(12,593)
Effect of exchange rate changes	**(131)**	322
At 31 December	**26,187**	14,976

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments for which recoveries are doubtful. These receivables are not secured by any collateral.

13 TRADE AND OTHER RECEIVABLES (CONTINUED)

The movements in the Group's and the Company's allowance for impairment loss of other receivables during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2024 RM'000
At 1 January	**14,852**	49,543	**15**	13,262
Impairment loss recognised	**14,171**	16	**-**	-
Bad debts written off	**-**	(35,687)	**-**	(13,247)
Transfer to assets of disposal group classified as held for sale	**16**	(16)	**-**	-
Effect of exchange rate changes	**(612)**	996	**-**	-
At 31 December	**28,427**	14,852	**15**	15

14 AMOUNTS OWING BY/(TO) SUBSIDIARIES

(a) Amounts owing by subsidiaries

	Company	
	2024 RM'000	2023 RM'000
Interest bearing loans (unsecured)	**53,205**	14,250
Interest free advances (unsecured)	**4,447**	2,221
	57,652	16,471
Less: Allowance for impairment loss	**(354)**	(350)
	57,298	16,121

The effective interest rate of interest bearing loans as at 31 December 2024 ranges between 4.00% to 6.40% (2023: 6.15% to 6.40%) per annum. The loans and advances are denominated in Ringgit Malaysia and are recoverable on demand.

14 AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONTINUED)

(a) Amounts owing by subsidiaries (continued)

The movements in the Company's allowance for impairment loss of amount owing by subsidiaries during the financial year are as follows:

	Company	
	2024 RM'000	**2023 RM'000**
At 1 January	**350**	2,792
Impairment loss recognised	**4**	27
Impairment loss reversed	**-**	(2,469)
At 31 December	**354**	350

During the financial year ended 31 December 2024, the amounts owing by subsidiaries are considered performing except for certain interest bearing loans and interest free advances owing by subsidiaries are deemed not performing. Accordingly, impairment loss of RM4,000 (2023: RM27,000) was recognised during the financial year.

(b) Amounts owing to subsidiaries

	Company	
	2024 RM'000	**2023 RM'000**
Interest bearing loans (unsecured)	**65,600**	32,888
Non-trade accounts	**820**	2,545
	66,420	35,433

The effective interest rate of interest bearing loans as at 31 December 2024 ranges between 2.80% to 3.11% (2023: 3.11% to 3.36%) per annum. The loans are denominated in Ringgit Malaysia and are repayable on demand.

Non-trade accounts are denominated in Ringgit Malaysia, unsecured, interest free and repayable on demand.

15 AMOUNTS OWING BY ASSOCIATES

	Group	
	2024 RM'000	2023 RM'000
Current		
Advances	**3,206**	3,435
Less: Allowance for impairment loss	**(3,083)**	(3,255)
	123	180
Non-current		
Trade accounts	**16,113**	16,439
Less: Allowance for impairment loss	**(16,113)**	(16,439)
	-	-

Trade accounts are unsecured, interest free and recoverable within the normal credit period. The advances are unsecured, interest free and recoverable on demand.

The movements in the Group's and the Company's allowance for impairment loss of amount owing by associates during the financial year are as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 January	**19,694**	28,962
Impairment loss recognised	**204**	-
Impairment loss reversed	**-**	(10,216)
Effect of exchange rate changes	**(702)**	948
At 31 December	**19,196**	19,694

Amounts owing by associates are denominated in United States Dollar and Ringgit Malaysia. The Group has no significant exposure to foreign currency risk for the amounts owing by associates.

16 AMOUNTS OWING BY/(TO) JOINT VENTURES

(a) Amounts owing by joint ventures

	Group	
	2024 RM'000	**2023 RM'000**
Current		
Advances	**142**	146
Non-current		
Trade accounts	**2,399**	5,525
Interest bearing loans	**41,620**	52,843
Advances	**14,236**	1,989
	58,255	60,357
Less: Allowance for impairment loss	**(45,845)**	(36,508)
	12,410	23,849

During the financial year ended 31 December 2024, the amounts owing by joint ventures are considered performing except for certain interest bearing loans owing by a joint venture are deemed not performing. Accordingly, RM12,441,000 (2023: RM8,065,000) was impaired during the financial year.

Trade accounts are unsecured and interest free.

The Group's effective interest rate of interest bearing loans as at 31 December 2024 is between 3.26% to 3.75% (2023: 3.26% to 3.75%) per annum. The loans and advances are unsecured and recoverable on demand.

The movements in the allowance for impairment loss on the Group's amounts owing by joint ventures during the financial year are as follows:

	Group	
	2024 RM'000	**2023 RM'000**
At 1 January	**36,508**	27,290
Impairment loss recognised	**12,441**	8,065
Effect of exchange rate changes	**(3,104)**	1,153
At 31 December	**45,845**	36,508

The Group has no significant exposure to foreign currency risk for the amounts owing by joint ventures except for an amount of RM12,551,000 (2023: RM20,811,000) denominated in United States Dollar.

16 AMOUNTS OWING BY/(TO) JOINT VENTURES (CONTINUED)

(b) Amounts owing to joint ventures

	Group	
	2024 RM'000	2023 RM'000
Trade accounts	**5,837**	7,341
Non-trade accounts	**337**	232
	6,174	7,573

Trade accounts are unsecured, interest free and repayable within 30 to 90 days. Non-trade accounts are unsecured, interest free and repayable on demand.

The Group's amounts owing to joint ventures exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk were:

	Group	
	2024 RM'000	2023 RM'000
- Japanese Yen	**5,438**	6,914
- China Renminbi	**736**	659

17 DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

Group	Contract/ notional amount	Assets RM'000	Liabilities RM'000
2024			
Current			
Derivative instruments at fair value through profit or loss			
- Forward currency contracts	**RM67,335,000**		
	SGD 27,640,000		
	USD 16,175,000		
	IDR 653,582,831,000	**-**	**(14,038)**

17 DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONTINUED)

Group	Contract/ notional amount	Assets RM'000	Liabilities RM'000
2023			
Current			
Derivative instruments at fair value through profit or loss			
- Forward currency contracts	RM42,523,000		
	SGD 42,099,000		
	USD 11,240,000		
	AUD 211,000		
	EUR 200,000	154	(4,100)

The Company did not hold any derivative financial instruments as at 31 December 2024 (2023: Nil).

Recognition and measurement

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Gains or losses on derivatives that are not designated as a hedging instrument are recognised in profit or loss within 'other gains/(losses) - net'. The Group and the Company currently do not hedge any of its derivative financial instruments.

Forward currency contracts

The Group enters into foreign currency forward contracts to protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled. Forward currency contracts are mainly used to hedge certain trade receivables and trade payables denominated in United States Dollar, Singapore Dollar, Ringgit Malaysia, and Indonesian Rupiah for which firm commitments existed at the reporting date, extending to June 2026.

Gains or losses arising from fair value changes of its financial assets and financial liabilities

During the financial year, the Group recognised a loss of RM9,976,000 (2023: RM1,374,000) in the profit or loss arising from fair value changes of its derivative financial assets and liabilities. The method and assumptions applied in determining the fair value of derivatives are disclosed in Note 44.

18 TIME DEPOSITS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Short term investment placed with a licensed bank in Malaysia	**14,970**	-	**14,970**	-
Time deposits placed with licensed banks in Malaysia	**75,012**	79,513	**10,703**	684
Time deposits with maturity more than 3 months	**21,474**	23,668	**-**	-
	111,456	103,181	**25,673**	684

As at 31 December 2024 and 31 December 2023, the Group and the Company have no exposure to foreign currency risk for time deposits and short term investments.

The effective interest rates of time deposits of the Group and the Company are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Time deposits	**1.20 – 3.50**	1.20 – 3.31	**2.65 – 3.50**	2.00 – 2.75

19 CASH AND BANK BALANCES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	**241,048**	307,163	**12,659**	2,915

Cash and bank balances are deposits held at call with banks and earn no interest.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude fixed deposits pledged to secure banking facilities.

20 ASSETS CLASSIFIED AS HELD FOR SALE

(a) On 29 February 2024, the Company entered into a sale and purchase agreement for the disposal of leasehold buildings for a consideration of RM36,000,000.

The completion of the disposal is subject to fulfilment of the condition precedent as stipulated in the sale and purchase agreement.

Pursuant to MFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the carrying amount of the leasehold buildings has been classified as assets held for sale and is presented as part of the Others segment in Note 41.

On 8 August 2024, the Company completed the disposal of the said leasehold buildings by fulfilling condition precedent as stipulated in the sale and purchase agreement.

(b) On 12 October 2023, the Company's wholly-owned subsidiary, Wasco Agrotech Sdn. Bhd. (formerly known as PMT Industries Sdn. Bhd.) ("WAT"), entered into a sale and purchase agreement for the disposal of freehold land and buildings for a consideration of RM40,000,000.

The completion of the disposal is subject to fulfilment of the condition precedent as stipulated in the sale and purchase agreement.

Pursuant to MFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the carrying amount of the leasehold buildings has been classified as assets held for sale and is presented as part of the Bioenergy Services segment in Note 41.

Subsequently on 16 January 2024, WAT completed the disposal of the said freehold land and buildings by fulfilling condition precedent as stipulated in the sale and purchase agreement.

Details of the carrying value of the assets classified as held for sale are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, plant and equipment	-	9,671	-	6,390
Investment properties	-	2,419	-	16,932
	-	12,090	-	23,322

21 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

(a) Assets and liabilities of disposal group classified as held for sale during the financial year

On 24 August 2023, the Group has decided to divest its trading businesses, namely WDG Resources Sdn. Bhd. ("WDG") and Syn Tai Hung Trading Sdn. Bhd. ("STHT").

As at 31 December 2023, pursuant to MFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the trading segment was classified as "Discontinued Operations" in the statements of profit or loss, and the associated assets and liabilities of the subsidiaries has been classified as assets and liabilities of disposal group classified as held for sale in the statements of financial position.

Disposal of WDG had been completed on 26 August 2024. Refer to Note 35 for further details.

In November 2024, the Group decided to liquidate STHT instead of disposing it as there was no viable offer received. Accordingly, STHT has been classified as continuing operations for the financial year ended 31 December 2024, pursuant to MFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", that an abandonment of an operation may only be treated as discontinued only after the abandonment has been completed.

Details of the disposal group classified as held for sale are as follows:

	Group	
	2024 RM'000	2023 RM'000
Property, plant and equipment	-	702
Right-of-use assets	-	872
Inventories	-	19,817
Contract asset	-	498
Trade and other receivables	-	83,623
Tax recoverable	-	418
Derivative financial assets	-	395
Time deposits	-	2,500
Cash and bank balances	-	11,356
Total assets of disposal group classified as held for sale	-	120,181
Lease liabilities	-	(906)
Contract liabilities	-	(2,393)
Trade and other payables	-	(37,443)
Provision for warranties	-	(72)
Loans and borrowings	-	(60,762)
Total liabilities of disposal group classified as held for sale	-	(101,576)

21 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

(a) Assets and liabilities of disposal group classified as held for sale during the financial year (continued)

Details of the disposal group classified as held for sale are as follows: (continued)

	WDG	
	2024 RM'000	2023 RM'000
Property, plant and equipment	-	332
Right-of-use assets	-	141
Inventories	-	12,872
Contract asset	-	498
Trade and other receivables	-	8,927
Tax recoverable	-	347
Derivative financial assets	-	395
Time deposits	-	2,500
Cash and bank balances	-	2,795
Total assets of disposal group classified as held for sale	-	28,807
Lease liabilities	-	(153)
Contract liabilities	-	(2,393)
Trade and other payables	-	(9,085)
Provision for warranties	-	(72)
Loans and borrowings	-	(5,000)
Total liabilities of disposal group classified as held for sale	-	(16,703)

	STHT	
	2024 RM'000	2023 RM'000
Property, plant and equipment	-	370
Right-of-use assets	-	731
Inventories	-	6,945
Trade and other receivables	-	74,696
Tax recoverable	-	71
Cash and bank balances	-	8,561
Total assets of disposal group classified as held for sale	-	91,374
Lease liabilities	-	(753)
Trade and other payables	-	(28,358)
Loans and borrowings	-	(55,762)
Total liabilities of disposal group classified as held for sale	-	(84,873)

21 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

(a) Assets and liabilities of disposal group classified as held for sale during the financial year (continued)

The financial performance and cash flow information of the trading segment classified as discontinued operation are as follows:

	Group	
	2024 RM'000	2023 RM'000
Revenue	**25,105**	378,893
Cost of sales	**(23,321)**	(356,034)
Gross profit	**1,784**	22,859
Other operating income	**872**	3,399
Selling and distribution expenses	**(223)**	(5,326)
Administrative and general expenses	**(3,721)**	(11,693)
Reversal of impairment on financial assets	**-**	281
Other (losses)/gain - net	**(349)**	398
Finance costs	**(183)**	(3,773)
Profit before tax	**(1,820)**	6,145
Tax expense	**-**	(1,440)
(Loss)/Profit from discontinued operations	**(1,820)**	4,705
Net cash inflow from operating activities	**1,971**	30,756
Net cash inflow from investing activities	**-**	16,409
Net cash outflow from financing activities	**(5,056)**	(51,833)
Net changes in cash and cash equivalent	**(3,085)**	(4,668)

21 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

(a) Assets and liabilities of disposal group classified as held for sale during the financial year (continued)

The financial performance and cash flow information of the trading segment classified as discontinued operation are as follows: (continued)

	WDG	
	2024 RM'000	2023 RM'000
Revenue	**25,105**	68,472
Cost of sales	**(23,321)**	(61,546)
Gross profit	**1,784**	6,926
Other operating income	**872**	1,336
Selling and distribution expenses	**(223)**	(1,114)
Administrative and general expenses	**(3,721)**	(3,402)
Reversal of impairment on financial assets	**-**	51
Other (losses)/gain - net	**(349)**	398
Finance costs	**(183)**	(605)
Profit before tax	**(1,820)**	3,590
Tax expense	**-**	(20)
(Loss)/Profit from discontinued operations	**(1,820)**	3,570
Net cash inflow from operating activities	**1,971**	6,888
Net cash inflow from investing activities	**-**	(68)
Net cash outflow from financing activities	**(5,056)**	(7,536)
Net changes in cash and cash equivalent	**(3,085)**	(716)

21 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

(a) Assets and liabilities of disposal group classified as held for sale during the financial year (continued)

The financial performance and cash flow information of the trading segment classified as discontinued operation are as follows: (continued)

	STHT	
	2024 RM'000	2023 RM'000
Revenue	-	310,421
Cost of sales	-	(294,488)
Gross profit	-	15,933
Other operating income	-	2,063
Selling and distribution expenses	-	(4,212)
Administrative and general expenses	-	(8,291)
Reversal of impairment on financial assets	-	230
Finance costs	-	(3,168)
Profit before tax	-	2,555
Tax expense	-	(1,420)
(Loss)/Profit from discontinued operations	-	1,135
Net cash inflow from operating activities	-	23,868
Net cash inflow from investing activities	-	16,477
Net cash outflow from financing activities	-	(44,297)
Net changes in cash and cash equivalent	-	(3,952)

21 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

(b) Assets and liabilities of disposal group classified as held for sale in the previous financial year

On 10 October 2022, the Company's indirect wholly-owned subsidiary, Wasco China International Limited ("WCIL") entered into a sale and purchase agreement for the disposal of the Company's indirect 65% owned subsidiaries, Ashburn International Trade (Tianjin) Co. Ltd. and Ashburn Offshore Oil & Gas Equipment & Engineering (Tianjin) Co. Ltd. for a consideration of RMB8,500,000 (equivalent to approximately RM5,700,000).

On 21 December 2023, WCIL completed the disposal of the said subsidiaries by fulfilling condition precedent as stipulated in the sale and purchase agreement. Accordingly, the carrying amount of the said assets and liabilities of the subsidiaries was derecognised as assets and liabilities of disposal group held for sale, no gain nor loss was recognised in the statement of profit or loss.

Details of the completed disposal and the net cash flow on disposal are as follows:

	At the date of disposal RM'000
Total assets of disposal group classified as held for sale	24,659
Total liabilities of disposal group classified as held for sale	(18,959)
Group's share of net assets disposed	5,700
Net disposal proceeds	5,700
Net loss on disposal before reclassification of foreign currency translation reserve	-
Reclassification of foreign currency translation reserve to profit or loss	218
Net gain on disposal	218
Net disposal proceeds	5,700
Less: Net disposal proceeds receivables	(1,772)
Proceeds from disposal of subsidiaries	3,928

22 SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of shares '000	Carrying value RM'000	Number of shares '000	Carrying value RM'000
Issued and fully paid:				
Ordinary shares with no-par value at 1 January/31 December	**774,888**	**547,690**	774,888	547,690

Recognition and measurement

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share and rank equally with regard to the Company's residual assets.

23 TREASURY SHARES

	Group and Company			
	2024		2023	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
At 1 January/31 December	**577**	**624**	577	624

Recognition and measurement

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from equity attributable to owners of the Company. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares. When treasury shares are reissued by resale, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to owners of the Company. An amount equivalent to the original purchase cost of the treasury shares will be deducted from retained earnings upon the distribution of any treasury shares as share dividends.

24 TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Trade payables	**182,928**	158,450	**-**	-
Deposit from customers	**19,496**	12,426	**-**	-
Other payables	**95,203**	157,741	**98**	312
Accrued project cost	**141,616**	64,208	**-**	-
Accruals	**269,257**	202,787	**866**	836
	708,500	595,612	**964**	1,148
Non-current				
Provision for gratuity	**25,104**	22,605	**-**	-
Other liabilities	**18,662**	27,920	**-**	-
	43,766	50,525	**-**	-

Provision for gratuity relates to gratuity provision for key management personnel. The movement of the provision during the financial year is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	**22,605**	31,023	**-**	12,720
Additions	**2,819**	3,977	**-**	31
Utilised	**-**	(12,751)	**-**	(12,751)
Effect of exchange rate changes	**(320)**	356	**-**	-
At 31 December	**25,104**	22,605	**-**	-

25 LOANS AND BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Unsecured				
Revolving credits	**249,529**	452,029	-	45,000
Trade financing	**120,762**	147,448	-	-
Term loans	**45,919**	32,248	-	-
Fixed rate notes	**18,800**	20,321	-	-
	435,010	652,046	-	45,000
Non-current				
Unsecured				
Term loans	**90,541**	50,916	-	-
	525,551	702,962	-	45,000

The Group has complied with the financial covenants of its bank loans and borrowings for the financial year ended 31 December 2024 and 31 December 2023. See Notes 45 to the financial statements for further details.

The remaining maturities of the loans and borrowings are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Within 1 year	**435,010**	652,046	-	45,000
More than 1 year and less than 2 years	**54,667**	29,992	-	-
More than 2 years and less than 5 years	**35,874**	20,924	-	-
	525,551	702,962	-	45,000

The effective interest rates of loans and borrowings of the Group are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Revolving credits	**0.97 – 8.65**	0.97 – 8.65	-	5.05 – 7.51
Term loans	**5.50 – 9.46**	5.02 – 9.43	-	-
Trade financing	**2.60 – 7.15**	4.24 – 7.15	-	-
Fixed rate notes	**7.00**	8.00	-	-

25 LOANS AND BORROWINGS (CONTINUED)

The net exposure of loans and borrowings to cash flow risk and fair value risk in the periods in which they mature or reprice (whichever is earlier) are as follows:

	Total carrying amount	Fixed interest rate (Fair value risk)			Floating interest rate (Cash flow risk)		
		<1 year	1 – 2 years	2 – 5 years	<1 year	1 – 2 years	2 – 5 years
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024							
Group							
Unsecured							
Revolving credits	**249,529**	**-**	**-**	**-**	**249,529**	**-**	**-**
Term loans	**136,460**	**-**	**-**	**-**	**45,919**	**54,667**	**35,874**
Trade financing	**120,762**	**-**	**-**	**-**	**120,762**	**-**	**-**
Fixed rate notes	**18,800**	**18,800**	**-**	**-**	**-**	**-**	**-**
	525,551	**18,800**	**-**	**-**	**416,210**	**54,667**	**35,874**
Company							
Unsecured							
Revolving credits	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2023							
Group							
Unsecured							
Revolving credits	452,029	-	-	-	452,029	-	-
Term loans	83,164	-	-	-	32,248	29,992	20,924
Trade financing	147,448	-	-	-	147,448	-	-
Fixed rate notes	20,321	20,321	-	-	-	-	-
	702,962	20,321	-	-	631,725	29,992	20,924
Company							
Unsecured							
Revolving credits	45,000	-	-	-	45,000	-	-

25 LOANS AND BORROWINGS (CONTINUED)

Recognition and measurement

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditure and borrowing costs are incurred. Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

All other borrowing costs are recognised in profit or loss using the effective interest method in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

26 PROVISION FOR WARRANTIES

	Group	
	2024 RM'000	2023 RM'000
At 1 January	**35,510**	22,687
Additions	**15,385**	17,373
Utilisation	**(612)**	(1,043)
Reversal	**(5,125)**	(4,213)
Transfer to liabilities of disposal group	**-**	(72)
Effect of exchange rate changes	**(907)**	778
At 31 December	**44,251**	35,510

Recognition and measurement

The Group recognises the estimated liability to repair or replace products when the underlying products or services are sold. The provision is calculated based on historical warranty data and specific circumstances related to products or services sold, after considering the various possible outcomes against their associated probabilities. It is expected that most of these costs will be incurred over the warranty period which extends up to 4 years (2023: 4 years).

27 GROSS REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers				
Contract revenue	**2,524,734**	2,204,292	**-**	-
Sale of goods	**659,762**	380,090	**-**	-
Management fees	**-**	-	**-**	3,973
	3,184,496	2,584,382	**-**	3,973
Revenue from other sources				
Rental income	**26**	21,306	**-**	-
Dividend income	**-**	-	**220,885**	21,302
Interest income	**-**	-	**3,340**	1,323
	26	21,306	**224,225**	22,625
	3,184,522	2,605,688	**224,225**	26,598

Revenue from contracts with customers is represented by:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Timing of revenue recognition				
- Over time	**2,501,178**	2,156,460	**-**	3,973
- At a point in time	**683,318**	427,922	**-**	-
	3,184,496	2,584,382	**-**	3,973

(a) Revenue from contracts with customer

(i) Contract revenue

Contract revenue with customers include contracts relating to pipe coating and manufacturing of boilers as well as engineering and fabrication services.

These contracts may include multiple performance obligations as they are not highly integrated. Hence, the transaction price will be allocated to each performance obligation based on the standalone selling price.

Where the contracts are highly integrated, they are recognised as a single performance obligation. Revenue is recognised progressively based on the progress towards complete satisfaction of the performance obligation.

27 GROSS REVENUE (CONTINUED)

(a) Revenue from contracts with customer (continued)

(i) Contract revenue (continued)

Revenue are recognised over time when control of the asset is transferred over time when the Group's performance:

- creates and enhances an asset that the customer controls as the services are being performed; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The progress towards complete satisfaction of the performance obligation is measured based on one of the following methods that best reflect the Group's performance in satisfying the performance obligation:

- direct measurements of the value transferred by the Group to the customer (eg. surveys of performance completed to date); or
- the Group's efforts or inputs to the satisfaction of the performance obligation (eg. by reference to cost incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract).

Revenue is recognised over the period of the contract by reference to the progress, based on the extent of contract costs incurred. Significant judgement is required in the estimation of the progress towards complete satisfaction of a performance obligation based on the extent of contract costs incurred over the estimated budget cost and the recoverability of the construction contracts. The estimated contract costs to completion is based on estimated and approved budgets, which require assessment and judgements to be made on changes in, for example, work scope, costs and costs to completion. In making these judgements, management relies on past experience.

(ii) Sales of goods

The Group manufactures and sells a range of pipes for industrial use. The Group is also involved in the business of selling building materials, construction equipment, and power generators.

Revenue from sales of goods are recognised at a point in time when control of the good is transferred to the customer upon delivery.

(iii) Management fee

Management fee is recognised on an accrual basis when service is rendered.

27 GROSS REVENUE (CONTINUED)

(b) Revenue from other sources

(i) Rental income

Rental income is recognised on a straight line basis over the lease term.

(ii) Dividend income

Dividend income is recognised when the right to receive payment is established.

(iii) Interest income

Interest income is recognised on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable.

28 COST OF SALES

	Group	
	2024 RM'000	2023 RM'000
Contract costs	**2,094,426**	1,857,055
Cost of goods sold	**537,880**	291,653
Direct operating costs relating to rental income	**-**	11,140
	2,632,306	2,159,848

Cost of sales mainly consist of raw materials consumed, subcontracting cost, cost of trading goods and services, freight and transportation charges, consumables and staff costs. Refer to Note 30 for further details.

29 OTHER LOSSES - NET

	Group	
	2024 RM'000	2023 RM'000
Fair value losses arising from fair value changes of:		
- Derivative financial instruments - forward currency contracts	**9,976**	1,374

30 PROFIT FROM OPERATIONS

The Group and the Company have identified a number of items which are material due to the significance of their nature and/or amount, and it has disclosed them in this separate note to provide a better understanding of the Group's and the Company's financial performance.

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Profit from operations is stated after charging:					
Raw materials consumed		**972,301**	909,186	**-**	-
Subcontracting cost		**225,411**	234,140	**-**	-
Cost of trading goods and services		**266,886**	11,703	**-**	-
Freight and transportation charges		**138,046**	91,223	**-**	-
Consumables		**129,186**	119,075	**-**	-
Staff costs (Note 38)		**555,427**	472,703	**-**	1,147
Auditors' remuneration:					
Fees for statutory audits					
- PricewaterhouseCoopers PLT		**968**	985	**93**	93
- member firms of PricewaterhouseCoopers International Limited		**1,009**	922	**-**	-
- others		**1,033**	950	**-**	-
Fees for non-audit services					
- PricewaterhouseCoopers PLT		**620**	362	**13**	13
- member firms of PricewaterhouseCoopers International Limited		**484**	1,290	**-**	-
Depreciation charge of:					
- property, plant and equipment		**76,957**	55,800	**49**	138
- right-of-use assets		**31,596**	25,605	**-**	-
Impairment loss on:					
- property, plant and equipment	3	**25,215**	1,847	**-**	-
- investment properties	5	**-**	19	**-**	-
- trade receivables	13	**10,783**	2,003	**-**	-
- other receivables	13	**14,171**	-	**-**	-
- amounts owing by associates	15	**204**	-	**-**	-
- amounts owing by joint venture	16	**12,441**	8,065	**-**	-
- amounts owing by subsidiaries	14	**-**	-	**4**	(2,442)
- investment in subsidiaries	8	**-**	-	**35,054**	3,789
Allowance on slow moving and obsolete inventories		**8,785**	495	**-**	-
Loss on disposal of property, plant and equipment		**434**	318	**21**	-
Loss on foreign currency exchange:					
- realised		**18,038**	6,077	**-**	-
- unrealised		**19,922**	5,964	**9**	132

30 PROFIT FROM OPERATIONS (CONTINUED)

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
and crediting:					
Gain on disposal of:					
- property, plant and equipment		**643**	539	**-**	56
- assets classified as held for sale		**60,767**	23,095	**12,679**	-
- subsidiary		**149**	-	**-**	-
Gain on foreign exchange:					
- realised		**9,524**	5,603	**-**	175
- unrealised		**6,708**	9,176	**-**	-
Interest income		**6,124**	4,018	**3,340**	1,323
Reversal of impairment loss on:					
- trade receivables	13	**6,309**	7,778	**-**	-
- amounts owing by associates	15	**-**	10,216	**-**	-
- amounts owing by subsidiaries	14	**-**	-	**-**	2,469
Reversal of allowance on slow moving and obsolete inventories		**344**	1,408	**-**	-

31 FINANCE COSTS

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Interest expense on:				
- loans and borrowings	**40,966**	47,106	**1,991**	3,812
- lease liabilities	**11,669**	11,631	**-**	-
	52,635	58,737	**1,991**	3,812

32 TAX EXPENSE

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Current tax:				
- Malaysian income tax	**51,004**	22,873	**1,684**	341
- Foreign taxation	**(5,024)**	21,325	**-**	-
	45,980	44,198	**1,684**	341
Deferred taxation	**8,759**	23,935	**(14)**	4,324
	54,739	68,133	**1,670**	4,665

32 TAX EXPENSE (CONTINUED)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax:				
- Current financial year	**56,309**	42,989	**1,684**	-
- (Over)/Under provision in prior financial years	**(10,329)**	1,209	**-**	341
	45,980	44,198	**1,684**	341
Deferred taxation				
- Origination and reversal of temporary differences	**8,759**	23,935	**(14)**	4,324
Tax expense recognised in profit or loss	**54,739**	68,133	**1,670**	4,665

Recognition and measurement

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group and the Company operate and include all taxes based upon the taxable profits after taking into consideration available tax incentives.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	**221,059**	218,256	**193,416**	17,155
Calculated at the Malaysian tax rate of 24% (2023: 24%)	**53,054**	52,381	**46,420**	4,117
Expenses not deductible for tax purposes	**24,318**	38,418	**10,334**	995
Income not subject to tax	**(17,282)**	(15,339)	**(55,928)**	(5,112)
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	**(3,081)**	(15,218)	**-**	-
Current financial year deferred tax assets not recognised	**8,442**	2,700	**-**	-
Reversal of previously recognised deferred tax assets	**6,390**	6,723	**-**	4,324
Utilisation of tax incentives	**-**	(170)	**-**	-
Effect of different tax rates in other countries	**(3,547)**	(2,049)	**-**	-
(Over)/Under provision in prior financial years	**(10,329)**	1,209	**-**	341
Share of associates and joint ventures results	**(6,721)**	(1,372)	**-**	-
Others	**3,495**	850	**844**	-
Tax expense recognised in profit or loss	**54,739**	68,133	**1,670**	4,665

33 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The basic earnings per share for the financial year was calculated by dividing the Group's profit attributable to owners of the Company for the financial year of RM153,045,000 (2023: RM108,402,000) by the weighted average number of ordinary shares in issue, after adjusting for the effects of treasury shares during the financial year.

Weighted average number of shares

	Group	
	2024 '000	2023 '000
Issued ordinary shares at 1 January	**774,888**	774,888
Effect of treasury shares	**(577)**	(577)
Weighted average number of ordinary shares in issue	**774,311**	774,311
Basic/diluted earnings per ordinary share (sen)	**19.77**	14.00

The effects of (loss)/profit from discontinued operation have no significant impact to the basic/diluted earnings per ordinary share attributable to the owners of the Company.

There are no potential ordinary shares issued by the Company, thus there is no dilution in earnings per share.

34 DIVIDENDS

On 28 February 2025, the Directors declared a first interim single tier cash dividend of 2.00 sen per share amounting to approximately RM15,498,000 for the financial year ended 31 December 2024. The entitlement date was on 20 March 2025 and was paid on 3 April 2025. This dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2025.

The Directors did not declare any dividend for the financial year ended 31 December 2023.

Recognition and measurement

Dividend distribution to owners of the Company is debited directly to equity and the corresponding liability is recognised in the period in which the dividends are approved. Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

35 DISPOSAL OF A SUBSIDIARY

On 30 June 2024, Petro-Pipe Industrial Corporation Sdn. Bhd. ("PPIC"), a direct wholly-owned subsidiary of the Company disposed 1,200,000 ordinary shares and 4,800,000 redeemable preference shares, representing 60% and 80% equity interest in WDG Resources Sdn. Bhd. ("WDG"), an indirect 60% owned subsidiary of the Company for a total cash consideration of approximately RM731,000.

Accordingly, WDG and its subsidiaries, Syn Tai Hung Marketing Sdn. Bhd. and WDG Assembly Sdn. Bhd. (formerly known as STH Edaran Sdn. Bhd.) ceased to be indirect subsidiaries of PPIC and the Company.

Details of the disposal and the net cash flow on disposal are as follows:

	At the date of disposal RM'000
Property, plant and equipment	261
Right-of-use assets	91
Trade and other receivables	14,338
Inventories	1,440
Contract assets	498
Tax recoverable	486
Derivative financial assets	46
Cash and bank balances	2,210
Lease liabilities	(100)
Contract liabilities	(2,221)
Trade and other payables	(16,074)
Non-controlling interests	(393)
Group's share of net assets disposed	582
Less: Net disposal proceeds	(731)
Net gain on disposal	(149)
Net disposal proceeds received in cash	731
Less: Cash and bank balances of subsidiary disposed	(2,210)
Net cash outflow on disposal (form part of the disposal group)	(1,479)

36 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	Lease liabilities RM'000	Term loans RM'000	Fixed rate notes RM'000	Other bank borrowings RM'000	Total liabilities from financing activities RM'000
2024					
At 1 January	**226,875**	**83,164**	**20,321**	**599,477**	**929,837**
Cash flows	**(34,450)**	**54,981**	**(989)**	**(276,846)**	**(257,304)**
Non-cash item	**36,638**	**-**	**-**	**-**	**36,638**
Transfer from assets of disposal group classified as held for sale	**-**	**-**	**-**	**55,762**	**55,762**
Effect of exchange rate changes	**3,098**	**(1,685)**	**(532)**	**(8,102)**	**(7,221)**
At 31 December	**232,161**	**136,460**	**18,800**	**370,291**	**757,712**
2023					
At 1 January	236,607	107,428	20,868	661,670	1,026,573
Cash flows	(33,637)	(25,832)	(1,396)	(19,695)	(80,560)
Non-cash item	22,088	-	-	-	22,088
Transfer to assets of disposal group classified as held for sale	(906)	-	-	(60,762)	(61,668)
Effect of exchange rate changes	2,723	1,568	849	18,264	23,404
At 31 December	226,875	83,164	20,321	599,477	929,837

36 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED)

Company	Net advances from subsidiaries RM'000	Other bank borrowings RM'000	Total liabilities from financing activities RM'000
2024			
At 1 January	**32,888**	**45,000**	**77,888**
Cash flows	**32,712**	**(45,000)**	**(12,288)**
Effect of exchange rate changes	**-**	**-**	**-**
At 31 December	**65,600**	**-**	**65,600**
2023			
At 1 January	32,400	59,714	92,114
Cash flows	488	(14,766)	(14,278)
Effect of exchange rate changes	-	52	52
At 31 December	32,888	45,000	77,888

37 SIGNIFICANT RELATED PARTY DISCLOSURES

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

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions. The transactions described below were carried out on agreed terms.

	Group	
	2024 RM'000	2023 RM'000
Significant transactions with companies in which a Director of the Company, Dato' Seri Robert Tan Chung Meng, has interest		
Rental of premises paid/payable	1,049	898
Facilities paid/payables	186	105
Significant transactions with an associate		
Lease rental income of equipment	-	20,108

	Company	
	2024 RM'000	2023 RM'000
Significant transactions with subsidiaries		
Dividend income:		
- Wasco Process Engineering Sdn. Bhd.	159,765	12,190
- Petro-Pipe Industrial Corporation Sdn. Bhd.	41,120	9,000
- Maple Sunpark Sdn. Bhd.	20,000	-
Interest income:		
- Wasco Capital Sdn. Bhd.	1,808	688
Finance cost:		
- Maple Sunpark Sdn. Bhd.	820	15
- Wasco AgroTech Sdn. Bhd.	588	-
- Petro-Pipe Industrial Corporation Sdn. Bhd.	293	953

37 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

	Company	
	2024 RM'000	2023 RM'000
Significant transactions with subsidiaries (continued)		
Management fees receivables:		
- Wasco Management Services Sdn. Bhd.	-	1,450
- Syn Tai Hung Trading Sdn. Bhd.	-	789
- Wasco Process Engineering Sdn. Bhd.	-	730
- Wasco AgroTech Sdn. Bhd.	-	561
Management fees payables:		
- Wasco Management Services Sdn. Bhd.	**4,302**	3,724
Advances to subsidiaries:		
- Wasco Capital Sdn. Bhd.	**132,735**	29,100
- Wasco Management Services Sdn. Bhd.	**20,745**	-
- Wasco Energy Ltd.	**9,000**	-
- Wasco Coatings Services Sdn. Bhd.	-	5,000
- Wasco Coatings Malaysia Sdn. Bhd.	-	5,000
- Wasco Pipe Sabah Sdn. Bhd.	-	5,000
Repayments from subsidiaries:		
- Wasco Capital Sdn. Bhd.	**(102,780)**	(21,027)
- Wasco Management Services Sdn. Bhd.	**(20,745)**	-
- Wasco Coatings Services Sdn. Bhd.	-	(5,000)
- Wasco Coatings Malaysia Sdn. Bhd.	-	(5,000)
- Wasco Pipe Sabah Sdn. Bhd.	-	(5,000)
- WDG Resources Sdn. Bhd.	-	(2,400)
- Wah Seong Management Services Sdn. Bhd.	-	(2,550)
Advances from subsidiaries:		
- Maple Sunpark Sdn. Bhd.	**(85,600)**	(1,200)
- Wasco AgroTech Sdn. Bhd.	**(40,080)**	-
- Petro-Pipe Industrial Corporation Sdn. Bhd.	**(14,800)**	(33,000)
- Wasco Capital Sdn. Bhd.	-	(9,689)
- Petro-Pipe Industries (M) Sdn. Bhd.	-	(3,500)
- Wasco Coatings Malaysia Sdn Bhd.	**(13,300)**	-

37 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

Significant transactions with subsidiaries (continued)

	Company	
	2024 RM'000	2023 RM'000
Repayments to subsidiaries:		
- Petro-Pipe Industrial Corporation Sdn. Bhd.	**47,688**	-
- Petro-Pipe Industries (M) Sdn. Bhd.	**-**	23,500
- Wasco AgroTech Sdn. Bhd.	**40,080**	-
- Maple Sunpark Sdn. Bhd.	**20,000**	1,200
- Wasco Coatings Malaysia Sdn. Bhd.	**13,300**	-
- Wasco Capital Sdn. Bhd.	**-**	9,689
- Syn Tai Hung Trading Sdn. Bhd.	**-**	2,400

Significant outstanding balances with related parties at the financial year end are as follows:

	Company	
	2024 RM'000	2023 RM'000
Amounts due from/(to) subsidiaries:		
- Maple Sunpark Sdn. Bhd.	**(66,420)**	-
- Wasco Capital Sdn. Bhd.	**41,615**	10,563
- Wasco Energy Ltd.	**9,424**	35
- Triple Cash Sdn. Bhd.	**5,722**	5,474
- Petro-Pipe Industrial Corporation Sdn. Bhd.	**-**	(33,350)
- Wasco Management Services Sdn. Bhd.	**478**	(2,072)

Compensation of key management personnel are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Key management personnel:				
- short-term employee benefits (including monetary value of benefits-in-kind)	**18,881**	12,932	**-**	-
- post-employment benefits	**1,050**	658	**-**	-

In addition to the amounts disclosed above, the Group and the Company made a provision of RM2,819,000 and RM Nil (2023: a provision of RM3,977,000 and RM31,000) respectively for amounts payable to key senior management at the end of their employment for their services to the Group and the Company as part of their employment contract. With this, the total compensation to key management personnel (including unpaid gratuity provision) amounted to RM22,750,000 and RM Nil (2023: RM17,567,000 and RM31,000) for the Group and the Company respectively.

38 STAFF COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, wages and bonus	**536,526**	456,550	**-**	980
Defined contribution plan	**18,901**	16,153	**-**	167
	555,427	472,703	**-**	1,147

Included within staff costs are remuneration of Executive Directors of the Group and the Company (Note 39).

Recognition and measurement

(a) Short term benefits

Salaries, wages, bonuses and social security contributions are recognised as an expense in the financial year in which the services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlements to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur. Non-monetary benefits such as medical care, housing and other staff related expenses are charged to the profit or loss as and when incurred.

(b) Post-employment benefits

The Group has post-employment benefit schemes in accordance with local conditions and practices in the countries in which it operates. These post-employment benefit schemes are defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods.

As required by law, the Company and its subsidiaries in Malaysia make contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan, whereas subsidiaries in other countries make their respective local contributions, if required by law.

Such contributions are recognised as an expense in the profit or loss in the financial year to which they relate.

39 DIRECTORS' REMUNERATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive Directors				
Salaries, wages and bonus	**8,721**	5,769	**-**	-
Defined contribution plan	**486**	316	**-**	-
Directors' fees	**-**	60	**-**	60
Directors' allowances	**-**	6	**-**	6
	9,207	6,151	**-**	66
Non-Executive Directors				
Salaries, wages and bonus	**-**	1,983	**-**	1,983
Defined contribution plan	**-**	238	**-**	238
Directors' fees	**805**	470	**805**	470
Directors' allowances	**122**	172	**122**	172
	927	2,863	**927**	2,863
	10,134	9,014	**927**	2,929

The estimated monetary value of benefits-in-kind received and receivable by Directors of the Group and the Company are RM326,000 (2023: RM261,000) and RM Nil (2023: RM Nil) respectively.

In addition to the amounts disclosed above, the Group have made a provision of RM2,382,000 (2023: RM3,899,000) for amounts payable to executive directors at the end of their employment for their services to the Group as part of their employment contract. With this, the total remuneration (including unpaid gratuity provision) amounted to RM12,516,000 and RM927,000 (2023: RM10,692,000 and RM708,000) for the Group and the Company respectively.

40 CAPITAL COMMITMENTS

Capital expenditure as at the reporting date is as follows:

	Group	
	2024 RM'000	2023 RM'000
Commitment to acquire property, plant and equipment not provided for in the financial statements:		
Approved and contracted	**47,378**	47,037

41 SEGMENTAL ANALYSIS

For management purposes, the Group is organised into business units based on their products and services.

The Group's operating segments comprise:

(a) Energy services division: Pipe coating, pipe manufacturing for the oil and gas industry, building and operating offshore/onshore field development facilities and the provision of highly specialised equipment and services to the power generation, oleochemical and petrochemical industries.

(b) Bioenergy services division: Supplier and manufacturer of specialised equipment for biomass power plants; such as industrial fans, boilers and turbines that run primarily on biomass fuels.

(c) Trading division: Trading and distribution of building materials and the manufacturing and trading of industrial pipes for the construction industry. The Group had decided to divest its Trading businesses in the financial year ended 31 December 2023. During the financial year, the Trading business was classified as continuing operations as disclosed in Note 21(a).

(d) Others: All other units within the Group that do not constitute a separately reportable segment.

Management monitors the operating results of its divisions separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group Chief Executive Officer has been identified as the chief operating decision-maker as he is responsible for allocating resources and assessing performance of the Group's operating segments. Segment performance is evaluated based on revenue and profitability measures as shown in the table below.

Transactions between segments were entered into in the normal course of business and were established on agreed terms. The effects of such inter-segmental transactions are eliminated on consolidation.

The assets are allocated based on the operations of the respective segments. The amounts provided to the Group Chief Executive Officer with respect to total assets are measured in a manner consistent with the disclosure of segment assets below.

41 SEGMENTAL ANALYSIS (CONTINUED)

	Energy Services RM'000	Bioenergy Services RM'000	Trading RM'000	Others RM'000	Total RM'000
RESULTS					
Financial year ended 31 December 2024					
Revenue	2,637,911	276,715	269,911	29,319	3,213,856
Less: Inter-segment revenue	(552)	-	-	(28,782)	(29,334)
External revenue	2,637,359	276,715	269,911	537	3,184,522
Segment profit/(loss)	183,821	69,392	(28,542)	(15,185)	209,486
Share of results of associates	-	-	-	19,355	19,355
Share of results of joint ventures	6,771	66	-	1,813	8,650
	190,592	69,458	(28,542)	5,983	237,491
Unallocated expenses relating to financing activities					(15,885)
Unallocated corporate expenses					(547)
Profit before tax					221,059
TOTAL ASSETS					
As at 31 December 2024					
Segment assets	2,332,112	237,415	73,656	21,504	2,664,687
Investment in associates	-	-	-	122,576	122,576
Investment in joint ventures	9,834	4,527	-	12,295	26,656
	2,341,946	241,942	73,656	156,375	2,813,919
Unallocated corporate assets					
- Deferred tax assets					11,978
- Tax recoverable					9,385
- Cash and cash equivalents					39,136
- Short term investment					14,970
- Others					253
					2,889,641

41 SEGMENTAL ANALYSIS (CONTINUED)

	Energy Services RM'000	Bioenergy Services RM'000	Trading RM'000	Others RM'000	Total RM'000
OTHER INFORMATION					
Financial year ended 31 December 2024					
Depreciation of:					
- Property, plant and equipment	73,090	2,765	194	908	76,957
- Investment properties	-	-	-	123	123
- Right-of-use assets	29,290	335	862	1,109	31,596
Additions of:					
- Property, plant and equipment	112,110	6,110	30	1,348	119,598
Loss/(Reversal) of impairment on:					
- Property, plant and equipment	25,215	-	-	-	25,215
- Receivables	15,049	411	3,185	-	18,645
- Amount owing from associate	204	-	-	-	204
- Amount owing from joint venture	12,441	-	-	-	12,441
Allowance/(Reversal) on slow moving and obsolete inventories	8,546	86	(191)	-	8,441
Write-off on:					
- Property, plant and equipment	2,785	7	58	37	2,887
- Inventories	977	-	15	1	993
Raw materials consumed	838,510	133,791	-	-	972,301
Subcontracting cost	205,023	20,388	-	-	225,411
Cost of trading goods and services	10,080	-	256,535	271	266,886
Staff costs	452,522	35,017	13,309	54,579	555,427
Interest income	(2,781)	(1,209)	(310)	(1,824)	(6,124)
Interest expense					
- Loans and borrowings	21,041	2,268	1,735	37	25,081
- Lease liabilities	11,535	-	59	75	11,669
Revenue comprise of:					
- Revenue from contracts with customers	2,637,359	276,715	269,912	510	3,184,496
- Revenue from other sources	-	-	-	26	26
	2,637,359	276,715	269,912	536	3,184,522
Revenue from contracts with customers is represented by:					
Timing of revenue recognition					
- Over time	2,380,115	121,063	-	-	2,501,178
- At a point in time	257,244	155,652	269,912	510	683,318
	2,637,359	276,715	269,912	510	3,184,496

41 SEGMENTAL ANALYSIS (CONTINUED)

	Energy Services RM'000	Bioenergy Services RM'000	Others RM'000	Total RM'000
RESULTS				
Financial year ended 31 December 2023				
Revenue	2,316,817	288,844	17,034	2,622,695
Less: Inter-segment revenue	-	-	(17,007)	(17,007)
External revenue	2,316,817	288,844	27	2,605,688
Segment profit/(loss)	216,197	47,867	(8,311)	255,753
Share of results of associates	-	-	16,307	16,307
Share of results of joint ventures	1,083	571	(13,423)	(11,769)
	217,280	48,438	(5,427)	260,291
Unallocated expenses relating to financing activities				(24,148)
Unallocated corporate expenses				(17,887)
Profit before tax				218,256
TOTAL ASSETS				
As at 31 December 2023				
Segment assets	2,338,107	227,184	50,814	2,616,105
Investment in associates	-	-	112,742	112,742
Investment in joint ventures	3,578	4,460	12,142	20,180
Assets classified as held for sale	-	7,300	4,790	12,090
	2,341,685	238,944	180,488	2,761,117
Unallocated corporate assets				
- Assets of disposal group classified as held for sale				120,181
- Deferred tax assets				26,719
- Tax recoverable				15,478
- Cash and cash equivalents				22,491
- Others				664
				2,946,650

41 SEGMENTAL ANALYSIS (CONTINUED)

	Energy Services RM'000	Bioenergy Services RM'000	Others RM'000	Total RM'000
OTHER INFORMATION				
Financial year ended 31 December 2023				
Depreciation of:				
- Property, plant and equipment	52,355	2,293	1,152	55,800
- Investment properties	-	-	195	195
- Right-of-use assets	24,618	67	920	25,605
Additions of:				
- Property, plant and equipment	120,059	3,932	3,542	127,533
Loss/(Reversal) of impairment on:				
- Property, plant and equipment	1,847	-	-	1,847
- Investment properties	-	-	19	19
- Receivables	(4,490)	(1,285)	-	(5,775)
- Amount owing from associate	(10,216)	-	-	(10,216)
- Amount owing from joint venture	8,065	-	-	8,065
Reversal on slow moving and obsolete inventories	(201)	(712)	-	(913)
Write-off on:				
- Property, plant and equipment	4	5	120	129
- Receivables	105	1	-	106
- Inventories	236	157	-	393
Raw materials consumed	765,153	144,033	-	909,186
Subcontracting cost	211,709	22,431	-	234,140
Cost of trading goods and services	11,703	-	-	11,703
Staff costs	397,514	30,943	44,246	472,703
Interest income	(2,461)	(683)	(874)	(4,018)
Interest expense				
- Loans and borrowings	21,815	903	240	22,958
- Lease liabilities	11,524	-	107	11,631
Revenue comprise of:				
- Revenue from contracts with customers	2,295,538	288,844	-	2,584,382
- Revenue from other sources	21,279	-	27	21,306
	2,316,817	288,844	27	2,605,688
Revenue from contracts with customers is represented by:				
Timing of revenue recognition				
- Over time	2,028,474	127,986	-	2,156,460
- At a point in time	267,064	160,858	-	427,922
	2,295,538	288,844	-	2,584,382

41 SEGMENTAL ANALYSIS (CONTINUED)

Geographical information

Revenue and non-current assets information is based on the geographical location of customers and assets respectively as follows:

	Revenue		Non-current assets*	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Attributed to the country of domicile:				
Malaysia	**725,019**	738,315	**534,055**	540,034
Attributed to foreign countries:				
South East Asia excluding Malaysia	**878,993**	670,007	**266,038**	226,733
Middle East	**475,769**	298,041	**227,788**	223,346
Europe	**410,251**	201,435	**100,575**	118,130
Africa	**306,886**	317,005	**-**	-
Australia	**266,845**	199,240	**12,339**	14,800
United States of America	**66,459**	105,715	**6,743**	22,455
East Asia	**17,667**	26,032	**-**	-
Pakistan	**14,741**	20,955	**-**	-
Latin America	**12,586**	-	**-**	-
Canada	**2,374**	20,829	**-**	14,231
India	**2,344**	2,641	**-**	1,870
Mexico	**1,490**	-	**-**	-
China	**1,350**	5,155	**3,175**	3,196
Others	**1,748**	318	**308**	328
	3,184,522	2,605,688	**1,151,021**	1,165,123

* Non-current assets other than deferred tax assets.

42 FINANCIAL INSTRUMENTS BY CATEGORY

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets				
Financial assets measured at fair value through profit or loss				
- Derivative financial assets	-	154	-	-
Financial assets at amortised cost:				
- Trade and other receivables (excluding prepayments and value added tax receivables)	571,226	538,186	89	350
- Amounts owing by subsidiaries	-	-	57,298	16,121
- Amounts owing by associates	123	180	-	-
- Amounts owing by joint ventures	12,552	23,995	-	-
- Time deposits	111,456	103,181	25,673	684
- Cash and bank balances	241,048	307,163	12,659	2,915
	936,405	972,705	95,719	20,070
Total	936,405	972,859	95,719	20,070
Financial liabilities				
Financial liabilities measured at fair value through profit or loss				
- Derivative financial liabilities	14,038	4,100	-	-
Financial liabilities at amortised cost:				
- Trade and other payables (excluding employee benefits and value added tax payables)	700,069	498,936	962	1,148
- Amounts owing to subsidiaries	-	-	66,420	35,433
- Amounts owing to joint ventures	6,174	7,573	-	-
- Dividend payable	-	4,450	-	-
- Loans and borrowings	525,551	702,962	-	45,000
- Lease liabilities	232,161	226,875	-	-
	1,463,955	1,440,796	67,382	81,581
Total	1,477,993	1,444,896	67,382	81,581

42 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

(a) Financial assets

Classification

The Group and the Company classify its financial assets as fair value through profit or loss and at amortised cost. The classification depends on the nature of the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group and the Company reclassify debt investments when and only when its business model for managing those assets changes.

Recognition and initial measurement

Financial assets are initially recognised at fair value plus transaction cost that are directly attributable to the acquisition of the financial assets except for financial assets at fair value through profit or loss. Transaction costs for financial assets measured at fair value through profit or loss are recognised immediately as expenses within profit or loss.

Subsequent measurement

(i) Debt instruments at amortised cost

After initial recognition, financial assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest are measured at amortised cost using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are recognised in profit or loss.

(ii) Debt instruments at fair value through profit or loss

Subsequent to initial recognition, financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Any gains or losses arising from changes in fair value are recognised in profit or loss within 'other gains/(losses) – net'. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss.

(iii) Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains or losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in profit or loss within 'other gains/(losses) – net'.

42 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

(a) Financial assets (continued)

Impairment of financial assets

Impairment of financial assets are as disclosed in Note 43.

De-recognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

(b) Financial liabilities

Classification

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Liabilities in this category are classified within current liabilities if they are either held for trading or are expected to be settled within 12 months after the reporting date. Otherwise, they are classified as non-current.

(ii) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables, intercompany payables, dividend payable and loans and borrowings. Loans and borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Recognition and de-recognition

A financial liability is recognised when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

42 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

(b) Financial liabilities (continued)

Initial and subsequent measurement

Derivative financial liabilities are initially measured at fair value and subsequently stated at fair value, with any resulting gains or losses recognised in profit or loss. Net gains or losses on the derivatives include exchange differences.

Trade and other payables are recognised initially at fair value net off directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are de-recognised.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's overall financial risk management objectives and policies are to ensure that the Group and the Company create value and maximise returns for its shareholders. Financial risk management is carried out through risk review, internal control systems, benchmarking to the industry's best practices and adherence to the Group's financial risk management policies.

The main risks arising from the financial instruments of the Group and the Company are credit risk, market risk, and liquidity risk. Management monitors the Group's and the Company's financial position closely with the objective to minimise potential adverse effects on the financial performance of the Group and of the Company.

The following sections provide details regarding the Group's and the Company's exposure to the above mentioned financial risks and the objectives, policies and processes for managing these risks.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company.

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amounts of each class of financial assets recognised in the statements of financial position, including derivative financial instruments with positive fair values.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

(a) Receivables

The Group's and the Company's exposure to credit risk is monitored on an ongoing basis. The Group and the Company have credit policies in place to manage the credit risk exposure. The risk is managed through the application of the Group's and the Company's credit management procedures which include the application of credit evaluations or approvals and follow up procedures.

The Group and the Company actively monitor the utilisation of credit limits to manage the risk of any material loss from the non-performance of its counterparties.

Simplified approach for finance lease receivables, trade receivables and contract assets (including intercompany trade balances)

The Group and the Company apply simplified approach to providing for expected credit loss ("ECL") prescribed by MFRS 9, which permits the use of the lifetime expected loss provision for all finance lease receivables, trade receivables and contract assets. The Group and the Company account for its credit risk by appropriately providing for ECL on timely basis. In calculating credit loss rate, the finance lease receivables, trade receivables and contract assets have been assessed based on credit risk categories and the days past due and adjust for forward-looking information.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group and the Company. The Group and the Company categorise a receivable for write off when a debtor fails to make contractual payments and the recoverability of the receivables is remote. Where receivables have been written off, the Group and the Company continue to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

General 3-stage approach for other debt instruments financial assets

ECL for other debt instruments financial assets at amortised costs, which include other receivables, non-trade intercompany balances including amounts owing by subsidiaries, amounts owing by associates and amounts owing by joint ventures, time deposits and cash and bank balances are considered to have low credit risk, as there were low risks of defaults and historically there were minimal instances where contractual cash flow obligations have not been met.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

(a) Receivables (continued)

General 3-stage approach for other debt instruments financial assets (continued)

The Group and the Company use three categories to reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group's and the Company's ECL model is as follows:

Category	Group's and Company's definition of category	Basis for recognising ECL
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows.	12 month ECL
Underperforming	Debtors for which there is a significant increase in credit risk or significant increase in credit risk is presumed if the forward-looking information and indicators available signify impairment to debtors' ability to repay.	Lifetime ECL
Not performing	Debtors' ability to repay or likelihood of repayment is determined as fully impaired when it meets one of more of the credit-impaired indicators.	Lifetime ECL (credit impaired)

Based on the above, loss allowance is measured on either 12 month ECL or lifetime ECL, by considering the likelihood that the debtor would not be able to repay during the contractual period, the percentage of contractual cash flows that will not be collected if default happens and the outstanding amount that is exposed to default risk. No significant changes to estimation techniques or assumptions were made during the reporting period.

There is no loss allowance for other financial asset at amortised cost as at 31 December 2024 and 31 December 2023, except for trade and other receivables, amounts owing by subsidiaries, amounts owing by associates and amounts owing by joint ventures.

For movement of allowance for impairment of trade and other receivables, amounts owing by subsidiaries, amounts owing by associates and amounts owing by joint ventures, refer to Note 13, 14(a), 15 and 16(a) respectively.

(b) Intercompany balances

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of its subsidiaries regularly.

As at 31 December 2024 and 31 December 2023, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

(b) Intercompany balances (continued)

Management has taken reasonable steps to ensure that the recoverability of intercompany receivables are high. As at 31 December 2024 and 31 December 2023, the amounts owing by subsidiaries were considered performing, except for certain subsidiaries. For movement of allowance for impairment of amount owing by subsidiaries, refer to Note 14(a).

Advances to subsidiaries that are repayable on demand and interest-free are classified as amortised cost in the Company's financial statements because the Company's business model is to hold and collect the contractual cash flows and those cash flows represent solely payments of principal and interest. The Company applied 12 month ECL for these advances to subsidiaries. There is no loss allowance recognised on these advances to subsidiaries as all strategies indicate that the Company could fully recover the outstanding balance of the advances to subsidiaries.

Advances to subsidiaries in the Company's separate financial statements are assessed on individual basis for ECL measurement, as credit risk information is obtained and monitored based on each advances to subsidiary.

(c) Derivative financial instruments

Transactions involving derivative financial instruments are with approved financial institutions and reputable banks.

As at the end of the reporting period, the maximum exposure to credit risk arising from derivatives financial assets is represented by the carrying amounts in the statement of financial position.

In view of the counterparties being reputable licensed financial institutions, management does not expect any of the counterparties to fail to meet their obligations.

(d) Financial guarantees

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayment made by the subsidiaries.

The maximum exposure to credit risk amounts to RM297,397,000 (2023: RM368,960,000) representing banking facilities utilised by the subsidiaries as at the end of the financial year.

Financial guarantee contracts are recognised initially as a liability at fair value. Subsequent to initial recognition, the liability is measured at the higher of the amount determined in accordance with the ECL model under MFRS 9 'Financial Instruments' and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 'Revenue from Contracts with Customers', where appropriate.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

(d) Financial guarantees (continued)

As at 31 December 2024 and 31 December 2023, there was no indication that any subsidiary would default on repayment. All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowance was identified based on 12 months ECL.

Financial guarantees have not been recognised since the fair value on initial recognition was not material as the probability of the subsidiaries defaulting on its banking facilities is remote.

(e) Time deposits and cash and bank balances

Time deposits and cash and bank balances are placed with approved financial institutions and reputable banks. The likelihood of non-performance by these financial institutions is remote based on their high credit ratings.

Market risk

Market risk refers to the risk that changes in market prices, such as foreign exchange rates, interest rates and prices will affect the Group's and the Company's financial position and cash flows.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales and purchases that are denominated in a currency other than the functional currencies of the Group entities. The foreign currency in relation to these transactions is mainly denominated in United States Dollar.

The Group maintains a natural hedge, whenever possible, by maintaining receivables and payables in matching foreign currencies. Foreign exchange exposures in transactional currencies other than the functional currencies of the operating entities are kept to an acceptable level.

The Group also uses forward currency contracts to minimise exposure on currency fluctuations for which receipts or payments are anticipated more than one month after the Group has entered into a firm commitment for a sale or purchase. The forward currency contracts entered are in the same currency as the hedged item. It is the Group's policy to negotiate the terms of the forward currency contracts to match the terms of the hedged item to maximise its effectiveness.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(a) Foreign currency risk (continued)

At the reporting date, the Group is mainly exposed to fluctuation in the United States Dollar exchange rate against the respective functional currencies of the Group entities. The Group considers a 5% strengthening or weakening of the United States Dollar as a possible change.

A 5% strengthening or weakening of the United States Dollar would result in profit or loss after tax and equity being approximately RM4,785,000 and RM10,000 (2023: RM3,124,000 and RM11,000) higher or lower for the Group and the Company accordingly.

The Group and the Company consider that the foreign currency risk attributable to currencies other than the United States Dollar to be insignificant.

The Group's and the Company's exposure to foreign currency (a currency which is other than the functional currency of the Group entities and the Company) risk, based on carrying amounts as at the end of the reporting period were:

Group

31 December 2024

	Denominated in							
	USD RM'000	SGD RM'000	QR RM'000	EUR RM'000	IDR RM'000	JPY RM'000	Others RM'000	Total RM'000
Cash and bank balances	64,785	9,134	2,650	3,524	1,390	1,529	1,881	84,893
Trade and other receivables	146,378	6,569	-	8,491	16,354	5,838	3,196	186,826
Amount owing by/(to) joint ventures	9,427	-	-	-	-	(5,438)	(736)	3,253
Trade and other payables	(106,572)	(14,444)	(50,553)	(5,824)	(16,359)	(2,476)	(10,250)	(206,478)
Loans and borrowings	(18,312)	(964)	-	(1,498)	-	-	-	(20,774)

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(a) Foreign currency risk (continued)

Group

31 December 2023

	Denominated in							
	USD RM'000	SGD RM'000	QR RM'000	EUR RM'000	IDR RM'000	JPY RM'000	Others RM'000	Total RM'000
Cash and bank balances	63,570	12,396	1,216	1,720	2,009	8,496	3,259	92,666
Trade and other receivables	160,146	2,082	-	14,631	13,219	6,043	3,822	199,943
Amount owing by/(to) joint ventures	20,811	-	-	-	-	(6,914)	(659)	13,238
Trade and other payables	(166,356)	(14,622)	(41,516)	(12,217)	(29,621)	(2,747)	(610)	(267,689)
Loans and borrowings	(15,689)	(3,552)	(608)	-	-	-	-	(19,849)

Company

31 December 2024

	Denominated in USD RM'000
Cash and cash equivalents	**10**
Net exposure	**10**

31 December 2023

	Denominated in USD RM'000
Cash and cash equivalents	219
Net exposure	219

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(b) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's and the Company's exposure to interest rate risks relates primarily to the Group's and the Company's time deposits and interest bearing borrowings.

Surplus funds are placed with licensed financial institutions to earn interest income based on prevailing market rates. The Group and the Company manage its interest rate risks by placing such funds on short tenures of 12 months or less.

The Group and the Company generally borrow principally on a floating rate basis and ensure that interest rates obtained are competitive.

The interest rate profile of the Group's and the Company's significant interest-bearing financial instrument have been presented in Notes 14, 16, 18 and 25.

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as a fair value hedge. Therefore, a change in interest rates for these financial instruments at the end of the reporting period would not affect profit or loss.

Sensitivity analysis for variable rate instruments

At the reporting date, if interest rates had been 50 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit or loss after tax and equity would have been approximately RM2,534,000 and RM Nil (2023: RM3,335,000 and RM225,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its trade and other payables and loans and borrowings. The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

As at 31 December 2024, there are sufficient facilities available that can be used to refinance borrowings, capital expenditure and general working capital requirements of the Group and the Company. Details of liquidity risk are disclosed in Note 25 to the financial statements.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

All financial liabilities of the Group and the Company that will be due and payable within the next 12 months are classified within current liabilities. The contractual cash flows of derivative financial liabilities and non-derivative financial liabilities are presented below:

Group	Within 1 year RM'000	More than 1 year and less than 2 years RM'000	More than 2 years and less than 5 years RM'000	More than 5 years RM'000	Total contractual undiscounted cash flows RM'000	Total carrying amount RM'000
2024						
Non-derivative financial liabilities						
Lease liabilities	30,155	26,238	84,346	165,247*	305,986	232,161
Trade and other payables	593,761	4,992	-	-	598,753	598,753
Amounts owing to joint ventures	6,174	-	-	-	6,174	6,174
Loans and borrowings	455,588	56,361	37,861	-	549,810	525,551
	1,085,678	87,591	122,207	165,247	1,460,723	1,362,639
Derivative financial liabilities						
Forward currency contracts						
Gross settled						
- outflow	393,871	29,587	-	-	423,458	
- inflow	(381,152)	(28,268)	-	-	(409,420)	
	12,719	1,319	-	-	14,038	14,038
	1,098,397	88,910	122,207	165,247	1,474,761	1,376,677

* Lease liabilities with maturity of more than 5 years comprise of lease terms up to 12 years.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

Group	Within 1 year RM'000	More than 1 year and less than 2 years RM'000	More than 2 years and less than 5 years RM'000	More than 5 years RM'000	Total contractual undiscounted cash flows RM'000	Total carrying amount RM'000
2023						
Non-derivative financial liabilities						
Lease liabilities	32,442	26,607	71,170	181,778*	311,997	226,875
Trade and other payables	483,972	14,972	-	-	498,944	498,944
Amounts owing to joint ventures	7,573	-	-	-	7,573	7,573
Loans and borrowings	688,846	31,950	21,927	-	742,723	702,962
Dividend payable	4,450	-	-	-	4,450	4,450
	1,217,283	73,529	93,097	181,778	1,565,687	1,440,804
Derivative financial liabilities						
Forward currency contracts						
Gross settled						
- outflow	242,561	-	-	-	242,561	
- inflow	(238,615)	-	-	-	(238,615)	
	3,946	-	-	-	3,946	3,946
	1,221,229	73,529	93,097	181,778	1,569,633	1,444,750

* Lease liabilities with maturity of more than 5 years comprise of lease terms up to 9 years.

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

Company	Within 1 year RM'000	Total contractual undiscounted cash flows RM'000	Total carrying amount RM'000
2024			
Non-derivative financial liabilities			
Financial guarantees*	**297,397**	**297,397**	**-**
Other payables and accruals	**964**	**964**	**964**
Amounts owing to subsidiaries	**68,379**	**68,379**	**66,420**
	366,740	**366,740**	**67,384**
2023			
Non-derivative financial liabilities			
Financial guarantees*	368,960	368,960	-
Other payables and accruals	1,148	1,148	1,148
Amounts owing to subsidiaries	35,433	35,433	35,433
Loans and borrowings	47,826	47,826	45,000
	453,367	453,367	81,581

* This represents the maximum exposure to the Company in the event that the financial guarantee contracts issued by the Company to its subsidiaries are called upon. These liabilities have been included in the consolidated statement of financial position of the Group and hence will not result in any additional liability to the Group.

44 FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and liabilities classified within current assets and current liabilities respectively approximate their fair values due to the relatively short term nature of these financial instruments.

The fair values of forward exchange contracts are estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

Fair values of non-derivative financial liabilities are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

The carrying amount of financial liabilities measured at amortised cost approximates their respective fair values.

Fair value hierarchy

The table below summarises all financial instruments carried at fair value as at 31 December 2024 and 31 December 2023, based on a hierarchy that reflects the significance of the inputs used in measuring its respective fair values. The levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical financial assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the financial asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the financial asset or liability that are not based on observable market data (unobservable inputs).

	Group			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2024				
Financial assets/(liabilities)				
Derivative financial assets	-	-	-	-
Derivative financial liabilities	-	(14,038)	-	(14,038)
	-	(14,038)	-	(14,038)
2023				
Financial assets/(liabilities)				
Derivative financial assets	-	154	-	154
Derivative financial liabilities	-	(4,100)	-	(4,100)
	-	(3,946)	-	(3,946)

45 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital structure in order to continue supporting its businesses, maximise shareholders' value and sustain future development of businesses within the Group. The Group strives to monitor and maintain an optimal gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as loans and borrowings less time deposits, cash and bank balances. Total capital includes paid-up share capital and reserves attributable to owners of the Company. The Group's net gearing ratio is 0.21 times (2023: 0.48 times).

Under the terms of the major bank loans and borrowings, the Group is required to comply with certain financial covenants throughout the tenure of the bank loans and borrowings. The key financial covenants are consolidated gearing ratio, consolidated finance service cover ratio, debt to EBITDA ratio and net tangible net worth. The Group has complied with these financial covenants during the financial year and up to the date of this report.

SUMMARY OF SIGNIFICANT RECURRENT RELATED PARTY TRANSACTIONS

A. Group Financial and/or Treasury Management

<table>
<tr><th>Interested Related Party</th><th>Lender</th><th>Borrower</th><th>Actual Value Transacted for the Financial Year Ended 31 December 2024</th><th>Nature of Transaction</th></tr>
<tr><td rowspan="5">Dato' Seri Robert Tan Chung Meng ("DSRT"); Pauline Tan Suat Ming ("PT"); Tony Tan Choon Keat ("TTCK"); Tan Kim Yeow Sendirian Berhad ("TKYSB")</td><td>Wasco Berhad ("WB")</td><td>Triple Cash Sdn. Bhd. ("TCSB")</td><td>RM6,045,464</td><td>Interest bearing advances for purpose of working capital requirement</td></tr>
<tr><td colspan="4">DSRT is the Non-Independent Non-Executive Chairman of WB and also an indirect Major Shareholder of WB by virtue of his total direct and indirect shareholdings in WB of 1.54% and 41.20% respectively. DSRT is a Major Shareholder of TCSB by virtue of his indirect shareholding through TKYSB.</td></tr>
<tr><td colspan="4">PT is an indirect Major Shareholder of WB by virtue of her indirect shareholding in WB of 41.48%. PT is a Major Shareholder of TCSB by virtue of her indirect shareholding through TKYSB.</td></tr>
<tr><td colspan="4">TTCK is an indirect Major Shareholder of WB by virtue of his indirect shareholding in WB of 41.20%. TTCK is a Major Shareholder of TCSB by virtue of his indirect shareholding through TKYSB.</td></tr>
<tr><td colspan="4">TKYSB is a Major Shareholder of WB by virtue of its total direct and indirect shareholdings in WB of 8.63% and 32.57% respectively and a Major Shareholder of TCSB by virtue of its 21% shareholding in TCSB.</td></tr>
</table>

B. Transactions of A Revenue or Trading in Nature

<table>
<tr><th>Interested Related Party</th><th>Provider of Products/ Services</th><th>Recipient of Products/ Services</th><th>Actual Value Transacted for the Financial Year Ended 31 December 2024</th><th>Nature of Transaction</th></tr>
<tr><td rowspan="3">Dato' Mohamed Nizam Bin Abdul Razak ("Dato' Nizam"); Mohd Azlan Bin Mohammed ("Azlan")</td><td>Wasco Lindung Sdn. Bhd. ("WL")</td><td>Wasco Coatings Malaysia Sdn. Bhd. ("WCM") and its subsidiaries</td><td>RM8,927,348</td><td>Sale/Purchase of sacrificial anodes and sub-contracting of anodes installation works and other related works</td></tr>
<tr><td colspan="4">Dato' Nizam is a common Director of WCM and WL and a Major Shareholder by virtue of him holding 19.81% shares in Wasco Oilfield Services Sdn. Bhd. ("WOS"), the intermediate holding company of WL.</td></tr>
<tr><td colspan="4">Azlan is a common Director of WCM and WL and a Major Shareholder by virtue of him holding 31.67% shares in WOS (the intermediate holding company of WL) and 22.61% shares in WL respectively.</td></tr>
</table>

NOTE:

The Interested Related Party Relationships are as per the Circular to Shareholders on Proposed Renewal of Shareholders' Mandate for the Existing Recurrent Related Party Transactions of a Revenue or Trading Nature and Provision of Financial Assistance dated 26 April 2024 which was approved at the Annual General Meeting of Wasco Berhad held on 30 May 2024.

TOP 10 LIST OF PROPERTIES
AS AT 31 DECEMBER 2024

Title/Location	Description/ existing use	Approximate age of the building	Approximate land/ built-up area	Tenure	Audited NBV as at 31.12.2024 RM'000
No. 246/SPJ/KA-AT/XI/93, No. 13/PERJ-DDOPS/L/3/2009 and No.460/SPJ/KD-AT/L/VIII/2006 Brigjend Katamso St. Km. 6, Tanjung Uncang District, Batu Aji Sub-District, Batam City, Riau Islands Province, 29424	Industrial land with office and workshops	N/A	126,998 sq m	Leasehold 22 years expiring on 21 April 2043	96,621
			29,333 sq m	Leasehold 25 years expiring on 28 February 2046	
			20,000 sq m	Leasehold 40 years expiring on 2 November 2048	
Lot No. 512, 513, 514, 515, 1284 and 2347 Mukim Teluk Panglima Garang Daerah Kuala Langat Selangor Darul Ehsan	Factory/Jetty/ Buildings	11 years	24 acres	Freehold	88,733
PT15926, Jalan Bandar Lama 42500 Telok Panglima Garang Selangor Darul Ehsan	Factory and office building	5 - 8 years	8 acres		
KKIP Timor, Industrial Zone 13 General Industrial Zone Kota Kinabalu Industrial Park Mile 15 Jalan Telipok, Telipok Kota Kinabalu, Sabah	Industrial land with factory and office building	17 years	22 acres (Land) 21,642 sq m (Building)	Leasehold 99 years expiring on 31 December 2098	41,444
No. 5 Pandan Road Singapore 609299	Office building	8 years	13,723 sq m	Leasehold 28 years expiring on 30 December 2037	34,745
Geran No 339016, 339017, 32546 and 32547 Lot 126257, 15844, 1944 and 1945 Jalan Bukit Kemuning Seksyen 32, 40460 Shah Alam Selangor Darul Ehsan	Industrial land with office and factory building	17 years	13 acres (Land) 34,537 sq m (Building)	Freehold	25,278
PKNP Land Lot Fiz Kawasan Perindustrian Fiz Tg Gelang, Mukim Sg. Karang Kuantan, Pahang Darul Makmur	Industrial land	N/A	36 acres	Leasehold 85 years expiring on 19 December 2096	17,768

Title/Location	Description/ existing use	Approximate age of the building	Approximate land/ built-up area	Tenure	Audited NBV as at 31.12.2024 RM'000
PN 4460,4461,4462,4463,37309 Lot No. 487,488,489,490, 20041 Seksyen 90 Bandar Kuala Lumpur No. 2,4,6,8 Jalan 1/75 Off Jalan Kampong Pandan Kuala Lumpur	Commercial	34 years	3,167 sq m	Leasehold 99 years expiring on 14 October 2076	6,133
CL075599469 & CL075599478 Lot 3 & 4, Mile 9, Labuk Road, Sandakan	Semi-detached 1 storey open shed workshop cum 2 storey office	10 years	2,354 sq m (Land) 557 sq m (Buildings)	Leasehold 99 years expiring on 31 December 2113	2,782
Lot 15479, 15480, Block 32 Kemena Land District Bizhub 33, Jalan Bintulu-Miri, Bintulu	Double storey semi detached industrial building	8 years	722 sq m	Leasehold expiring on 20 January 2079	2,114

ANALYSIS OF SHAREHOLDINGS

Ordinary Shares

Share Capital as at 28 March 2025

Issued and Fully Paid-up Capital	:	RM547,690,147.00
Class of Equity Securities	:	Ordinary Shares
Stock Name	:	WASCO
Voting Rights	:	On a poll - one (1) vote per ordinary share held
Total Shareholders	:	9,699

Distribution of Shareholders as at 28 March 2025

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	2,937	30.2815	89,907	0.0116
100 - 1,000	1,825	18.8164	637,641	0.0823
1,001 - 10,000	3,326	34.2922	12,852,677	1.6586
10,001 - 100,000	1,305	13.4550	36,139,318	4.6638
100,001 to less than 5% of total number of issued shares	304	3.1343	437,544,731	56.4655
5% and above of issued share capital	2	0.0206	287,624,020	37.1181
Total	**9,699**	**100.0000**	**774,888,294**	**100.0000**

List of Substantial Shareholders as at 28 March 2025

Name of Substantial Shareholders	No. of Ordinary Shares			
	Direct Interest	% [a]	Deemed Interest	% [a]
1. Wah Seong (Malaya) Trading Co. Sdn. Bhd.	239,438,739	30.9228	12,732,323 [b]	1.6443
2. Tan Kim Yeow Sendirian Berhad	66,824,250	8.6302	252,171,062 [c]	32.5671
3. Pauline Tan Suat Ming	-	-	321,162,173 [e]	41.4771
4. Tan Chin Nam Sendirian Berhad	5,529,600	0.7141	252,171,062 [c]	32.5671
5. Tony Tan Choon Keat	-	-	318,995,312 [d]	41.1973
6. Dato' Seri Robert Tan Chung Meng	11,927,314	1.5404	318,995,312 [d]	41.1973
7. Urusharta Jamaah Sdn. Bhd.	43,992,000	5.6814	-	-
8. Employees Provident Fund Board	39,793,700	5.1392	-	-

Directors' Shareholdings as at 28 March 2025

	Name of Directors	No. of Ordinary Shares Direct Interest	% [a]	Deemed Interest	% [a]
1.	Dato' Seri Robert Tan Chung Meng	11,927,314	1.5404	318,995,312 [d]	41.1973
2.	Gian Carlo Maccagno	5,009,055	0.6469	-	-
3.	Tan Sri Saw Choo Boon	100,000	0.0129	-	-
4.	Halim Bin Haji Din	-	-	-	-
5.	Tan Sri Professor Lin See Yan	-	-	-	-
6.	Tan Jian Hong, Aaron	-	-	-	-
7.	Datin Wan Daneena Liza binti Wan Abdul Rahman	-	-	-	-
8.	Lily Rozita binti Mohamad Khairi	-	-	-	-

Notes:

[a] *Based on 774,311,240 ordinary shares (Total number of issued shares of 774,888,294 ordinary shares less Treasury Shares of 577,054).*

[b] *Deemed interest held through Wah Seong Enterprises Sdn. Bhd. ("WSE") and Karya Insaf (M) Sdn. Bhd. ("KI") pursuant to Section 8 of Companies Act, 2016 ("the Act").*

[c] *Deemed interest held through WSE, KI and Wah Seong (Malaya) Trading Co. Sdn. Bhd. ("WST") pursuant to Section 8 of the Act.*

[d] *Deemed interest held through WSE, KI, WST and Tan Kim Yeow Sendirian Berhad ("TKYSB") pursuant to Section 8 of the Act.*

[e] *Deemed interest held through WSE, KI, WST, TKYSB and PTSM Holdings Sdn. Bhd. pursuant to Section 8 of the Act.*

Note:

- *By virtue of his interests of more than 20% in the shares of the Company, Dato' Seri Robert Tan Chung Meng is also deemed to be interested in the shares of all its subsidiaries to the extent the Company has an interest.*
- *TKYSB and Tan Chin Nam Sendirian Berhad are the major shareholders of WST.*

Thirty (30) Largest Shareholders as at 28 March 2025

No.	Name	No. of Shares	% [(a)]
1.	Wah Seong (Malaya) Trading Co. Sdn. Bhd.	235,472,770	30.4106
2.	Tan Kim Yeow Sendirian Berhad	52,151,250	6.7352
3.	Citigroup Nominess (Tempatan) Sdn. Bhd. *Urusharta Jamaah Sdn. Bhd. (2)*	30,000,000	3.8744
4.	Amanahraya Trustees Berhad *Amanah Saham Bumiputera*	16,000,000	2.0663
5.	Tan Kim Yeow Sendirian Berhad	14,673,000	1.8950
6.	Citigroup Nominees (Tempatan) Sdn. Bhd. *Urusharta Jamaah Sdn. Bhd. (AHAM AM 2)*	12,516,300	1.6164
7.	Amanahraya Trustees Berhad *Amanah Saham Bumiputera 2*	12,251,512	1.5822
8.	Cartaban Nominees (Tempatan) Sdn. Bhd. *TMF Trustees Malaysia Berhad for Affin Hwang Wholesale Equity Fund 2*	11,800,000	1.5240
9.	Robert Tan Chung Meng	11,020,134	1.5662
10.	Chan Cheu Leong	10,557,700	1.3635
11.	Citigroup Nominees (Tempatan) Sdn. Bhd. *Kumpulan Wang Persaraan (Diperbadankan) (Principal Eqits)*	10,400,000	1.3431
12.	Amanahraya Trustees Berhad *Amanah Saham Bumiputera 3 – Didik*	10,221,900	1.3201
13.	Karya Insaf (M) Sdn Bhd	10,130,675	1.3083
14.	HSBC Nominees (Tempatan) Sdn. Bhd. *HSBC (M) Trustee Bhd For Manulife Investment Shariah Progress Fund*	9,726,600	1.2562
15.	Citigroup Nominees (Tempatan) Sdn. Bhd. *Employees Provident Fund Board (Islamic)*	9,672,100	1.2491
16.	Midvest Asia Sdn Bhd	9,486,429	1.2251
17.	Citigroup Nominees (Tempatan) Sdn. Bhd. *Employees Provident Fund Board (PHEIM)*	8,217,000	1.0612
18.	Citigroup Nominees (Tempatan) Sdn. Bhd. *Employees Provident Fund Board*	8,131,700	1.0502
19.	Citigroup Nominees (Tempatan) Sdn. Bhd. *Employees Provident Fund Board (Aberislamic)*	8,061,900	1.0412
20.	Micasa Investments (S) Pte Ltd	7,279,564	0.9401
21.	Phillip Nominees (Tempatan) Sdn. Bhd. *Pledged Securities Account For Goh Leng Pheow*	6,691,400	0.8642
22.	Maybank Nominees (Tempatan) Sdn. Bhd. *National Trust Fund (IFM Kenanga) (410196)*	6,543,000	0.8450
23.	HSBC Nominees (Tempatan) Sdn. Bhd. *HSBC (M) Trustee Bhd For Manulife Insurance Berhad (Equity Fund)*	6,426,300	0.8299

No.	Name	No. of Shares	% [a]
24.	HSBC Nominees (Tempatan) Sdn. Bhd. *HSBC (M) Trustee Bhd For Manulife Investment Progress Fund (4082)*	6,308,100	0.8147
25.	HSBC Nominees (Tempatan) Sdn. Bhd. *HSBC (M) Trustee Bhd For Manulife Investment Al-Faid (4389)*	5,786,900	0.7474
26.	Tan Chin Nam Sendirian Berhad	5,529,600	0.7141
27.	Citigroup Nominees (Asing) Sdn. Bhd. *UBS AG Singapore For Maccagno Gian Carlo*	5,009,055	0.6469
28.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad *Exempt AN For AHAM Asset Management Berhad (TSTAC/CLNTT)*	4,876,900	0.6298
29.	CIMB Group Nominees (Tempatan) Sdn. Bhd. *Exempt AN For Petroliam Nasional Berhad (ACF-AFFIN-EQ)*	4,839,900	0.6251
30.	Citigroup Nominees (Tempatan) Sdn. Bhd. *Employees Provident Fund Board (CIMB PRIN)*	4,115,100	0.5315
		553,896,789	71.534

Note:

[a] *Based on 774,311,240 ordinary shares (Total number of issued shares of 774,888,294 ordinary shares less Treasury Shares of 577,054).*

NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth Annual General Meeting of WASCO BERHAD ("the Company") will be held at Ballroom, Level 9, St. Giles Boulevard, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Thursday, 29 May 2025 at 2.30 p.m. for the following purposes:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2024 and the Reports of the Directors and Auditors thereon.

2. To approve the Directors' Fees of RM805,000 payable to the Non-Executive Directors for the financial year ended 31 December 2024. — Ordinary Resolution 1

3. To approve the payment of Directors' Fees on a quarterly basis to the Non-Executive Directors of the Company of up to the amount of RM950,000 for the financial year ending 31 December 2025. — Ordinary Resolution 2

4. To approve the Directors' Meeting Allowances of up to an amount of RM190,000 payable to the Non-Executive Directors for the financial year ending 31 December 2025. — Ordinary Resolution 3

5. To re-elect the following Directors who retire pursuant to Clause 117 of the Company's Constitution:

   (i) Gian Carlo Maccagno — Ordinary Resolution 4
   (ii) Datin Wan Daneena Liza Binti Wan Abdul Rahman — Ordinary Resolution 5
   (iii) Lily Rozita Binti Mohamad Khairi — Ordinary Resolution 6

6. To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. — Ordinary Resolution 7

As Special Business

To consider, and if thought fit, to pass the following Ordinary Resolutions, with or without modifications thereto:

7. **Ordinary Resolution**
   Authority to Issue Shares by the Directors of the Company — Ordinary Resolution 8

   "THAT, subject always to the Companies Act, 2016 ("the Act"), the Company's Constitution and approvals from the relevant governmental and/or regulatory bodies where such approvals shall be necessary, authority be and is hereby given to the Directors of the Company pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the share capital of the Company from time to time upon such terms and conditions and for such purposes as may be determined by the Directors of the Company to be in the interest of the Company provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% (ten per centum) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors of the Company be also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND FURTHER THAT such authority shall continue to be in forced until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier; but an approval may be revoked or varied at any time by a resolution of the Company in general meeting."

8. **Ordinary Resolution**
Proposed Renewal of Authority to Buy-Back its Own Shares by the Company — Ordinary Resolution 9

"THAT, subject to the provisions of the Companies Act, 2016 ("the Act"), the Company's Constitution, the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and any other applicable laws, rules, orders, requirements, regulations and guidelines for the time being in force, the Directors of the Company be hereby unconditionally and generally authorised to purchase the Company's own ordinary shares ("WB Shares") in the Company's total number of issued shares through Bursa Malaysia at any time and upon such terms and conditions and for such purposes as the Directors of the Company may, in their discretion deem fit, subject to the following:

(i) the maximum number of WB Shares which may be purchased and/or held by the Company shall be 10% (ten per centum) of the total number of issued shares of the Company for the time being;

(ii) the maximum fund to be allocated by the Company for the purpose of purchasing the WB Shares shall not exceed the retained profits of the Company as at 31 December 2024 otherwise available for distribution as dividends;

(iii) the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will continue in force until:

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the authority shall lapse, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next AGM after that date is required by law to be held; or

(c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever is earlier but not so as to prejudice the completion of the purchase(s) made by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the MMLR of Bursa Malaysia or any other relevant authorities;

(iv) upon completion of the purchase(s) of the WB Shares by the Company, the Directors of the Company be hereby authorised to deal with the WB Shares in accordance with the MMLR and the Act.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps that are necessary or expedient and/or appropriate to implement, finalise and to give full effect to the purchase(s) of WB Shares with full power to assent to any conditions, variations, and/or amendments that may be imposed by the relevant authorities."

9. **Ordinary Resolutions**
Proposed Renewal of Shareholders' Mandate for the Existing Recurrent Related Party Transactions and Provision of Financial Assistance

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries ("Wasco Group") to enter into recurrent related party transactions of a revenue or trading nature and the provision of financial assistance as specified in Section 2.5 of Part B of the Circular to Shareholders dated 29 April 2025 which transactions are necessary for the day-to-day operations in the ordinary course of business of Wasco Group on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company as follows:

Proposed renewal of shareholders' mandate for the existing recurrent related party transactions of a revenue or trading nature and the provision of financial assistance involving:-

(a) Dato' Seri Robert Tan Chung Meng, Madam Pauline Tan Suat Ming, Mr Tony Tan Choon Keat, Tan Chin Nam Sendirian Berhad, Tan Kim Yeow Sendirian Berhad and Wah Seong (Malaya) Trading Co. Sdn. Bhd. — Ordinary Resolution 10
(b) Dato' Mohamed Nizam Bin Abdul Razak and Encik Mohd Azlan Bin Mohammed — Ordinary Resolution 11

The shareholders' mandate is subject to annual renewal and disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year and that such approval shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the proposed shareholders' mandate will lapse, unless renewed by a resolution passed at the meeting;

(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act, 2016 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this resolution."

10. To transact any other business that may be transacted at an Annual General Meeting of which due notice shall have been given in accordance with the Companies Act, 2016 and the Company's Constitution.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this Twenty-Fifth Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Clause 88 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a Record of Depositors as at 22 May 2025 ("General Meeting Record of Depositors"). Only a Depositor whose name appears on the General Meeting Record of Depositors shall be regarded as a member entitled to attend, speak and vote at the Twenty-Fifth Annual General Meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

BY ORDER OF THE BOARD
WOO YING PUN (MAICSA 7001280)
SSM PC No. 201908002179
Group Company Secretary

Kuala Lumpur
Dated: 29 April 2025

Notes:

1. A proxy may but need not be a Member of the Company. If a Member appoints more than one proxy, the appointments shall be invalid unless the Member specifies the proportion of the Member's shareholdings to be represented by each proxy.

2. Where a Member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") 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.

3. Where a Member of the Company is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4. If the appointer is a corporation, the proxy form must be executed under the common seal or under the hand of its officer or attorney duly authorised in writing.

5. A Member registered in the Record of Depositors as at 22 May 2025 who is entitled to attend, speak and vote at the 25th AGM may appoint the Chairman of the meeting as his/her proxy.

6. In accordance with Section 334(3) of the Companies Act, 2016, the instrument appointing a proxy and the power of attorney or other authority, if any, under which is signed or a notarially certified copy of that power or authority shall be deposited as follows, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll at the 25th AGM. Pursuant to Paragraph 8.29A(1), Chapter 8 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this notice are required to be voted by poll.

   (a) Deposit Hardcopy of Proxy Form

   To the Company's Registered Address at Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

   (b) Deposit of Proxy Form Electronically

   To Tricor Investor & Issuing House Services Sdn. Bhd. via the TIIH Online website at https://tiih.online.

   (c) The above Proxy Forms must be deposited accordingly latest by Wednesday, 28 May 2025 by 2.30 p.m.

   (d) By submitting the duly executed Proxy Form, the Member of the Company and his/her proxy(ies) do hereby give consent to the Company (and/or its agents/ service providers) to collect, use and disclose the personal data therein for the purpose of the 25th AGM and any adjournment thereof in accordance with the Personal Data Protection Act 2010.

Explanatory Notes on Ordinary Business

1. **Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2024 and the Reports of the Directors and Auditors thereon**

   The Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2024 are to be laid at the 25th AGM in accordance with Section 340(1)(a) of the Companies Act, 2016 for discussion purpose only and do not require shareholders' approval.

2. **Payment of Directors' Fees for the financial year ended 31 December 2024**

   The proposed Ordinary Resolution 1 is to obtain shareholders' approval for the payment of Directors' Fees to the Non-Executive Directors in respect of the financial year ended 31 December 2024.

3. **Directors' Fees up to the amount of RM950,000 payable on a quarterly basis to the Non-Executive Directors for the financial year ending 31 December 2025**

   The proposed Ordinary Resolution 2, if passed, will give authority to the Company to pay Directors' Fees on a quarterly basis of up to the amount of RM950,000 to the Non-Executive Directors of the Company in respect of the financial year ending 31 December 2025. The said amount was duly approved by the shareholders at the Twenty-Third AGM held on 30 May 2023 which caters for any proposed increase in the existing Directors' Fees and/or any proposed increase in the number of new Non-Executive Director(s) on the Board. The Board is of the view that it is just and equitable to pay Directors' Fees on a quarterly basis after the end of each quarter, particularly after the Non-Executive Directors have discharged their fiduciary duties and responsibilities for the said quarter.

   The Directors' Fees for the Non-Executive Directors is based on the fee structure below:

	Fees (RM/per annum)	
	Non-Executive Chairman	**Member**
Board	110,000	90,000
Board Committees:		
(a) Audit Committee	20,000	10,000
(b) Nomination and Remuneration Committee	15,000	10,000
(c) Board Sustainability Committee	15,000	10,000

4. **Directors' Meeting Allowances for the financial year ending 31 December 2025**

   The proposed Ordinary Resolution 3, if passed, will give authority to the Company to pay Directors' Meeting Allowances of up to the amount of RM190,000 to the Non-Executive Directors of the Company on a quarterly basis or as and when meeting(s) are held in respect of the financial year ending 31 December 2025. The said amount caters for the number of Board and Board Committees' Meetings scheduled/proposed to be held during the financial year ending 31 December 2025 as well as the proposed increase in the existing Directors' Meeting Allowances and/or proposed increase in the number of new Non-Executive Director(s) on the Board.

   The total amount of Directors' Meeting Allowances paid to the Non-Executive Directors for the financial year ended 31 December 2024 is as set out on pages 155 to 156 of the Annual Report 2024.

5. **Re-election of Gian Carlo Maccagno, Datin Wan Daneena Liza Binti Wan Abdul Rahman and Lily Rozita Binti Mohamad Khairi who retire pursuant to Clause 117 of the Company's Constitution**

   Pursuant to Clause 117 of the Company's Constitution, one-third of the Directors for the time being or the number nearest to one-third, shall retire from office at the Annual General Meeting. PROVIDED ALWAYS that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election.

   Hence, Gian Carlo Maccagno, Datin Wan Daneena Liza Binti Wan Abdul Rahman and Lily Rozita Binti Mohamad Khairi are due to retire at the 25th AGM and being eligible, have offered themselves for re-election.

   The Board supports the re-election of Gian Carlo Maccagno, Datin Wan Daneena Liza Binti Wan Abdul Rahman and Lily Rozita Binti Mohamad Khairi who retire pursuant to Clause 117 of the Company's Constitution.

Explanatory Notes on Special Business

1. **Authority to Issue Shares by the Directors of the Company**

   The Ordinary Resolution 8, if passed, will give authority to the Directors of the Company to issue and allot shares from the unissued share capital of the Company for such purposes as the Directors of the Company in their absolute discretion consider to be in the interest of the Company without having to convene a general meeting. This authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier; but any approval may be revoked or varied by a resolution of the Company in general meeting.

   The Company has not issued any new shares pursuant to Sections 75 and 76 of the Companies Act, 2016 under the general mandate which was approved at the Twenty-Fourth AGM of the Company held on 30 May 2024 and which will lapse at the conclusion of the Twenty-Fifth AGM. Hence, a renewal of this authority is being sought at the Twenty-Fifth AGM.

   The authority to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 will provide flexibility and expediency to the Company for any possible fund raising involving the issuance or placement of shares to facilitate business expansion or strategic merger and acquisition opportunities involving equity deals or part equity or to fund future investment project(s) or for working capital and operational requirements, which the Directors of the Company consider to be in the best interest of the Company.

   As such, any additional cost to be incurred or delay arising from the need to convene a general meeting to approve such issuance of shares could be eliminated.

2. **Proposed Renewal of Authority to Buy-Back its Own Shares by the Company**

   The Ordinary Resolution 9, if passed, will allow the Directors of the Company to exercise the power of the Company to purchase and/or hold not more than 10% (ten per centum) of the total number of issued shares of the Company for the time being. This authority will expire at the conclusion of the next Annual General Meeting unless earlier revoked or varied by ordinary resolution passed by shareholders at a general meeting.

   Please refer to Part A of the Share Buy-Back Statement dated 29 April 2025, which is accessible online on the Company's website at www.wascoenergy.com, for information pertaining to Ordinary Resolution 9.

3. **Proposed Renewal of Shareholders' Mandate for the Existing Recurrent Related Party Transactions and Provision of Financial Assistance**

   The Ordinary Resolutions 10 and 11, if passed, will allow the Company to enter into recurrent related party transactions of a revenue or trading nature with the related parties and the provision of financial assistance in the ordinary course of business which are necessary for the day-to-day operations based on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

   Please refer to Part B of the Circular to Shareholders dated 29 April 2025, which is accessible online on the Company's website at www.wascoenergy.com, for information pertaining to Ordinary Resolutions 10 and 11.

STATEMENT ACCOMPANYING NOTICE OF TWENTY-FIFTH ANNUAL GENERAL MEETING

1. **The profile of Directors who are retiring pursuant to Clause 117 of the Company's Constitution and are standing for re-election at the Twenty-Fifth Annual General Meeting ("25th AGM") of the Company are as follows:**

Ordinary Resolution 4		
Gian Carlo Maccagno Managing Director/Group Chief Executive Officer		
Nationality/Age/Gender	:	Italian/61/Male
Date of Appointment	:	1 June 2004 - as an Executive Director 1 July 2023 - as a Managing Director/Group Chief Executive Officer
Date of Last Re-election	:	26 May 2022
Academic/ Professional Qualification/ Membership(s)	:	Bachelor in Business Administration, Tecnico Commerciale Maddalena Adria (RO) Italy
Other Directorship(s):	:	Public listed company(ies): Petra Energy Berhad Other public company(ies): Nil
Family Relationship with any Director and/or Major Shareholder of the Company	:	Nil
Disclosure of Conflict of Interests with the Company	:	Nil
Interest in the Securities of the Company	:	Direct shareholding of 0.6469% in the Company
Conviction for Offences within the past 5 years and any Public Sanction or Penalty imposed by relevant regulatory bodies (other than Traffic Offences) during the financial year end	:	Nil

Ordinary Resolution 5		
Datin Wan Daneena Liza Binti Wan Abdul Rahman Independent Non-Executive Director		
Nationality/Age/Gender	:	Malaysian/51/Female
Date of Appointment	:	7 April 2023 - as an Independent Non-Executive Director
Date of Last Re-election	:	30 May 2023
Academic/Professional Qualification/Membership(s)	:	• Bachelor of Science in Economics and Accounting, University of Bristol, United Kingdom • Member of the Institute of Chartered Accountants in England and Wales • Member of the Malaysian Institute of Accountants
Other Directorship(s):	:	Public listed company(ies): S P Setia Berhad Other public company(ies): Deutsche Bank (Malaysia) Berhad PLUS Malaysia Berhad
Family Relationship with any Director and/or Major Shareholder of the Company	:	Nil
Disclosure of Conflict of Interests with the Company	:	Datin Wan Daneena Liza Binti Wan Abdul Rahman's husband is currently the President and Group Chief Executive Officer of Affin Bank Berhad, a financial institution that Wasco Pipe Sabah Sdn. Bhd., a subsidiary of Wasco Berhad ("WB") has borrowings with. Hence, Datin Wan Daneena shall abstain from all discussion and decision of WB Group involving Affin Bank Berhad.
Interest in the Securities of the Company	:	Nil
Conviction for Offences within the past 5 years and any Public Sanction or Penalty imposed by relevant regulatory bodies (other than Traffic Offences) during the financial year end	:	Nil
• Datin Wan Daneena Liza Binti Wan Abdul Rahman meets the criteria of an Independent Director as defined in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. • She performs her duties diligently and in the best interest of the Company and provides independent judgement, broader views and balanced assessments to the proposals from the Management with her diverse experience and expertise. • She understands the Company's industry well and is able to contribute to the effective oversight of the Company's business activities. • She consistently challenges the Management in an effective and constructive manner. • She maintains her independence where Management oversight and monitoring are concerned in the execution of the Company's strategic plans.		

Ordinary Resolution 6		
Lily Rozita Binti Mohamad Khairi Independent Non-Executive Director		
Nationality/Age/Gender	:	Malaysian/54/Female
Date of Appointment	:	12 April 2023 - as an Independent Non-Executive Director
Date of Last Re-election	:	30 May 2023
Academic/Professional Qualification/Membership(s)	:	• Bachelor of Law degree (LLB Honours), Cardiff University, United Kingdom • Diploma in Human Resource Management, Management Institute of Personnel Management
Other Directorship(s):	:	Public listed company(ies): Alliance Bank Malaysia Berhad Sumisaujana Group Berhad Other public company(ies): Nil
Family Relationship with any Director and/or Major Shareholder of the Company	:	Nil
Disclosure of Conflict of Interests with the Company	:	Ms Lily Rozita binti Mohamad Khairi sits on the Board of Sumisaujana Group Berhad and Alliance Bank Malaysia Berhad. Hence, she shall abstain from all discussion and decision of WB Group in the event of any future dealings involving Sumisaujana Group Berhad and Alliance Bank Malaysia Berhad.
Interest in the Securities of the Company	:	Nil
Conviction for Offences within the past 5 years and any Public Sanction or Penalty imposed by relevant regulatory bodies (other than Traffic Offences) during the financial year end	:	Nil
• Lily Rozita Binti Mohamad Khairi meets the criteria of an Independent Director as defined in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. • She performs her duties diligently and in the best interest of the Company and provides independent judgement, broader views and balanced assessments to the proposals from the Management with her diverse experience and expertise. • She understands the Company’s industry well and is able to contribute to the effective oversight of the Company’s business activities. • She consistently challenges the Management in an effective and constructive manner. • She maintains her independence where Management oversight and monitoring are concerned in the execution of the Company’s strategic plans.		

2. There is a renewal of the general mandate for the issuance of securities to be sought in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, at the 25th AGM of the Company

The Company has not issued any new shares pursuant to Sections 75 and 76 of the Companies Act, 2016 under the general mandate which was approved at the Twenty-Fourth Annual General Meeting of the Company held on 30 May 2024.

The purpose for the general mandate being sought to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 will provide flexibility and expediency to the Company for any possible fund raising involving the issuance or placement of shares to facilitate business expansion or strategic merger and acquisition opportunities involving equity deals or part equity or to fund future investment project(s) or for working capital and operational requirements, which the Directors of the Company consider to be in the best interest of the Company.

As such, any additional cost to be incurred or delay arising from the need to convene a general meeting to approve such issuance of shares could be eliminated.

This page intentionally left blank.

WASCO BERHAD
REGISTRATION NO.: 199901020946 (495846-A)
(INCORPORATED IN MALAYSIA)

PROXY FORM

Number of Ordinary Shares held

I/We ____
(Full name in block letters)

NRIC or Company No. ______________________________CDS Account No. ____________________

of ____
(Full address)

being a *member/members of WASCO BERHAD [Registration No. 199901020946 (495846-A)] hereby appoint

____
(Full name in block letters)

NRIC No. ____________________________ of ____

____
(Full address)

or failing *him/her, ______________________________________ NRIC No. __________________
(Full name in block letters)

of ____
(Full address)

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf, at the Twenty-Fifth Annual General Meeting ("25th AGM") of the Company to be held at Ballroom, Level 9, St. Giles Boulevard, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Thursday, 29 May 2025 at 2.30 p.m. and at any adjournment thereof in the manner indicated below.

		FOR	AGAINST
Ordinary Resolution 1	To approve the Directors' Fees of RM805,000 payable to the Non-Executive Directors for the financial year ended 31 December 2024.		
Ordinary Resolution 2	To approve the payment of Directors' Fees on a quarterly basis to the Non-Executive Directors of the Company of up to the amount of RM950,000 for the financial year ending 31 December 2025.		
Ordinary Resolution 3	To approve the Directors' Meeting Allowances of up to an amount of RM190,000 payable to the Non-Executive Directors for the financial year ending 31 December 2025.		
Ordinary Resolution 4	To re-elect Gian Carlo Maccagno as Director who retires pursuant to Clause 117 of the Company's Constitution.		
Ordinary Resolution 5	To re-elect Datin Wan Daneena Liza Binti Wan Abdul Rahman as Director who retires pursuant to Clause 117 of the Company's Constitution.		
Ordinary Resolution 6	To re-elect Lily Rozita Binti Mohamad Khairi as Director who retires pursuant to Clause 117 of the Company's Constitution.		
Ordinary Resolution 7	To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 8	To authorise the issuance of shares by the Directors of the Company.		
Ordinary Resolution 9	Proposed Renewal of Authority to Buy-Back its Own Shares by the Company.		
Ordinary Resolution 10	Proposed Renewal of Shareholders' Mandate for the Existing Recurrent Related Party Transactions of a Revenue or Trading Nature ("Existing RRPT") and Provision of Financial Assistance involving Dato' Seri Robert Tan Chung Meng, Madam Pauline Tan Suat Ming, Mr Tony Tan Choon Keat, Tan Chin Nam Sendirian Berhad, Tan Kim Yeow Sendirian Berhad and Wah Seong (Malaya) Trading Co. Sdn. Bhd.		
Ordinary Resolution 11	Proposed Renewal of Shareholders' Mandate for the Existing RRPT involving Dato' Mohamed Nizam Bin Abdul Razak and Encik Mohd Azlan Bin Mohammed.		

(Please indicate with an "x" in the space provided above as to how you wish to cast your vote. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.)

* *Strike out whichever not applicable*

____
Signature of Member

Signed this: ___________ day of ___________ 2025
Contact No.: ____________________________
Email Address: __________________________

____
Company Seal to be affixed here if Member is a Corporation

Fold this flap for sealing

AFFIX
STAMP

THE COMPANY SECRETARY
WASCO BERHAD
[REGISTRATION NO.: 199901020946 (495846-A)]

Registered Office:
Suite 19.01, Level 19, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur, Wilayah Persekutuan
Malaysia

Then fold here

Notes:

1. A proxy may but need not be a Member of the Company. If a Member appoints more than one proxy, the appointments shall be invalid unless the Member specifies the proportion of the Member's shareholdings to be represented by each proxy.

2. Where a Member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") 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.

3. Where a Member of the Company is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4. If the appointer is a corporation, the proxy form must be executed under the common seal or under the hand of its officer or attorney duly authorised in writing.

5. For the purpose of determining a member who shall be entitled to attend this 25th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Clause 88 of the Company's Constitution and Section 34(1) of SICDA, to issue a Record of Depositors as at 22 May 2025 ("General Meeting Record of Depositors"). A Member registered in the General Meeting Record of Depositors who is entitled to attend, speak and vote at the 25th AGM may appoint the Chairman of the meeting as his/her proxy.

1st fold here

6. In accordance with Section 334(3) of the Companies Act, 2016, the instrument appointing a proxy and the power of attorney or other authority, if any, under which is signed or a notarially certified copy of that power or authority shall be deposited as follows, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll at the 25th AGM. Pursuant to Paragraph 8.29A(1), Chapter 8 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this notice are required to be voted by poll.

   (a) Deposit Hardcopy of Proxy Form

   To the Company's Registered Address at Suite 19.01, Level 19, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

   (b) Deposit of Proxy Form Electronically

   To Tricor Investor & Issuing House Services Sdn. Bhd. via the TIIH Online website at https://tiih.online.

   (c) The above Proxy Forms must be deposited accordingly latest by Wednesday, 28 May 2025 by 2.30 p.m.

   (d) By submitting the duly executed Proxy Form, the Member of the Company and his/her proxy(ies) do hereby give consent to the Company (and/or its agents/ service providers) to collect, use and disclose the personal data therein for the purpose of the 25th AGM and any adjournment thereof in accordance with the Personal Data Protection Act 2010.

WASCO BERHAD
Registration No.199901020946 (495846-A)

Suite 19.01, Level 19, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.
Tel : +603 - 2685 6800 Fax : +603 - 2685 6999

www.wascoenergy.com