



OCR

It's Where You'll Want to Be
**ANNUAL REPORT
2025**

OCR GROUP BERHAD [199701025005 (440503-K)]

OUR VISION

IT'S WHERE YOU'LL WANT TO BE

5 CORE VALUES

INITIATIVE

WE ALWAYS GO EXTRA MILES TO ACHIEVE OUR TARGETS AND EXPECTATIONS, WITHIN AND OUTSIDE THE ORGANIZATION. WE PURSUE EXCELLENCE BY SEEING POSSIBILITIES, INSTEAD OF LIMITATIONS.

INNOVATION

AS A PROGRESSIVE ORGANIZATION, WE ARE COMMITTED TO CONSTANTLY EVOLVE, IMPROVE AND EMBRACE CHANGE TO UPSCALE OUR PRODUCTS AND SERVICES. WE STRIVE TO BE DIFFERENT THROUGH CREATIVITIES AND NEW IDEAS TO STAY COMPETITIVE IN THE MARKET.

INTEGRITY

AS A CORPORATE CITIZEN, WE REMAIN TRUE TO OUR FOUNDING VALUES OF ETHICS AND INTEGRITY; ENSURING COMPLIANCE, PROFESSIONALISM AND TAKE RESPONSIBILITY IN EVERY DECISION AND ACTION.

PASSION

WE BELIEVE IN POSITIVITY AND THAT OUR STRENGTH LIES IN OUR PEOPLE. WE LOVE OUR PEOPLE AND ENJOY OUR WORKS. WE ALWAYS STAY OPTIMISTIC IN ADVERSITY AND EMERGE STRONGER THAN BEFORE.

COLLABORATION

WE BELIEVE IN THE POWER OF WORKING TOGETHER. WE ADDRESS COLLABORATION WITHIN OUR TEAM & BUSINESS PARTNERS; TO DELIVER GREATER SUCCESS THROUGH SHARED GOALS AND MUTUAL SUPPORT.

OUR MISSION



PRODUCT

DEVELOP AND CONSTRUCT BEST VALUED PROPERTIES THAT FULFILL CUSTOMERS' NEEDS.



SERVICE

DELIVER HIGH QUALITY SERVICES AND EXPERIENCES AS THE MARK OF OCR EXCELLENCE.



INTERNAL

PROVIDE CONDUCTIVE ENVIRONMENT THAT PROMOTE CONTINUOUS GROWTH & DEVELOPMENT FOR OUR PEOPLE.



EXTERNAL

CREATE SUSTAINABLE VALUES FOR OUR STAKEHOLDERS' INTEREST.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

YAM Tunku Azudinshah Ibni Tunku Annuar
Chairman/Independent Non-Executive Director

Ong Kah Hoe
Group Managing Director

Hj. Abdullah Bin Abdul Rahman
Independent Non-Executive Director

Chan Lian Sei
Executive Director

Julian Koh Lu Ern
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman
Julian Koh Lu Ern

Member
Hj. Abdullah Bin Abdul Rahman
YAM Tunku Azudinshah
Ibni Tunku Annuar



REMUNERATION COMMITTEE

Chairman
Hj. Abdullah Bin Abdul Rahman

Member
Julian Koh Lu Ern
Chan Lian Sei

NOMINATING COMMITTEE

Chairman
Julian Koh Lu Ern

Member
Hj. Abdullah Bin Abdul Rahman

COMPANY SECRETARIES

Tan Tong Lang
(MAICSA 7045482)
(SSM PC No. 202208000250)

Lau Hooi Pin
(MAICSA 7081620)
(SSM PC No. 202408000447)

REGISTERED OFFICE

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
W.P. Kuala Lumpur
Tel : 03 9770 2200
Fax : 03 2201 7774
Email : boardroom@boardroom.com.my

HEAD OFFICE/PRINCIPAL PLACE OF BUSINESS

A-3A-01, Block Allamanda
10 Boulevard Lebuhraya Sprint
PJU 6A, 47400 Petaling Jaya
Selangor
Tel : 03 7710 0000
Fax : 03 7729 0300
Corporate website : www.ocrbhd.com
Corporate email : corporate@ocrbhd.com

AUDITORS

Baker Tilly Monteiro Heng PLT
[201906000600 (LLP0019411LCA)]
Chartered Accountants (AF 0117)
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
W.P. Kuala Lumpur
Tel : 03 2297 1000
Fax : 03 2282 9980

SHARE REGISTRAR

Shareworks Sdn. Bhd.
[Registration No. 199101019611 (229948-U)]
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
W.P. Kuala Lumpur
Tel : 03 6201 1120
Fax : 03 6201 3121
Email : ir@shareworks.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name : OCR
Stock Code : 7071



CORPORATE STRUCTURE



OCR Group Berhad [199701025005 (440503-K)]

100% Wholly-Owned Subsidiaries of OCR Group Berhad:

- OCR Commerce Sdn. Bhd.**
[201101033614 (961749-X)]
- OCR Construction Sdn. Bhd.**
[201401042973 (1119151-W)]
- Tristar City Sdn. Bhd.**
[201501022066 (1147394-P)]
- Grand Superland Sdn. Bhd.**
[201501022856 (1148185-D)]
- Sunrise Meadow Sdn. Bhd.**
[201601014228 (1185159-H)]
- Kirana Masyhur Sdn. Bhd.**
[201601037701 (1208642-U)]
- OCR Ventures Sdn. Bhd.**
[201601038462 (1209403-K)]
- Junjung Simfoni Sdn. Bhd.**
[201801004687 (1266701-X)]
- OCR Land Development Sdn. Bhd.**
[201801012568 (1274584-H)]
- Wonderland Projects Sdn. Bhd.**
[201101024913 (953049-T)]

40% Owned Subsidiary of OCR Group Berhad:

- OCR Properties (Kuantan) Sdn. Bhd.**
[201701011996 (1226161-P)]

100% Wholly-Owned Subsidiaries of Grand Superland Sdn. Bhd.:

- Greatway Capital Sdn. Bhd.**
[201701005629 (1219794-H)]
- Serba Simfoni Sdn. Bhd.**
[201801000842 (1262855-H)]
- OCR Avenue Sdn. Bhd.**
[202201011606 (1457303-A)]
- OCR Templer Sdn. Bhd.**
[202401013528 (1559378-M)]
- OCR Asra Sdn. Bhd.**
[202501006019 (1607433-T)]

100% Wholly-Owned Subsidiaries of Serba Simfoni Sdn. Bhd.:

- Fotopop (M) Sdn. Bhd.** [199001000272 (191830-X)]

80% Owned Subsidiary of Grand Superland Sdn. Bhd.:

- Visi Anggun Properties Sdn. Bhd.**
[201601029205 (1200146-T)]

85% Owned Subsidiary of OCR Group Berhad:

- Kita Mampan Sdn. Bhd.** [201301028974 (1058804-X)]

70% Owned Subsidiary of OCR Group Berhad:

- OCR Development (Kuantan) Sdn. Bhd.**
[201501016754 (1142088-K)]
- Pangkal Teguh Sdn. Bhd.**
[201101012009 (940148-A)]

50.01% Owned Subsidiary of OCR Group Berhad:

- O&C Makok Isola Sdn. Bhd.** [201101009616 (937755-H)]

50.495% and 50% Owned Subsidiary of OCR Group Berhad:

- Stack Builder Sdn. Bhd.**
[201801039692 (1301723-X)]
- OCR Selayang Industrial Park Sdn. Bhd.**
[201101002849 (930987-K)]

100% Owned Subsidiary of Kirana Masyhur Sdn. Bhd.:

- Mampan Esa (Melaka) Sdn. Bhd.**
[201301033683 (1063513-P)]

100% Owned Subsidiary of Kita Mampan Sdn. Bhd.:

- AES Builders Sdn. Bhd.** [199201014866 (246369-T)]

40% Owned Associate through Kirana Masyhur Sdn. Bhd.:

- Landasan Surimas Sdn. Bhd.** [201001038435 (922359-A)]

70% Owned Joint Venture through Landasan Surimas Sdn. Bhd.:

- Taraf Raya Sdn. Bhd.** [201001017703 (901408-K)]

* OCR (The Mate) Sdn. Bhd. (a wholly owned subsidiary) was disposed on 26 March 2025.

BOARD OF DIRECTORS' PROFILE



YAM TUNKU AZUDINSHAH IBNI TUNKU ANNUAR

Age 57 | Male | Malaysian

*Chairman/Independent Non-Executive Director
Member of Audit and Risk Management Committee*

YAM Tunku Azudinshah Ibni Tunku Annuar ("YAM Tunku Azudinshah") was appointed as an Independent Non-Executive Director cum Chairman of the Board of OCR Group Berhad ("**OCR**" or "**the Company**") on 14 August 2015. He is a member of Audit and Risk Management Committee of OCR.

YAM Tunku Azudinshah began his professional career in the advertising industry with the international agency AP-Foote, Cone and Belding, where he managed numerous multinational client accounts. He subsequently co-founded PRS Corporate Images and Orbitel.net, both media companies that produced television programmes focusing on the Halal industry. Among their clients were Nestlé, Sime Darby, Menteri Besar Inc (Terengganu), Formis and INTI Group. Drawing on his experience in media and communications, YAM Tunku Azudinshah was elected to the Board of the International Association of Business Communicators for a two (2) year term from 2001 to 2002.

YAM Tunku Azudinshah serves as the Chairman of CNB Amanah Berhad, a public company not listed on Bursa Malaysia Securities Berhad. He also sits on the board of several private limited companies.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries ("**Group**").

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

He has attended all five (5) Board of Directors' meetings held for the financial year ended 31 December 2025.

BOARD OF DIRECTORS' PROFILE (Cont'd)



ONG KAH HOE

Age 52 | Male | Malaysian

Group Managing Director

Mr. Ong Kah Hoe ("Mr. Ong") was appointed to the Board as a Non-Independent Non-Executive Director on 14 November 2014 and was re-designated as Executive Director on 2 April 2015. He was subsequently appointed as Group Managing Director of the Company on 19 August 2016.

Mr. Ong graduated from the University of Coventry, United Kingdom in 1997 with a Bachelor's Degree (Honours) in Business Administration. He has more than twenty (20) years of experience in the property development and construction industries, during which he has successfully led and completed numerous residential, commercial and hotel projects. As the Group Managing Director of OCR, he spearheads the Group's overall strategy and direction across its property development, construction and project management consultancy businesses.

Presently, Mr. Ong Kah Hoe is the Executive Director of Seni Jaya Corporation Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad. In addition, Mr. Ong also sits on the board of several private limited companies.

He is the husband of Ms. Chan Lian Sei, the Executive Director of the Company. He does not involve in any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

He has attended four (4) out of five (5) Board of Directors' meetings held during the financial year ended 31 December 2025.



CHAN LIAN SEI

Age 49 | Female | Malaysian

*Executive Director
Member of Remuneration Committee*

Ms. Chan Lian Sei ("Ms. Chan") was appointed to the Board as Executive Director of the Company on 31 May 2023. Ms. Chan is a member of Remuneration Committee of OCR.

Ms. Chan graduated from the University of South Australia with a Bachelor's Degree in Management (Marketing). She joined OCR Land Holdings Sdn Bhd in 2004 as an Admin Executive before assuming responsibilities in the Human Resources ("HR") function in 2005. Since then, she has been responsible for managing the full spectrum of HR and administrative functions, including compensation and benefits administration, talent management and development, as well as other employee welfare matters.

In 2015, she was promoted to Head of Human Capital & Admin, overseeing the Group's Human Resources, General Administration and IT Support functions. Over the years, she has developed and implemented HR policies and strategies, performance management systems, reward programmes and digital transformation initiatives, while continuously providing support to the Group's operations.

Ms. Chan does not hold any directorships in other public companies.

She is the wife of Mr. Ong Kah Hoe, the Group Managing Director and major shareholders of the Company. She does not involve in any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

She has attended three (3) out of five (5) Board of Directors' meetings held for the financial year ended 31 December 2025.

BOARD OF DIRECTORS' PROFILE (Cont'd)



HJ. ABDULLAH BIN ABDUL RAHMAN

Age 69 | Male | Malaysian

*Independent Non-Executive Director
Chairman of Remuneration Committee
Member of Audit and Risk Management Committee
Member of Nominating Committee*

Hj. Abdullah Bin Abdul Rahman ("Hj. Abdullah") was appointed to the Board as an Independent Non-Executive Director on 14 August 2015. He is the chairman of Remuneration Committee and a member of Audit and Risk Management Committee and Nominating Committee of OCR.

He graduated with a Bachelor of Business Administrative (Honours) from Universiti Kebangsaan Malaysia.

Hj. Abdullah had a long and distinguished career with Malayan Banking Berhad ("**Maybank**"), spanning thirty (30) years until his retirement in 2012. Throughout his tenure, he served in various management roles involving banking operations and strategic innovation across Maybank's branches, regional offices and headquarters. As Head of Mortgage at Maybank, he was responsible for the strategic and operational aspects of mortgage and property-related activities under the Consumer Banking division. His final appointment at Maybank was as Head of Business Banking, where he oversaw the small and medium enterprises (SME), commercial and corporate banking segments.

Presently, he sits on the board of Lambo Group Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad as Independent Non-Executive Chairman. In addition, he also sits on the board of several private limited companies.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

He has attended all five (5) Board of Directors' meetings held for the financial year ended 31 December 2025.



JULIAN KOH LU ERN

Age 65 | Male | Malaysian

*Independent Non-Executive Director
Chairman of Audit and Risk Management Committee
Chairman of Nominating Committee
Member of Remuneration Committee*

Mr. Julian Koh Lu Ern ("Mr. Julian Koh") was appointed to the Board as an Independent Non-Executive Director on 18 February 2020. He is the Chairman of Audit and Risk Management Committee and Nominating Committee, as well as a member of Remuneration Committee of OCR.

Mr. Julian Koh is a Chartered Accountant of Malaysia (C.A.(M)). He is also a member of the Chartered Institute of Management Accountants ("**CIMA**") and the Chartered Global Management Accountant ("**CGMA**").

He has more than thirty-seven (37) years of experience in strategic planning, human resources, financial management, corporate finance, risk management, information systems, taxation and funding across diversified industries, including advertising, property development, stockbroking and fund management. Prior to his appointment to the Board of the Company, he served as Group Finance Director of People'n Rich Holdings Sdn. Bhd.

Mr. Julian Koh also sits on the Board of Seni Jaya Corporation Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad as Independent Non-Executive Director.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 31 December 2025.

He has attended all five (5) Board of Directors' meetings held for the financial year ended 31 December 2025.

KEY SENIOR MANAGEMENT'S PROFILE



ONG YEW MING

Age 51 | Female | Malaysian
Director of Operations

Ms. Ong Yew Ming graduated with a Bachelor's Degree in Business Studies from the University of Western Illinois, United States of America.

In 2004, she was appointed as Executive Director of Sales and Marketing at OCR Land Holdings Sdn. Bhd. During her tenure, she had been actively involved in landbank acquisitions and product design development. She also played a key role in formulating and implementing effective marketing strategies, including product positioning and pricing strategies, to maximise returns on investment for launched projects. Over the course of her twenty (20) years' career, she has successfully launched more than twenty (20) projects ranging from residential to mixed developments.

On 1 August 2015, she assumed the role of Chief Marketing Officer and was subsequently promoted to Director of Operations on 1 January 2023, a position she currently holds. In her current capacity, she oversees the Group's operations, credit, leasing and legal functions.

Presently, Ms. Ong does not hold any directorships in any public companies.

She is the sister of Mr. Ong Kah Hoe, the Group Managing Director and Major Shareholder. However, she is not involved in any conflict of interest or potential conflict of interest, including any interest in businesses that compete with the Company or its subsidiaries ("**Group**").

She has not been convicted of any offences within the past five (5) years, nor has any public sanction or penalty been imposed on her by any relevant regulatory bodies during the financial year ended 31 December 2025.



ISAAC CHUA AIK KIANG

Age 50 | Male | Malaysian
Chief Project Officer

Mr. Isaac Chua Aik Kiang graduated with a Bachelor's Degree in Civil Engineering from Universiti Teknologi Malaysia.

He began his career in 2000 as a Test Engineer at Geonamic (M) Sdn Bhd before venturing into the consulting services industry in 2001 with PC Geo Management Sdn Bhd, where he was involved in design work and site supervision. In 2004, he joined UEM Builders Bhd as a Senior Project Engineer, further strengthening his expertise in construction. In 2008, he joined Mahajaya Berhad as a Project Manager, marking the start of his career in the property development industry. He subsequently joined OCR Land Holdings Sdn Bhd as a Project Manager in 2010. Over the past 13 years with OCR, he has progressed steadily in his career and was promoted to Chief Project Officer on 1 January 2023.

Throughout his twenty-six (26) years' career, he has been involved in land acquisition, feasibility studies, project management and property management. He has successfully completed more than fifteen (15) projects ranging from residential to mixed developments. In 2016, he was appointed as an Adjudicator on the panel of the Asian International Arbitration Centre. He was also registered as a Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers in 2019.

Presently, Mr. Chua does not hold any directorships in any public companies.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

He has not been convicted of any offences within the past five (5) years nor was there any public sanction or penalty imposed on him by any relevant regulatory bodies during the financial year ended 31 December 2025.

KEY SENIOR MANAGEMENT'S PROFILE (Cont'd)



ONG KUEN YAN

Age 44 | Female | Malaysian
Chief Strategy Officer

Ms. Ong Kuan Yuen (Yan) holds a Master of Science in Construction Contract Management from Universiti Teknologi Malaysia.

She began her career in 2003 as a Quantity Surveyor with Mitraland Group, a company in the property development industry, and progressed steadily over the next 22 years within the organisation. In 2016, she was promoted to Deputy General Manager in the Property Division, where she oversaw property development projects from planning through execution, ensuring regulatory compliance, timely delivery, and adherence to budget and quality standards. She was subsequently transferred to the Sales & Marketing Department and appointed as General Manager in 2022. In this role, she was responsible for overseeing overall Sales & Marketing operations and leading the team in developing strategies to drive revenue growth and enhance brand visibility. On 17 November 2025, she joined OCR Group Berhad as Chief Strategy Officer.

Throughout her twenty-three (23) years' career, Ms. Yan has gained extensive experience in project management, sales and marketing, leasing and cost & contract management. She has successfully completed more than ten (10) projects, ranging from residential, industrial to commercial developments. She currently serves as a sub-committee member of REHDA Selangor.

Presently, Ms. Yan does not hold any directorships in any public companies.

She has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

She has not been convicted of any offences within the past five (5) years nor was there any public sanction or penalty imposed on her by any relevant regulatory bodies during the financial year ended 31 December 2025.



GAN WEE KUN

Age 39 | Male | Malaysian
Financial Controller

Mr. Gan Wee Kun joined OCR Group on 5 January 2026. He holds a Bachelor's Degree in Accounting from Multimedia University and is a member of the Malaysian Institute of Accountants (MIA).

He began his career in the audit industry, serving clients across various sectors including property development, manufacturing, logistics, travel, agriculture, trading, and pharmaceuticals. He later transitioned into commercial finance and accounting, where he further developed his expertise across multiple industries such as property development, construction, food & beverage, retail, trading, and family attractions.

With over fifteen (15) years' of experience in financial management, Mr. Gan has held leadership roles in driving financial strategy and organisational performance. Throughout his professional career, he has demonstrated strong expertise in financial management, investment management, as well as business strategy and development.

Presently, Mr. Gan does not hold any directorships in any public companies.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

He has not been convicted of any offences within the past five (5) years nor was there any public sanction or penalty imposed on him by any relevant regulatory bodies during the financial year ended 31 December 2025.

KEY SENIOR MANAGEMENT'S PROFILE (Cont'd)



NG CHIN YUNG

Age 53 | Male | Malaysian
General Manager of Sales & Marketing

Mr. Ng Chin Yung joined the Company as General Manager of Sales & Marketing on 20 June 2018.

He graduated with a Bachelor's Degree in Technology Management from Universiti Teknologi Malaysia. Mr. Ng began his career in 1997 as a Sales and Marketing Executive with PJD Group Berhad ("PJD"). After ten (10) years with the company, he was promoted to Assistant General Manager. During his tenure, he successfully planned, strategised and launched more than forty (40) projects, ranging from fully integrated 1,000-acre townships to commercial developments such as industrial parks and shopping malls, as well as residential developments ranging from resort-style properties to luxury residences across Klang Valley, Johor Bahru, Penang, Ipoh, Malacca, Kedah and Pahang.

Mr. Ng views challenges as opportunities to enhance his skillset and has built a solid track record of over sixteen (16) years in the property sector, including involvement in projects in Singapore, Hong Kong, China, Dubai and Japan. In 2013, he left PJD and joined Leadmont Group as General Manager, where he was involved in the sales and marketing, credit administration and leasing business segments.

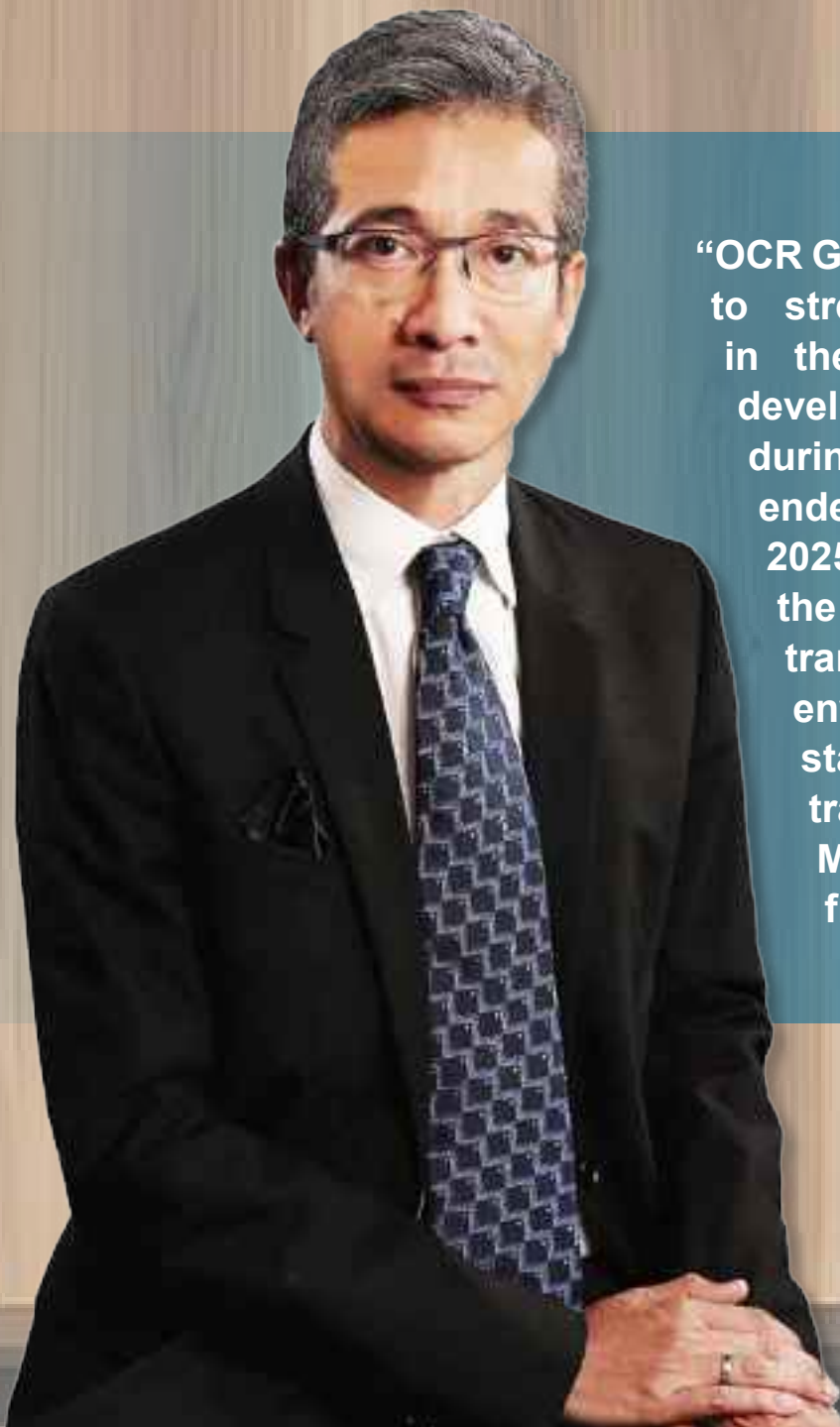
Presently, Mr. Ng does not hold any directorships in any public companies.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Group.

He has not been convicted of any offences within the past five (5) years nor was there any public sanction or penalty imposed on him by any relevant regulatory bodies during the financial year ended 31 December 2025.



CHAIRMAN'S STATEMENT



“OCR Group Berhad continued to strengthen its standing in the Malaysian property development landscape during the financial year ended 31 December 2025 (“FY2025”), as the Group navigated a transitional economic environment marked by stabilisation and gradual transformation under the MADANI Economy framework.”

CHAIRMAN'S STATEMENT (Cont'd)

Against this backdrop, OCR remained focused on disciplined execution and value-driven development, anchored by its commitment to delivering high-quality and sustainable housing solutions that meet the evolving aspirations of the Rakyat.

It is with this context that I am pleased to present, on behalf of the Board of Directors, the Annual Report and Audited Financial Statements of OCR Group Berhad ("OCR" or "the Group") for FY2025. Despite ongoing cost pressures and sector-specific challenges, the Group demonstrated operational resilience, recording a **full year revenue of RM184.9 million**, reflecting a **95.5% year-on-year increase**. This performance reflects the Group's ability to sustain development momentum while remaining focused on its core value proposition.

ECONOMIC, FINANCIAL AND INDUSTRY OVERVIEW

The year 2025 unfolded amid contrasting global and domestic economic conditions. On the global front, the International Monetary Fund characterised the environment as one of "remarkable resilience," with global growth holding steady at approximately 3.2% despite persistent trade disruptions and geopolitical uncertainties.¹ Domestically, however, the property development and construction sectors encountered notable headwinds.

The industry contended with heightened volatility in construction material prices, particularly cement and steel, alongside rising logistics and transportation costs following the rationalisation of diesel subsidies. These pressures affected cost structures across the supply chain and required heightened operational discipline. Nevertheless, the Overnight Policy Rate ("OPR") remained stable at 2.75% throughout the year, supporting affordability and providing a degree of certainty for homebuyers.²

From an industry perspective, the Malaysian property market showed signs of stabilisation rather than broad-based expansion, as reflected in NAPIC's Q3 2025 data, where transaction volumes moderated while total transaction values increased, indicating a more selective buyer environment. Within this context, OCR's continued focus on affordable and mid-market housing positions the Group in a resilient demand segment supported by stable financing conditions, enabling it to mitigate cyclical volatility and manage exposure to overhang risks that remain prevalent in certain high-rise residential sub-segments.³

OPERATIONAL PERFORMANCE AND PROJECT PROGRESS

Throughout FY2025, OCR maintained steady operational momentum, with project execution closely aligned with revenue recognition. The official launch of Residensi Akasia in February 2025 under the Rumah Selangorku scheme marked a key milestone for the Group. The project addressed strong demand for affordable urban housing and contributed meaningfully to revenue during the year.

In **October 2025**, the Group expanded its development portfolio with the launch of D' Templer Hilltop Residences in Rawang, a landed residential project with a gross development value of **RM344.3 million**. Strategically located near the Bukit Lagong Forest Reserve, the development reflects OCR's entry into higher-margin landed housing, catering to growing demand for nature-integrated residential environments.

During the year, the Group achieved significant construction progress across its existing developments. Stellar Damansara and Residensi Akasia continued to advance steadily. In Q1 FY2025, the Group completed Isola KLCC, its luxury high-rise development in the heart of Kuala Lumpur, marking the handover of another key project in its high-end residential portfolio. In Q4 FY2025, the Group also completed The Mate at Damansara Jaya, the 244 unit Signature Suites high-rise development. The completion of The Mate represents a transition toward final-stage revenue recognition and unit handover, strengthening near-term earnings visibility.

In tandem, the Group entered into a Heads of Agreement ("HOA") for the proposed acquisition of a 49% stake in Chester Properties Sdn. Bhd., marking a strategic step to strengthen OCR's route-to-market capabilities and broaden its access to a wider pool of potential buyers. The proposed acquisition is also expected to enable the Group to leverage Chester Properties' market presence, sales and marketing expertise, and the latest market data to better understand demand shifts and support the sales performance of OCR's property development projects. Over time, the strategic tie-up is anticipated to reduce the Group's reliance on third-party marketing arrangements while enabling greater alignment in the planning and execution of project marketing strategies.

¹ <https://www.imf.org/en/publications/weo/issues/2025/10/14/world-economic-outlook-october-2025>

² <https://www.bnm.gov.my/-/monetary-policy-statement-06112025>

³ <https://iqiglobal.com/blog/napic-q3-2025/>

CHAIRMAN'S STATEMENT (Cont'd)

AWARDS AND RECOGNITION

OCR's continued emphasis on sustainable and value-driven development received industry recognition during the year. In 2025, the Group's 50% owned subsidiary, Stack Builder Sdn. Bhd. was awarded the **Sustainable Development of the Year – Malaysia accolade at the Real Estate Asia Awards 2025**, in recognition of its efforts to redefine affordable living through quality design, connectivity, and community-focused planning, as exemplified by Residensi Akasia. In the same year, the Group's Yolo Signature Suites development received a **Silver Award at the PAM Awards 2025**, further highlighting OCR's architectural quality and design innovation in high-rise urban living. This recognition reinforces OCR's long-term commitment to responsible development and sustainable urban solutions.

MARKET OUTLOOK AND KEY CHALLENGES

Looking ahead, the Board remains cautiously optimistic about the Group's prospects. Budget 2026 introduces meaningful support for the housing sector, particularly through the expansion of the Housing Credit Guarantee Scheme ("SJKP"), with total allocations doubled to RM20 billion to benefit more than 80,000 first-time homebuyers. This initiative aligns closely with OCR's target market and is expected to support sustained demand for affordable housing.⁴

At the same time, the Group remains mindful of prevailing challenges, including a shortage of skilled construction labour and ongoing material cost volatility, which continue to exert pressure on industry margins. OCR mitigates these risks through prudent cost management, selective project positioning, and a growing focus on urban regeneration developments, which benefit from existing tax incentives for commercial-to-residential conversions.

APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to my fellow Directors for their guidance and strategic oversight throughout the year. I also extend my heartfelt thanks to our management team and employees for their dedication and professionalism. To our shareholders, business partners, and stakeholders, thank you for your continued trust and support as we work toward delivering sustainable value and contributing to inclusive national development.

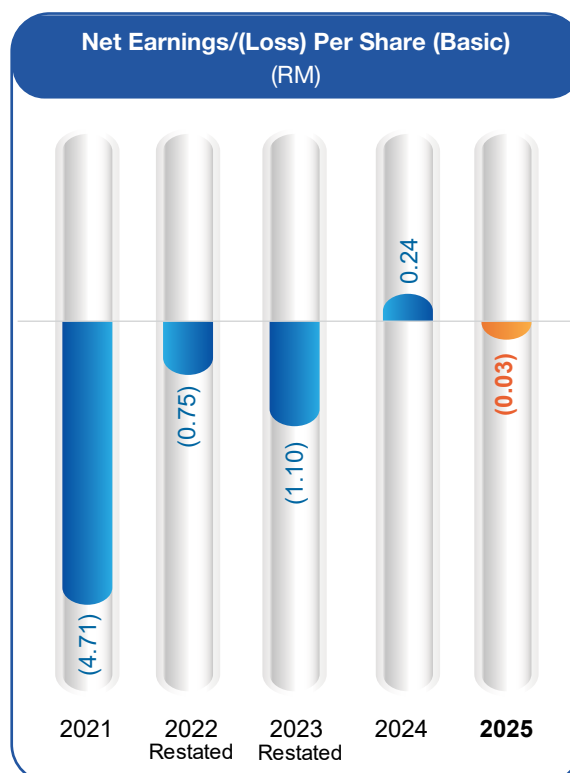
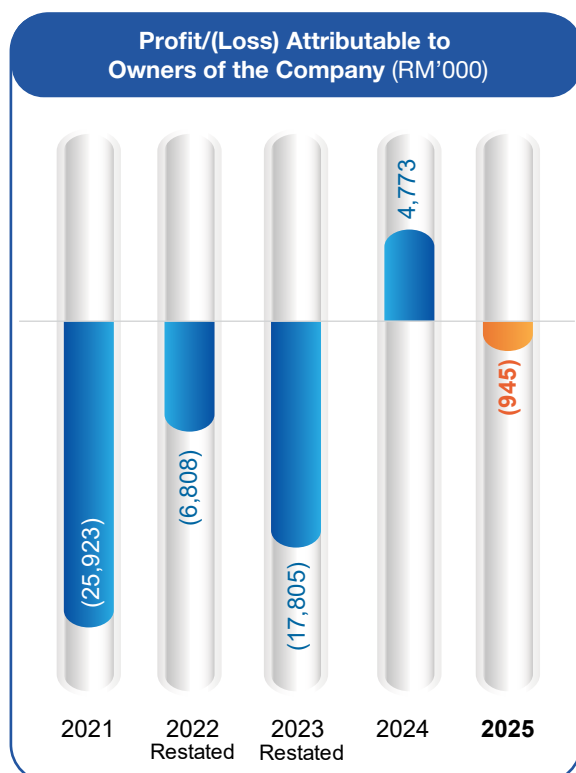
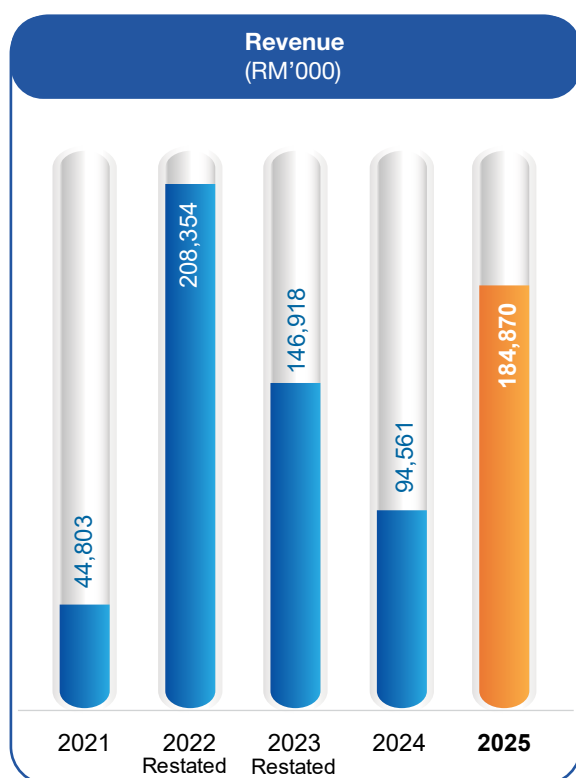
Sincerely,
YAM Tunku Azudinshah Ibni Tunku Annuar
Chairman

⁴ <https://belanjawan.mof.gov.my/pdf/belanjawan2026/ucapan/touchpoint-budget-bm.pdf>

FIVE YEARS FINANCIAL HIGHLIGHTS

		2021	2022	2023	2024	2025
			Restated	Restated		
Revenue	RM'000	44,803	208,354	146,918	94,561	184,870
Profit/(Loss) before taxation	RM'000	(25,933)	7,692	(18,037)	7,015	7,624
Profit/(Loss) after taxation	RM'000	(27,399)	6,679	(18,803)	4,708	4,287
Profit/(Loss) after taxation attributable to owners of the company	RM'000	(25,923)	(6,808)	(17,805)	4,773	(945)
Non-controlling interests	RM'000	(1,476)	13,487	(998)	(65)	5,232
Total assets	RM'000	438,118	490,558	629,966	682,022	702,263
Shareholders' equity	RM'000	157,125	184,087	196,468	287,404	287,793
Net asset per share	RM	0.23	0.19	0.14	0.09	0.09
Net earnings/(loss) per share						
Basic	Sen	(4.71)	(0.75)	(1.10)	0.24	(0.03)
Diluted	Sen	-	-	(1.10)	0.19	(0.03)
Return on total assets		(0.06)	(0.01)	(0.03)	0.01	(0.00)
Return on equity		(0.16)	(0.04)	(0.09)	0.02	(0.00)

FIVE YEARS FINANCIAL HIGHLIGHTS (Cont'd)



MANAGEMENT DISCUSSION AND ANALYSIS

GROUP PROFILE

OCR Group Berhad (“OCR” or the “Group”) is a diversified entity with core operations in property development, project management consultancy (“PMC”), and related businesses. Established in Malaysia on 28 July 1997 as an investment holding company, the Group is listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

With over twenty (20) years of experience in the property and construction sectors, OCR has established itself as an integrated property developer focused on delivering residential developments across selected growth corridors in Malaysia. The Group also continues to undertake construction and related activities that support the broader development of the domestic built environment.

OCR offers residential products across three distinct categories to address varying market needs:

- **Essential Living:** Affordably priced homes designed to meet mass-market housing demand.
- **Urban Living:** Contemporary residential offerings catering to modern urban lifestyles.
- **Luxury Living:** Premium developments in prime locations tailored for discerning buyers.

As at the financial year ended 31 December 2025 (“FY2025”), OCR has completed a total of **23** development projects with a cumulative Gross Development Value (“GDV”) of approximately **RM2.2 billion**. The Group maintains a development pipeline with an estimated GDV of over **RM1.5 billion**, providing visibility for future growth. For FY2025, OCR recorded revenue of **RM184.9 million**, and remains committed to delivering value-driven developments while adopting sustainable practices to address evolving market requirements.

NAVIGATING THE DYNAMIC EXTERNAL LANDSCAPE

The operating environment in 2025 reflected a period of stabilisation across both the property development and construction sectors, with activity becoming increasingly selective rather than broadly expansionary. While overall market conditions remained supported by steady domestic demand, buyers and developers alike demonstrated greater discernment in project quality, pricing, and location.

According to official data, the Malaysian property market in 2025 remained resilient following the strong rebound of prior years. A total of 416,413 property transactions were recorded, representing a slight 1.0% decline in volume, while total transaction value increased by 4.1% to RM241.87 billion compared to 2024. This reflects a market environment where activity remained selective, with buyers showing greater caution amid higher living costs and financing considerations, even as demand persisted for well-located and higher-quality residential products. Overhang levels, particularly within certain high-rise residential sub-segments, continued to warrant attention, reinforcing the importance of product positioning and affordability in new launches.⁵

Within this environment, the construction sector provided a supportive backdrop to property development activity. Malaysia’s construction sector expanded by 12.5% in 2025, with the value of work done reaching RM178.6 billion, while the fourth quarter alone recorded RM46.4 billion, representing a 10.3% year-on-year increase. Growth continued to be supported by civil engineering, which remained the largest contributor at RM16.2 billion or 34.9% of quarterly work done, alongside sustained activity in non-residential buildings and residential buildings, which contributed RM14.0 billion and RM10.5 billion respectively. These trends reflect ongoing demand for housing-related construction, associated trades, and multi-year infrastructure projects.

For the full year 2025, total construction work done amounted to RM178.6 billion, representing a 12.5% increase compared to 2024. Construction activity remained concentrated in key growth regions, including Selangor, Johor, Sarawak and Wilayah Persekutuan Kuala Lumpur, which together accounted for a significant share of total sector activity. Selangor remained the largest contributor, supported by a balanced mix of residential, non-residential and civil engineering works.

⁵ [chrome-extension://efaidnbmnnnibpcajpcgclcfindmkaj/https://napic.jp-ph.gov.my/storage/app/media//3-penerbitan/Shahrul/Bahagian%20Pasaran%20Harta%20Tanah/Laporan%20Pasaran%20Harta%20Separuh%20Tahun%20dan%20Jadual/Q4%202025/laporan-pasaran-harta-2025-1.pdf](https://efaidnbmnnnibpcajpcgclcfindmkaj/https://napic.jp-ph.gov.my/storage/app/media//3-penerbitan/Shahrul/Bahagian%20Pasaran%20Harta%20Tanah/Laporan%20Pasaran%20Harta%20Separuh%20Tahun%20dan%20Jadual/Q4%202025/laporan-pasaran-harta-2025-1.pdf)

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

The private sector continued to be the primary driver of construction activity, accounting for approximately 63.2% of total construction work done in the fourth quarter of 2025, while the public sector contributed the remaining 36.8%. This was supported by increased demand for non-residential developments, rebounding from a contraction in the previous quarter.⁶

Against this backdrop, OCR maintained a disciplined focus on residential developments aligned with prevailing market realities. The Group's emphasis on affordable and mid-market housing, complemented by selective premium landed projects, positions it within demand segments that remain supported by genuine owner-occupier interest. This strategic focus enables OCR to mitigate exposure to overhang-prone segments while navigating cost pressures and cyclical volatility across the broader property and construction landscape.

FINANCIAL OVERVIEW

For the financial year ended 31 December 2025, OCR recorded revenue of RM184.9 million, representing a 95.5% increase compared to RM94.6 million in FY2024. The revenue growth was primarily driven by continued progress and revenue recognition from the Group's active property development projects, notably Residensi Akasia, as well as completed units from Isola KLCC and The Mate @ Damansara Jaya.

Profit before tax ("PBT") for the year improved to RM7.6 million compared to RM7.0 million in FY2024. The higher profitability was supported by stronger property development contributions, particularly from Residensi Akasia, despite higher finance costs and administrative expenses incurred in line with the Group's broader project pipeline.

Despite these cost pressures, the Group's overall financial performance reflects continued operational activity and strong revenue expansion amid a more selective and cost-sensitive operating environment. The year-on-year improvement highlights the importance of disciplined cost management and prudent capital deployment as the Group progresses through its development cycle.

Over the past five years, OCR's financial trajectory demonstrates a period of stabilisation followed by renewed revenue expansion, supported by a growing asset base and active project pipeline. As at 31 December 2025, the Group's net assets per share stood at RM0.09, consistent with the prior financial year.

The details of the Group's development projects are as follows:

Project	Project Type	Site Area (Acres)	Estimated GDV (RM 'mil)
Ongoing Projects			
Stellar Damansara	Residential	1.5	177.6
Kyra – Residensi Akasia (Phase I)	Residential	5.3	288.8
D'Templer Hilltop Residences	Residential	32.0	344.3
Projects in Pipeline			
Kyra – Residensi Begonia (Phase II)	Residential	5.7	322.5
Aloris, Jalan Alor	Mixed Development	0.5	362.7

⁶ <chrome-extension://efaidnbmnnnibpcajpgclefindmkaj/https://napic.jp-ph.gov.my/storage/app/media//3-penerbitan/Shahrl/Bahagian%20Pasaran%20Harta%20Tanah/Laporan%20Pasaran%20Harta%20Separuh%20Tahun%20dan%20Jadual/Q4%202025/laporan-pasaran-harta-2025-1.pdf>

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

ASSETS, LIABILITIES AND EQUITY

As at 31 December 2025, OCR's total assets increased to RM702.3 million from RM682.0 million as at 31 December 2024, reflecting continued investment in development activities and capital appreciation of selected assets. The increase was primarily driven by higher contract assets and investment properties, partially offset by lower current inventories.

Investment properties rose to RM234.7 million, reflecting the Group's long-term holdings and strategic positioning in selected locations. Current inventories stood at RM199.1 million, while contract assets increased to RM40.0 million, corresponding to ongoing development expenditure and project progress across the Group's active developments.

Loans and borrowings stood at RM213.2 million as at the reporting date, utilised primarily to fund development activities and maintain adequate liquidity for project execution. The Group continues to adopt a disciplined approach to debt management, balancing funding requirements with risk considerations amid a dynamic interest rate and cost environment.

Overall, OCR's capital structure remains supported by prudent financial management and a focus on maintaining balance sheet strength to underpin ongoing operations and future growth initiatives.

KEY HIGHLIGHTS

During FY2025, OCR achieved several key milestones that reinforced its strategic positioning within the residential property market.

The launch and continued progress of Residensi Akasia under the Rumah Selangorku scheme remained a key contributor to the Group's revenue performance, reflecting sustained demand for affordable housing in Selangor. The project highlights OCR's ongoing commitment to addressing housing affordability while maintaining functional design and quality standards.

In Q1 FY2025, OCR completed Isola KLCC, its luxury high-rise residential development in Kuala Lumpur's city centre, further emphasising the Group's capability in delivering high-end urban homes. The completion of these projects enabled capital recycling for redeployment into new development opportunities. The Group also successfully completed The Mate at Damansara Jaya in Q4 FY2025, marking the transition of the development into its final delivery and handover phase.

In response to prevailing market dynamics and overhang conditions in certain high-rise residential segments, OCR selectively expanded its portfolio with the launch of D'Templer Hilltop Residences in Rawang. This landed residential development represents the Group's entry into low-density, higher-margin housing, catering to demand for nature-integrated living environments while maintaining disciplined risk exposure.

During the year, OCR's development approach continued to receive industry recognition. In 2025, the Group's 50% owned subsidiary, Stack Builder Sdn. Bhd. was awarded the Sustainable Development of the Year – Malaysia accolade at the Real Estate Asia Awards 2025, recognising its efforts in delivering sustainable and community-focused affordable housing developments. In addition, the Group's Yolo Signature Suites project received a Silver Award at the PAM Awards 2025, reflecting OCR's design excellence and innovation in high-rise urban living.

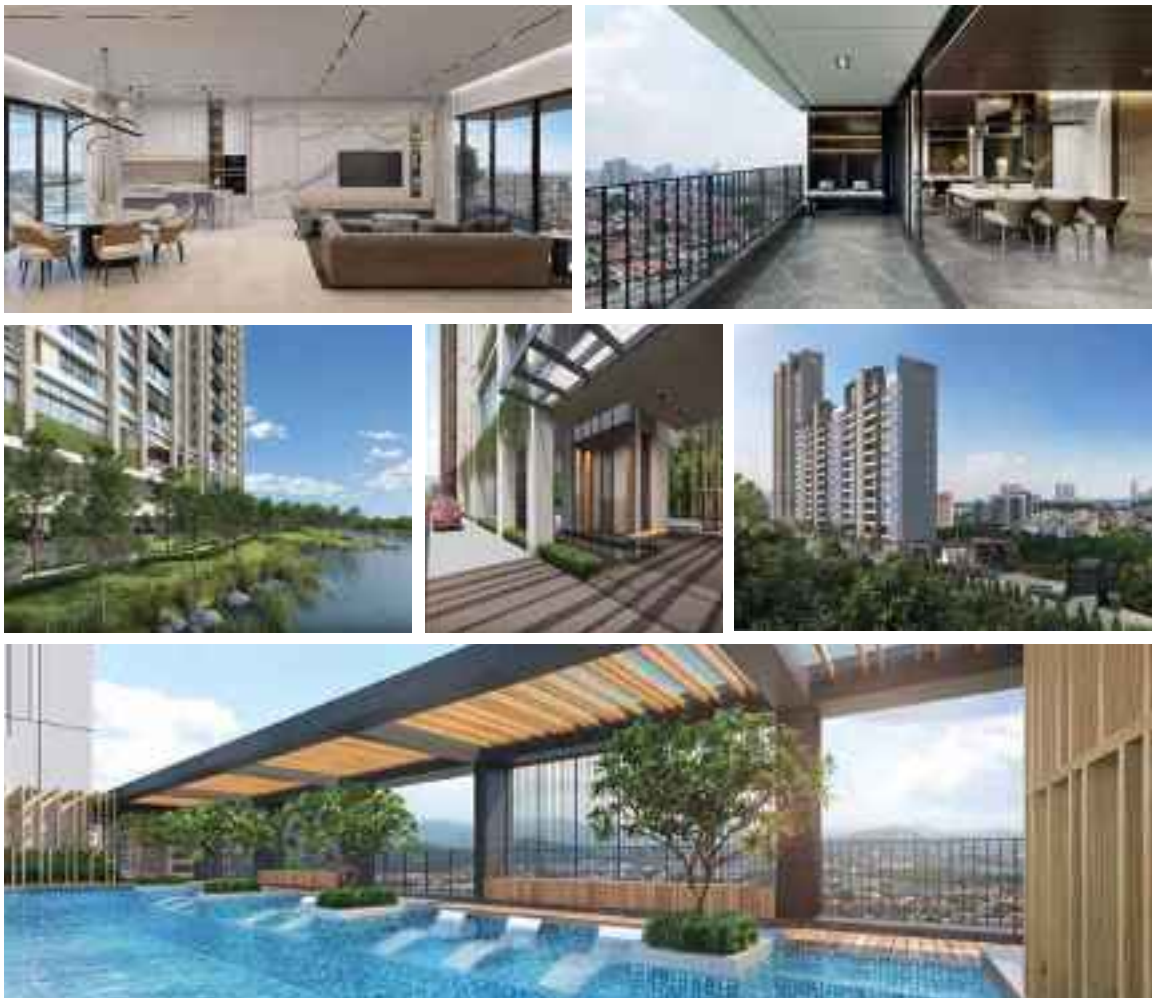
MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

LUXURY LIVING

- **Stellar Damansara**

Stellar Damansara is a joint development situated on a 1.5 acres land parcel in Damansara Jaya. The development comprises two residential blocks with a total of 88 premium units, complemented by comprehensive lifestyle facilities including a jacuzzi, gymnasium, swimming pool and multipurpose deck.

Launched in early 2023, the project continued to record steady progress in FY2025, with take-up remaining stable at approximately **76%**. Stellar Damansara reflects OCR's focus on delivering low-density urban residences within established neighbourhoods.



MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

URBAN LIVING

- **D'Templer Hilltop Residences**

D'Templer Hilltop Residences is a freehold landed residential development located in Rawang. Spanning 32 acres with an estimated GDV of RM344.3 million, the project features 118 semi-detached homes and 37 bungalow lots, designed to integrate modern living with natural surroundings.

Launched in October 2025, the development is situated along Jalan Rawang, adjacent to the Bukit Lagong Forest Reserve and Commonwealth Park, and is complemented by established neighbouring communities such as Templer Saujana and Templer Hills. D'Templer reflects OCR's selective expansion into low-density landed housing in response to evolving buyer preferences.



- **Aloris, Jalan Alor**

The Group, via its wholly-owned subsidiary, Wonderland Projects Sdn. Bhd., is undertaking a mixed-development project on approximately 0.5 acres of freehold, commercially zoned land at Jalan Alor, in the heart of Kuala Lumpur. The project comprises 8 retail lots, 204 Small Office Home Office (SOHO) units, and 178 serviced apartment units, with an estimated GDV of RM362.7 million.

Targeted for launch in FY2026, the development aims to reflect the rich heritage and vibrant evolution of Jalan Alor, offering a contemporary urban living experience that appeals to both locals and international visitors.



MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

ESSENTIAL LIVING

- **Kyra - Residensi Akasia (Phase I)**

Residensi Akasia is the Group's largest affordable housing development to date, undertaken through a 50% equity interest in Stack Builder Sdn. Bhd. located in Shah Alam and spanning approximately 20.5 acres, the project carries a total GDV of at least RM850.6 million and will be developed in phases.

The development comprises 963 affordable residential units alongside supporting retail components, forming part of OCR's Essential Living series with GDV of RM288.8 million. Following its official launch on 25 February 2025, Residensi Akasia continued to record encouraging take-up during FY2025, underscoring sustained demand for affordable housing. The project is expected to be completed progressively by 2028/2029.



- **Kyra - Residensi Begonia (Phase II)**

Residensi Begonia represents the second phase of the Kyra development in Shah Alam, undertaken via a 50% equity interest in Stack Builder Sdn. Bhd. As part of the same 20.5 acres master development with a total GDV of at least RM850.6 million, this phase continues the Group's commitment to delivering affordable housing under its Essential Living series.

The development will comprise 1,085 affordable residential units alongside supporting retail components, with a GDV of RM322.5 million. Residensi Begonia is targeted for launch in the Q2 FY2026.

ANTICIPATED OR KNOWN RISKS

In the evolving property and construction landscape OCR continues to recognise the range of risks that may affect its operations, financial performance, and market positioning. During FY2025, while Malaysia's economy continued to demonstrate resilience, uncertainties persisted across both domestic and global fronts. Geopolitical developments, supply chain disruptions and moderating consumer sentiment remain factors that could influence property demand and investment decisions.⁷

Affordability remains a key consideration for property buyers. Although financing conditions remained relatively stable during FY2025, any changes in interest rate policy could affect homebuyers' borrowing capacity and transaction activity. OCR remains attentive to these dynamics and continues to align its product offerings, particularly within the affordable housing segment, to meet prevailing market needs and support sustainable take-up rates.

Cost-related risks also continue to feature prominently. While construction material prices and labour conditions have shown signs of stabilisation, residual cost pressures from earlier periods and potential supply disruptions could impact project margins and timelines. OCR mitigates these risks through disciplined cost management, diversified sourcing strategies, and close monitoring of project execution.

⁷ <https://www.imf.org/en/blogs/articles/2025/11/10/even-as-global-uncertainty-surges-economic-sentiment-remains-positive>

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

ANTICIPATED OR KNOWN RISKS (CONT'D)

Project delivery risks, including regulatory delays and approval processes remain inherent to the development cycle. Such delays may result in cost escalation and impact on project schedules. To address these challenges, the Group continues to strengthen its project management framework and maintains active engagement with relevant authorities to facilitate timely approvals.

In addition, shifting consumer preferences towards affordability, sustainability and functional design require continuous adaptation. OCR remains committed to refining its development offerings to align with these evolving expectations, ensuring relevance across its product portfolio.

Notwithstanding these challenges, the Group's proactive risk management approach enables it to monitor and respond to changing market conditions effectively. Through prudent financial management, disciplined execution and selective project positioning, OCR is well-placed to navigate uncertainties while supporting its long-term growth objectives.

GROWTH STRATEGIES FOR FY2025

In FY2025, OCR remains focused on delivering accessible and value-driven housing solutions, underpinned by a stabilising macroeconomic environment and continued policy support under Budget 2026. Malaysia's real GDP growth is projected to range between 4.0% and 4.5% in 2026, while headline inflation is expected to remain contained between 1.3% and 2.0%, providing a supportive backdrop for domestic consumption and homeownership demand.⁸

Under Budget 2026, public revenue is estimated at RM343.1 billion, while total Federal Government outlay amounts to RM419.0 billion, comprising RM338.2 billion in operating expenditure and RM81.0 billion in development expenditure. These allocations reflect the Government's continued emphasis on economic resilience, infrastructure development, and household support, which collectively contribute to a more stable operating environment for the property sector.⁹

Affordability remains a central pillar of OCR's growth strategy. The extension of full stamp duty exemptions on transfer and loan agreements for first homes priced up to RM500,000 until 31 December 2027 is expected to further reduce entry barriers for first-time homebuyers.

In addition, sustained accommodative monetary conditions, with Bank Negara Malaysia maintaining a relatively low-interest-rate environment, continue to support financing accessibility and buyer confidence.

Complementing these measures, the Government's cost-of-living initiatives are expected to enhance effective purchasing power across a broad segment of the population. Programmes such as Sumbangan Tunai Rahmah ("STR") and Sumbangan Asas Rahmah ("SARA"), including one-off and recurring cash assistance to eligible households and individuals, provide targeted income support that may indirectly strengthen demand for affordable housing. These initiatives are particularly relevant to OCR's target market within the affordable and mid-market segments.

Against this backdrop, OCR continues to prioritise its affordable housing pipeline, with Residensi Akasia under the Rumah Selangorku scheme remaining a key growth driver. The project aligns closely with prevailing affordability thresholds and government support measures, positioning the Group to capture sustained owner-occupier demand while maintaining disciplined development execution.

At the same time, OCR recognises the importance of maintaining a balanced development portfolio. The completion of projects such as Isola KLCC and The Mate at Damansara Jaya allows for capital recycling, while the launch of D'Templer Hilltop Residences reflects a selective expansion into landed residential products that cater to evolving buyer preferences for lower-density living environments. This measured approach enables the Group to manage exposure to overhang-prone segments while responding to market demand shifts.

From an operational standpoint, OCR remains mindful of rising cost pressures, including the national minimum wage increase to RM1,700 per month effective February 2025.¹⁰ The Group continues to focus on productivity enhancements, prudent cost management, and efficient project execution to mitigate margin pressures while maintaining construction quality and delivery timelines. Sustainability considerations continue to be embedded within OCR's development approach. While ESG initiatives remain ongoing, the Group adopts a practical and project-specific approach to sustainability, incorporating environmentally conscious design features, efficient resource utilisation, and community-focused planning where appropriate. These efforts support long-term asset value and align with broader national sustainability aspirations.

⁸ <https://belanjawan.mof.gov.my/pdf/belanjawan2026/economy/economic-2026.pdf>

⁹ <https://theedgemalaysia.c6969om/node/772795>

¹⁰ <https://minimumwages.mohr.gov.my/images/PUA%20376.pdf>

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Collaboration remains an important element of OCR's growth strategy. The Group continues to explore joint ventures and co-development opportunities to optimise capital deployment and accelerate project execution, particularly in locations with strong underlying demand fundamentals. During the year, the Group entered into a Heads of Agreement to acquire a 49% stake in Chester Properties, a real estate agency and investment consultancy firm. This proposed acquisition is expected to strengthen OCR's downstream distribution network and broaden its access to a wider homebuyer and investor base across Peninsular Malaysia.

Looking ahead, OCR remains cautiously optimistic. While the property market is expected to remain selective rather than expansionary, the Group's focus on affordability, disciplined execution, and balanced portfolio management positions it well to navigate prevailing conditions and deliver sustainable value to stakeholders.

NOTE OF APPRECIATION

As we reflect on the Group's performance in FY2025, I would like to express my sincere appreciation to the entire OCR team for their continued dedication, professionalism, and collaborative spirit. Their collective efforts have been instrumental in sustaining the Group's operations and reinforcing the OCR brand amid a more selective and challenging operating environment.

The progress achieved during the year would not have been possible without the trust and support of our valued buyers and business partners. Their confidence in OCR, particularly during a period marked by evolving market conditions and cost pressures, has been pivotal in enabling the Group to navigate uncertainties and maintain development momentum.

Throughout FY2025, OCR remained focused on delivering meaningful value to our customers through well-considered locations, practical and functional designs, comprehensive facilities, and competitive pricing. This disciplined approach has continued to strengthen buyer confidence and foster long-term relationships with the communities we serve. As we move forward, the Group remains committed to a customer-centric philosophy, ensuring that our developments align with changing lifestyle needs and affordability considerations.

I would also like to extend my heartfelt gratitude to our shareholders, the Government, and regulatory authorities for their continued guidance and support, which have been essential in enabling OCR to execute its strategies responsibly. Our appreciation also goes to our business partners for their ongoing collaboration and shared commitment to creating sustainable value through mutually beneficial partnerships.

Finally, I wish to thank our esteemed Board of Directors for their invaluable counsel, oversight, and leadership throughout the year. Their experience and strategic insights have guided the Group through an important phase of consolidation and transition. As OCR looks ahead, we remain steadfast in our commitment to responsible development, sustainable practices, and disciplined growth, as we continue to adapt to the evolving market landscape and deliver long-term value to all stakeholders.

Ong Kah Hoe
Group Managing Director

SUSTAINABILITY STATEMENT



Prepared for



OCR Group Berhad
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Prepared by



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Level 3A, Tower B, Atwater Corporate Offices,
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SUSTAINABILITY STATEMENT (Cont'd)

Building Sustainability At OCR

As Malaysia's property sector evolves in response to climate expectations, regulatory developments and rising demand for responsible development, OCR Group Berhad ("OCR" or "the Group") continues to strengthen focus on responsible property development and construction practices. This includes creating environments that support thriving communities, managing environmental impacts and contributing to sustainable economic growth. This Sustainability Statement outlines how sustainability considerations are embedded across OCR's strategy, governance and development lifecycle.

During the year, we progressed our sustainability reporting practices by incorporating elements of the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards (IFRS S1 and IFRS S2) into our reporting approach, ahead of the regulatory compliance timeline. To enhance accountability and strengthen the measurement of sustainability performance, we introduced key performance indicators ("KPIs") to strengthen oversight and monitoring of sustainability performance across the Group.

We also continued advancing sustainable development practices across our projects through the launch of D'Templer Hilltop Residences in Rawang, Selangor, which was recognised by ASIA Records as the Highest GreenRE-Certified Landed Semi-Detached Residential Development at 162 metres above sea level. In addition, our serviced residence project, The Mate, received a GreenRE (Bronze) green building certification. We also partnered with Powered by RISE to install electric vehicle ("EV") charging stations, supporting the adoption of sustainable mobility solutions within our project developments.



D' Templer Hilltop Residences, Selangor

To strengthen organisational capability and support long-term business resilience, we invested in capacity building for our employees covering finance, soft skills, legal and compliance, technical disciplines and sustainability. Our sustainability initiatives reinforce OCR's commitment to responsible development while strengthening the Group's ability to create sustainable long-term value for our stakeholders, communities and the environment.

SUSTAINABILITY STATEMENT (Cont'd)

Building Sustainability At OCR (Cont'd)

Reporting Scope and Boundary

This Statement covers the period from 1 January 2025 to 31 December 2025 ("FY2025"). Where relevant, three years of historical data are presented to illustrate year-on-year performance and trends. The data disclosed covers our corporate office in Petaling Jaya, as well as selected property development and construction projects in Selangor and Kuala Lumpur.

Under our property development projects, only sales gallery operations are included within the reporting boundary for Residensi Akasia, Stellar Damansara and D' Templer Hilltop Residences, as construction activities are primarily managed by the main contractors. For The Mate and Isola KLCC, data from both sales galleries and project sites are included within the reporting boundary.

Property Development		Property Development and Construction	
- Residensi Akasia, Selangor - Stellar Damansara, Selangor - D'Templer Hilltop Residences, Selangor		- The Mate, Selangor - Isola KLCC, Kuala Lumpur	
	Sales gallery only	 	Sales gallery and project sites

Reporting Frameworks and Guidelines

We prepared our sustainability statement in compliance with the Bursa Malaysia Main Market Listing Requirements ("MMLR") and in accordance with the Bursa Malaysia Sustainability Reporting Guide (3rd Edition). Our disclosures are guided by the International Financial Reporting Standards ("IFRS S1 and S2") while the Global Reporting Initiative ("GRI") Standards and the United Nations Sustainable Development Goals ("UN SDGs") provide a global context for shaping our sustainability priorities and contributing to broader global development efforts.

The Group measures greenhouse gas ("GHG") emissions using the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the 'GHG Protocol'), unless otherwise specified under IFRS S2.

Assuring Data Integrity

All data disclosed in this statement are compiled from internal sources and reviewed by the relevant data owners to ensure accuracy. We regularly assess and refine our data collection and analysis processes to maintain the integrity and reliability of our disclosures.

Your Feedback Matters

Stakeholder feedback is an important part of our ongoing efforts to improve our sustainability practices and reporting. If you have questions or suggestions regarding our Sustainability Statement, please contact us using the information below.

Sustainability Department

Email: corporate@ocrbhd.com

Contact Number: 03-7710 1000

SUSTAINABILITY STATEMENT
(Cont'd)

Accolades and Accreditations

OCR’s dedication to delivering quality developments and advancing sustainable practices was recognised through several industry accolades received during the year.

Sustainable Development of the Year – Malaysia (Real Estate Asia Awards 2025)  Stack Builder Sdn Bhd, a subsidiary of OCR Group Berhad, received this award for the Residensi Akasia project, recognising its design, connectivity and contribution to community-focused development.	Silver • Commercial (High Rise) – Malaysian Institute of Architects (“PAM”) Award 2025  YOLO Signature Suites received this recognition for its architectural design and contribution to the surrounding urban landscape.
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Associations and Memberships

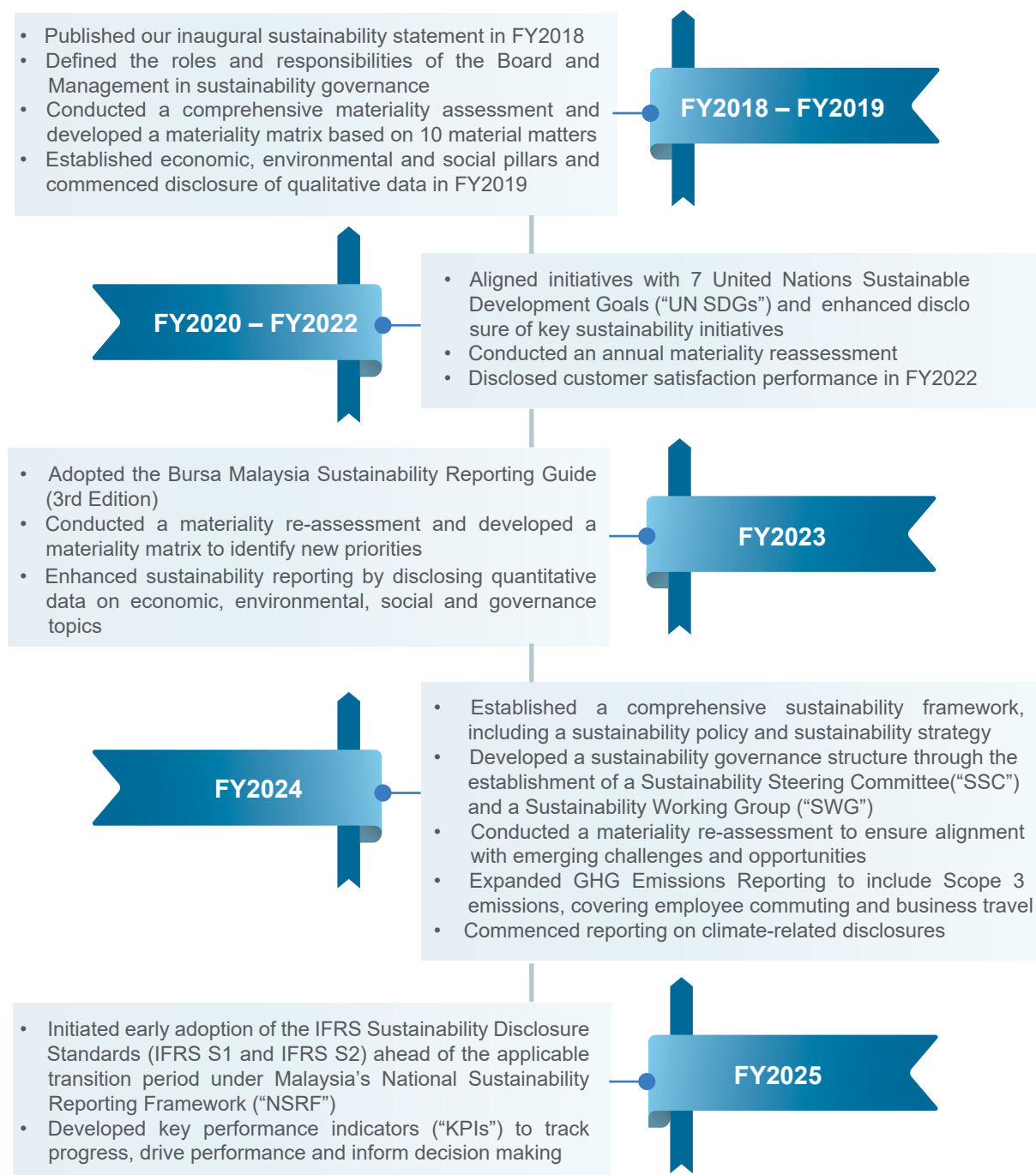
The Group maintains membership in the following industry association to remain informed of developments affecting the industry.

	Real Estate and Housing Developers’ Association of Malaysia (“REHDA”) Membership No.: HDA2483WP(KL)0152/10 Branch: Federal Territory of Kuala Lumpur
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SUSTAINABILITY STATEMENT (Cont'd)

Our Sustainability Reporting Journey

Embedding sustainability within OCR's strategy and operations supports the development of policies that strengthen long-term value creation. Continuous improvements to our reporting and disclosures enhance transparency, support informed decision-making and ensure compliance with evolving regulatory and market expectations.

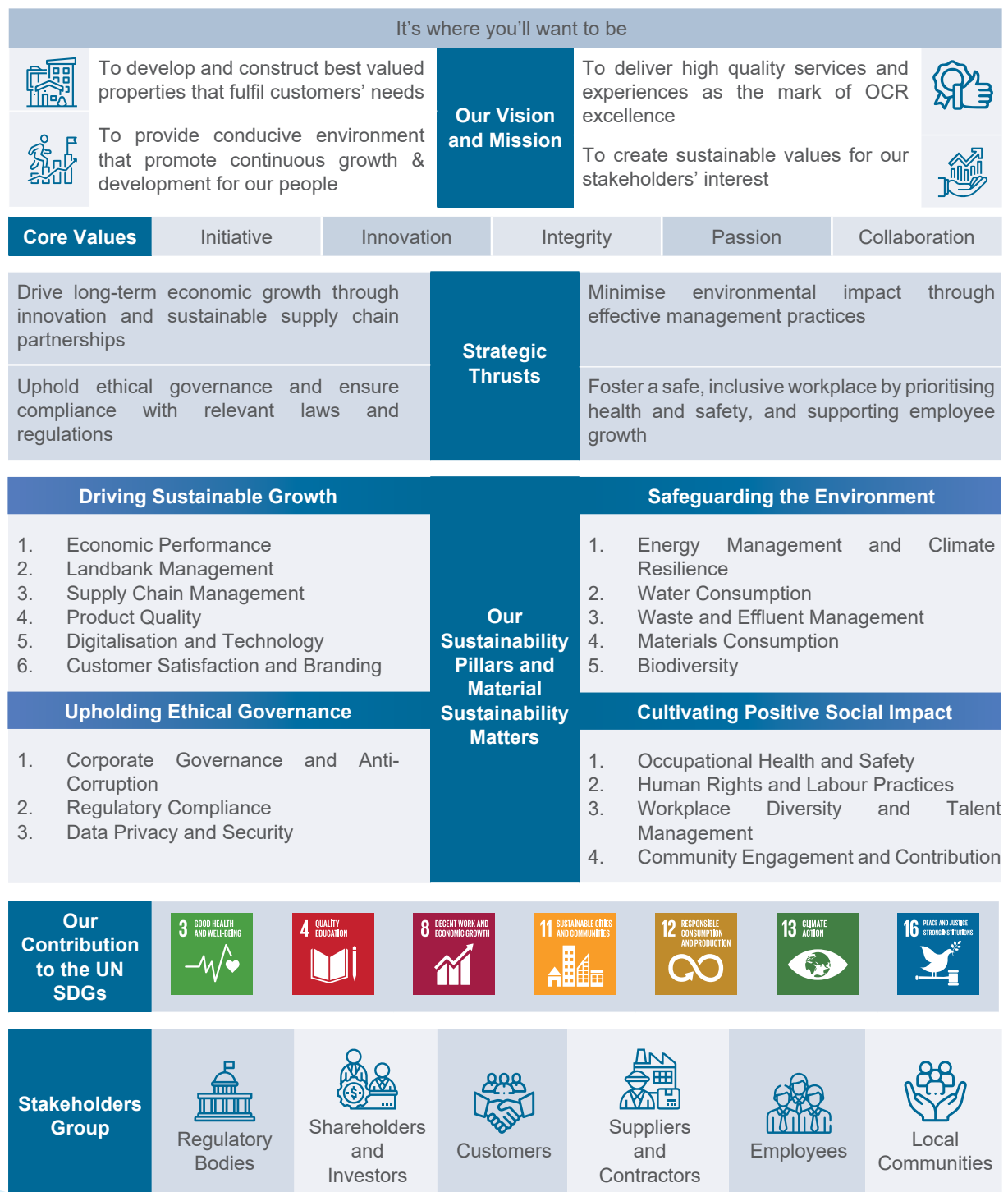


SUSTAINABILITY STATEMENT (Cont'd)

Our Approach to Sustainability

Delivering Our Sustainability Commitments

OCR's sustainability strategy is guided by four focus areas that align the Group's vision and mission, core values, strategic thrusts and material sustainability matters. This integrated approach supports long-term value creation while addressing the expectations of stakeholders.



SUSTAINABILITY STATEMENT (Cont'd)

Our Approach to Sustainability (Cont'd)

Our Sustainability Policy

The Group's Sustainability Policy outlines our approach to integrating sustainability principles across our property development activities and operations. It provides the foundation for responsible business practices while supporting long-term value creation and organisational resilience.

Driving Sustainable Growth

- Ensure long-term financial stability through sound financial management, focusing on maintaining profitability while balancing sustainability objectives
- Promote sustainable practices throughout our supply chain by partnering with responsible suppliers and contractors who share our commitment to environmental and social responsibility
- Deliver properties and services that meet the highest quality standards by implementing rigorous quality assurance processes and focusing on customer-centric approaches

Upholding Ethical Governance

- Operate with the highest level of integrity and prevent all forms of corruption, bribery, and unethical business conduct
- Implement a robust risk management framework to effectively identify, assess, and mitigate potential sustainability risks related to our projects and operations
- Ensure transparent and proactive communication with stakeholders, keeping them informed of our sustainability efforts and business performance
- Ensure compliance with all relevant laws, regulations, and industry standards through regular regulatory reviews and policy updates

Safeguarding the Environment

- Continuously enhance energy efficiency to reduce our carbon footprint and integrate renewable energy sources where feasible
- Implement robust waste management practices to ensure the proper handling of scheduled and non-scheduled waste, preventing pollution at our project sites
- Explore water-saving technologies and energy-efficient solutions during the construction and operation of our properties
- Integrate sustainable principles across all stages of development and prioritise the use of sustainable building materials

Cultivating Positive Social Impact

- Adhere to fair labour standards, ensuring that all employees and contractors are treated with dignity and respect, and their rights are protected
- Ensure a safe and healthy work environment for employees, contractors and visitors, striving to achieve zero work-related fatalities across our project sites
- Foster inclusive employment practices while providing career development, learning opportunities, and support to build a diverse, skilled, and motivated workforce
- Engage with the local communities in which we operate and ensure our developments benefit social well-being through creating affordable housing and supporting local social initiatives

SUSTAINABILITY STATEMENT (Cont'd)

Our Alignment with Global Goals

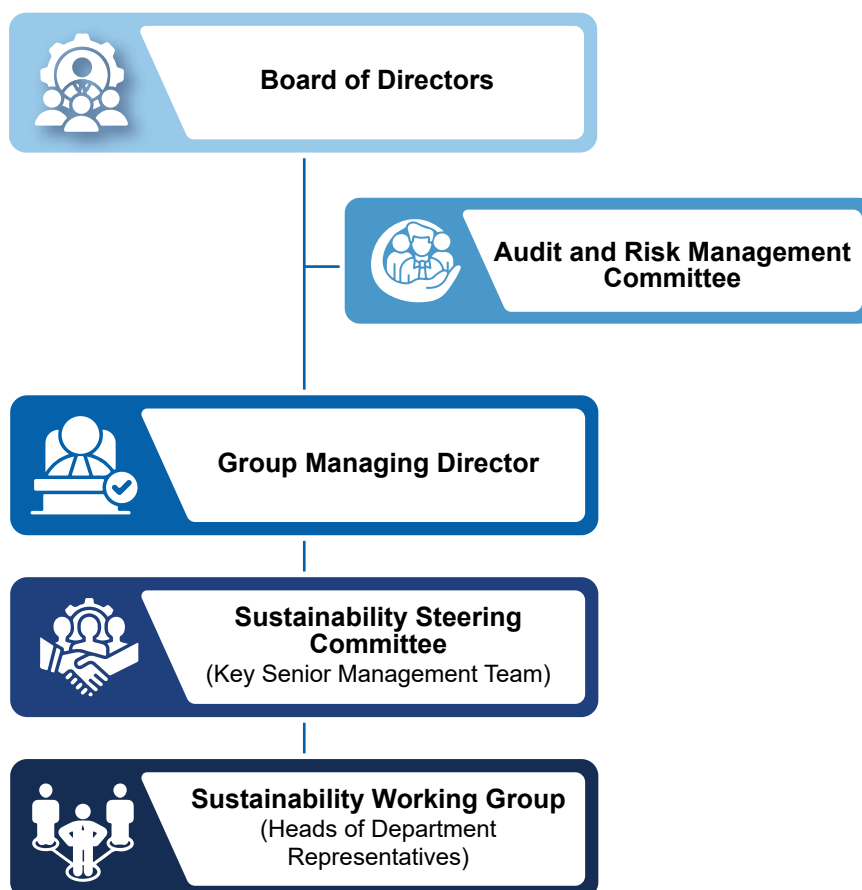
The UN SDGs set global priorities for addressing environmental, social and economic challenges by 2030. In FY2025, OCR aligned our sustainability initiatives with seven SDGs that are most relevant to our property development business and operations.

	UN SDG 3: Good Health and Well-being Target 3.8: Achieve universal health coverage • Provided a comprehensive benefits package, including medical and hospitalisation coverage (with health screenings, dental and optical benefits), as well as life and personal accident insurance for all employees • Extended the claim limit for medical check-ups during the year
	UN SDG 4: Quality Education Target 4.4: Increase the number of people with relevant skills for financial success • Provided job-related skills and motivational training to selected employees • Invested RM57,816 in employee training and development initiatives, including seminars, conferences and workshops
	UN SDG 8: Decent Work and Economic Growth Target 8.8: Protect labour rights and promote safe working environments • Recorded zero substantiated instances of labour standards non-compliance incidents and human rights violations in FY2025 • Conducted regular safety inspections across construction sites to ensure adherence to health and safety standards • Achieved a zero lost time incident rate and zero fatalities across project sites for three consecutive years
	UN SDG 11: Sustainable Cities and Communities Target 11.1: Safe and affordable Housing • Supported the Selangor state government's affordable housing initiative, Rumah Selangorku, through the development of Residensi Akasia, delivering 2,892 affordable housing units
	UN SDG 12: Responsible Consumption and Production Target 12.2: Sustainable management and use of natural resources • Installed rainwater harvesting systems at The Mate, Stellar, Isola KLCC and Residensi Akasia for non-potable purposes such as cleaning and landscaping • Implemented a Leak Prevention and Maintenance Programme, with monthly inspections and maintenance of water fixtures and piping across project sites, offices and sales galleries • Utilised non-municipal water sources, such as underground water, at project sites
	UN SDG 13: Climate Action Target 13.2: Integrate climate change measures into planning • Received GreenRE green building certification for The Mate (Bronze) and D'Templer Hilltop Residences, which was recognised by Asia Records as the highest GreenRE-certified landed semi-detached residential development. • Partnered with Powered by RISE to install electric vehicle ("EV") charging stations at The Mate • Adopted a nature-oriented development concept at D'Templer Hilltop Residences, integrating urban convenience with natural surroundings • All projects incorporate LED energy-efficient lighting and fittings across properties and operations
	UN SDG 16: Peace, Justice and Strong Institutions Target 16.5: Substantially reduce corruption and bribery • Established a Whistleblower Policy and an Anti-Bribery and Corruption Policy to strengthen the Group's anti-corruption framework • 76% of our employees received anti-corruption training in FY2025

SUSTAINABILITY STATEMENT (Cont'd)

Our Sustainability Governance Structure

Our sustainability governance structure establishes clearly defined roles and responsibilities, provides strategic oversight and enables the effective implementation of sustainability strategies and initiatives across the Group.



Board Oversight

The Board of Directors (“the Board”) is supported by the Audit and Risk Management Committee (“ARMC”) in providing strategic oversight of the Group’s sustainability agenda. The Board oversees the integration of sustainability considerations into the Group’s strategy and risk management framework, including climate-related risks and opportunities.

The Board meets on a half-yearly basis to deliberate on key business matters, including sustainability- and climate-related risks and opportunities, where relevant. During the reporting year, Board members attended a few sustainability-related capacity-building sessions, including multiple programmes focused on climate-related topics.

Management’s Role

The Group Managing Director chairs the Sustainability Steering Committee (“SSC”), which supports the ARMC in the strategic management of sustainability and climate-related risks and opportunities, including their integration into the Group’s risk management framework. The SSC develops and recommends sustainability strategies, initiatives, targets and policy updates to the ARMC for the Board consideration and reports on the progress of sustainability initiatives.

SUSTAINABILITY STATEMENT (Cont'd)

Our Sustainability Governance Structure (Cont'd)

Management's Role (Cont'd)

The Sustainability Working Group ("SWG"), comprising heads of departments, is responsible for implementing approved sustainability strategies and initiatives in day-to-day operations, coordinating with internal and external stakeholders, identifying and recommending material sustainability matters for consideration by the SSC and monitoring performance and providing regular updates to the SSC.

Risk Management

OCR applies a structured risk management framework to identify and assess risks that may affect our operations and long-term performance. The ARMC oversees and regularly reviews the adequacy and effectiveness of the Group's risk management and sustainability processes. This includes ensuring that key organisational and emerging risks, including sustainability and climate-related risks, are appropriately identified, monitored and managed through effective systems and controls. Climate-related risks are assessed based on their likelihood and potential impact, with outcomes integrated into strategic decision-making and operational planning. These processes are continuously reviewed and refined to remain relevant to evolving business and market conditions.

For further information on the Group's risk management framework and internal control processes, please refer to the Statement on Risk Management and Internal Control in the OCR Annual Report 2025.

Our Sustainability Performance in Numbers

In FY2025, we developed a set of Key Performance Indicators ("KPIs") to track the effectiveness of our sustainability initiatives. Monitoring these metrics enables us to identify areas for improvement and make informed decisions to advance our sustainability goals.

Material Matters	Targets	FY2025 Progress
Driving Sustainable Growth		
Supply Chain Management	>95% of procurement expenditure allocated to local suppliers	100% of our procurement expenditure allocated to local suppliers
Safeguarding the Environment		
Energy Management and Climate Resilience	Establish a baseline for Scope 1 and Scope 2 greenhouse gas ("GHG") emissions by FY2027	Continue tracking and monitoring our GHG emissions
Cultivating Positive Social Impact		
Occupational Health and Safety	Ensure zero work-related fatalities and maintain a lost time injury rate ("LTIR") below 1.0 across our project sites	Recorded zero fatalities and a LTIR of 0
Workplace Diversity and Talent Management	Provide an average of 8 training hours per employee annually	Recorded an average of 14.09 training hours per employee

Legend:  Achieved  In progress

SUSTAINABILITY STATEMENT (Cont'd)

Connecting With Our Stakeholders

Open and transparent engagement with stakeholders is central to the Group's sustainability approach. Through multiple communication channels, we gather valuable insights to address stakeholder priorities while fostering relationships that support business growth. This ongoing dialogue supports informed decision-making, responsible practices and long-term value creation.

Shareholders and Investors



Building trust and confidence among our shareholders and investors is crucial to securing continued support, attracting new investments and strengthening our financial resilience.

Areas of Concern	OCR's Response	Engagement Method
- Financial performance - Sustainable and stable income distribution - Business strategy - Commitment to sustainability	- Publish quarterly financial results and annual reports to provide transparent and timely updates on financial performance - Publicly release updates on project status and performance-related information - Disclose business strategies, project progress and key operational developments - Monitor and report on sustainability strategy, initiatives and performance	- Annual General Meeting ("AGM") - Financial results announcements - Bursa announcements - Website updates - Media releases

Regulatory Bodies



Working closely with regulators ensures compliance with industry standards, upholds quality, governance and safety while strengthening our credibility and operational integrity.

Areas of Concern	OCR's Response	Engagement Method
- Compliance with regulations and industry standards - Labour practices and fair employment policies - Environmental management and regulatory compliance - Occupational health and safety	- Maintain ongoing engagement with regulators throughout various project stages to stay ahead of evolving regulatory requirements - Establish policies to ensure compliance with applicable legislation and regulatory requirements - Implement fair employment and labour practices in line with legal and regulatory obligations - Implement environmental management systems and compliance monitoring processes - Conduct regular reviews and updates of health and safety protocols at project sites	- Meetings - Site inspections - Audits

SUSTAINABILITY STATEMENT (Cont'd)

Connecting With Our Stakeholders (Cont'd)

Customers



Understanding our customers' needs and expectations enables us to deliver high-quality and sustainable homes that support positive living experience.

Areas of Concern	OCR's Response	Engagement Method
- Efficient resolution of customer complaints - Customer relationship management - Product quality and safety - Customer data privacy	- Conduct regular feedback sessions to address customer concerns promptly - Host annual community and networking events to strengthen relationships - Implement robust quality control systems to oversee design and construction processes - Ensure compliance with Personal Data Protection Act ("PDPA") 2010	- Customer satisfaction surveys - Community and networking events - Site progress updates via social media, email and customer portals - Multiple feedback channels (online, phone and in-person) - Product launches, roadshows and newsletters

Suppliers and Contractors



Strong partnerships with suppliers and contractors support the consistent delivery of quality materials and services while promoting operational efficiency.

Areas of Concern	OCR's Response	Engagement Method
- Compliance with applicable laws and regulations - Supplier screening and evaluation - Occupational health and safety - Quality delivery - Fair contract terms and conditions	- Require suppliers and contractors to comply with applicable laws, regulations and the Group's Code of Conduct for Business Partners - Implement a structured supplier pre-qualification, registration and performance evaluation process - Enforce occupational health and safety requirements for contractors on-site - Monitor contractor performance to ensure quality and timely delivery - Apply fair, transparent and competitive procurement and contracting practices	- Supplier assessment and performance reviews - New vendor evaluation and registration - Supplier meetings - Contract performance reviews

SUSTAINABILITY STATEMENT (Cont'd)

Connecting With Our Stakeholders (Cont'd)

Employees



Our employees are central to our success. Supporting their well-being and professional development helps foster a motivated and high-performing workforce.

Areas of Concern	OCR's Response	Engagement Method
• Performance management, career growth, skill development • Transparent communication and employee engagement • Health, safety and well-being • Ethics, integrity, and workplace culture	• Implement training and development frameworks to support career progression and capability building • Maintain internal communication and engagement mechanisms to promote transparency and collaboration • Implement health and wellness programmes to support employee well-being • Maintain a confidential grievance mechanism for reporting misconduct	• Performance appraisals • Annual dinner • Team building • Management meetings • Capacity-building initiatives • Diversity and inclusion programmes • Regular communications via newsletter and the intranet portal

Local Communities



Engaging with local communities enables us to address community concerns and ensure our developments contribute positively to the surrounding areas.

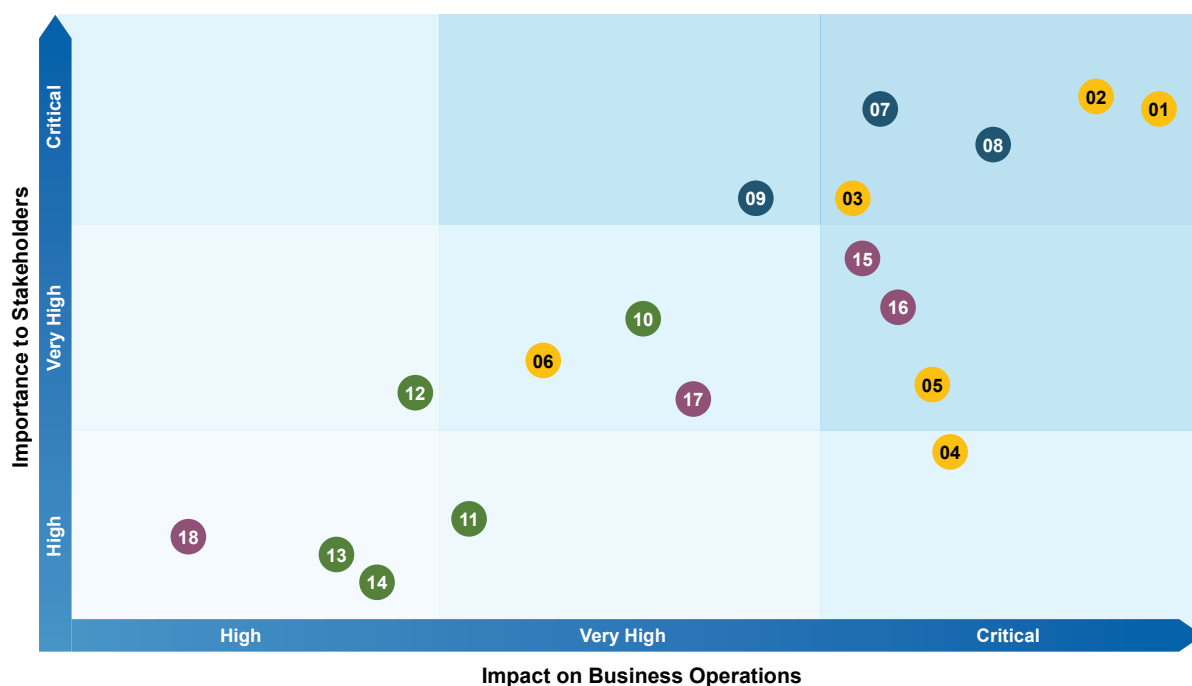
Areas of Concern	OCR's Response	Engagement Method
• Transparency and accountability in development projects • Impact of operations on surrounding communities • Environmental impacts and sustainability initiatives • Placemaking initiatives to enhance community well-being	• Address community concerns and manage expectations through regular consultations and project updates • Implement measures to minimise environmental impacts during construction • Support local economic development through property development activities and related economic opportunities • Support infrastructure improvements that contribute to the well-being of surrounding communities	• Town halls and community dialogues • Corporate Social Responsibility ("CSR") events and community initiatives

Frequency: • On-going • Monthly • Quarterly • Annually • As Needed

SUSTAINABILITY STATEMENT (Cont'd)

Assessing Our Material Matters

Materiality assessments identify the issues that matter most to our business and stakeholders, guiding how the Group allocates resources and addresses risks and opportunities. In FY2024, a materiality reassessment was conducted, resulting in the identification of 18 material sustainability matters within the materiality matrix. These material matters and the matrix will be retained for FY2025 as they remain relevant to OCR's business operations. The top five material matters are Economic Performance, Product Quality, Corporate Governance and Anti-Corruption, Regulatory Compliance and Customer Satisfaction and Branding.



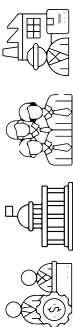
Driving Sustainable Growth		Upholding Ethical Governance	
01	Economic Performance	07	Regulatory Compliance
02	Product Quality	08	Corporate Governance and Anti-Corruption
03	Customer Satisfaction and Branding	09	Data privacy and security
04	Landbank Management		
05	Supply Chain Management		
06	Digitalisation and Technology		

Safeguarding the Environment		Cultivating Positive Social Impact	
10	Energy Management and Climate Resilience	15	Occupational Health and Safety
11	Material Consumption	16	Human Rights and Labour Practices
12	Waste and Effluent Management	17	Workplace Diversity and Talent Management
13	Water Consumption	18	Community Engagement and Contribution
14	Biodiversity		

SUSTAINABILITY STATEMENT (Cont'd)

Mapping Our Material Priorities

The material sustainability matters identified through the materiality assessment are mapped against their corresponding sustainability-related risks and opportunities as well as the relevant stakeholder groups and UN SDGs. This mapping strengthens the link between the Group's sustainability priorities, potential business impacts and global development objectives, while supporting informed decision-making and strategic action.

Driving Sustainable Growth				
Material Matters	Summary of Management Approach	Potential Risks	Potential Opportunities	
Economic Performance	We manage financial performance through prudent project planning, cost control and selective investments to support sustainable and resilient business growth	Rising construction material costs and market uncertainties could affect margins and cash flow	Improved project efficiency and disciplined cost management may strengthen long-term profitability	
Landbank Management	OCR adopts a structured and strategic approach to land acquisition, guided by environmental, social, and market considerations to support long-term development	Delays in approvals, regulatory changes or unsuitable land acquisitions may constrain future project launches	Strategic land acquisitions in growth areas could support a sustainable development pipeline	
Supply Chain Management	The Group manages a reliable and responsible supply chain through transparent procurement practices, compliance checks and regular supplier performance reviews	Disruptions from contractors or material shortages may delay project delivery and increase costs	Strategic and diversified supplier partnerships could improve delivery reliability, project quality and overall supply chain resilience	
Product Quality	We ensure consistent quality across design, construction and handover through structured quality controls and adherence to recognised industry standards	Construction defects or quality lapses may result in reputational damage and higher rectification costs	Consistent quality delivery and adherence to recognised standards could enhance brand reputation and customer trust	
Digitalisation and Technology	The Group leverages digital solutions to improve operational efficiency, project oversight, contract monitoring and property handover processes	Inadequate integration of digital systems could limit operational efficiency and reduce project appeal to buyers or investors	Leveraging digital systems could streamline project oversight and enhance the overall project appeal and delivery	
Customer Satisfaction and Branding	We enhance customer experience and brand presence through consistent service delivery and innovative initiatives that strengthen visibility and engagement with key audiences	Poor service or delayed handovers could weaken customer confidence and affect the Group's brand reputation	A strong customer experience could enhance satisfaction, build loyalty and strengthen OCR's brand reputation in the market	
Stakeholder Groups:		UN SDGs:		
				

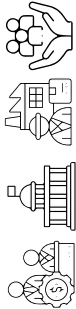
SUSTAINABILITY STATEMENT (Cont'd)

Mapping Our Material Priorities (Cont'd)

Upholding Ethical Governance				
Material Matters	Summary of Management Approach	Potential Risks	Potential Opportunities	
Corporate Governance and Anti-Corruption	Governance frameworks, internal controls and ethical standards are maintained to promote integrity and accountability	Inadequate governance controls may expose the Group to misconduct, regulatory scrutiny and reputational damage	Strong governance and ethical standards could enhance investor confidence, stakeholder trust and reinforce the Group's credibility	
Regulatory Compliance	Structured policies and internal controls are implemented to ensure adherence to applicable laws and regulations	Non-compliance with laws or permit conditions may result in penalties, operational disruption or project delays	Robust compliance practices could support operational continuity and mitigate legal and financial risks	
Data Privacy and Security	Robust cybersecurity measures, supported by clear confidentiality obligations are implemented to safeguard customer and business data	Data breaches or inadequate protection measures may result in legal liabilities and loss of stakeholder trust	Strong data protection and cybersecurity practices could build customer confidence and safeguard the Group's reputation	
Stakeholder Groups:		UN SDGs:		
    				

SUSTAINABILITY STATEMENT (Cont'd)

Mapping Our Material Priorities (Cont'd)

Safeguarding the Environment				
Material Matters	Summary of Management Approach	Potential Risks	Potential Opportunities	
Water Consumption	Responsible water use is promoted through conservation measures and recycling initiatives at project and operational sites.	Water supply disruptions or inefficient water usage may affect construction schedules and operations	Implementing water-efficient practices could lower operating costs and reduce environmental impact	
Waste and Effluent Management	Waste and effluent are managed in compliance with regulations supported by on-site controls to reduce environmental impact	Improper waste handling or non-compliance with regulations may result in site disruptions and reputational risks	Effective waste and effluent management could reduce disposal costs and minimise environmental impact	
Material Consumption	Material use is optimised through the adoption of Industrialised Building Systems ("IBS") to reduce waste and improve construction efficiency	Excess material wastage may raise project costs and increase environmental footprint	Efficient material planning, reusable formwork and IBS may improve cost control and sustainability outcomes	
Biodiversity	Biodiversity considerations into project planning and design to minimise ecological disturbance and protect natural ecosystems	Development activities may affect local ecosystems, potentially resulting in project delays or reputational concerns	Integrating nature-conscious design and landscaping may mitigate ecological impacts, support project approvals and enhance community perception	
Stakeholder Groups: 		UN SDGs: 		

SUSTAINABILITY STATEMENT (Cont'd)

Mapping Our Material Priorities (Cont'd)

Cultivating Positive Social Impact				
Material Matters	Summary of Management Approach	Potential Risks	Potential Opportunities	
Occupational Health and Safety	Safety management practices are implemented across project sites, guided by relevant legislation and ISO 45001 standard, to ensure a safe working environment for employees and contractors	Workplace accidents or unsafe practices may cause project delays and trigger legal liabilities, negatively affecting stakeholder confidence	Strong safety practices could reduce accidents, improve project efficiency and strengthen stakeholder confidence	
Human Rights and Labour Practices	Fair labour practices and compliance with employment laws are upheld, while equal opportunity and grievance mechanisms are maintained to support a safe and fair workplace for employees	Failure to comply with employment laws or address employee concerns may lead to workplace disputes and increased staff turnover, affecting operational efficiency	Compliance and fair labour practices ensure regulatory adherence and improve workforce stability, contributing to higher productivity and operational performance	
Workplace Diversity and Talent Management	Workforce diversity and development are promoted through structured recruitment, training, and professional development programmes, building a skilled and inclusive workforce	Challenges in attracting and retaining skilled employees may limit operational capability and long-term business growth	A diverse and well-developed workforce could enhance innovation and improve project outcomes, strengthening organisational performance and resilience	
Community Engagement and Contribution	Engagement with local communities and support for initiatives that contribute to social well-being help strengthen community relationships and positive impact	Community opposition or dissatisfaction could delay project approvals and damage brand reputation, affecting overall project profitability	Positive community relationships could improve project acceptance and long-term social licence to operate	
Stakeholder Groups:				
		UN SDGs: 		

Driving Sustainable Growth

OCR drives sustainable economic growth through our integrated property development activities, creating vibrant and connected environments that support long-term value creation. The Group strengthens operational resilience through responsible resource management, strong supply chain practices and digital innovation across the development lifecycle.

Material Sustainability Matters:

- Economic Performance
- Landbank Management
- Supply Chain Management
- Product Quality
- Digitalisation and Technology
- Customer Satisfaction and Branding

Contribution to UN SDGs



Key Stakeholder Groups



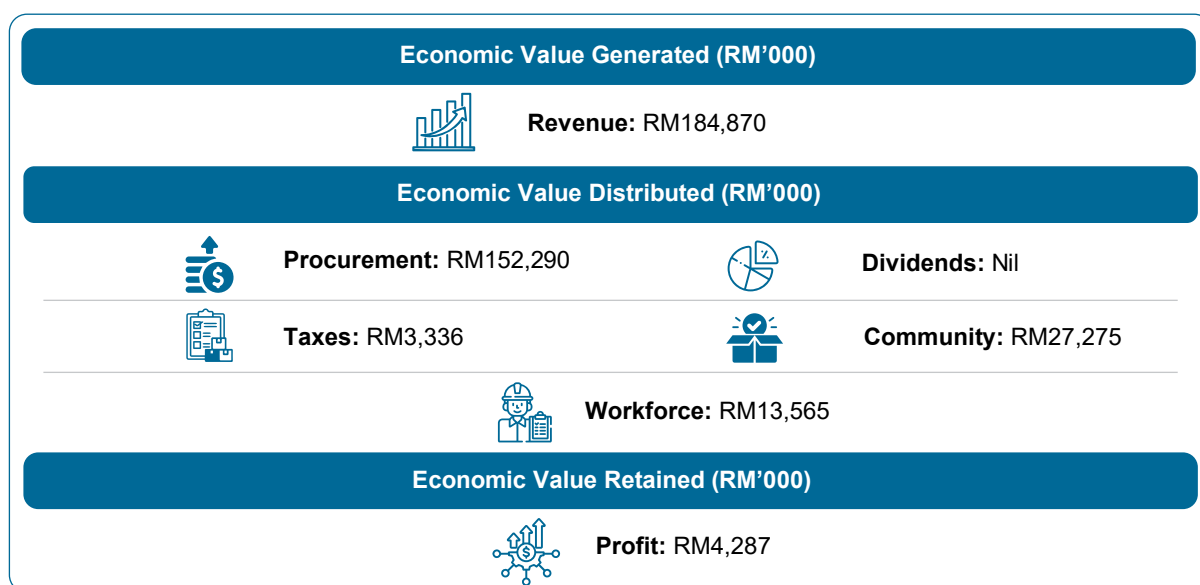
SUSTAINABILITY STATEMENT (Cont'd)

Driving Sustainable Growth

Economic Performance

OCR's ability to deliver long-term value for stakeholders depends on maintaining strong and resilient economic performance. A sound financial position enables us to deliver high-quality project developments and respond proactively to evolving market conditions and industry challenges.

We continue to strengthen our financial performance through cost optimisation, new project launches and market expansion initiatives.



Additionally, OCR invests in value-adding projects, with a total of RM180,023 invested across the following projects during FY2025.

Initiative/Project	Value Contribution	Key Initiatives Implemented
Digitalisation and Project Tech	Operational efficiency and quality	Building Information Modelling ("BIM"), ProFix Application, Cloud Human Resource System
Construction Technology Update	Safety and efficiency	Partnered with Plytec Formwork Sdn. Bhd. to implement its Self-Climbing Platform ("SCP") technology in YOLO Signature Suites
The Mate	Lifestyle amenities	Co-work spaces, gym, electric vehicle ("EV") chargers
Kyra - Residensi Akasia (Phase I)	Community and design value	Essential Living Features
D'Templer Hilltop Residences	Lifestyle focus	Nature-Oriented Design Appeal

SUSTAINABILITY STATEMENT (Cont'd)

Driving Sustainable Growth (Cont'd)

Landbank Management

Managing our land assets effectively is crucial to support OCR's property development strategy and long-term growth. It ensures that our projects are responsive to market needs while delivering long-term value to both the Group and local communities.

As part of our landbank management efforts, OCR conducts evaluations of each potential development site through environmental and social impact assessments, considering factors such as topography, traffic patterns, market trends and community implications. All land acquisitions comply with applicable laws and the necessary permits are obtained prior to development to meet regulatory requirements and community expectations.

Ongoing Projects	Project Type	Site Area (Acres)	Estimated GDV/Contract Value (RM'mill)
Kyra - Residensi Akasia (Phase I)	Residential	5.3	288.8
Stellar Damansara	Residential	1.5	176.8
D'Templer Hilltop Residences	Residential	32.0	344.3

Projects in Pipeline	Project Type	Site Area (Acres)	Estimated GDV/Contract Value (RM'mill)
Kyra - Residensi Begonia (Phase II)	Residential	5.7	322.5
Aloris, Jalan Alor	Mixed Development	0.5	362.7

Additionally, the Group retains several land parcels held for future development totalling 23.8 acres across the Klang Valley, Kuantan and Melaka.

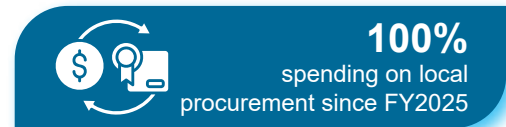
Future Project Development Area	Locations	Area (Acres)	Development Status for FY2025
Vacant land zoned for residential use	Hulu Langat, Selangor	3.7	Undeveloped
Vacant land zoned for building use	Bandar Kuantan, Pahang	2.2	Undeveloped
Vacant land currently used as a parking area	Melaka Tengah, Melaka	1.4	Undeveloped
Agricultural land	Alor Gajah, Melaka	16.5	Undeveloped

SUSTAINABILITY STATEMENT (Cont'd)

Driving Sustainable Growth (Cont'd)

Supply Chain Management

OCR's operations rely on a responsible and efficient supply chain that delivers quality materials and services on schedule. Close partnerships with our suppliers help us manage operational risks, improve efficiency and support the smooth delivery of our development projects.



As part of our onboarding process, all suppliers are required to comply with the Group's policies and complete the prescribed documentation, including the Vendor Registration Form, Anti-Bribery and Anti-Corruption ("ABAC") Due Diligence Assessment Form and Vendor ABAC Declaration Form. Prior to inclusion in the Approved Vendor Master List, suppliers are evaluated based on pricing, product quality, financial stability and corruption risk. To uphold consistent standards across our supply chain, we conduct annual supplier performance assessments covering operational efficiency, professionalism, communication, pricing, compliance and responsiveness. Suppliers scoring below 50% in these evaluations are removed from the approved list, reinforcing disciplined procurement practices and safeguarding the integrity of our supply chain.

The Group's top three materials suppliers for FY2025, based on procurement value and project scope, are presented below:

Company Name	Materials Supplied	Name of Project
Servex Malaysia Sdn. Bhd.	Electrical Appliances	Isola
Teka Kuchentechnik Malaysia Sdn. Bhd.	Electrical Appliances	Isola
Carest Bedding Sdn. Bhd.	Mattress	Isola

Product Quality, Digitalisation and Technology, Customer Satisfaction and Branding

OCR integrates technology across our operations, while maintaining high-quality standards to ensure that projects and services consistently meet established benchmarks. The adoption of practical digital solutions enhances operational efficiency, improves customer experience and strengthens the Group's position in the property sector.

Quality Management

In the property development and construction industry, quality is critical, as the safety, durability and functionality of our developments directly shape the well-being of communities. At OCR, we embed quality across the development lifecycle through structured controls, regular site monitoring and strict adherence to applicable building codes and industry standards to deliver projects that are safe, fit for purpose and resilient over the long term.

This approach is reinforced through alignment with internationally recognised standards, including the ISO 9001:2015 Quality Management System. We maintain a systematic framework to oversee design and construction activities in compliance with industry requirements, including those set by the Construction Industry Development Board ("CIDB"). During the reporting year, we continued to apply Building Information Modelling ("BIM") to enhance design accuracy and coordination, alongside conducting Joint Inspections and Pre-Delivery Inspections ("PDI") to identify and rectify defects prior to handover.

Technology Integration and Digitalisation

Digital technology integration drives operational improvements across OCR's value chain, from procurement and project management to customer delivery and post-handover support. The Group leverages the ProFix Application to streamline property handovers and defect management during vacant possession stage. The Contract Management System ("CMS") further enhances oversight by improving tracking and administration of contracts and costs. During the reporting year, the Group also completed the migration from the Timesoft platform to the cloud-based JustLogin system, supporting more efficient and reliable human resource operations.

SUSTAINABILITY STATEMENT (Cont'd)

Driving Sustainable Growth (Cont'd)

Product Quality, Digitalisation and Technology, Customer Satisfaction and Branding (Cont'd)

Customer Satisfaction and Experience

Customer satisfaction is closely linked to service quality, responsiveness and overall experience delivered throughout the property ownership journey. OCR prioritises proactive engagement and responsive service to build trust with purchasers and tenants while supporting positive long-term relationships. During the financial year, the Group maintained extended customer support hours and expanded communication channels, including live chat and customer meet-up sessions, to facilitate timely and effective issue resolution. The Group also sustained loyalty programmes to recognise and retain repeat customers through structured rewards initiatives. In parallel, ongoing customer service training was conducted to support employees in delivering consistent, professional and responsive interactions across all customer touchpoints.

Market Presence, Branding and Reputation

The OCR brand plays an important role in building trust with homebuyers and tenants, as it reflects the quality, reliability and long-term value of our project developments. During the reporting year, OCR continued to strengthen brand presence through a series of initiatives aimed at enhancing visibility and customer engagement. The Group executed targeted brand awareness campaigns across digital platforms, outdoor advertising and collaborations with local influencers to communicate our core values. OCR also focused on enriching customer experiences by providing personalised services for different segments, including first-time buyers and retirees, complemented by post-sales engagement programmes. In addition, immersive virtual reality and 3D property tours were offered to engage tech-savvy customers, reflecting the Group's approach to combining innovation with customer-centricity.



**Stellar Damansara,
Selangor**

Upholding Ethical Excellence

Robust governance underpins OCR's business resilience, regulatory compliance and stakeholder confidence. The Group upholds transparency, accountability and integrity across its operations to support sound decision-making, effective risk management and the protection of stakeholder interests.

Material Sustainability Matters:

- Corporate Governance and Anti Corruption
- Regulatory Compliance
- Data Privacy and Security

Contribution to UN SDGs



Key Stakeholder Groups



SUSTAINABILITY STATEMENT
(Cont'd)

Upholding Ethical Excellence

Corporate Governance and Anti-Corruption

Sound corporate governance and ethical business conduct are fundamental to OCR’s ability to operate responsibly and create long-term value. The Group upholds high standards of integrity, transparency and accountability while ensuring compliance with applicable laws and regulations across our operations.

Corporate Governance

Our unwavering commitment is to achieve our business objectives while delivering sustainable value to all our stakeholders. This is reinforced through robust policies and processes that strengthen corporate performance, accountability and compliance with applicable laws, regulations and international standards. These policies are accessible online, circulated internally and communicated annually to ensure ongoing awareness and adherence.

OCR’s Corporate Governance Policies	
Board Charter	Outlines the roles, responsibilities and authority of The Board of Directors (“the Board”), guiding governance, decision-making and oversight practices
Director’s Fit and Proper Policy	Ensures that individuals appointed to the Board meet specific standards of integrity, competence, experience and financial soundness
Code of Conduct and Ethics Policy	Defines how employees are expected to act responsibly, fairly and with integrity in all business dealings, ensuring compliance with laws, ethical standards and the Group’s values
Anti-Bribery and Anti-Corruption (“ABAC”) Policy	Establishes rules and procedures to prevent employees, partners and suppliers from offering or accepting bribes, kickbacks or any form of improper advantages
Whistle-blower Policy	Establishes a mechanism that allows employees, contractors or stakeholders to confidentially report unethical, illegal or non-compliant activities within the Group

Adherence to the Whistle-Blower Policy

OCR upholds strong ethical standards through the Whistle-Blower Policy and Guidelines, which provide stakeholders with a secure and confidential channel to report any concerns or misconduct. The Whistle-Blower Committee, led by the Chairman of the Audit Committee, reviews disclosures and appoints investigators to assess their validity and determine appropriate actions. All reports are managed with utmost confidentiality and care, ensuring protection against reprisals, while enabling timely and effective resolution.



Zero
substantiated
whistleblowing incidents
recorded in FY2025

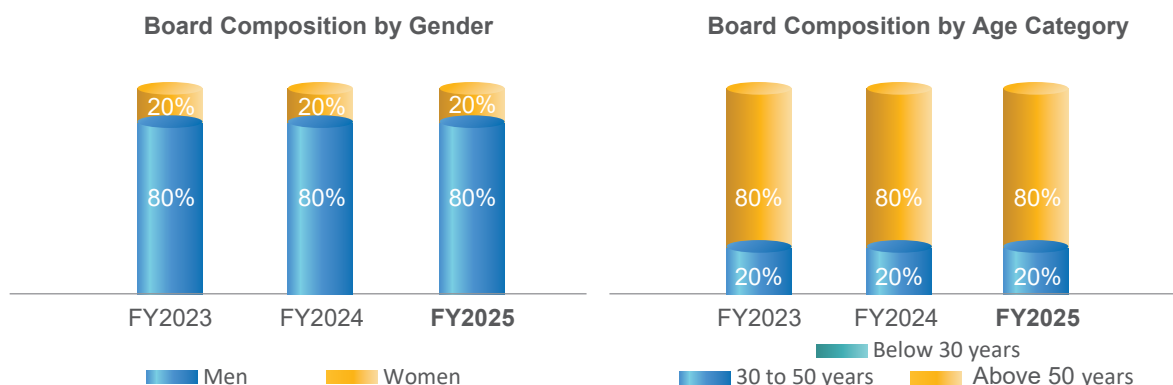
SUSTAINABILITY STATEMENT (Cont'd)

Upholding Ethical Excellence (Cont'd)

Corporate Governance and Anti-Corruption (Cont'd)

Board Diversity

OCR's Board comprises individuals with diverse professional backgrounds, experience, genders and age profiles, enabling balanced perspectives in guiding the Group's strategic direction.



Anti-Bribery and Anti-Corruption

OCR adopts a zero-tolerance approach to bribery, corruption, and misconduct across business activities. The Code of Conduct and Ethics, supported by the Anti-Bribery and Anti-Corruption ("ABAC") Policy and Guidelines, reinforces compliance with the Malaysian Anti-Corruption Commission Act 2009. Directors, employees and business partners, including suppliers, contractors, and subcontractors, are regularly briefed on ABAC policy requirements. The Group maintains a strict no-gift and entertainment policy and incorporates anti-corruption due diligence into supplier assessments.

The Board oversees ethics, integrity, and anti-corruption matters, while the Legal Department supports awareness through initiatives such as anti-corruption training, which engaged 76% of employees in FY2025. No substantiated incidents of bribery or corruption were recorded during the reporting year.

Percentage Employees Who Received Anti-Corruption Training			
Employee Category	FY2023	FY2024	FY2025
Senior Management	88%	94%	93%
Management	73%	69%	75%
Executive	53%	63%	73%
Non-Executive	75%	100%	67%

SUSTAINABILITY STATEMENT (Cont'd)

Upholding Ethical Excellence (Cont'd)

Regulatory Compliance

OCR integrates regulatory compliance into operations to ensure adherence to applicable laws, regulations and listing obligations, while safeguarding the Group's reputation and maintaining stakeholder trust.

We strengthen regulatory compliance through established internal controls aligned with Bursa Malaysia's Main Market Listing Requirements ("MMLR"), while adhering to the principles of good governance outlined in the Malaysian Code on Corporate Governance ("MCCG"). The Group also complies with all applicable national laws relevant to operations, including but not limited to:

- Housing Development (Control and Licensing) Act 1966 and its Amendments
- Personal Data Protection Act 2010
- Malaysian Anti-Corruption Commission Act 2009
- Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001
- Companies Act 2016 and its Amendments
- Streets, Drainage and Building Act 1974
- Town and Country Planning Act 1976
- Occupational Safety and Health Act 1994 and its Amendments
- Environmental Quality Act 1974

To reinforce regulatory compliance, OCR continues to issue an Internal Legal Bulletin to keep employees informed of key developments in relevant laws and regulations. Oversight by the Audit and Risk Management Committee ("ARMC") supports adherence to these requirements, alongside internal audit reviews that monitor the effectiveness of compliance controls. Established procedures are in place to promptly investigate and address any instances of non-compliance.

In FY2025, the Group further enhanced its compliance through the development and periodic review of policies and standard operating procedures ("SOP") to ensure alignment with evolving legal requirements. External consultants were also engaged to support risk monitoring and control, including conducting regular compliance risk assessments to identify areas with high regulatory exposure and prioritise mitigation measures.

Data Privacy and Security

Safeguarding our customers' personal data is essential for maintaining trust and ensuring compliance with regulatory requirements. OCR manages personal information in compliance with the Personal Data Protection Act 2010 ("PDPA").

The Group maintains cybersecurity measures to safeguard against unauthorised access and data breaches. For the current reporting year, the Group appointed a Data Protection Officer to oversee compliance with the PDPA across operations. Our Code of Conduct includes a non-disclosure requirement for employees, directors, suppliers and business partners handling customer data.

In FY2025, one customer privacy breach was identified; however, no customer data was lost. The Group maintains a strict approach to the management of data privacy breaches, with all reported incidents subject to internal investigation and appropriate corrective and preventive measures implemented to mitigate recurrence. The reported breach was reviewed internally and resolved amicably between the Group and the purchaser, with no further escalation required.

Safeguarding the Environment

Environmental stewardship informs how OCR plans, designs and delivers property developments. The Group integrates sustainable design principles, responsible resource management and climate resilience considerations across the development lifecycle, while aligning with applicable regulatory requirements and industry standards.

Material Sustainability Matters:

- Energy Management and Climate Resilience
- Water Consumption
- Waste and Effluent Management
- Materials Consumption
- Biodiversity

Contribution to UN SDGs



Key Stakeholder Groups



SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment

Energy Management and Climate Resilience

OCR adopts a structured approach to identifying, assessing and managing climate-related risks. Climate-related disclosures are structured around four core areas: Governance, Strategy, Risk Management, and Metrics and Targets. Climate considerations are integrated into OCR's strategic planning to support long-term resilience and business sustainability. Energy management and climate resilience form key components of this approach. The strategy is informed by assessments of climate-related risks and opportunities, which guide development planning and operational decision-making.

Current Mitigation Measures

Practical measures are implemented to reduce operational energy use and support climate mitigation. Light-emitting diode ("LED") lighting has been adopted across selected projects and office facilities, alongside energy-efficient features such as motion-sensors, low-flow water fixtures and efficient Heating, Ventilation and Air Conditioning ("HVAC") systems.

In parallel, energy-conscious behaviour is encouraged among employees through the responsible use of appliances and adherence to energy-efficient thermostat settings. These measures contribute to reducing operational emissions and improving energy efficiency.

Building Infrastructure for a Greener Future

We embed sustainable design principles across our developments as a core element of our value creation strategy, strengthening environmental stewardship and long-term resilience. Among our three ongoing projects, D'Templar Hilltop Residences Phase 1 achieved provisional Bronze certification under GreenRE. The development is currently the highest GreenRE-certified landed residential project at 162 metres above sea level. This milestone reflects the integration of energy-conscious design, responsible construction practices and careful site utilisation.

Driving Towards Sustainable Mobility

OCR incorporates sustainable mobility features within selected developments through the provision of electric vehicle ("EV") charging infrastructure. At The Mate, one of our ongoing projects, an EV charging station has been installed to support electric vehicle use among residents and visitors. This initiative reflects our commitment to reduce transport-related emissions and promote lower-carbon transport options within the development.



Climate-Related Risks and Opportunities

Given the nature of OCR's development and construction activities, the Group recognises that climate change presents both physical and transition risks that may affect project delivery, asset performance and long-term business resilience. At the same time, climate-related developments present opportunities to improve operational efficiency and strengthen climate resilience across the Group's project portfolio. These risks and opportunities are systematically assessed to inform decision-making and support the delivery of resilient and future-ready developments.

SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment (Cont'd)

Energy Management and Climate Resilience (Cont'd)

Climate-Related Risks and Opportunities (Cont'd)

Transition Risks, Opportunities and Impacts

Risk	Description	Potential Financial Impacts	Potential Opportunities
Medium-term (6-10 years) to long-term (>10 years)			
Policy and Legal	Risks arising from current and emerging climate-related regulations, green building standards, disclosure requirements and carbon pricing mechanisms that may increase compliance costs and affect project design and operational practices.	Increased capital expenditure to meet green building standards and certifications, potentially raising development costs and affecting project margins.	Potential for higher asset value and stronger market demand for project developments incorporating recognised green building standards and certifications.
Short-term (1-5 years) to long-term (>10 years)			
Technology	Exposure to increased costs and implementation challenges associated with adopting low-emission construction technologies, energy-efficient systems, and sustainable building solutions in line with evolving climate regulations and market expectations.	Increased capital expenditure to adopt low-emission construction technologies and energy-efficient building systems may affect project cost structures and development margins.	Achieve long-term cost savings through investment in low-carbon technologies, such as investing in installation of solar rooftop panels
Market	Shift in customer and investor expectations towards sustainable project developments, together with rising costs associated with carbon pricing and green standards, which may influence demand and project economics.	- Loss of revenue and market share due to inability to offer green products - Rising costs from limited supply of green materials, higher financing costs if project developments do not meet emerging green building expectations and potential revenue impact from passing energy or carbon costs to customers	- Expand access to sustainable capital by attracting investors with a strong focus on responsible and sustainable investment - Adoption of Industrialised Building Systems ("IBS") to improve construction efficiency and manage rising green construction costs.
Reputation	Potential damage to the Group's stakeholder trust resulting from insufficient climate action, weak environmental performance or limited transparency during the transition to a low-carbon economy.	- Reputational damage could lead to reduced revenue - Inability to adapt to the shift in market and consumer preferences may affect competitiveness	- Improving transparency and climate-related disclosures reinforces stakeholder trust, supports client confidence and contributes to the Group's long-term revenue - Adoption of Industrialised Building Systems ("IBS") to improve construction efficiency and manage rising green construction costs.

SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment (Cont'd)

Energy Management and Climate Resilience (Cont'd)

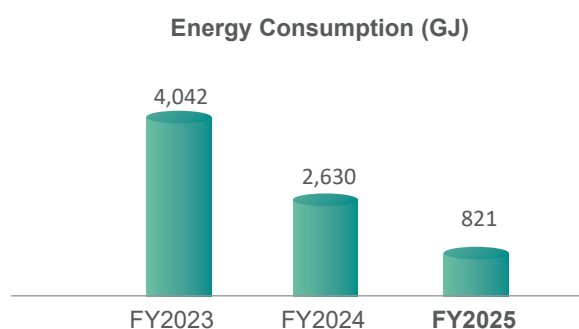
Physical Risks, Opportunities and Impacts

Risk	Description	Potential Financial Impacts	Potential Opportunities
Medium-term (6-10 years) to Long-term (>10 years)			
Acute	Sudden extreme weather events or natural hazards may cause damage, disruption, or financial loss to properties, infrastructure and operations.	Increased operational costs arising from construction delays, material supply disruptions and potential liquidated damages from extended project timelines	Enhance supply chain resilience through diversified and local sourcing may reduce vulnerability to climate-related disruptions, improving operational efficiency and cost predictability
Long-term (>10 years)			
Chronic	Long-term, gradual environmental changes that can affect the value, operation and sustainability of property assets over time.	Increased construction and ongoing maintenance costs arising from the integration of flood-resilient design features and potential repair costs from flood-related damage to building structures and utilities.	Expanding the use of Building Information Modelling ("BIM") to integrate flood-resilient design features, such as elevated foundations and reinforced structures, may help manage construction and long-term maintenance costs.

Climate-related risks and opportunities are assessed and monitored using the following metrics, which are integral to the Group's operations. Our GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

Energy Consumption

OCR's energy consumption during the year was primarily derived from purchased electricity at the Group's corporate office and sales galleries, resulting in a 69% reduction in overall energy use compared to FY2024. Following the completion of The Mate and Isola KLCC, electricity and fuel consumption associated with project activities were no longer recorded during the reporting year.



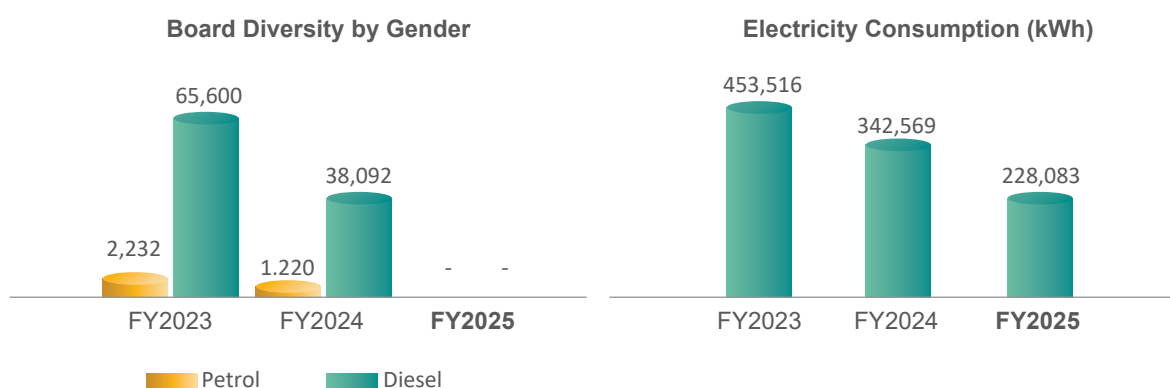
SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment (Cont'd)

Energy Management and Climate Resilience (Cont'd)

Physical Risks, Opportunities and Impacts (Cont'd)

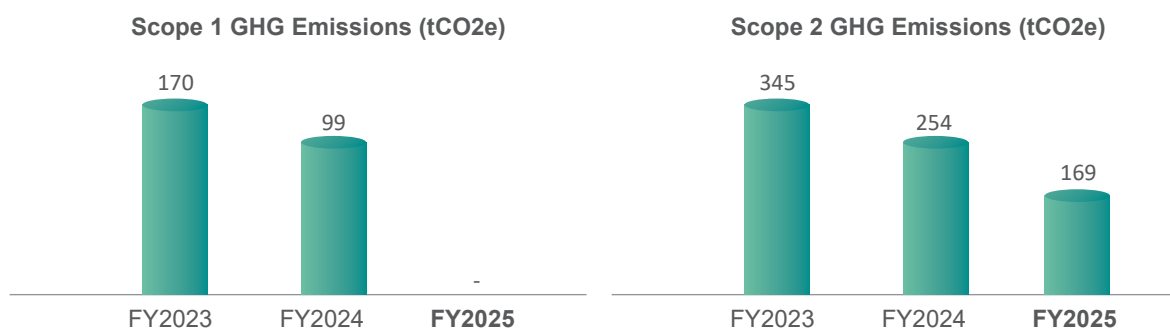
Energy Consumption (Cont'd)



GHG Emissions

Following the completion of The Mate and Isola KLCC projects, OCR's GHG emissions declined to 296 tCO₂e in FY2025, compared to 512 tCO₂e in FY2024, reflecting reduced fuel and electricity consumption associated with project activities. No Scope 1 emissions were recorded in FY2025 following the completion of project-related activities that previously involved fuel consumption.

	FY2023	FY2024	FY2025
Scope 1	170	99	-
Scope 2	345	254	169
Scope 3	-	159	127
Total	515	512	296



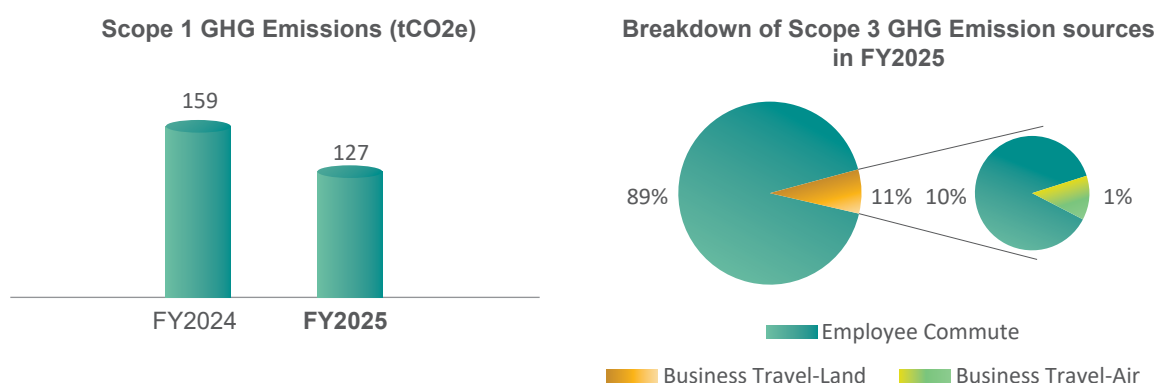
SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment (Cont'd)

Energy Management and Climate Resilience (Cont'd)

Physical Risks, Opportunities and Impacts (Cont'd)

GHG Emissions (Cont'd)



Note:

1. Scope 1 emissions were calculated using emission factors sourced from the UK Government's GHG Conversion Factor for 2023, 2024 and 2025.
2. Scope 2 emissions were restated for FY2023 and FY2024 and calculated for FY2025 using the 2023 and 2024 Grid Emission Factor sourced from the National Energy Commission of Malaysia.
3. Scope 3 emissions were calculated using the emission factors sourced from the UK Government's GHG Conversion Factors for 2024 and 2025.

Water Consumption

OCR manages water consumption across projects, headquarters and sales galleries to promote responsible resource use and operational efficiency. Effective water conservation supports operational continuity across project sites and construction activities. The Group continuously monitors water consumption and implements measures to reduce wastage and improve efficiency across its operations.

During the reporting year, OCR recorded a substantial decrease in water consumption following the completion of all projects, which resulted in the cessation of water use at project sites. Water consumption was therefore primarily attributed to the headquarters and sales galleries, with sales galleries accounting for 59% of total water use.

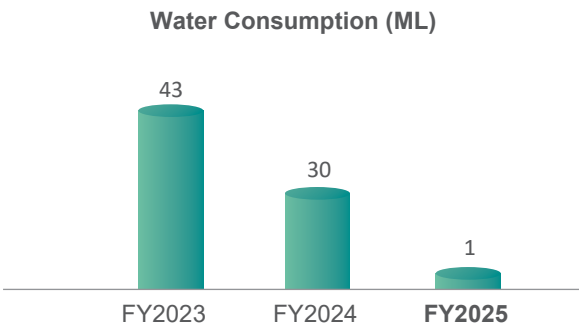
SUSTAINABILITY STATEMENT
(Cont'd)

Safeguarding the Environment (Cont'd)

Water Consumption (Cont'd)

Water Management Initiatives	Benefits to OCR
 Rainwater harvesting systems installed at The Mate, Isola KLCC and Residensi Akasia	Reduces reliance on municipal water for non-potable uses, optimising consumption, cost efficiency and long-term operational performance
 Monthly maintenance and inspection of pipes at our headquarters, project sites and sales galleries	Prevent leaks and costly repairs while supporting the long-term sustainability and operational reliability of our properties
 Utilisation of groundwater for construction activities	Reduces reliance on municipal water, lowers operational costs and strengthens OCR's water conservation efforts during project development

During the reporting year, OCR recorded a substantial decrease in water consumption following the completion of all projects, which resulted in the cessation of water use at project sites. Water consumption was therefore primarily attributed to the headquarters and sales galleries, with sales galleries accounting for 59% of total water use.



SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment (Cont'd)

Waste and Effluent Management

OCR manages waste and effluent across our construction sites, sales galleries and corporate operations to support environmental protection and regulatory compliance. The Group applies the 3R (Reduce, Reuse, Recycle) principles across project sites, sales galleries and corporate operations to minimise waste generation and promote recycling.

At project sites and sales galleries, construction and recyclable waste streams are monitored and quantified to strengthen accountability, track performance and identify opportunities for reduction and recovery. Effluent and sediment control measures are implemented to minimise environmental impact and ensure compliance with regulations. At headquarters, waste reduction efforts focus on minimising paper consumption and prioritising digital documentation to reduce resource use and environmental impact.

Recycling Programme for E-Waste

OCR strengthened responsible waste management efforts through an e-waste recycling programme conducted in collaboration with TM Enviro Industries Sdn. Bhd., promoting proper disposal practices and responsible environmental stewardship across operations.

In FY2025, OCR recorded 19 MT of construction waste, comprising primarily iron materials, with 95% generated from Stella Damansara and 5% from The Mate. This represents a significant reduction compared with the previous year, reflecting the completion of major construction activities during the reporting period. All identified waste was sent to an appointed recycling vendor for recycling.

	FY2024	FY2025
Total Waste Generated (MT)	3,873	19
Total Waste Diverted from Disposal (MT)	167	19
Total Waste Directed to Disposal (MT)	3,706	0

Our construction sites implement silt and sediment control systems, including silt detention ponds, to capture runoff before it is discharged into nearby waterways, particularly at the Stellar project, which is located adjacent to a river. Treated water collected in the ponds is also reused for vehicle cleaning, supporting water conservation on-site.

Environmental awareness and site discipline are reinforced through practices such as controlled earthworks sequencing, maintaining vegetation and implementing erosion control measures where appropriate. In addition, water quality sampling of site discharges is conducted every three months to ensure compliance with DOE discharge limits.

Material Consumption

Construction materials such as steel, timber, sand and cement are fundamental to OCR's property development activities. However, their extraction, processing and transportation are energy-intensive and contribute to resource depletion, greenhouse gas emissions and construction waste. Recognising these environmental implications, OCR implements measures to optimise material usage, minimise waste generation and incorporate more sustainable alternatives into construction processes.

During the construction phase, material efficiency is improved through the adoption of aluminium formwork systems, which are durable and reusable, reducing waste compared to conventional formwork. Recycled materials, including metal and timber components, are incorporated where feasible to minimise environmental impacts and support responsible building practices.

SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment (Cont'd)

Material Consumption (Cont'd)

In FY2025, the Group adopted the Industrialised Building System (“IBS”) approach for “The Mate”, one of its residential projects, across the planning, design and construction stages. IBS utilises standardised, pre-engineered building components to improve construction precision, reduce material wastage and enhance overall efficiency. This is exemplified through The Mate, one of the Group’s award-winning projects, where sustainable construction practices have been integrated across the development lifecycle, as illustrated below:

Advancing Sustainable Design at The Mate	
	Approach - Industrialised Building System (“IBS”) - Building Information Modelling (“BIM”)
	Key Initiatives - Adopted IBS across planning, design and construction stages - Utilised standardised, pre-engineered components to improve precision and reduce material wastage - Implemented BIM to enhance design coordination and construction efficiency
	Outcome - Improved construction efficiency and resource optimisation - Reduced material wastage - Strengthened sustainable construction practices

Biodiversity

Given OCR’s development activities in urban and peri-urban environments, we recognise that our projects may affect surrounding ecosystems. Responsible land use planning, site management and landscape design are therefore important in minimising ecological disturbance and maintaining environmental balance within project areas.

Biodiversity considerations are incorporated into project planning and design processes, including the preservation of green spaces, landscape planting and appropriate stormwater management measures where applicable. These practices support ecological resilience within our project developments while contributing to liveable and environmentally responsible communities.

In FY2025, OCR implemented several initiatives to enhance urban biodiversity across its developments. These include integrating native plant species within landscaped areas to support local flora and fauna, as well as creating green corridors and open spaces to provide habitats for urban wildlife and promote ecological connectivity. Rooftop gardens and vertical greenery were also incorporated to reduce urban heat island effects while offering additional microhabitats. In addition, water-sensitive urban design elements such as rain gardens, bio-retention systems and wetlands were implemented to support aquatic biodiversity and improve water management.

SUSTAINABILITY STATEMENT (Cont'd)

Safeguarding the Environment (Cont'd)

Biodiversity (Cont'd)

Complementing these efforts, OCR conducted community and stakeholder engagement initiatives, including educational programmes and awareness campaigns, to promote biodiversity conservation among residents and partners.

Tree Planting Initiative at D'Templer Hilltop Residences



On 10 June 2025, OCR undertook a tree planting initiative to enhance the green landscape of the development. With an investment of RM960,000, the initiative aims to support a healthier living environment for approximately 800 residents at D'Templer Hilltop Residences.

Cultivating Positive Social Impact

OCR recognises that long-term business success depends not only on the developments we deliver, but also on the people who contribute to them and the communities connected to our projects. Responsible employment practices, workforce development and community engagement support employee well-being while contributing to the social sustainability of the communities in which the Group operates.

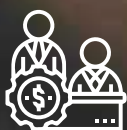
Material Sustainability Matters:

- Occupational Health and Safety
- Human Rights and Labour Practices
- Workplace Diversity and Talent Management
- Community Engagement

Contribution to UN SDGs



Key Stakeholder Groups



SUSTAINABILITY STATEMENT (Cont'd)

Cultivating Positive Social Impact

Occupational Health and Safety

Given the inherent risks associated with construction and property development, we prioritise maintaining a safe and healthy working environment for all employees and workers across our project sites. Stringent Occupational Health and Safety ("OHS") practices are essential to protecting the well-being of our workforce and sustaining operational excellence.

Each project site maintains a dedicated Safety and Health Committee, responsible for overseeing the implementation of established safety protocols. Site managers conduct daily inspections to monitor compliance, while appointed health and safety officers prepare regular monthly reports and coordinate ongoing safety initiatives to ensure a consistently safe workplace.

Our health and safety approach is guided by the Occupational Safety and Health Act 1994 and its amendments and the ISO 45001 standard. Systemic risk management, regular inspections and continuous refinement of safety processes reinforce a proactive approach to prevention, regulatory compliance and the well-being of personnel on our project sites.

OHS Measure	Approach	Frequency
Safety site inspections	Conducted across all active construction sites to ensure compliance with established safety protocols	Weekly
Safety committee meetings	Meetings are conducted to strengthen oversight of workplace safety, monitor compliance with safety protocols and review incident reports	Regularly
Incident response and hazard	Established safety protocols to manage risks and enable timely corrective actions	Regularly
Health and hygiene measures	Fogging, pest control and sanitisation activities are conducted to prevent the spread of infectious diseases	Regularly

	FY2023	FY2024	FY2025
Total number of hours worked	1,681,920	3,041,671	881,935
Number of Lost-Time Injuries	0	0	0
Number of fatalities as a result of work-related injuries or ill health	0	0	0
Lost-Time Incident Rate ("LTIR")	0	0	0

Note:

1. LTIR is calculated based on Bursa Malaysia Sustainability Reporting Guide of per 200,000 hours worked

Health and Safety Training

The safety and well-being of our construction site personnel are paramount. We deliver regular Health and Safety training through both in-house OHS professionals and accredited external providers, ensuring our workforce is equipped with up-to-date knowledge, practical skills and a strong safety mindset.



290 employees attended Health and Safety training in FY2025



6 of Health and Safety training were conducted in FY2025

SUSTAINABILITY STATEMENT (Cont'd)

Cultivating Positive Social Impact (Cont'd)

Human Rights and Labour Practices

Respect, dignity and fairness underpin every aspect of our employment practices. We are committed to protecting the rights and well-being of all employees, including migrant workers who play an important role in supporting the delivery of our projects.

Safe, hygienic and well-maintained accommodation is provided for workers, with regular inspections conducted to ensure the quarters remain in good condition. Routine fogging and strict hygiene standards are implemented to maintain a safe and healthy living environment. All worker accommodations comply with the Workers' Minimum Standards of Housing and Amenities Act 1990, reflecting the Group's commitment to responsible and ethical workforce management.

Equal employment opportunities and fair treatment are integral to the Group's employment practices. Our practices are guided by the Employment Act 1955 and its Amendments and the Minimum Wage Act 2022, including a strict prohibition on child labour and forced labour. Employees are supported by accessible grievance mechanisms and confidential reporting channels, ensuring concerns can be raised without fear. All matters are handled promptly, discreetly and fairly. No grievances were reported in FY2025.

Employee Benefits

Investing in our people goes beyond compensation, reflecting our dedication to building a stable, motivated and future-ready workforce. Competitive remuneration and comprehensive benefits form the foundation of this approach, supporting both professional development and long-term career progression. During the reporting year, the Group increased the claim limit for medical check-ups to support employees' health and well-being. In FY2025, the Group paid a total of RM14.63 million in salaries, bonuses and employee benefits.



During FY2025, three male employees took parental leave and all returned to work, reflecting a 100% return-to-work rate.

OCR's Employee Benefits			
Compensation and Allowances		Healthcare Benefits	
	- Shift allowance - Travelling and outstation allowance - Entertainment and accommodation allowance		- Medical and hospitalisation benefits - Life and personal accident
Leave Entitlements		Staff Recognition and Awards	
	- Annual leave - Medical leave - Paternity leave		- Best employee award - Long service award
Statutory Benefits		Flexible Working Hours	
	- Social Security Organisation ("SOCSSO") - Employee Provident Fund ("EPF")		Flexible clock-in arrangement

SUSTAINABILITY STATEMENT
(Cont'd)

Cultivating Positive Social Impact (Cont'd)

Human Rights and Labour Practices (Cont'd)

Employee Benefits (Cont'd)

Employee Engagement

Employee engagement remains central to strengthening the connection our people have with their workplace. Regular engagement initiatives, including festive celebrations and employee recognition initiatives, foster camaraderie across the organisation and acknowledge employees' contributions. These moments reinforce a shared sense of belonging and affirm the valued role each individual plays within the Group.

Festive Celebrations

Festive celebrations for Hari Raya, Chinese New Year and Christmas were organised to nurture an inclusive workplace culture and strengthen employee connections and promote an inclusive workplace culture.

Chinese New Year Celebration 2025  Date: 12 February 2025 Number of attendees: 49	Hari Raya Festive Lunch 2025  Date: 17 April 2025 Number of attendees: 73	Christmas Celebration 2025  Date: 19 December 2025 Number of attendees: 48
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Pickleball Game Night

A Pickleball Game Night was organised to promote employee well-being, encourage active lifestyles and foster team cohesion.



Date: 29 March 2025
Number of attendees: 8

Annual Dinner 2025

The annual dinner celebrated employee contributions and strengthened team engagement, with employees actively participating in its planning and execution, fostering collaboration and shared ownership.



Date: 30 May 2025
Number of attendees: 117

SUSTAINABILITY STATEMENT (Cont'd)

Cultivating Positive Social Impact (Cont'd)

Human Rights and Labour Practices (Cont'd)

Employee Benefits (Cont'd)

Employee Engagement (Cont'd)

Team Building in Action

OCR's management retreat and team building session fostered collaboration and strengthened engagement among leadership and staff.

Management Retreat



Date: 8 - 9 May 2025
Number of attendees: 17

OCR Team Building 2025



Date: 22 - 23 November 2025
Number of attendees: 88

Staff Appreciation Week

Staff appreciation activities were conducted to recognise employee contributions and promote a positive workplace culture.



Date: 29 - 31 December 2025
Number of attendees: 8

Nestle Enercal Wellness Programme

A workshop was conducted for OCR staff, integrating health and nutrition education to promote employee well-being.



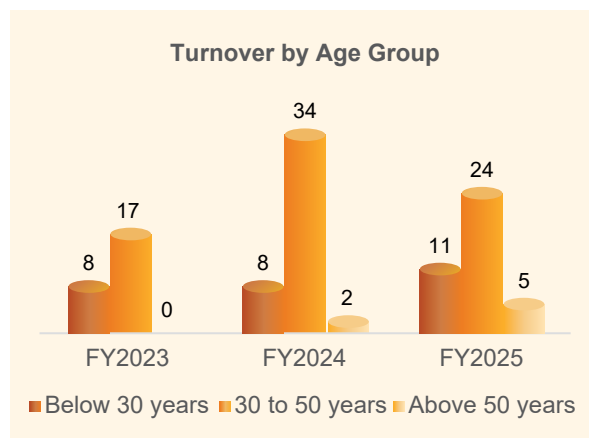
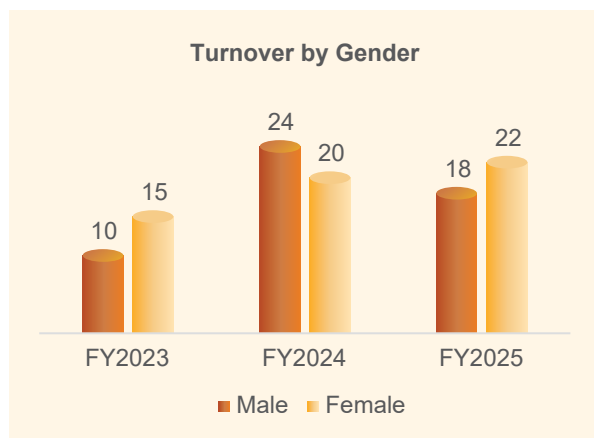
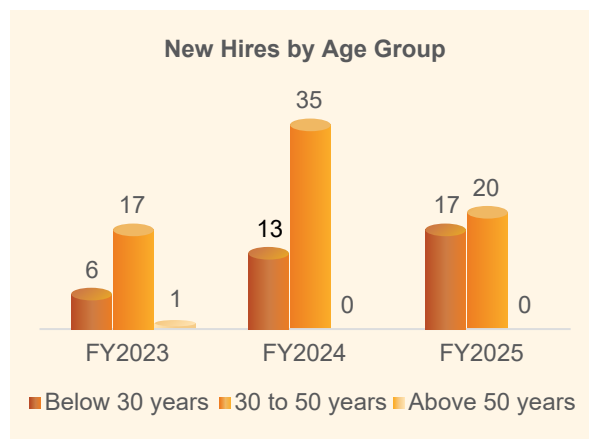
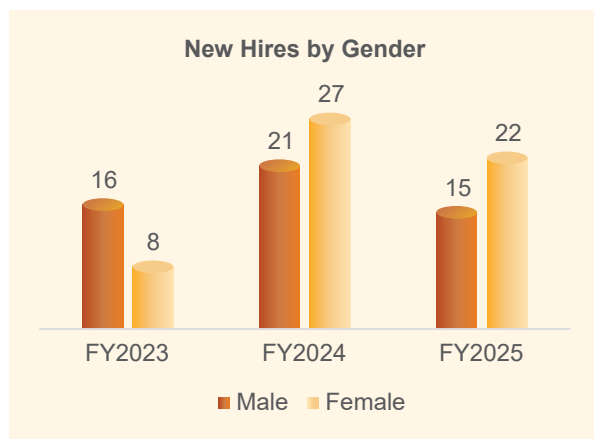
Date: 18 September 2025
Number of attendees: 46

SUSTAINABILITY STATEMENT (Cont'd)

Cultivating Positive Social Impact (Cont'd)

Employee Recruitment

During the reporting year, we recorded 37 new hires and 40 employee turnovers.



SUSTAINABILITY STATEMENT
(Cont'd)

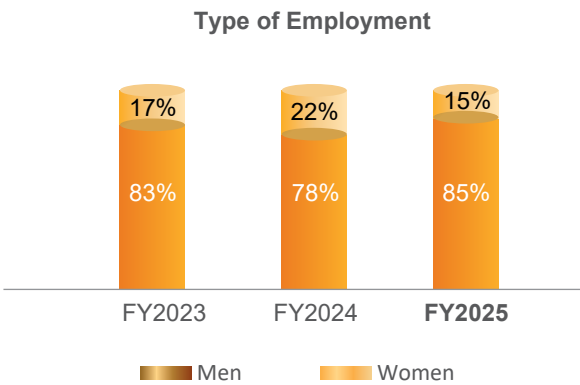
Cultivating Positive Social Impact (Cont'd)

Workplace Diversity and Talent Management

Workplace Diversity

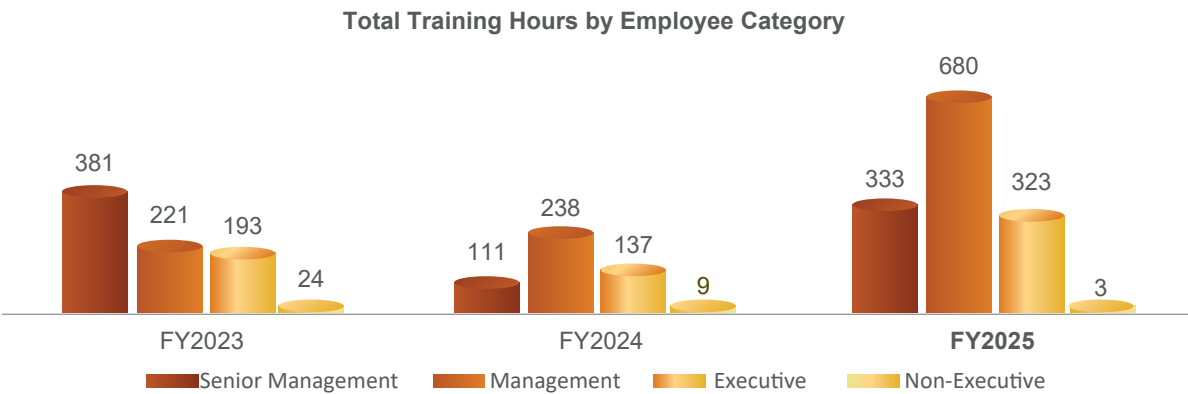
The Group values the diverse perspectives and experiences that our people bring to the organisation. Diversity, equity and inclusion guide how we recruit, develop and support our workforce, supporting a workplace where individuals of different backgrounds, skills and experiences can contribute meaningfully.

In FY2025, OCR employed a total of 104 employees, comprising 55% male and 45% female employees, all of whom were local employees. Our focus on local talent supports employment opportunities and contributes to economic development within the communities we serve.



Employee Development

Investing in employee development supports workforce capability and long-term organisational performance. Structured training opportunities are provided to employees across all levels, regardless of gender, age or nationality, to strengthen workforce capability. During the reporting year, RM57,816 was invested in training and development initiatives, including seminars, conferences and workshops covering finance, soft skills, legal and compliance, technical disciplines and sustainability.



Average Training Hours by Gender				Average Training Hours per Employee	
	FY2025: 15.06 FY2024: 5.51		FY2025: 13.07 FY2024: 8.97		FY2025: 14.09 FY2024: 6.97

A total of 1,339 training hours were recorded, a significant increase from 495 hours in FY2024, reflecting our continued emphasis on capacity building and professional development.

SUSTAINABILITY STATEMENT (Cont'd)

Cultivating Positive Social Impact (Cont'd)

Community Engagement and Contribution

OCR engages with local communities through initiatives that strengthen relationships and support social development in areas where the Group operates. Community initiatives are integrated into the Group's operations and long-term strategy to support positive social impact.

OCR's Contribution to the Society			
RM27,275 was invested in community engagement initiatives	 19 people	 2 organisations	 2 schools

Description	Contribution (RM)	Beneficiary
Funds were raised in collaboration with RHB Bank through a cookie sale initiative, with proceeds directed towards upgrading government educational facilities.	3,000	2 schools and 1 paediatric association
Contributed to the UOB Heartbeat Run Fundraiser 2025	1,000	UOB Malaysia
Sponsorship supporting the preparation of the national volleyball team for the 33rd Southeast Asian Games, Thailand	23,275	19 volleyball athletes from "Persatuan Bola Tampar Malaysia"

Sustainable Foundations for the Future

The Group recognises that responsible development goes beyond delivering quality projects. We remain committed to strengthening the integration of environmental, social and governance considerations across our operations. Guided by this commitment, OCR will continue to enhance its practices with transparency and accountability while delivering developments that contribute positively to the communities and environments in which it operates and create long-term value for stakeholders. These efforts support the development of resilient and sustainable communities for the future.

SUSTAINABILITY STATEMENT (Cont'd)

Performance Data Table

Description	Unit	FY2023	FY2024	FY2025
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Senior Management	%	88	94	93
• Management	%	73	69	75
• Executive	%	53	63	73
• Non-Executive	%	75	100	67
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	0	0	0
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	0	112,000	27,275
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0	5,001	23
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender group by employee category				
• Senior Management (Male)	%	75	62	67
• Senior Management (Female)	%	25	38	33
• Management (Male)	%	64	52	63
• Management (Female)	%	36	48	37
• Executive (Male)	%	53	54	51
• Executive (Female)	%	47	46	49
• Non-Executive (Male)	%	0	20	17
• Non-Executive (Female)	%	100	80	83
Age group by employee category				
• Senior Management (<30)	%	0	0	0
• Senior Management (30-50)	%	88	75	47
• Senior Management (>50)	%	12	25	53
• Management (<30)	%	0	0	3
• Management (30-50)	%	79	83	78
• Management (>50)	%	21	17	19
• Executive (<30)	%	26	29	33
• Executive (30-50)	%	72	69	65
• Executive (>50)	%	2	2	2
• Non-Executive (<30)	%	75	40	33
• Non-Executive (30-50)	%	25	60	67
• Non-Executive (>50)	%	0	0	0

SUSTAINABILITY STATEMENT (Cont'd)

Performance Data Table

Description	Unit	FY2023	FY2024	FY2025
Bursa C3(b) Percentage of directors by gender and age				
Male	%	80	80	80
Female	%	20	20	20
<30	%	0	0	0
30-50	%	20	20	20
>50	%	80	80	80
Bursa C4(a) Total energy consumption	GJ	4,042	2,630	821
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	194	237	290
Bursa C6(a) Total hours of training by employee category				
• Senior Management	Hours	381	111	333
• Management	Hours	221	238	680
• Executive	Hours	193	137	323
• Non-Executive	Hours	24	9	3
Bursa C6(b) Percentage of employees that are contractors or temporary staff	%	17	22	15
Bursa C6(c) Total number of employee turnover by employee category				
• Senior Management	Number	2	4	2
• Management	Number	7	12	8
• Executive	Number	16	28	29
• Non-Executive	Number	0	0	1
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
Bursa C7(a) Proportion of spending on local suppliers	%	100	100	100
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	1
Bursa C9(a) Total volume of water used	ML	44	30	1
Bursa C10(a) Total waste generated	Metric tonnes	-	3,873	18
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	167	18
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	3,706	-
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	170	99	-
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	345*	254*	169
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (business travel and employee commuting)	tCO ₂ e	-	159	127

* Data were restated.

SUSTAINABILITY STATEMENT
(Cont'd)

OCR Group Berhad BMLR Transition Period							Date & Time: 2026-04-22_20:06:01 FYE 31/12/2025	
Sustainability Matter	Metric	Measurement Unit	2025	Target	Actual	Remarks		
Bursa (Diversity and Inclusion)	Bursa CSD4 Percentage of employees by gender and age group, for each employee category - Senior group by employee category (Non-Executive Male)	%	57	50	57	57		
Bursa (Diversity and Inclusion)	Bursa CSD4 Percentage of employees by gender and age group, for each employee category - Board group by employee category (Non-Executive Female)	%	62	50	62	62		
Bursa (Diversity and Inclusion)	Bursa CSD4 Percentage of employees by gender and age group, for each employee category - Age group by employee category-Senior Management (1-30)	%	61	50	61	61		
Bursa (Diversity and Inclusion)	Bursa CSD4 Percentage of employees by gender and age group, for each employee category - Age group by employee category - Senior Management CSD-52	%	47	50	47	47		
Bursa (Diversity and Inclusion)	Bursa CSD4 Percentage of employees by gender and age group, for each employee category - Age group by employee category-Senior Management CSD-52	%	68	50	68	68		
Bursa (Diversity and Inclusion)	Bursa CSD4 Percentage of employees by gender and age group, for each employee category - Age group by employee category-Senior Management CSD-52	%	59	50	59	59		
Bursa (Diversity and Inclusion)	Bursa CSD4 Percentage of employees by gender and age group, for each employee category - Age group by employee category-Senior Management CSD-52	%	59	50	59	59		
This report was generated on the Bursa Malaysia CSD Platform on: 0855-04-02_20:56:29							Page 3 of 9	

SUSTAINABILITY STATEMENT
(Cont'd)OCR Group Berhad
BMLR Transition PeriodDate & Time: 2026-04-22_20:06:01
PVE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Actual	Remarks
Bursa (Occupational Health and Safety)	Bursa COO's Number of employees exposed to heavy and safety standards	Number	200	200	200	1
Bursa (Talent Attraction and Development)	Bursa COO's Total hours of training by employees category - Senior Management	Hours	332	300	332	2
Bursa (Talent Attraction and Development)	Bursa COO's Total hours of training by employees category - Management	Hours	600	200	600	3
Bursa (Talent Attraction and Development)	Bursa COO's Total hours of training by employees category - Executive	Hours	328	200	328	4
Bursa (Talent Attraction and Development)	Bursa COO's Total hours of training by employees category - Non-Executive	Hours	73	200	73	5
Bursa (Talent Attraction and Development)	Bursa COO's Percentage of employees that are contractors or temporary staff	%	16	20	16	6
Bursa (Talent Attraction and Development)	Bursa (COO) Total number of employees turnover by employee category - Senior Management	Number	3	20	3	7
Bursa (Talent Attraction and Development)	Bursa COO's Total number of employees turnover by employee category - Management	Number	8	20	8	8
Bursa (Talent Attraction and Development)	Bursa COO's Total number of employees turnover by employee category - Executive	Number	38	20	38	9
Bursa (Talent Attraction and Development)	Bursa COO's Total number of employees turnover by employee category - Non-Executive	Number	4	20	4	10

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SUSTAINABILITY STATEMENT
(Cont'd)

OCR Group Berhad
BMLR Transition Period

Date & Time: 2026-04-22_20:08:01
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Bursa (Human Rights, Labour Practices and Diversity)	Bursa CIOB Number of substantiated complaints concerning human rights violation	Number	0	0	Assured	0
Bursa (Human Rights Management)	Bursa CIOB Proportion of working on local suppliers	%	90%	100%	Assured	100%
Bursa (Technology, Data Privacy and Security)	Bursa CIOB Number of substantiated complaints concerning breaches of securities privacy or losses of customer data	Number	0	0	Assured	0
Bursa (Water Consumption)	Bursa CIOB Total volume of water used	M3	1	2,400	Assured	0
Bursa (Waste and Emission Management)	Bursa CIOB Total waste generated	Metric tonnes	20	100	Assured	0
Bursa (Waste and Emission Management)	Bursa CIOB Total waste recycled from disposal	Metric tonnes	36	100	Assured	0
Bursa (Waste and Emission Management)	Bursa CIOB Total waste recycled to landfill	Metric tonnes	10	200	Assured	0
Bursa (Greenhouse Gas Emissions)	Bursa CIOB Scope 1 emissions in tonnes of CO2e	KCO2e	10	200	Assured	0
Bursa (Greenhouse Gas Emissions)	Bursa CIOB Scope 2 emissions in tonnes of CO2e	KCO2e	100	200	Assured	0
Bursa (Greenhouse Gas Emissions)	Bursa CIOB Scope 3 emissions in tonnes of CO2e (Business travel and employee commuting)	KCO2e	20	100	Assured	0

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SUSTAINABILITY STATEMENT (Cont'd)

IFRS Content Index

IFRS S1		
Code	Disclosure	Reference
Governance		
IFRS S1.27(a)	Governance bodies responsible for oversight of sustainability-related risks and opportunities	page 31
IFRS S1.27(a)(ii)	How the governance body develops skills and competencies to oversee strategies addressing sustainability-related risks and opportunities	page 31
IFRS S1.27(a)(iii)	How and how often the governance body is informed about sustainability-related risks and opportunities	page 31
IFRS S1.27(a)(iv)	Consideration of sustainability-related risks and in strategy, major transactions, risk management, and related policies	page 31
IFRS S1.27(b)	Management's role in oversight of sustainability-related risks and opportunities	page 31
IFRS S1.27(b)(i)	Delegation to management-level positions or committees and oversight mechanisms	page 31
IFRS S1.27(b)(ii)	Controls and procedures supporting oversight and integration with internal functions	page 31
IFRS S1		
Code	Disclosure	Reference
Strategy		
IFRS S1.29(a)	Sustainability-related risks and opportunities that could reasonably affect the entity's prospects	page 37 - 40
Risk Management		
IFRS S1.44(a)	Processes and policies to identify, assess, prioritise, and monitor sustainability-related risks	page 32
IFRS S1.44(c)	Integration of sustainability-related risk and opportunity processes into overall risk management	page 32
Metrics and targets		
IFRS S1.46(b)(i)	Metrics used to measure and monitor performance in relation to sustainability-related risks or opportunities	page 47 - 67
IFRS S1.48	Metrics associated with particular business models, activities, or industry characteristics	page 47 - 67
IFRS S1.49	If metrics are from non-IFRS sources, the source and metric must be identified	page 25
IFRS S1.50(a)	Definition of entity-developed metrics, including adaptation from non-IFRS sources and differences from those sources	page 25
IFRS S1.50(b)	Whether the metric is absolute, relative, or qualitative	page 47 - 67
IFRS S1.50(d)	Method for metric calculation, inputs, limitations, and assumptions	page 47 - 67
IFRS S1.51	Targets set to monitor progress towards strategic goals or regulatory requirements	page 32
IFRS S1.51(a)	Metric used to set the target and monitor progress	page 32
IFRS S1.51(b)	Specific quantitative or qualitative target set or required	page 32
IFRS S1.51(c)	Period over which the target applies	page 32
IFRS S1.51(d)	Baseline year for measuring progress	page 32
IFRS S1.51(f)	Performance against targets and analysis of trends	page 32

SUSTAINABILITY STATEMENT (Cont'd)

IFRS Content Index

IFRS S2		
Governance		
IFRS S2.6(a)	Governance bodies responsible for oversight of climate-related risks and opportunities	page 31
IFRS S2.6(a)(ii)	How the governance body develops skills and competencies to oversee strategies addressing climate-related risks and opportunities	page 31
IFRS S2.6 (a)(iii)	How and how often the governance body is informed about climate-related risks and opportunities	page 31
IFRS S2.6 (a)(iv)	Consideration of climate-related risks and opportunities in strategy, major transactions, risk management, and related policies, including trade-offs	page 31
IFRS S2.6 (b)	Management's role in overseeing climate-related risks and opportunities	page 31
IFRS S2.6 (b)(i)	Delegation to management-level positions or committees and oversight mechanisms	page 31
IFRS S2.6 (b)(ii)	Controls and procedures supporting oversight and integration with internal functions	page 31
Strategy		
IFRS S2.9(a)	Climate-related risks and opportunities that could reasonably affect the entity's prospects	page 52 - 53
IFRS S2.9(b)	Current and anticipated effects on business model and value chain	page 52 - 53
IFRS S2.9(c)	Effects on strategy and decision-making, including climate-related transition plans	page 52 - 53
IFRS S2.9(d)	Effects on financial position, performance, and cash flows	page 52 - 53
Risk Management		
IFRS S2.25(a)	Processes and policies to identify, assess, prioritise, and monitor climate-related risks	page 32
IFRS S2.25(a)(iii)	Assessment of risk nature, likelihood, and magnitude	page 32
IFRS S2.25(a)(iv)	Prioritisation of climate-related risks relative to other risks	page 32
IFRS S2.25(a)(v)	Risk monitoring	page 32
IFRS S2.25(c)	Integration of risk and opportunity processes into overall risk management	page 32
Metrics and Targets		
IFRS S2.28(a)	Information relevant to cross-industry metric categories	page 47- 67
IFRS S2.29(a)(i)	Absolute gross Scope 1, 2, and 3 greenhouse gas emissions in metric tonnes CO ₂ e	page 54
IFRS S2.29(a)(ii)	Measurement of GHG emissions in accordance with the Greenhouse gas Protocol: A Corporate Accounting and Reporting Standard (2004)	page 54 - 55
IFRS S2.29(a)(iii)	Measurement approach, inputs, assumptions, and reasons for changes during the reporting period	page 54 - 55
IFRS S2.29(a)(iv)	Consolidated accounting group, including excluded investees for Scope 1 and Scope 2 greenhouse gas emissions disclosed	page 25
IFRS S2.29(a)(v)	Location-based Scope 2 emissions and contractual instruments (e.g., energy purchase agreements)	page 54
IFRS S2.29(a)(vi)	Categories included in Scope 3 emissions measurement	page 54
IFRS S2.33	Quantitative and qualitative climate-related targets, including those required by law/regulation	page 32

SUSTAINABILITY STATEMENT (Cont'd)

Performance Data Table

IFRS S2		
Code	Disclosure	Reference
IFRS S2.33(a)	Metric used to set each target	page 32
IFRS S2.33(b)	Scope of application (entity-wide, business unit, or geographic region)	page 32
IFRS S2.33(c)	Scope of which the target applies (e.g., whole entity or specific business unit or geographical region)	page 32
IFRS S2.33(d)	Period over which the target applies	page 32
IFRS S2.33(e)	Baseline year for measuring progress	page 32
IFRS S2.35	Performance against each target, including trends and changes	page 32
IFRS S2.36(a)	Type of GHG emissions covered by each target	page 32
IFRS S2.36(b)	Whether target covers Scope 1, 2, or 3 emissions	page 32

GRI Content Index

Statement of use	OCR Group Berhad has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	25
	2-2 Entities included in the organisation's sustainability reporting	25
	2-3 Reporting period, frequency and contact point	25
	2-6 Activities, value chain and other business relationships	25, 44
	2-7 Employees	66
	2-9 Governance structure and composition	31
	2-12 Role of the highest governance body in overseeing the management of impacts	31
	2-13 Delegation of responsibility for managing impacts	31
	2-14 Role of the highest governance body in sustainability reporting	31
	2-16 Communication of critical concerns	31
	2-17 Collective knowledge of the highest governance body	31
	2-22 Statement on sustainable development strategy	28
	2-23 Policy commitments	29
	2-24 Embedding policy commitments	29
	2-26 Mechanisms for seeking advice and raising concerns	47, 62
	2-27 Compliance with laws and regulations	49
	2-28 Membership associations	26
	2-29 Approach to stakeholder engagement	33-35

SUSTAINABILITY STATEMENT (Cont'd)

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 3: Material Topics 2021	3-1 Process to determine material topics	36
	3-2 List of material topics	36
	3-3 Management of material topics	41-67
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	52-53
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	44
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	48
	205-2 Communication and training about anti-corruption policies and procedures	48
	205-3 Confirmed incidents of corruption and actions taken	48
GRI 301: Materials 2016	301-1 Materials used by weight or volume	58
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	53-55
	302-4 Reduction of energy consumption	53-55
	302-5 Reductions in energy requirements of products and services	53-55
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	55
	303-2 Management of water discharge-related impacts	57
	303-3 Water withdrawal	55
	303-4 Water discharge	57
	303-5 Water consumption	55
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	54
	305-2 Energy indirect (Scope 2) GHG emissions	54
	305-3 Other indirect (Scope 3) GHG emissions	54
	305-5 Reduction of GHG emissions	54
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	57
	306-2 Management of significant waste-related impacts	57
	306-3 Waste generated	57
	306-4 Waste diverted from disposal	57
	306-5 Waste directed to disposal	57
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	65
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	62
	401-3 Parental leave	62

SUSTAINABILITY STATEMENT (Cont'd)

GRI Content Index (Cont'd)

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	61
	403-2 Hazard identification, risk assessment, and incident investigation	61
	403-3 Occupational health services	61
	403-4 Worker participation, consultation, and communication on occupational health and safety	61
	403-5 Worker training on occupational health and safety	61
	403-6 Promotion of worker health	61
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	61
	403-8 Workers covered by an occupational health and safety management system	61
	403-9 Work-related injuries	61
	403-10 Work-related ill health	61
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	66
	404-2 Programmes for upgrading employee skills and transition assistance programs	66
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	48
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	67
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	49

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") of OCR Group Berhad ("**OCR**" or "**the Company**") remains committed to upholding high corporate governance ("**CG**") standards across the Company and its subsidiaries ("**the Group**"). The Board ensures adherence to the principles and best practices of corporate governance by aligning with the core values outlined in the Malaysian Code on Corporate Governance 2021 ("**MCCG**") and the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"). This commitment establishes a strong foundation for the management team and all employees to effectively oversee the Company's business and affairs in the best interests of all stakeholders.

The Board is pleased to present an overview of the Group's application of the principles outlined in the MCCG and the extent of adherence to its three (3) key principles for the financial year ending 31 December 2025 ("**FY2025**").

Principle A: Board leadership and effectiveness;

Principle B: Effective audit and risk management; and

Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

This statement is prepared in accordance with the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia and should be read in conjunction with the Corporate Governance Report ("**CG Report**"), available on the Company's website at www.ocrbhd.com. The CG Report provides detailed insights into the Company's implementation of each practice outlined in the MCCG during FY2025.

1. BOARD LEADERSHIP AND EFFECTIVENESS

1.1 Board Leadership

a. Functions of the Board and Management

The Board is responsible for overseeing the Group's performance and affairs, providing leadership and strategic guidance to define the Group's direction effectively.

The Board has delegated the day-to-day management of the Group to the Group Managing Director ("**Group MD**"), who operates in accordance with the strategies and policies approved by the Board. In addition to overseeing the management of subsidiary companies, the Group MD is responsible for making key business decisions, allocating resources, and managing associated risks while striving to achieve the Group's corporate objectives.

The Group MD is supported by the Executive Director ("**ED**") and the Key Senior Management team in managing the Group's day-to-day business and operations. They ensure that effective systems, controls, and resources are in place to execute the Group's business strategies and plans.

The ED and Key Senior Management team highlight significant operational issues and concerns to the Group MD, along with updates on key initiatives. Monthly meetings between the Group MD, ED, and Key Senior Management serve as platforms to review and monitor the Group's operational and financial performance.

During Board meetings, the representative of Key Senior Management provides reports and updates on the Group's business operations. The Group MD, ED together with Key Senior Management team analyze financial results, discuss operational challenges, and address factors impacting the business. The Board, in turn, provides guidance to the Key Senior Management to resolve challenges and implement preventive measures to mitigate future risks.

Non-Executive Directors do not participate in the day-to-day management of the Group but provide valuable expertise and experience in shaping the Group's overall business strategy. Their involvement in various Board Committees further enhances corporate governance and strengthens control measures within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.1 Board Leadership (Cont'd)

b. Board Roles and Responsibilities

The responsibilities of the Board are outlined in the Board Charter, which is accessible on the Company's website at www.ocrbhd.com.

The Board of the Company undertakes the following principal roles and responsibilities in discharging its fiduciary duties:

- Maintaining high standards of corporate governance;
- Formulating and periodically refining the Company's strategic plan with practical and realistic approaches;
- Overseeing the Company's business operations to ensure effective management and sustainability;
- Identifying principal risks and ensuring the implementation of appropriate risk management systems; and
- Reviewing the adequacy and integrity of internal control systems to ensure compliance with applicable laws, regulations, rules, and guidelines.

The Board has established several Board Committees to assist in fulfilling its duties and responsibilities. These include the Audit and Risk Management Committee, Nominating Committee, and Remuneration Committee. Each Board Committee operates in accordance with its designated Terms of Reference and reports to the Board on matters deliberated and recommendations made.

The Board retains the authority to establish additional Board Committees as needed to enhance operational efficiency. However, ultimate decision-making responsibility remains with the Board.

c. Ethical Leadership by the Board

Standard Ethical Codes of Conduct for Directors

The Board remains committed to upholding the "Code of Ethics for Company Directors" established by the Companies Commission of Malaysia, which is founded on the following principles:

- Compliance with legal and regulatory requirements and Group policies
- Observance of the Board Charter
- Acting in the best interest of the Group
- Upholding honesty and integrity
- Avoiding conflicts of interest
- Adhering to the no-profit rule
- Maintaining strong relationships with stakeholders

Key elements of its Code of Conduct are set out in the Group's Board Charter, a copy of which is available on the Company's website at www.ocrbhd.com.

Whistle-blower Policy

The Board has adopted a Whistle-blower Policy that outlines the principles and grievance procedures for all stakeholders including employees, customers, suppliers, government bodies, and financial institutions to report genuine concerns regarding potential improprieties within the Group. The Whistle-blower Policy is available on the Company's website at www.ocrbhd.com.

Whistle-blowers may directly contact the Audit and Risk Management Committee Chairman via email at juliankoh@ocrbhd.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.1 Board Leadership (Cont'd)

c. Ethical Leadership by the Board (Cont'd)

Anti-Bribery and Corruption Policy

The Group is committed to conducting business with integrity and transparency, maintaining a zero-tolerance policy on bribery and corruption. To reinforce this commitment, the Group has implemented an Anti-Bribery and Corruption Policy, which is available on the Company's website at www.ocrbhd.com.

Directors' Fit and Proper Policy

The Board has adopted a Directors' Fit and Proper Policy to ensure that the Directors possess the necessary character, integrity, skills, knowledge, experience, competence, and time commitment to effectively fulfil their roles and responsibilities in the best interest of the Company and its stakeholders. This Directors' Fit and Proper Policy is available on the Company's website at www.ocrbhd.com.

d. The Role of Chairman and Group MD

The positions of Chairman and Group MD are held by different individuals with distinct and separate roles to enhance governance and transparency, ensuring that no single individual holds unchecked decision-making power. This practice aligns with the principles of good corporate governance.

The Chairman is responsible for leading and managing the Board, with a focus on strategy, governance, and compliance.

The Chairman's responsibilities include the following:

- Instilling the practice of good corporate governance, and leading the Board in establishing and ensuring the adequacy and integrity of the governance process;
- Guiding and mediating Board actions with respect to organisational priorities and governance concerns;
- Maintaining regular dialogue with the Group Minority Shareholder over all operational matters and consulting with the remainder of the Board members promptly over any matters that give him or her cause for major concern;
- Leading discussions at meetings and ensure efficient and effective conduct of the Board meetings;
- Encouraging active Board participation and allow dissenting views to be freely expressed; and
- Representing the Board to shareholders and ensuring that appropriate steps are taken to provide effective communication with stakeholders so that their views are communicated to the Board as a whole.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.1 Board Leadership (Cont'd)

d. The Role of Chairman and Group MD (Cont'd)

The Group MD is responsible to the Board for the following:

- Formulate and ensure effective management of the long-term sustainable strategic plan, annual operating and performance benchmarks for the Group;
- Directing the overall sustainability strategy of the Group;
- Manage the daily conduct of the business and affairs to ensure its smooth operation;
- Ensure the Group's corporate identity, products and services are of standards required by the market;
- Ensure the effective implementation of risk management framework approved by the Board;
- Ensure compliance with policies and guidelines established by the Board;
- Ensures compliance with law, legislation and regulatory requirements;
- Ensure that the Key Senior Management has the necessary skills and experience to manage the Group; and
- Effectively representing the interests of the Group with major customers, the government and its agencies, and the industries at large to ensure general goodwill towards the Group and cooperation in the Group's planned developments.

e. Chairman of the Board should not be a member of the Board Committees

Pursuant to Practice 1.4 of the MCCG, the Chairman of the Board should not be a member of the Audit Committee, Nominating Committee, or Remuneration Committee. However, our Chairman, YAM Tunku Azudinshah Ibni Tunku Annuar, also serves as a member of the Audit and Risk Management Committee. The Company believes that, despite holding the role of Chairman, YAM Tunku Azudinshah Ibni Tunku Annuar is able to maintain independence and objectivity while providing valuable insights based on his extensive experience. Nevertheless, the Board will consider identifying a suitable candidate for the position should the need arise.

f. Strategies Promoting Sustainability

The Board views the promotion of sustainability across environmental, social, and governance (ESG) aspects as a fundamental part of its responsibility to stakeholders and the communities in which it operates. The Group remains committed to strengthening its sustainability initiatives, focusing on community engagement and employee well-being. Further details on these initiatives can be found in the Sustainability Statement on pages 23 to 81 of this Annual Report.

g. Qualified and Competent Company Secretaries

The Board is supported by qualified and competent Company Secretaries who are members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and are duly qualified under Section 235(2) of the Companies Act 2016.

The Company Secretaries provide essential support and guidance to the Board, advising on all secretarial matters, particularly ensuring compliance with MMLR of Bursa Malaysia. They also keep the Board informed of the latest developments in corporate governance, regulatory changes, statutory requirements, and best practices.

The Company Secretaries attend meeting of the Board, Board Committees, and Shareholders to ensure that these meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.1 Board Leadership (Cont'd)

h. Directors' Training

Each Board member is encouraged to actively participate in relevant training programs to stay updated on the latest developments and enhance their knowledge. The Board recognizes the importance of continuous learning and ensures that the Directors undergo training aligned with their roles and responsibilities, in accordance with Paragraph 15.08(3) of Bursa Malaysia's MMLR.

The Board members have the discretion to select training programs that align with their personal development needs. They are encouraged to attend talks and seminars organized by Bursa Malaysia, which are specifically designed for Directors and management.

The Company Secretaries regularly update the Board on relevant statutory and regulatory guidelines and provide quarterly briefings during Board meetings, where applicable. During the financial year under review, the External Auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards ("MFRS") that may impact the Group's financial statements.

During the FY2025, the seminars, forums, conferences and training programmes attended by each Director were as follows:

Directors	Seminars/Forums/Conferences/Trainings Attended
YAM Tunku Azudinshah Ibni Tunku Annuar	Updates to the Main Market Listing Requirements (MMLR) by Needsbridge Advisory Sdn. Bhd.
Ong Kah Hoe	- Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - updates to the Main Market Listing Requirements (MMLR) by Needsbridge Advisory Sdn. Bhd.
Chan Lian Sei	Updates to the Main Market Listing Requirements (MMLR) by Needsbridge Advisory Sdn. Bhd.
Hj. Abdullah Bin Abdul Rahman	Updates to the Main Market Listing Requirements (MMLR) by Needsbridge Advisory Sdn. Bhd.
Julian Koh Lu Ern	- The Journey Into the AI Age : Game Changer for Your Digital Transformation Era - Strategic Oversight in Strategy Implementation : Getting Execution Right at the Board Level Programme - Updates to the Main Market Listing Requirements (MMLR) by Needsbridge Advisory Sdn. Bhd.

i. Board Charter

The Group's Board Charter serves as a guide, outlining the principles and framework for the Board in exercising its constitutional powers and responsibilities. It establishes the core corporate governance principles that the Group upholds and that each Director, individually and collectively, strives to adhere to.

The Board periodically reviews the Board Charter to ensure its continued relevance and alignment with the Board's objectives, responsibilities, and prevailing corporate governance standards. The Board Charter is available on the Company's website at www.ocrbhd.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.2 Board Dynamics

a. Board Composition

The current composition of the Board provides a well-balanced mix of knowledge, skills, and expertise, enabling it to discharge its stewardship and responsibilities effectively. Furthermore, the Board's composition aligns with shareholders' interests, ensuring effective leadership, strategic direction, and robust governance for the Group at an optimal level.

The Board of the Company consists of five (5) Directors, comprising three (3) Independent Non-Executive Directors (including the Chairman), a Group MD, and an Executive Director. The profiles of the Board members are detailed on pages 4 to 6 of this Annual Report.

b. Board Meetings

The Board meets on a quarterly basis and additional meetings are held as and when necessary.

To ensure full attendance and compliance with MMLR of Bursa Malaysia where a director's position may become vacant if absent from more than 50% of meetings in a financial year, all Board and Board Committee meeting dates for FY2025 were agreed upon before the start of the financial year.

Board meetings follow a structured agenda prepared by the Company Secretary in consultation with the Management. Notices and agendas are circulated at least seven (7) days before the meeting, followed by relevant Board Papers to facilitate well-informed discussions.

Meeting agendas cover updates on the Group's performance, business plans, strategic decisions, audit findings, and other significant matters requiring Board direction. The Board also deliberates on key risks that may materially impact the Group's operations or financial position.

Directors must promptly disclose any direct or indirect interest in transactions involving the Company or Group. In such cases, they are required to abstain from deliberations and decisions on the matter and are encouraged to excuse themselves from the discussion to ensure objective deliberation.

During the FY2025, a total of five (5) Board meetings were held and the attendance of each Director is set out below:

Directors	Attendance
YAM Tunku Azudinshah Ibni Tunku Annuar	5/5
Ong Kah Hoe	4/5
Chan Lian Sei	3/5
Hj. Abdullah Bin Abdul Rahman	5/5
Julian Koh Lu Ern	5/5

Besides the Company Secretary, the representatives from the Finance Department attended each Board meeting and every Audit and Risk Management Committee meeting during FY2025 on a standing invitation from the Board. Additionally, other Key Senior Management members were invited to attend specific meetings as needed.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.2 Board Dynamics (Cont'd)

c. Independent Directors

The composition of Independent Directors on the Board complies with the MMLR of Bursa Malaysia, which requires that at least two (2) directors or one-third (1/3) of the Board, whichever is higher, be independent directors, and at least one (1) director be a woman.

The annual assessment of the Board, Board Committees, and individual Directors was conducted using the Company's appraisal form. This evaluation considered each Director's ability to dedicate sufficient time and effort to their role, as well as their independence, character, integrity, and professionalism.

Following the annual assessment conducted on 22 April 2026, the Board is satisfied with the independence demonstrated by all Independent Directors. The Board, with the assistance of the Nominating Committee, will continue to conduct annual independence assessments to ensure that Independent Directors exercise sound judgment and act in the best interests of the Group.

d. Tenure of Independent Directors

As at the date of this Statement, YAM Tunku Azudinshah Ibni Tunku Annuar and Encik Hj. Abdullah Bin Abdul Rahman have served for a cumulative term of more than nine (9) years on the Board as Independent Non-Executive Directors.

As recommended by the MCCG, the tenure of an Independent Director should not exceed cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the re-designation of the said person as a Non-Independent Director. In the event the Board intends to retain such Director as Independent Director after the latter has served a cumulative term of nine (9) years or more, the Board must justify the decision and seek annual shareholders' approval through a two-tier voting process at a general meeting, normally the Annual General Meeting ("AGM") of the Company.

Following an assessment and recommendation by the Nominating Committee, the Board has recommended that YAM Tunku Azudinshah Ibni Tunku Annuar and Encik Hj. Abdullah Bin Abdul Rahman, who have served as Independent Non-Executive Director for a cumulative term of more than nine (9) years to continue to be designated as Independent Non-Executive Director of the Company subject to the shareholders' approval at the AGM, based on the following key justifications:

- they fulfil the criteria under the definition of Independent Director as stated in the MMLR of Bursa Malaysia and, therefore, are able to bring independent and objective judgment to the Board as a whole;
- their experience in the relevant industries has enabled them to provide the Board and Board Committees, as the case may be, with pertinent expertise, skills, contributions and competence;
- they have been with the Company for a certain period and therefore understands the Company's business operations which enables them to contribute actively and effectively during deliberations or discussions at Board and Committee meetings;
- they continue to be scrupulously independent in their thinking and in their effectiveness as constructive challengers of the Group MD and Executive Director; and
- they exercise due care during their tenure as an independent non-executive Director and have carried out their professional duties in the best interest of the Company and shareholders.

Policy of Tenure of Independent Directors

The Board Charter stipulates a tenure limit of twelve (12) cumulative years for Independent Directors. However, in line with the MCCG recommendation, if the Board intends to retain an Independent Director beyond the nine (9) years, the decision will be duly justified, and shareholders' approval will be sought at a general meeting through a two-tier voting process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.3 Nominating Committee

The Nominating Committee of the Company comprises two (2) members, both of whom are Independent Non-Executive Directors. The Committee is chaired by Mr. Julian Koh Lu Ern, an Independent Non-Executive Director, in accordance with Practice 5.8 of the MCCG.

Members

1. Julian Koh Lu Ern (Chairman/Independent Non-Executive Director)
2. Hj. Abdullah Bin Abdul Rahman (Member/Independent Non-Executive Director)

The roles and responsibilities of the Nominating Committee are defined in its Terms of Reference, is available on the Company's website at www.ocrbhd.com.

The key role of the Nominating Committee is to:

- Establish a formal and transparent procedure for the selection and assessment of candidates for Board appointments;
- Assess the effectiveness of the Board, its committees, and individual Directors on an annual basis; and
- Ensure the Board composition aligns with the needs and strategic direction of the Company.

In fulfilling its roles, the Nominating Committee evaluates and assesses candidates nominated for appointment to the Board and its Committees. It also reviews the tenure of each Director. Additionally, the Nominating Committee assesses Directors standing for re-election at the AGM and forwards its recommendations to the Board for final decision.

The Nominating Committee also conducts an annual assessment of the Board's overall effectiveness, the performance of each Board Committee, and the contribution of individual Directors. This evaluation ensures that the Board and its Committees maintain an appropriate balance of expertise and capability.

The Nominating Committee employs a self-evaluation method to assess the performance of the Company's Directors annually. This review evaluates the mix of skills, experience, and core competencies that Executive and Non-Executive Directors bring to the Board. Additionally, it identifies areas for improvement and reviews the succession plan for Key Senior Management within the Group.

During FY2025, the following activities were undertaken by the Nominating Committee:

- (i) Reviewed the size and composition of the Board of OCR and its Board balance;
- (ii) Reviewed the required mix of skills and experience and other qualities including core competencies of the Non-Executive Directors and Executive Directors of the Company should have;
- (iii) Reviewed the tenure of the Independent Directors;
- (iv) Reviewed the effectiveness of the Board as a whole, the contribution of each individual Director and committees of the Board;
- (v) Reviewed the re-election of Directors for FY2025;
- (vi) Assessed the training programs attended by the Directors as well as the training needs required to aid the Directors in the discharge of their duties as Directors and to keep abreast with industry developments and trends; and
- (vii) Assessed the independence of the Independent Directors of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.3 Nominating Committee (Cont'd)

a. Diversity of Board and Senior Management

The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity, and socio-economic background, recognizing the benefits it brings. While promoting diversity is crucial, the Board prioritizes selecting candidates based on competencies, skills, experience, and knowledge to strengthen its effectiveness.

Currently, the Company does not have a specific policy on gender diversity in the boardroom but remains committed to working towards achieving appropriate diversity in the future.

b. Appointment to the Board

The proposed appointment of a new Board member is deliberated by the full Board based on recommendations from the Nominating Committee. To ensure the selection of the most suitable candidates, various methods and sources may be utilized, including sourcing from a directors' registry, open advertisements, or engaging independent search firms.

Prior making any recommendations to the Board, the Nominating Committee evaluates candidates based on the following criteria:

- Skills, knowledge, expertise, and experience;
- Character, integrity, and professionalism;
- Competence and time commitment to effectively discharge their role; and
- For Independent Non-Executive Director candidates, the ability and commitment to fulfill the responsibilities expected of the position.

There were no appointments of Directors during FY2025.

c. Re-election of Directors

In accordance with the Constitution of the Company, all Directors, including the Group MD, shall retire from office at least once every three (3) years and all retiring Directors shall be eligible for re-election at the AGM in which they retire. A retiring Directors shall remain in office until the close of the meeting at which he/she retires.

The Constitution further provides that Directors who are appointed by the Board during the financial period before an AGM are subject to retirement and shall be eligible for re-election by the shareholders at the AGM of the Company to be held following the new Directors' appointment.

On 22 April 2026, the Nominating Committee reviewed and recommended the re-election of the following Directors who are retiring pursuant to the Company's Constitution, and being eligible, offered themselves for re-election:

- i) Tunku Azudinshah Ibni Tunku Annuar
- ii) Chan Lian Sei

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.4 Remuneration Committee

The Board upholds a remuneration policy that fairly reflects the responsibilities and fiduciary duties of its Directors in guiding the Group toward achieving its long-term goals and enhancing shareholder value. The objective is to offer a competitive remuneration package that attracts, develops, and retains talented individuals to serve as Directors.

To achieve this objective, the primary role of the Remuneration Committee is to establish a policy framework and provide recommendations to the Board on remuneration packages and employment terms for Executive Directors. These remuneration packages are structured to attract and retain individuals with the experience and expertise required to effectively manage the Group's business.

The remuneration of Non-Executive Directors is determined by the Board as a whole, with the Directors concerned abstaining from deliberations and voting on their individual remuneration packages. Annually, the Board proposes the Directors' fees and other benefits for approval by shareholders at the AGM.

The composition of the Remuneration Committee as follows:

1. Hj. Abdullah Bin Abdul Rahman (Chairman/Independent Non-Executive Director)
2. Julian Koh Lu Ern (Member/Independent Non-Executive Director)
3. Chan Lian Sei (Member/Executive Director)

For the FY2025, the fees and remuneration packages of the Executive Directors and Non-Executive Directors of the Company are as follows:

Remuneration of Executive Directors and Non-Executive Directors

	Company (RM'000)						
	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
Directors							
Executive Directors							
Ong Kah Hoe	-	-	600	-	-	72	672
Chan Lian Sei	42	-	-	-	-	-	42
Non-Executive Directors							
YAM Tunku Azudins Shah Ibni Tunku Annuar	42	-	-	-	-	-	42
Hj. Abdullah Bin Abdul Rahman	42	-	-	-	-	-	42
Julian Koh Lu Ern	42	-	-	-	-	6	48

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.4 Remuneration Committee (Cont'd)

Remuneration of Executive Directors and Non-Executive Directors (Cont'd)

	Group (RM'000)						Total
	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	
Directors							
Executive Directors							
Ong Kah Hoe	-	-	1,200	-	-	146	1,346
Chan Lian Sei	42	-	-	-	-	-	42
Non-Executive Directors							
YAM Tunku Azudinsah Ibni Tunku Annuar	42	-	-	-	-	-	42
Hj. Abdullah Bin Abdul Rahman	42	-	-	-	-	-	42
Julian Koh Lu Ern	42	-	-	-	-	6	48

The MCGG recommends that the Board disclose, on a named basis, the remuneration components of the top five (5) senior management personnel, including salary, bonus, benefits-in-kind, and other emoluments, in bands of RM50,000. However, given the highly competitive nature of the human resource market, the Board believes that disclosing the aggregate remuneration of the top five senior management personnel is sufficient, as outlined below:

	Salary and bonuses (RM'000)	Other emoluments (RM'000)	Benefit-in-kind (RM'000)	Total (RM'000)
Total top five (5) senior management	1,218	150	-	1,368

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

2. EFFECTIVE AUDIT AND RISK MANAGEMENT

2.1 Establishment and Effectiveness of the Audit and Risk Management Committee

a. Audit and Risk Management Committee ("ARMC")

The ARMC consists of three (3) Independent Non-Executive Directors and is chaired by Mr. Julian Koh Lu Ern, an Independent Non-Executive Director, in alignment with Practice 9.1 of the MCCG.

None of the Board members or ARMC members were formerly audit partners of the Group's appointed External Auditors. In compliance with best practices, the Company will enforce a cooling-off period of at least three (3) years before appointing any former audit partner of the External Auditors as a member of the ARMC.

The primary objective of the ARMC is to assist the Board in fulfilling its oversight responsibilities related to the audit plan, audit report, internal controls, internal audit function, related party transactions, conflict of interest situation and the Group's accounting and reporting practices.

The ARMC report, including the list of committee members and their activities during FY2025, is detailed on pages 104 to 106 of this Annual Report.

The Terms of Reference of the ARMC are available on the Company's website at www.ocrbhd.com.

2.2 Roles and Responsibilities of the ARMC

a. Oversight of Financial Reporting

The Board ensures that shareholders receive a balanced and meaningful evaluation of the Company's financial performance, position, and future prospects through the issuance of the Annual Audited Financial Statements, quarterly financial reports, and corporate announcements on significant developments in accordance with the MMLR.

The Chairman of the ARMC, Mr. Julian Koh Lu Ern, an Independent Non-Executive Director, has over thirty-seven (37) years of experience in strategic planning, human resources, accounting, corporate finance, risk management, information system management, taxation, and funding across various industries, including advertising, property development, stockbroking, and fund management.

As part of the governance process in reviewing the quarterly and annual financial statements, the Finance Department provides assurance to the ARMC on a quarterly basis. This includes confirmation that appropriate accounting policies have been consistently applied, the going concern basis in the Condensed Consolidated Financial Statements ("CCFS") and Audited Financial Statements ("AFS") remains appropriate, and prudent judgments and reasonable estimates have been made in compliance with MFRS requirements.

Additionally, adequate processes and controls are in place to ensure effective and efficient financial reporting and disclosures in line with MFRS, International Financial Reporting Standards ("IFRS") and the MMLR of Bursa Malaysia. The Finance Department further affirms that the CCFS and AFS are free from material misstatements and provide a true and fair view of the financial position of the Group and its subsidiaries for FY2025.

In addition, the Company's outsourced Internal Audit function conducts independent assessments of the Group's internal control systems based on the approved Internal Audit plan. The outsourced Internal Auditors report their findings to the ARMC at scheduled meetings, in line with the approved audit plan.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

2. EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

2.2 Roles and Responsibilities of the ARMC (Cont'd)

a. Oversight of Financial Reporting (Cont'd)

Throughout FY2025, the outsourced Internal Auditors presented their Internal Audit and follow-up reports, highlighting observations in the areas covered under the approved internal audit scope. These reports identified potential risks and implications requiring the attention of both Management and the ARMC.

No material issues or major deficiencies apart from the internal audit observations noted within the approved scope were identified that would pose a high risk to the business processes under review. The outsourced Internal Auditors conducted audit reviews, provided their findings to Management, and presented them to the ARMC for further deliberation and action.

For the FY2025, two (2) Internal Audit reports and two (2) follow-up reports had been tabled for ARMC's review.

Based on the above, the Board believes it has provided a fair, balanced, and representative assessment of the Company's and the Group's business performance in its quarterly results and AFS.

The financial statements for FY2025 are presented on pages 115 to 220 of this Annual Report, with the Board's statement on its responsibilities in preparing the financial statements available on page 113.

b. Related Party Transactions

An internal compliance framework is in place to ensure the Group meets its obligations regarding related party transactions under the MMLR of Bursa Malaysia. The Board, through the ARMC, reviews all material related party transactions.

In cases where a corporate proposal requires shareholder approval, Interested Directors, Interested Major Shareholders, and persons connected to them must abstain from voting on the proposal in relation to their shareholdings.

c. Risk Management and Internal Control

The Board considers risk management and internal controls as integral to the overall management process. It is responsible for establishing a risk management framework and maintaining a sound system of risk management and internal control across the Group. This ensures the effectiveness and efficiency of the Group's operations, covering not only financial aspects but also operational and regulatory compliance. The primary objective of sound risk management is to protect the Group's assets and safeguard shareholders' investments.

An overview of the Group's risk management and internal controls is provided in the Statement on Risk Management and Internal Control on pages 107 to 112 of this Annual Report.

d. Internal Audit Control

The Group has outsourced its Internal Audit function to external consultants, who report directly to the ARMC regarding the adequacy of the Group's internal control and risk management systems. A summary of activities conducted by the Internal Audit function, along with the costs incurred in carrying out the function for the financial year under review, is provided in the ARMC Report on pages 104 to 106 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

2. EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

2.2 Roles and Responsibilities of the ARMC (Cont'd)

e. Assessment on Suitability and Independence of External Auditors

The ARMC conducts an annual assessment of the suitability and independence of the External Auditors before making a recommendation to the Board for their reappointment.

The ARMC considers the following factors:

- The adequacy of the External Auditors' experience and resources;
- The nature and fees of non-audit services provided; and
- The level of independence of the External Auditors.

On 22 April 2026, the ARMC assessed the independence of the External Auditors, Messrs. Baker Tilly Monteiro Heng PLT (AF 0117), located at Baker Tilly Tower, Level 10, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur, and was satisfied with the outcome of the assessment. The ARMC unanimously decided to recommend their reappointment as the Company's auditors for the financial year ending 31 December 2026.

Following the ARMC's recommendation, the Board agreed to propose the reappointment of Messrs. Baker Tilly Monteiro Heng PLT as the Company's External Auditors for the financial year ending 31 December 2026. The appointment will be subject to shareholders' approval at the forthcoming 28th AGM, with remuneration and terms to be determined by the Company.

f. Reviewing the Conflict of Interest or Potential Conflict of Interest situation

Pursuant to Paragraph 15.12(1)(h) of the MMLR, the Audit Committee is responsible for reviewing the conflict of interest situation that arose, persist or may arise within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate or mitigate such conflicts.

During the FY2025, the ARMC had reviewed the Group's conflict of interest or potential conflict of interest (excluding a related party transaction) on quarterly basis and the ARMC noted that there were no any conflict of interest or potential conflict of interest that arose, persist or may arise including any transaction, procedure or course of conduct that raises questions of management integrity within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

3. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP

3.1 Encourage Engagement with Shareholders and other Stakeholders

The Board recognizes the importance of maintaining accountability to shareholders and the investing public through direct and effective communication. To ensure transparency, the Group consistently releases quarterly financial results, audited financial statements, corporate developments, and announcements via BURSA LINK.

Additionally, the Company disseminates its Annual Reports, Circulars to Shareholders, and ad hoc press statements through its website at www.ocrbhd.com. This serves as the primary platform for keeping shareholders and the investing public informed about the Group's key developments, financial performance, and overall progress throughout the year.

The General Meetings of the Company serve as the primary platform for interaction between management and both private and institutional investors. The Group Managing Director, alongside other Board members and key management staff, actively engages with shareholders during these meetings to address concerns and uphold accountability for the Company's performance. Additionally, the Company's External Auditors are present to respond to any shareholders inquiries.

In line with good corporate governance practices, the notice for the 27th AGM was issued 28 days in advance of the meeting, which was held on 10 June 2025.

Furthermore, in compliance with Paragraph 8.29A(1) of Bursa Malaysia's MMLR, the Company ensures that all resolutions set out in the notice of general meetings are voted on by poll. At the 27th AGM, all resolutions were duly passed through a polling process.

3.2 Corporate Reporting

The details of governance structure in place to manage the economic, environmental and social risks as well as opportunities were set out in the Sustainability Statement on pages 23 to 81 of this Annual Report.

COMPLIANCE STATEMENT

The Board is of the view that the Group upholds adequate CG and shall remain committed to attaining the highest possible standards through the continuous adoption of the principles and best practices set out in MCCG and all other applicable laws, where applicable and appropriate. This CG Overview Statement was approved by the Board on 22 April 2026.

ADDITIONAL COMPLIANCE INFORMATION DISCLOSURES

AUDIT FEE AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Company's External Auditors and firms affiliated to the External Auditors' firms by the Group and the Company for the financial year ended financial year ended 31 December 2025 ("FY2025") are as follows:-

Type of fees	Company (RM)	Group (RM)
Audit fees	80,000	345,000
- Statutory Audit		
- Review of other information in Annual Report		
Non-audit fees	68,000	68,000
- Review of Statement on Risk Management and Internal Control		
- Report on Review of Condensed Consolidated Interim Financial Statements		
Total	148,000	413,000

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving the interests of Directors, chief executive who is not a Director or major shareholders either still subsisting at the end of the FY2025 or entered into since the end of the previous financial year.

OPTIONS OR CONVERTIBLE SECURITIES

Employees' Share Option Scheme

The Employees' Share Option Scheme ("ESOS") was approved at the Extraordinary General Meeting held on 7 February 2020 and took effect on 10 July 2020. The ESOS is for a duration of five (5) years and expired on 9 July 2025.

Details of the Options offered to eligible persons of the Company are as set out as follows: -

Description	Total No of Share Options	Executive Directors	Key Senior Management	Other Eligible Employees
Options granted	11,000,000	1,800,000	5,000,000	4,200,000
Options exercised	-	-	-	-
Options forfeited/expired	(11,000,000)	(1,800,000)	(5,000,000)	(4,200,000)
Outstanding options unexercised	-	-	-	-

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The Company had obtained a general mandate from its shareholders at the 27th Annual General Meeting ("AGM") held on 10 June 2025 for the Recurrent Related Party Transactions ("RRPTs") of a revenue or trading nature. The details of the RRPTs are disclosed in the Circular to Shareholders dated 30 April 2025.

ADDITIONAL COMPLIANCE INFORMATION DISCLOSURES (Cont'd)

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE (CONT'D)

The RRPTs during FY2025 are as follows:

Name of Related Parties	Related party within OCR Group	Nature of Transaction	Aggregate value made during the FY2025 RM'000	Interested Directors, Major Shareholders and Persons Connected and Nature of relationship
OCR Land Holdings Sdn. Bhd. ("OCRLHSB")	O&C Makok Isola Sdn. Bhd. ("OMISB")	OMISB pays marketing fees to OCRLHSB for advertising and marketing for Isola at KLCC.	-	- Ong Kah Hoe ("OKH") is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 25.218% and indirect interest of 9.647% by virtue of his interest in OCRLHSB, a company in which OKH is deemed interested pursuant to Section 8 of the Companies Act 2016 ("Act"), and his parents and siblings' direct shareholdings. - OKH is a director and major shareholder of OCRLHSB with a direct interest of 35%. The remaining 65% interest in OCRLHSB was held by Ong Kim Chong @ Ong Hwee Choo ("OKC") (35%), Tan Poo Yot ("TPY") (15%), Ong Kah Wee ("OKW") (10%), and Ong Yew Ming ("OYM") (5%). They are persons connected to OKH, the Interested Directors, and Major Shareholders of the OCR Group.
	OCR Development (Kuantan) Sdn. Bhd. ("ODKSB")	ODKSB pays marketing fees to OCRLHSB for advertising and marketing for Vertex at Kuantan City Centre.	-	
	OCR Construction Sdn. Bhd. ("OCRCBS")	OCRCBS pays marketing fees to OCRLHSB for advertising and marketing for The Mate at Damansara Jaya.	300	
	OCR Land Development Sdn. Bhd. ("OCRLDSB")	OCRLDSB pays marketing fees to OCRLHSB for advertising and marketing for Stellar at Damansara.	58	
	Stack Builder Sdn. Bhd. ("SBSB")	SBSB pays marketing fees to OCRLHSB for advertising and marketing for Rumah Selangorku project at Shah Alam.	2,819	
OCR Properties (YOLO) Sdn. Bhd. ("OPYSB")	OCRCBS	OPYSB awards a construction contract for YOLO Signature Suites to OCRCBS.	-	- OKH is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 25.218% and indirect interest of 9.647% by virtue of his interest in OCRLHSB, a company in which OKH is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings. - OKH is a director and major shareholder of OPYSB with a direct interest of 50%. The remaining 50% of interest in OPYSB was held by OKC. OKC is the person connected to OKH, the Interested Directors, and Major Shareholders of the OCR Group.

ADDITIONAL COMPLIANCE INFORMATION DISCLOSURES (Cont'd)

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE (CONT'D)

The RRPTs during FY2025 are as follows: (Cont'd)

Name of Related Parties	Related party within OCR Group	Nature of Transaction	Aggregate value made during the FY2025 RM'000	Interested Directors, Major Shareholders and Persons Connected and Nature of relationship
Vinta construction Sdn. Bhd. ("VCSB")	OCRCBS	OCRCBS awards a construction contract for The Mate at Damansara Jaya to VCSB.	13,329	- OKH is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 25.218% and indirect interest of 9.647% by virtue of his interest in OCRLHSB, a company in which OKH is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings. - OKH is a director and major shareholder of VCSB with a direct interest of 35%. The remaining 65% of interest in VCSB was held by OKC (35%), TPY (15%), OKW (10%) and OYM (5%). They are persons connected to OKH, the Interested Directors, and Major Shareholders of the OCR Group.
	ODKSB	ODKSB awards a construction contract for Vertex at Kuantan City Centre to VCSB.	-	
	OCR Properties (Kuantan) Sdn. Bhd. ("OPKSB")	OPKSB awards a construction contract for PRIYA Kuantan to VCSB.	-	
	SBSB	SBSB awards a construction contract in phases for Rumah Selangorku Project at Shah Alam to VCSB.	-	
	OCRLDSB	OCRLDSB awards a construction contract for Stellar at Damansara to VCSB.	-	
	OCR Avenue Sdn. Bhd. ("OCRASB")	OCRASB intend to award a project management and construction contract for logistics hub located at PT 12, Seksyen 15, Bandar Shah Alam, Daerah Petaling, Negeri Selangor.	-	
Goldcoast Achievements Sdn. Bhd. ("GASB")	OCR	OCR rents office premises from GASB as corporate headquarters.	448	- OKH is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 25.218% and indirect interest of 9.647% by virtue of his interest in OCRLHSB, a company in which OKH is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings. - OKH is a director and major shareholder of GASB with a direct interest of 74%. The remaining 26% of interest in GASB was held by OKC. OKC is person connected to OKH, the Interested Directors, and Major Shareholders of the OCR Group.

ADDITIONAL COMPLIANCE INFORMATION DISCLOSURES (Cont'd)

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE (CONT'D)

The RRPTs during FY2025 are as follows: (Cont'd)

Name of Related Parties	Related party within OCR Group	Nature of Transaction	Aggregate value made during the FY2025 RM'000	Interested Directors, Major Shareholders and Persons Connected and Nature of relationship
Seni Jaya Production Sdn. Bhd. ("SJPSB") and/or Seni Jaya Sdn. Bhd. ("SJSB")	OCR	OCR rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	-	- OKH is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 25.218% and indirect interest of 9.647% by virtue of his interest in OCRLHSB, a company in which OKH is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings. - OKH is the Executive Director of Seni Jaya Corporation Berhad ("SJCB") and a major shareholder of SJCB with a direct interest of 6.232% and indirect interest of 4.503% by virtue of his interest in OCR and OCRLHSB, companies in which OKH deemed interested pursuant to Section 8 of the Act. He is also one of the Directors of SJPSB and SJSB.
	OMISB	OMISB rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	-	
	ODKSB	ODKSB rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	-	
	OCRCBSB	OCRCBSB rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	-	
	OCRLDSB	OCRLDSB rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	-	
	SBSB	SBSB rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	100	
	Wonderland Project Sdn. Bhd. ("WPSB")	WPSB rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	-	
	OCR Templer Sdn. Bhd. ("OCRTSB")	OCRTSB rents the billboard from SJPSB and/or SJSB for advertising and marketing projects purposes.	91	

ADDITIONAL COMPLIANCE INFORMATION DISCLOSURES (Cont'd)

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE (CONT'D)

The RRPTs during FY2025 are as follows: (Cont'd)

Name of Related Parties	Related party within OCR Group	Nature of Transaction	Aggregate value made during the FY2025 RM'000	Interested Directors, Major Shareholders and Persons Connected and Nature of relationship
Elegant Reward Sdn. Bhd. ("ERSB")	OCR	OCR intends to rent The Mate office and retail units from ERSB for office use, with the intention of relocating its entire operations to The Mate.	-	- OKH is the Group Managing Director of OCR and a major shareholder of OCR with a direct interest of 25.218% and indirect interest of 9.647% by virtue of his interest in OCRLHSB, a company in which OKH is deemed interested pursuant to Section 8 of the Act, and his parents and siblings' direct shareholdings. - OKH is a director and major shareholder of ERSB with a direct interest of 81%. The remaining 19% of interest in ERSB was held by OYM. OYM is person connected to OKH, the Interested Directors, and Major Shareholders of the OCR Group.

Further information on the proposed new and renewal of shareholders' mandate for the RRPTs to be tabled at the forthcoming AGM is set out in the Circular to Shareholders dated 30 April 2026.

ADDITIONAL COMPLIANCE INFORMATION DISCLOSURES (Cont'd)

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

		Group	
		2025	2024
Total Income	Remarks	(RM)	(RM)
Revenue		184,870,209	94,560,632
Interest income		479,970	500,294
Other income		7,480,406	3,026,568
Others	Fair value gain on investment properties	-	11,371,419
Total		192,830,585	109,458,913
Total Assets		702,263,230	682,022,036

(b) Business Activities

		Group	
		2025	2024
Shariah Non-Compliant Activities	Remarks	(RM)	(RM)
Interest income		52,389	79,859
Total		52,389	79,859

(c) Component of Financial Position

(i) Cash Component

		Group	
		2025	2024
	Remarks	(RM)	(RM)
Islamic Account/Instruments			
Cash at bank (exclude cash in hand)		3,545,477	293,458
Deposits with licensed bank		17,998,795	17,201,943
Cash held under Islamic Housing Development Accounts		269,017	431,574
Total		21,813,289	17,926,975
Conventional Account/Instruments			
Deposits with licensed bank		665,288	960,961
Cash at bank (exclude cash in hand)		9,128,919	9,081,601
Cash held under Conventional Housing Development Accounts		509,638	452,969
Total		10,303,845	10,495,531

ADDITIONAL COMPLIANCE INFORMATION DISCLOSURES (Cont'd)

(c) Component of Financial Position (Cont'd)

(ii) Debt Component

		Group	
		2025	2024
Islamic Financing	Remarks	(RM)	(RM)
Current			
Bank borrowings		17,452,083	12,240,000
Trust receipt		4,279,452	4,428,013
Revolving credit and financing		15,000,000	23,560,879
Bank overdrafts		9,879,463	9,768,885
Non-Current			
Bank borrowings		17,573,373	24,627,117
Total		64,184,371	74,624,894

		Group	
		2025	2024
Conventional Borrowing	Remarks	(RM)	(RM)
Current			
Term loans		27,918,619	17,038,298
Bridging loans		2,833,500	-
Hire purchase payables		91,247	1,307,030
Non-Current			
Bridging loans		7,995,368	3,075,191
Term loans		110,139,040	89,785,490
Hire purchase payables		54,042	145,290
Total		149,031,816	113,351,309

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors ("**Board**") of OCR Group Berhad ("**OCR**" or "**the Company**") is pleased to present the Audit and Risk Management Committee Report for the financial year ended 31 December 2025 ("**FY2025**").

A. MEMBERS AND MEETING ATTENDANCE

The Audit and Risks Management Committee ("**ARMC**") comprised three (3) members, all of whom are Independent Non-Executive Directors. The Chairman of the ARMC is a member of the Malaysian Institute of Accountants. The current composition complies with the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**").

The members of the ARMC and their attendance at the four (4) meetings held during the FY2025 are as follows:-

Designation	Directors	No. of meetings attended
Chairman	Julian Koh Lu Ern - Independent Non-Executive Director	5/5
Member	YAM Tunku Azudinshah Ibni Tunku Annuar – Independent Non-Executive Director	5/5
	Encik Hj. Abdullah Bin Abdul Rahman – Independent Non-Executive Director	5/5

The members of the ARMC were provided with notices and agendas approximately seven (7) days before each meeting. Minutes of each ARMC meeting were recorded and presented for confirmation at the subsequent ARMC meeting. These minutes were also tabled at the Board meetings for the Directors' notation. Additionally, the ARMC Chairman reported key issues discussed during the ARMC meeting to the Board.

By invitation, the representatives of the Finance Department attended all meetings throughout the financial year to present reports on financial results and other matters for the ARMC's deliberation and approval. Additionally, when required, other Key Senior Management and representatives of the External and Internal Auditors were invited to attend these meetings to brief the ARMC on specific issues.

The ARMC has established a transparent and appropriate relationship with the Group's External Auditors. During the audit of the Group's operations, the External Auditors highlighted key audit issues and concerns requiring the ARMC's attention. Additionally, the External Auditors had the opportunity to hold private discussions with the ARMC in the absence of Management, if necessary. This ensures effective communication and collaboration between the ARMC and the External Auditors.

The Internal Auditors were also invited to attend ARMC meetings. Throughout FY2025, the Internal Auditor participated in two (2) meetings to present their Internal Audit reports. They also provided recommendations on the actions and steps taken by Management in response to Internal Audit findings. This collaborative approach ensures that the ARMC remains well-informed about internal audit matters and can effectively oversee Management's responses to audit findings.

Conversely, the External and Internal Auditors may also request a meeting with the ARMC if deemed necessary.

B. RIGHTS, AUTHORITIES AND TERMS OF REFERENCE

The functions of the ARMC are as set out in the Terms of Reference of the ARMC, of which a copy can be found on the Company's website at www.ocrbhd.com.

C. SUMMARY OF ACTIVITIES OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The work carried out by the ARMC in discharging its duties and functions with respect to their responsibilities during the financial period under review was summarised as follows:

a) Financial Results

- Reviewed and recommended unaudited quarterly financial results and audited financial statements before recommending to the Board for consideration and approval for release to Bursa Malaysia; and

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

C. SUMMARY OF ACTIVITIES OF THE AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

a) Financial Results (Cont'd)

- Deliberated on significant matters raised by the External Auditors including financial reporting issues, significant judgements made by Senior Management, significant and unusual events or transactions and management's reports and updates on actions recommended by the External Auditors for improvement.

b) Risk Management and Internal Audit

- Reviewed and adopted the internal audit plan and the Internal Auditors' scope of work;
- Reviewed and discussed with the Internal Auditor, its audit findings and issues arising during the audit;
- Reviewed the adequacy and effectiveness of corrective actions taken by Senior Management on all significant matters raised by the Internal Auditor;
- Reviewed the Statement on Risk Management and Internal Control to ensure that it is consistent with their understanding of the state of internal control of the Group and recommended the same to the Board for inclusion in the Annual Report;
- Conducted the annual performance assessment; and
- Reviewed the adequacy and effectiveness of the risk management process to ensure that management is implementing a systematic methodology for identifying, assessing, and mitigating risk areas.

c) External Audit

- Reviewed and approved the External Auditor's scope of work and audit plan prior to commencement of the annual audit;
- Reviewed and discussed with the External Auditor, the results of the audit, the audit report and findings noted during its audit and reported the same to the Board;
- Evaluated the independence and performance of the External Auditor and recommended its fees and re-appointment to the Board for approval; and

- Met the External Auditor without the presence of Executive Directors and Senior Management to have a frank and candid dialogue, and to exchange free and honest views and opinions.

d) Annual Report

- Reviewed relevant statements/reports including financial statements of this Annual Report; and
- Reviewed the Corporate Governance Report as required by Paragraph 15.25 of MMLR of Bursa Malaysia.

e) Recurrent Related Party Transactions ("RRPTs")

- Reviewed and discussed when a RPT is transacted by the Group;
- Reviewed the RRPTs involving the Group to ensure that the transactions entered into were at arm's length basis and on normal commercial terms and not detrimental to the interest of minority shareholders of the Company;
- Reviewed on a quarterly basis the actual transacted value of RRPTs matching them against the shareholders' mandate to ensure compliance with the MMLR of Bursa Malaysia and to ensure an immediate announcement, in the event the actual value of a mandated RRPT exceeds the estimated value of the RRPT disclosed in the previous year's RRPT Circular to Shareholders, which shareholder has approved, by ten percent (10%) or more; and
- Reviewed the Circular to shareholders in relation to the new and renewal of shareholders' mandate for RRPT prior to its recommendation to the Board for approval.

f) Conflict of Interest or Potential Conflict of Interest situation

- Reviewed the Group's conflict of interest or potential conflict of interest (excluding a related party transaction) on a quarterly basis.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

C. SUMMARY OF ACTIVITIES OF THE AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

g) Others

- Reviewed and recommended the Corporate Governance Overview Statement, ARMC Report and Statement on Risk Management and Internal Control to the Board for approval and inclusion in the Annual Report 2025.

D. INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to a professional firm named Needsbridge Advisory Sdn. Bhd. ("Internal Auditor"). The primary responsibility of Internal Auditor is to assist the Board and the ARMC in reviewing the systems of internal control and providing recommendations to strengthen these systems. The three (3) main functions of the Internal Auditor are as follows:-

- Assess and report on the effectiveness of the design and operation of the framework of controls which enable risks to be assessed and managed;
- Assess and report on the effectiveness of management actions to address deficiencies in the framework of controls; and
- Investigate and report on cases of suspected employee fraud and malpractice, if any.

The scope of review conducted by the outsourced internal audit function, as outlined in the internal audit plan, is determined and approved by the ARMC with input from the management.

The Internal Auditor highlighted their audit findings to the ARMC and requested the formulation of management action plans to ensure an adequate and effective internal control system within the Group and to mitigate risks arising from any identified weaknesses. Subsequently, a follow-up review was conducted to ensure that these weaknesses were appropriately addressed and that recommendations from the internal audit reports, along with corrective actions, were implemented within the required timeframe by the Management.

The summary of works that had been undertaken by the outsourced internal audit function during the FY2025 included the following: -

- Internal control review for the business processes/subprocesses of Project Management, Site Management and Procurement Management of OCR Land Development Sdn. Bhd.
- Internal control review for the business processes/subprocesses of Sales and Marketing Management of OCR Construction Sdn. Bhd.
- Action Plan Progress Follow-Up Report for the previous internal audit findings

Furthermore, the performance of the internal audit function is formally evaluated by the ARMC on a yearly basis.

The total costs incurred by the Internal Auditor in discharging its functions and responsibilities in respect of the FY2025 was RM32,000.

Further details of the internal audit function and its activities are provided in the Statement on Risk Management and Internal Control, set out in page 107 to 112 of this Annual Report.

E. CONFLICT OF INTEREST

Pursuant to Paragraph 15.12(1)(h) of the MMLR of Bursa Malaysia, the Audit Committee is responsible for reviewing the conflict of interest situation that arose, persist or may arise within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate or mitigate such conflict.

During the FY2025, the ARMC had reviewed the Group's conflict of interest or potential conflict of interest (excluding a related party transaction) on quarterly basis and the ARMC noted that there were no any conflict of interest or potential conflict of interest that arose, persist or may arise including any transaction, procedure or course of conduct that raises question of management integrity within the Group.

This ARMC Report is dated 22 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("Board") of OCR Group Berhad ("the Company"), in compliance with Paragraph 15.26(b) and Practice Note 9 of Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), is pleased to provide the following Statement on Risk Management and Internal Control ("Statement").

The Statement outlines the nature and scope of risk management and internal control of the Company and its subsidiaries (collectively with its subsidiaries, "the Group") for the financial year under review and up to the date of approval of this Statement. The Group is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies as required by Bursa Malaysia. The Group is also in compliance with the principles and practices relating to risk management and internal control as stipulated in the Malaysian Code on Corporate Governance 2021 ("MCCG").

BOARD'S RESPONSIBILITY

The Board, being the highest-level governing body responsible for setting strategy, overseeing management and protecting the interest of shareholders and other stakeholders, affirms its overall responsibility of maintaining a sound risk management and internal control system and reviewing their adequacy and effectiveness to achieve the Group's corporate objectives and strategies. Furthermore, it is also the responsibility of the Board to safeguard all the stakeholders' interests and protecting the Group's assets and to establish the risk appetite of the Group. The Board is committed to the establishment and maintenance of an appropriate control environment and framework that is embedded into the Group's corporate culture, processes, and strategies.

The Board recognises that this system is designed to manage, rather than eliminate, the risks of not adhering to the Group's policies and achieving goals and objectives within the risk appetite established by the Board and Management. Therefore, the system provides reasonable, but not absolute, assurance against the occurrence of any material misstatement of loss or fraud. The process is regularly reviewed by the Audit and Risk Management Committee ("ARMC") and the Board.

Key Senior Management assists the Board in implementing the Board's approved policies and procedures on governance, risk and control by identifying and analysing risk information; designing

and operating suitable internal controls to manage and control these risks; and monitoring effectiveness of governance, risk management and control activities. On the other hand, the ARMC, through its terms of reference approved by the Board, is delegated with the duty to review the adequacy and effectiveness of risk management and internal control system of the Group and to provide assurance to the Board on the adequacy and effectiveness of such risk management and internal control system.

The Board does not review the risk management and internal control system of its associated companies as the Group does not have management control over the associated companies. Notwithstanding that, the Group's interests are served through representation on the Board of the associated companies and provides the Board with information on the performance of the Group's investments on an equity basis.

RISK MANAGEMENT

The Board recognise risk management as an integral part of system of internal control and good management practice in pursuit of its strategies and business objectives. The Board maintains an on-going commitment for identifying, evaluating and managing significant risks faced by the Group systematically during the financial year under review.

The Group incorporated an Enterprise Risk Management ("ERM") framework, as the governance structure and processes for group wide risk management, to proactively identify, evaluate and manage key risks and assess their likelihood and magnitude of impact to protect and create value for our stakeholders, including owners, employees, customers, regulators, and society overall.

The structured risk management process as defined in the ERM Framework is employed by the Group MD and Key Senior Management for risk identification, risk assessment, control identification, risk treatment and control activities. Risk assessment, at gross and residual level, is guided by the likelihood rating and impact rating established based on the risk appetite approved by the Board. Based on the risk management process, Key Risk Registers were compiled by Group MD and Key Senior Management, with the relevant key risks identified rated based on the agreed upon risk rating. Key Risks Register are used for the identification of high residual risks which are above the risk appetite of the Group that requires the ARMC and the Board's immediate attention and risk treatment as well as for future risk monitoring.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

RISK MANAGEMENT (CONT'D)

At strategic level, business plans, business strategies and development proposals with risks and opportunities as well as sustainability consideration are formulated by the Key Senior Management and presented to the Group MD and the Board for review and approval to ensure proposed plans and strategies are in line with the Group's risk appetite approved by the Board. In addition, specific strategic and key operational risks and opportunities are highlighted and deliberated by ARMC and/or the Board during the review of the financial performance of the Group in the scheduled meetings.

Respective heads of departments/divisions (i.e. risk and opportunity owners) are responsible for managing the risks under their responsibilities. Risk and opportunity owners are responsible for effective and efficient operational monitoring and management by way of maintaining effective internal controls and executing risk and control procedures on a day-to-day basis. Changes in key operational risks or emergence of new key business risks are identified through daily operational management and controls and review of financial and operational reports by respective level of Management, generated by internal management information system, supplemented by external data and information collected. Respective risk and opportunity owners are responsible to assess the changes to the existing operational risks and emerging risks and to formulate and implement effective controls to manage these risks. Critical and material risks are highlighted to the Group MD for the final decision on the formulation and implementation of effective internal controls and reported to the Board by the Group MD.

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

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

Please refer to the Management Discussion and Analysis for the anticipated or known risks faced by the Group.

ADEQUATE PROCEDURES ("APS") MITIGATING CORPORATE LIABILITY

The provision of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") which effected on 1 June 2020, encompasses duty on the Directors, controllers and Management of the Group to encourage compliance with anticorruption laws and ensure that APs are in place to detect, prevent and minimise any possible corrupt practices that might be committed by any employees of the Group. In light of this, the Group has embarked on establishing the APs based on the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under MACC Act issued by the Prime Minister's Department.

The Group has conducted corruption risk assessment and set up the control measures with Whistle-blower Policy and Guidelines, Code of Conduct and Ethics and Anti-Bribery and Anti-Corruption Policy and Guidelines implemented. Besides, the Group will systematically review and monitor the progress and enforcement of the APs with on-going training and communication to all levels of the employees. The list of preventive actions is not exhaustive, as any measure that can prevent corruption is encouraged and the relevant new policies will be adopted to ensure the APs carried out are effective and relevant.

INTERNAL CONTROL

Management reports key financial data, performance indicators and regulatory matters to the Board. This is to ensure that matters requiring the Board's attention are highlighted for review, deliberation and decision on a timely basis. The Board approves appropriate responses or amendments to the Group's policies. Besides, the results of the Group are reported quarterly and any significant fluctuations are analysed and acted on in a timely manner. Issues relating to the business operations are highlighted to the Board's attention during Board meetings. Further, independent assurance is provided by the Group's External Auditors, internal audit function and the ARMC to the Board. The ARMC reviews internal control matters and updates the Board on significant control gaps for the Board's attention and action.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

INTERNAL CONTROL (CONT'D)

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

- **Board of Directors/Board Committees**

The role, functions and composition of the Board are guided by formal Board Charter whereby roles and responsibilities of the Board are specified to preserve the independence of the Board from the Management.

The delegation of responsibilities to the various committees of the Board is clearly defined in the terms of reference of respective Board Committees. At present, the committees which are established are the ARMC, Remuneration Committee and Nominating Committee.

- **Board Meetings**

The Board meets at least quarterly and has a formal agenda on matters for discussion. Board Meetings are carried out on scheduled and as and when required basis, to review the performance of the Group, from financial and operational perspective.

- **Integrity and Ethical Value**

The tone from the top on integrity and ethical value are enshrined in formal Code of Conduct and Ethics established and approved by the Board. This formal code forms the foundation of integrity and ethical value for the Group. Conducts expected of the employees in carrying out their duties and responsibilities assigned are also established and formalised in Employee Handbook.

To further enhance the ethical value throughout the Group, formal Anti-Bribery and Corruption Policy and Guidelines was put in place by the Board to prevent the risk of bribery within the Group. A Whistle-blower Policy and Guidelines was established to provide clarity of oversight of the whistleblowing process, protection and the confidentiality provided to whistleblowers and to provide a protocol to employees and stakeholders

to raise genuine possibilities of improprieties, malpractices and misconduct within the Group for remedial action. The above policies are available on the Company's website at www.ocrbhd.com.

Compliance of Code of Conduct and Ethics and Anti-Bribery and Corruption Policy and Guidelines are monitored via control activity monitoring mechanism implemented with non-compliances timely detected and investigated with appropriate corrective action, including but not limited to disciplinary actions.

During the financial year under review, there was no substantiated incident reported via the whistleblowing procedure.

- **Organisation Structure, Accountability and Authorisation**

The Group has formal organisation structures, supported by job descriptions for key positions, in place to ensure appropriate level of authorities and responsibilities are delegated accordingly to competent staffs in achieving operational effectiveness and efficiency. The Group is committed to employing suitably qualified staff so that the appropriate level of authorities and responsibilities can be delegated while accountability of performance and controls are assigned accordingly to competent staffs to ensure operational efficiency. Furthermore, there is close involvement in daily operations of the Group by the Group MD and Key Senior Management.

The authorisation requirement of the key internal control points of key business processes are included in Signature Mandate and as part of the policies and procedures established by the Group, which are update from time to time to align with the risk appetite of the Board and response to the enhancement of controls and operational requirements.

- **Risk Assessment and Control Activities**

Risk assessment is performed by risk owners at scheduled intervals or when there is a change in internal and/or business context in accordance with ERM Framework. Internal controls, as risk responses, are formulated and put in place to mitigate risks identified to a level acceptable by the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

INTERNAL CONTROL (CONT'D)

- Risk Assessment and Control Activities (Cont'd)

The Group's policies and procedures are regularly reviewed and updated to ensure it continues to support the Group's business activities in achieving the Group's business objectives.

In compliance with the ISO certifications, the Group has documented policies and procedures developed and maintained in line with its ISO certifications with authorization requirement for key processes stated therein. For business processes not under the ISO certifications, the Management develops and maintains documented process flow for key business processes employed with relevant authorisation requirement, if applicable.

- Human Resource Management

The Group put in place human resource policy and procedures via standard operating procedure and Employee Handbook to ensure the Group's ability to operate in an effective and efficient manner by employing and retaining adequate competent employees possessing necessary knowledge, skill and experience in order to carry out their duties and responsibilities assigned effectively and efficiently. Performance evaluations are carried out for staffs of all levels to identify performance gaps, training needs and talented development.

- Information and Communication

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

The Group puts in place effective and efficient information and communication infrastructures and channels, i.e. computerised information system, secured intranet, electronic mail system and modern telecommunication, so that operation data and management information can be communicated timely and securely to dedicated personnel within the Group for decision making

and for communication with relevant external stakeholders for execution and information collection. Apart from that, relevant financial and management reports are generated for different levels of organisation structure for review and decision making. The Board and Key Senior Management meetings are held for effective two-way communication of information at different levels.

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

- Monitoring and Review

Periodical Key Senior Management meetings are held to discuss and review financial and operational performance of key divisions/ departments of the Group.

Apart from the above, the quarterly financial performance review containing key financial results and previous corresponding financial results are presented to the ARMC for review and the Board for approval before public release.

Furthermore, internal audits are carried out by internal audit function (which reports directly to the ARMC) to assess the adequacy of internal controls in relation to specific critical control processes and highlight significant risks impacting the Group to the ARMC as well as recommending improvements to various processes to minimise the risks.

The monitoring of compliance with relevant laws and regulations is further enhanced by independent review of specific areas of safety, health and environment by independent consultants engaged by the Group and/or relevant regulatory bodies.

- Training and Development Programmes

Training and development programmes have been established to ensure that staff are kept up-to-date with the constant technology and regulatory changing environment in order to be competent in the industry in line with the Group's business objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

INTERNAL AUDIT FUNCTION

The ARMC evaluates the effectiveness of the internal audit function in relation to their defined responsibilities. The independent internal audit function is outsourced to a professional audit firm, NeedsBridge Advisory Sdn. Bhd., which carries out the internal audit reviews based on internal audit plans approved by the ARMC.

The outsourced internal audit function is reporting to the ARMC directly and the engagement director, Mr. Pang Nam Ming is a Certified Internal Auditor with Certification in Risk Management Assurance accredited by the Institute of Internal Auditors Global and a professional member of the Institute of Internal Auditors Malaysia. The internal audits are carried out, in material aspects, in accordance global guidance of International Practices Framework ("IPPF"), i.e. Global International Audit Standards and Topical Requirements established by the Institute of Internal Auditors Global. The audit engagement of the outsourced internal audit function is governed by the engagement letter with key terms including purpose and scope of works, accountability, independence, the outsourced internal audit function's responsibilities, the management's responsibilities, the authority accorded to the outsourced internal audit function, limitation of scopes of works, confidentiality, proposed fees and engagement team. The appointment and resignation of the internal audit function as well as the proposed audit fees are subject to review by the ARMC and for its reporting to the Board for ultimate approval. During the financial year under review, the manpower allocated to the fieldworks of the internal audit function was one (1) senior consultant assisted by at least one (1) consultant per engagement with oversight performed by the director.

The outsourced internal audit function adopts the risk-based internal audit approach to develop its audit plan which addresses the critical business processes, internal control gaps, effectiveness, and adequacy of the existing state of internal control and recommends possible improvements to the internal control process. Each internal audit cycle within the internal audit plan is specific with regard to audit objectives, key risks assessed and scopes of the internal control review. The results of the audits are presented to the ARMC at their meeting.

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

Follow-up reviews are also carried out to assess the status of implementation of management action plans, which are based on internal audit recommendations. The results of these follow-up reviews are also highlighted to the ARMC at their meetings.

In addition, during the ARMC meeting, the outsourced internal audit function reported its staff strength, qualification and experience as well as continuous professional education for the ARMC to review. Based on the formal assessment of the internal audit function performed by ARMC during the financial year, the ARMC concluded that the internal audit function had performed and carried out their work professionally and met the expectation of the ARMC.

During the financial year ended 31 December 2025 ("FY2025"), the outsourced internal audit function conducted internal control reviews in relation to sales and marketing and anti-bribery and corruption management of one of its operating subsidiaries of the Group in Malaysia in accordance with the Internal Audit Plan dated 26 February 2025 reviewed by the ARMC and approved by the Board.

The cost incurred in maintaining the outsourced internal audit function for FY2025 amounted to RM32,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

ASSURANCE PROVIDED BY GROUP MANAGING DIRECTOR AND CONCLUSION

In concluding this Statement, the Board has received assurance from the Group MD, being the highest-ranking executive in the Company and being the person primarily responsible for the management of the financial affairs of the Company, stating that the Group's risk management and internal control system is operating adequately and effectively in all material aspects. For the financial year under review, there were no material losses resulting from significant control weaknesses.

Based on the review of the risk management activities and results, results of the internal audit activities, monitoring and review mechanism stipulated above and assurance provided by the Group MD, the Board is satisfied that the risk management and internal control systems are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

The Board is also satisfied that the existing levels of system of risk management and internal controls including material associated companies are effective to enable the Group to achieve its business objectives. The Board continues to be committed toward maintaining a sound system of risk management and internal controls as well as carrying out measures to strengthen these systems. However, the Board wishes to point out that all risk management system and system of internal controls could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, these systems of risk management and internal control in the Group provide only reasonable but not absolute assurance against material misstatements of frauds and losses.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement for inclusion in the 2025 Annual Report, and have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate.

The Statement was approved by the Board at its meeting on 22 April 2026.



STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required pursuant to the Companies Act 2016 (**"the Act"**) to prepare the financial statements for each financial year in accordance with the applicable approved accounting standards in Malaysia.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year, and of the results and cash flows of the Company and the Group for the financial year.

In ensuring the preparation of these financial statements, the Directors have observed the following criteria:

- overseeing the overall conduct of the Group and the Company's business
- appropriate accounting policies and practices have been adopted and applied consistently;
- the statements are supported by reasonable and prudent judgements and estimates;
- all applicable accounting standards have been followed, subject to any material departure and explained in the financial statements;
- reviewing the adequacy and integrity of internal control systems and management information system in the Company and within the Group; and
- a going-concern basis has been adopted unless it is inappropriate to presume that the Group will continue its business.

The Directors are also responsible for ensuring that the Group and the Company keep proper accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy at any time, thus enabling the financial statements to be complied with the requirements of the Act and have been made out in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are also responsible for taking the necessary steps to ensure appropriate systems are in place to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 December 2025, then Group and the Company have used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries include construction of residential and commercial properties, property development, property investment, investment holding, property and real estate management and leasing of temporary structure space to tenants.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year, net of tax	4,287,246	(12,834,323)
Attributable to:		
Owners of the Company	(944,601)	(12,834,323)
Non-controlling interests	5,231,847	-
	4,287,246	(12,834,323)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 December 2025.

RESERVES OR PROVISIONS

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

DIRECTORS' REPORT (Cont'd)

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

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

DIRECTORS' REPORT (Cont'd)

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is 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 AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year were RM413,000 and RM148,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS' REPORT (Cont'd)

WARRANTS 2024/2027 ("Warrants E")

Pursuant to a Deed Poll dated 16 August 2024 ("Deed Poll"), the Company issued 1,336,346,717 new Warrants ("Warrants E") to the entitled shareholders of the Company pursuant to the renounceable rights issue with free detachable warrants.

The salient features of the Warrant E as stated in the Deed Poll are as follows:

- (i) Each Warrant E entitles the registered holder to subscribe for one ordinary share at an exercise price of RM0.035 per ordinary share;
- (ii) The exercise price and the number of Warrants E are subjected to adjustment in accordance with the conditions provided in the Deed Poll;
- (iii) Where a resolution has been passed for a members' voluntary winding-up of the Company or there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then:
 - (a) for the purposes of such a winding-up, compromise or arrangement (other than a consolidation, amalgamation or merger in which the Company is the continuing corporation) to which the Warrant Holders, or some persons designated by them for such purposes by a Special Resolution, shall be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrant Holders; and
 - (b) in the event a notice is given by the Company to its Shareholders to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, and in any other case and subject always to clauses 7.2 and 7.5 and the Conditions, every Warrant Holder shall thereupon be entitled to exercise this Warrants at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of the Company or within 6 weeks after the granting of the court order approving the winding-up, compromise or arrangement, whereupon the Company shall allot the relevant New Shares to the Warrant Holder credited as fully paid subject to the prevailing laws, and such Warrant Holder shall be entitled to receive out of the assets of the Company which would be available in liquidation if the Warrant Holder had on such date been the holder of the New Shares to which the Warrant Holder would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. Upon the expiry of the aforesaid six weeks, all Subscription Rights shall lapse and cease to be valid for any purpose.
- (iv) The exercise period is approximately three years from the date of issue expiring on 1 October 2027; and
- (v) Any Warrants E not exercised during the exercise period will thereafter lapse and cease to be valid.

The Warrants E were granted for listing and quotation with effect from 7 October 2024.

The number of unexercised Warrants E at the end of the reporting date is 1,336,346,717 (2024: 1,336,346,717).

DIRECTORS' REPORT (Cont'd)

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:

Ong Kah Hoe *
Tunku Azudinshah Ibni Tunku Annuar
Abdullah Bin Abdul Rahman
Julian Koh Lu Ern
Chan Lian Sei

* Directors of the Company and certain subsidiaries

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Abdul Hamid Bin Busu
Badrushah Bin Abdul Rahim
Ong Kah Wee
Ong Yew Ming
Tan Chin Hoong
Toh Foo Hing
Low Ven Sin
Poo Kun Wei

(Appointed on 4 June 2025)
(Appointed on 4 June 2025)

DIRECTORS' REPORT (Cont'd)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares and/or warrants in the Company and its related corporations during the financial year were as follows:

Interests in the Company

	Number of ordinary shares		
	At 1.1.2025	Bought	Sold
The Company			
Direct interests:			
Ong Kah Hoe	842,508,549	-	-
Indirect interests:			
Ong Kah Hoe *	322,289,400	-	-

	Number of Warrants 2024/2027		
	At 1.1.2025	Entitled	Exercised
The Company			
Direct interests:			
Ong Kah Hoe	4,654,400	-	-
Indirect interests:			
Ong Kah Hoe *	203,222,700	-	-

* *Deemed interests by virtue of his direct substantial shareholding in OCR Land Holdings Sdn. Bhd. and via his parents and siblings.*

By virtue of his interests in the shareholdings of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Ong Kah Hoe is deemed to have an interest in the ordinary shares of its subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares and/or warrants of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' REPORT (Cont'd)

DIRECTORS' BENEFITS (CONTINUED)

The directors' benefits of the Group and of the Company were as follows:

	Group RM	Company RM
Directors of the Company		
Executive directors		
- Salaries and other emoluments	1,200,000	600,000
- Contribution to defined contribution plans	144,000	72,000
- Others	3,486	2,093
- Fees	42,000	42,000
	1,389,486	716,093
Non-executive directors		
- Fees	126,000	126,000
- Others	7,200	7,200
	133,200	133,200
	1,522,686	849,293

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the 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 TO DIRECTORS AND OFFICERS

During the financial year, no indemnity was given to, or insurance affected for, any directors or officers of the Group and the Company.

SUBSIDIARIES

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

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
OCR Commerce Sdn. Bhd. ("OCSB")	Malaysia	100	100	Dormant
OCR Construction Sdn. Bhd. ("OCCSB")	Malaysia	100	100	Construction of residential and commercial properties and property development

DIRECTORS' REPORT (Cont'd)

SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
OCR Development (Kuantan) Sdn. Bhd. ("ODKSB")	Malaysia	70	70	Property development and property investment
Tristar City Sdn. Bhd. ("TCSB")	Malaysia	100	100	Property development and property investment
Grand Superland Sdn. Bhd. ("GSSB")	Malaysia	100	100	Construction of residential and commercial properties and property development and investment holding
Pangkal Teguh Sdn. Bhd. ("PTSB")	Malaysia	70	70	Construction of residential and commercial properties, property and real estate management
Kita Mampan Sdn. Bhd. ("KMPSB")	Malaysia	85	85	Construction of residential and commercial properties
O&C Makok Isola Sdn. Bhd. ("OMISB") #	Malaysia	50.01	50.01	Property development
Sunrise Meadow Sdn. Bhd. ("SMSB")	Malaysia	100	100	Property development and property investment
Kirana Masyhur Sdn. Bhd. ("KMSB")	Malaysia	100	100	Dormant

DIRECTORS' REPORT (Cont'd)

SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
OCR Properties (Kuantan) Sdn. Bhd. ("OPKSB")	Malaysia	90	90	Property development and property investment
OCR Ventures Sdn. Bhd. ("OVSB")	Malaysia	100	100	Property development and property investment
OCR (The Mate) Sdn. Bhd. ("OTMSB")	Malaysia	-	100	Dormant
Junjung Simfoni Sdn. Bhd. ("JSSB")	Malaysia	100	100	Dormant
OCR Land Development Sdn. Bhd. ("OLDSB")	Malaysia	100	100	Property development
Wonderland Projects Sdn. Bhd. ("WPSB")	Malaysia	100	100	Property investment holding and leasing of temporary structure space to tenants
Stack Builder Sdn. Bhd. ("SBSB")	Malaysia	50.495	50.495	Property development
OCR Selayang Industrial Park Sdn. Bhd. ("OSIPSB") ^	Malaysia	50	50	Investment holding, receiving rental and property development
Subsidiary of Kirana Masyhur Sdn. Bhd.				
Mampan Esa (Melaka) Sdn. Bhd. ("MEMSB")	Malaysia	100	100	Real estate management

DIRECTORS' REPORT (Cont'd)

SUBSIDIARIES (CONTINUED)

The details of the Company's subsidiaries are as follows (continued):

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
Subsidiaries of Grand Superland Sdn. Bhd.				
Visi Anggun Properties Sdn. Bhd. ("VAPSB")	Malaysia	80	80	Dormant
Greatway Capital Sdn. Bhd. ("GCSB")	Malaysia	100	100	Dormant
Serba Simfoni Sdn. Bhd. ("SSSB")	Malaysia	100	100	Dormant
OCR Avenue Sdn. Bhd. ("OASB")	Malaysia	100	100	Property investment
OCR Templer Sdn. Bhd. ("OTSB")	Malaysia	100	100	Property development
OCR Asra Sdn. Bhd. ("OCASB")	Malaysia	100	-	Property development
Subsidiary of Serba Simfoni Sdn. Bhd.				
Fotopop (M) Sdn. Bhd. ("FMSB")	Malaysia	100	100	Dormant
Subsidiary of Kita Mampan Sdn. Bhd.				
AES Builders Sdn. Bhd. ("AES")	Malaysia	100	100	Construction of residential and commercial properties

The Group consolidated 100% of OMISB as the non-controlling interest shareholder has no control over OMISB pursuant to a Shareholders' Agreement entered between the non-controlling interest shareholder and the Company.

^ The Group consolidated 50% of OSIPSB as the Company has control over OSIPSB pursuant to a Shareholders' Agreement entered between the non-controlling interest shareholder and the Company.

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

DIRECTORS' REPORT (Cont'd)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(i) Incorporation of a new subsidiary

On 13 February 2025, Grand Superland Sdn. Bhd., a wholly owned subsidiary of the Company incorporated a private limited liability company known as OCR Asra Sdn. Bhd. ("OCASB"). As a result of the incorporation, OCASB became an indirect subsidiary of the Company.

(ii) Disposal of a subsidiary

The Company disposed its entire shareholdings in OCR (The Mate) Sdn. Bhd. ("OTMSB") to a director of the Company a total of 1 ordinary share, representing 100% of issued and paid-up capital in OTMSB for consideration of RM1. The disposal was completed on 26 March 2025 and OTMSB ceased to be subsidiary of the Company.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

- (i)** On 24 March 2026, OCR Avenue Sdn. Bhd., an indirect wholly-owned subsidiary of the Company entered into a Sales and Purchase Agreement ("SPA") to dispose 4.58 acres of the leasehold land held under PT12, Seksyen 15, Bandar Shah Alam, Daerah Petaling, Selangor Darul Ehsan for a total consideration of RM45,000,000.
- (ii)** On 25 March 2026, the Company entered into a heads of agreement with a third party for the proposed acquisition of 49% equity interest in Chester Properties Sdn. Bhd. for a purchase consideration to be negotiated and agreed upon which will be satisfied entirely via issuance of new ordinary shares in the Company.

DIRECTORS' REPORT (Cont'd)

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

.....
ONG KAH HOE
Director

.....
TUNKU AZUDINSHAH IBNI TUNKU ANNUAR
Director

Date: 22 April 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	555,000	1,545,340	273,562	123,778
Right-of-use assets	6(a)	9,513,821	9,678,380	-	-
Investment properties	7	234,655,556	227,444,173	-	-
Inventories	8	23,090,180	23,090,180	-	-
Investment in subsidiaries	9	-	-	231,649,530	176,450,409
Investment in associates	10	132,041	134,617	-	-
Other receivables	11	7,069,232	6,073,057	-	-
Other investments	12	5,835,122	2,376,000	5,835,122	2,376,000
Total non-current assets		280,850,952	270,341,747	237,758,214	178,950,187
Current assets					
Inventories	8	199,128,770	207,032,214	-	-
Current tax assets		409,238	389,186	-	28,994
Trade and other receivables	11	139,864,801	141,899,472	82,870,955	141,883,389
Prepayments		337,551	350,755	959	-
Contract assets	13	40,042,458	22,799,710	-	-
Contract costs	14	9,512,326	10,786,446	-	-
Cash and short-term deposits	15	32,117,134	28,422,506	12,516,668	12,072,457
Total current assets		421,412,278	411,680,289	95,388,582	153,984,840
TOTAL ASSETS		702,263,230	682,022,036	333,146,796	332,935,027

STATEMENTS OF FINANCIAL POSITION
As At 31 December 2025
(Cont'd)

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	16	343,182,365	343,182,365	343,182,365	343,182,365
Other reserves	17	22,016,034	20,682,050	22,016,034	20,682,050
Accumulated losses		(77,404,973)	(76,460,372)	(101,619,681)	(88,785,358)
		287,793,426	287,404,043	263,578,718	275,079,057
Non-controlling interests	9(d)	17,158,482	11,926,635	-	-
TOTAL EQUITY		304,951,908	299,330,678	263,578,718	275,079,057
Non-current liabilities					
Trade and other payables	18	10,756,093	10,756,100	-	-
Lease liabilities	6(b)	43,835	-	-	-
Loans and borrowings	19	135,761,823	117,633,088	-	-
Deferred tax liabilities	20	3,558,979	3,580,137	-	-
Total non-current liabilities		150,120,730	131,969,325	-	-
Current liabilities					
Trade and other payables	18	154,937,429	160,615,610	51,438,787	41,923,997
Lease liabilities	6(b)	124,458	23,976	-	-
Loans and borrowings	19	77,454,364	68,343,115	18,105,951	15,931,973
Current tax liabilities		3,085,309	-	23,340	-
Contract liabilities	13	1,209,285	21,739,332	-	-
Provision	21	10,379,747	-	-	-
Total current liabilities		247,190,592	250,722,033	69,568,078	57,855,970
TOTAL LIABILITIES		397,311,322	382,691,358	69,568,078	57,855,970
TOTAL EQUITY AND LIABILITIES		702,263,230	682,022,036	333,146,796	332,935,027

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Revenue	22	184,870,209	94,560,632	7,822,694	9,457,108
Cost of sales		(152,289,984)	(70,788,944)	-	-
Gross profit		32,580,225	23,771,688	7,822,694	9,457,108
Other income		7,960,376	14,898,281	325,044	352,333
Administrative expenses		(20,524,612)	(20,519,270)	(10,845,835)	(10,580,027)
Selling and marketing expenses		(2,022,915)	(1,717,241)	-	-
Net (impairment losses)/reversal of impairment losses on financial instruments		-	(1,038,997)	1,300,563	-
Other expenses		(968,079)	(1,702,978)	(10,503,570)	(2,022,087)
Operating profit/(loss)		17,024,995	13,691,483	(11,901,104)	(2,792,673)
Finance costs	23	(9,398,806)	(6,673,725)	(855,562)	(877,201)
Share of results of associates, net of tax	10	(2,576)	(2,532)	-	-
Profit/(Loss) before tax	24	7,623,613	7,015,226	(12,756,666)	(3,669,874)
Tax expenses	25	(3,336,367)	(2,307,496)	(77,657)	-
Profit/(Loss) for the financial year		4,287,246	4,707,730	(12,834,323)	(3,669,874)
Other comprehensive income/ (loss), net of tax					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Fair value gain/(loss) of equity instruments designated at fair value through other comprehensive income/(loss)		1,333,984	(2,268,944)	1,333,984	(2,268,944)
Other comprehensive income/ (loss) for the financial year		1,333,984	(2,268,944)	1,333,984	(2,268,944)
Total comprehensive income/ (loss) for the financial year		5,621,230	2,438,786	(11,500,339)	(5,938,818)

STATEMENTS OF COMPREHENSIVE INCOME
For The Financial Year Ended 31 December 2025
(Cont'd)

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
(Loss)/Profit attributable to:					
Owners of the Company		(944,601)	4,772,691	(12,834,323)	(3,669,874)
Non-controlling interests	9(d)	5,231,847	(64,961)	-	-
		<u>4,287,246</u>	<u>4,707,730</u>	<u>(12,834,323)</u>	<u>(3,669,874)</u>
Total comprehensive income/					
(loss) attributable to:					
Owners of the Company		389,383	2,503,747	(11,500,339)	(5,938,818)
Non-controlling interests	9(d)	5,231,847	(64,961)	-	-
		<u>5,621,230</u>	<u>2,438,786</u>	<u>(11,500,339)</u>	<u>(5,938,818)</u>
(Loss)/Earning per share					
attributable to owners					
of the Company					
(sen per share):					
Basic	26(a)	<u>(0.03)</u>	<u>0.24</u>		
Diluted	26(b)	<u>(0.03)</u>	<u>0.19</u>		

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

----- Attributable to the owners of the Company -----									
Group	Share capital RM	Fair value reserve of financial assets at FVOCI RM	Warrant reserve RM	Accumulated losses RM	Total RM	Non- controlling interests RM	Total equity RM		
At 1 January 2025	343,182,365	(1,382,446)	22,064,496	(76,460,372)	287,404,043	11,926,635	299,330,678		
Total comprehensive income/(loss) for the financial year	-	-	-	(944,601)	(944,601)	5,231,847	4,287,246		
(Loss)/Profit for the financial year	-	1,333,984	-	-	1,333,984	-	1,333,984		
Other comprehensive income for the financial year	-	1,333,984	-	(944,601)	389,383	5,231,847	5,621,230		
Total comprehensive income/(loss)	343,182,365	(48,462)	22,064,496	(77,404,973)	287,793,426	17,158,482	304,951,908		
At 31 December 2025									

STATEMENTS OF CHANGES IN EQUITY
For The Financial Year Ended 31 December 2025
(Cont'd)

----- Attributable to the owners of the Company -----									
Group	Note	Share capital RM	Fair value reserve of financial assets at FVOCI RM	Warrant reserve RM	Accumulated losses RM	Sub-total RM	Non- controlling interests RM	Total equity RM	
At 1 January 2024		275,177,931	886,498	-	(79,596,906)	196,467,523	10,355,439	206,822,962	
Total comprehensive (loss)/income for the financial year		-	-	-	4,772,691	4,772,691	(64,961)	4,707,730	
Profit/(Loss) for the financial year		-	-	-	-	-	-	-	
Other comprehensive loss for the financial year		-	(2,268,944)	-	-	(2,268,944)	-	(2,268,944)	
Total comprehensive (loss)/income		-	(2,268,944)	-	4,772,691	2,503,747	(64,961)	2,438,786	
Transactions with owners									
Issuance of ordinary shares for settlement of a subsidiary's advances	16	43,296,795	-	-	-	43,296,795	-	43,296,795	
Proceeds from rights issue with free warrants	16	24,707,639	-	22,064,496	-	46,772,135	-	46,772,135	
Changes in ownership interests in subsidiaries		-	-	-	(1,636,157)	(1,636,157)	1,636,157	-	
Total transaction with owners		68,004,434	-	22,064,496	(1,636,157)	88,432,773	1,636,157	90,068,930	
At 31 December 2024		343,182,365	(1,382,446)	22,064,496	(76,460,372)	287,404,043	11,926,635	299,330,678	

STATEMENTS OF CHANGES IN EQUITY
For The Financial Year Ended 31 December 2025
(Cont'd)

Company	Attributable to the owners of the Company -----				
	Share capital RM	Fair value reserve of financial assets at FVOCI RM	Warrant reserve RM	Accumulated losses RM	Total equity RM
At 1 January 2025	343,182,365	(1,382,446)	22,064,496	(88,785,358)	275,079,057
Total comprehensive income/(loss) for the financial year	-	-	-	(12,834,323)	(12,834,323)
Loss for the financial year	-	-	-	-	-
Other comprehensive income for the financial year	-	1,333,984	-	-	1,333,984
Total comprehensive income/(loss)	-	1,333,984	-	(12,834,323)	(11,500,339)
At 31 December 2025	343,182,365	(48,462)	22,064,496	(101,619,681)	263,578,718

STATEMENTS OF CHANGES IN EQUITY
For The Financial Year Ended 31 December 2025
(Cont'd)

Attributable to the owners of the Company -----					
	Share capital RM	Fair value reserve of financial assets at FVOCI RM	Warrant reserve RM	Accumulated losses RM	Total equity RM
Company					
At 1 January 2024	275,177,931	886,498	-	(85,115,484)	190,948,945
Total comprehensive loss for the financial year					
Loss for the financial year	-	-	-	(3,669,874)	(3,669,874)
Other comprehensive loss for the financial year	-	(2,268,944)	-	-	(2,268,944)
Total comprehensive loss	-	(2,268,944)	-	(3,669,874)	(5,938,818)
Transactions with owners					
Issuance of ordinary shares for settlement of a subsidiary's advances	43,296,795	-	-	-	43,296,795
Proceeds from rights issue with free warrants	24,707,639	-	22,064,496	-	46,772,135
Total transaction with owners	68,004,434	-	22,064,496	-	90,068,930
At 31 December 2024	343,182,365	(1,382,446)	22,064,496	(88,785,358)	275,079,057

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities					
Profit/(Loss) before tax		7,623,613	7,015,226	(12,756,666)	(3,669,874)
Adjustments for:					
Bad debts written off		-	3,537	-	-
Depreciation of:					
- property, plant and equipment	5	567,316	1,219,657	96,047	67,918
- right-of-use assets	6(a)	400,762	483,321	-	-
Fair value gain on investment properties		-	(11,371,419)	-	-
Gain on derecognition of right-of-use assets		-	(21,382)	-	-
(Gain)/Loss on disposal of:					
- a subsidiary		(176,628)	-	-	-
- other investments		182,469	221,300	182,469	221,300
- property, plant and equipment		517,326	1,025,764	(1,218)	-
Impairment losses on:					
- investment in an associate		-	9,552	-	-
- loans that are part of net investment in subsidiaries		-	-	10,407,524	1,954,169
Reversal of impairment losses on amount owing by subsidiaries		-	-	(1,300,563)	-
Interest expenses	23	9,398,806	6,673,725	855,562	877,201
Interest income		(479,970)	(500,294)	(323,571)	(352,332)
Negative goodwill on acquisition of a subsidiary		-	(784,866)	-	-
Net impairment losses on trade and other receivables		-	1,038,997	-	-
Property, plant and equipment written off		281	815,424	-	-
Share of results of associates		2,576	2,532	-	-
Unwinding of discount on other receivables		(304,774)	(244,098)	-	-
Operating profit/(loss) before working capital changes, carried forward		17,731,777	5,586,976	(2,840,416)	(901,618)

STATEMENTS OF CASH FLOWS
For The Financial Year Ended 31 December 2025
(Cont'd)

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities					
(continued)					
Operating profit/(loss) before working capital changes, brought forward		17,731,777	5,586,976	(2,840,416)	(901,618)
<u>Changes in working capital:</u>					
Inventories		7,903,444	4,050,931	-	-
Contract assets/(liabilities)		(37,772,795)	2,917,484	-	-
Contract costs		1,274,120	1,284,186	-	-
Trade and other payables		1,066,546	(30,465,404)	3,300,461	(719,027)
Trade and other receivables		5,237,098	(26,624,867)	(1,337,063)	(15,390,161)
Prepayments		13,204	103,844	(959)	-
Provision		10,379,747	-	-	-
Amount owing by/(to) subsidiaries		-	-	3,596,391	(30,391,038)
Amount owing by/(to) an associate		(1,559,089)	2,198,200	(972,089)	141,582
Amount owing by/(to) related parties		(9,643,653)	(10,896,168)	(358,389)	385,074
Amount owing to directors		89,753	419,500	-	-
Net cash (used in)/generated from operations		(5,279,848)	(51,425,318)	1,387,936	(46,875,188)
Interest paid		(9,320,238)	(5,372,321)	(855,562)	(877,201)
Interest received		479,970	500,294	323,571	352,332
Income tax paid		(292,268)	(237,704)	(25,323)	(16,769)
Income tax refunded		-	66,530	-	-
Net cash (used in)/from operating activities		(14,412,384)	(56,468,519)	830,622	(47,416,826)
Cash flows from investing activities					
Addition in investment in subsidiaries		-	-	-	(1)
Net cash flows from acquisition of a subsidiary		-	5,795	-	-
Pledged fixed deposits with licenced banks		(501,179)	(496,638)	(321,697)	(316,612)
Proceeds from disposal of:					
- a subsidiary, net of cash disposed	9(c)	(5,517)	-	1	-
- investment properties		-	2,416,800	-	-
- other investments		-	2,992,356	-	2,992,356
- property, plant and equipment		151,248	1,394,566	1,218	-
Purchase of:					
- property, plant and equipment	(a)	(245,831)	(34,052)	(245,831)	(2,562)
- other investments		(2,307,607)	-	(2,307,607)	-
- investment properties	(a)	(6,554,811)	(7,732,570)	-	-
Net cash (used in)/from investing activities		(9,463,697)	(1,453,743)	(2,873,916)	2,673,181

STATEMENTS OF CASH FLOWS
For The Financial Year Ended 31 December 2025
(Cont'd)

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from financing activities					
Proceeds from issuance of ordinary shares		-	46,772,135	-	46,772,135
Drawdown of:					
- bridging loan		7,753,677	3,075,191	-	-
- revolving credits		-	8,560,879	-	-
- share margin financing		2,165,808	-	2,165,808	-
- term loans		41,608,858	37,456,304	-	-
- trust receipts		-	-	-	-
Repayment of:					
- bridging loan		-	(7,000,000)	-	-
- revolving credits		(8,560,879)	-	-	-
- hire purchase liabilities		(1,369,403)	(1,369,404)	-	-
- lease liabilities		(99,912)	(189,010)	-	-
- share margin financing		-	(2,036,027)	-	(2,036,027)
- trust receipts		(148,561)	(533,379)	-	-
- term loans		(17,147,173)	(24,521,091)	-	-
Net cash from financing activities		24,202,415	60,215,598	2,165,808	44,736,108
Net increase/(decrease) in cash and cash equivalents		326,334	2,293,336	122,514	(7,537)
Cash and cash equivalents at the beginning of the financial year		490,707	(1,802,629)	125,054	132,591
Cash and cash equivalents at the end of the financial year	15(a)	817,041	490,707	247,568	125,054

(a) Purchase of property, plant and equipment and investment properties

During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment and investment properties:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash payments on purchase of property, plant and equipment	245,831	34,052	245,831	2,562

STATEMENTS OF CASH FLOWS
For The Financial Year Ended 31 December 2025
(Cont'd)

(a) **Purchase of property, plant and equipment and investment properties (continued)**

During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment and investment properties (continued):

	Group	
	2025	2024
	RM	RM
Addition in investment properties	7,211,383	24,155,305
Less: Financed by way of term loans	-	(7,856,181)
Less: Deduct against payables	(656,572)	(8,566,554)
Cash payments on purchase of investment properties	<u>6,554,811</u>	<u>7,732,570</u>

(b) **Total cash outflows for leases as a lessee**

During the financial year, the Group and the Company had total cash outflows for leases of RM674,777 and RM266,980 (2024: RM766,149 and RM267,708) respectively.

(c) **Reconciliation of changes in liabilities arising from financing activities are as follows:**

	Non-cash				
	At	Cash	Acquisition	Interest	At
	1.1.2025	flows	of assets	capitalised/	31.12.2025
	RM	RM	RM	expenses	RM
				RM	
Group					
Bridging loan	3,075,191	7,753,677	-	-	10,828,868
Term loans	142,758,932	24,461,685	-	-	167,220,617
Trust receipts	4,428,013	(148,561)	-	-	4,279,452
Revolving credits	23,560,879	(8,560,879)	-	-	15,000,000
Hire purchase					
liabilities	1,452,320	(1,369,403)	-	62,372	145,289
Lease liabilities	23,976	(99,912)	236,203	8,026	168,293
Share margin					
financing	931,973	2,165,808	-	8,170	3,105,951
	<u>176,231,284</u>	<u>24,202,415</u>	<u>236,203</u>	<u>78,568</u>	<u>200,748,470</u>
Company					
Revolving credits	15,000,000	-	-	-	15,000,000
Share margin					
financing	931,973	2,165,808	-	8,170	3,105,951
	<u>15,931,973</u>	<u>2,165,808</u>	<u>-</u>	<u>8,170</u>	<u>18,105,951</u>

STATEMENTS OF CASH FLOWS
For The Financial Year Ended 31 December 2025
(Cont'd)

(c) Reconciliation of changes in liabilities arising from financing activities are as follows (continued):

	At 1.1.2024 RM	Cash flows RM	Non-cash		At 31.12.2024 RM
			Acquisition/ (Disposal) of assets RM	Interest capitalised/ expenses RM	
Group					
Bridging loan	7,000,000	(3,924,809)	-	-	3,075,191
Term loans	116,239,624	12,935,213	7,856,181	5,727,914	142,758,932
Trust receipts	4,961,392	(533,379)	-	-	4,428,013
Revolving credits	15,000,000	8,560,879	-	-	23,560,879
Hire purchase liabilities	2,658,474	(1,369,404)	-	163,250	1,452,320
Lease liabilities	276,964	(189,010)	(71,044)	7,066	23,976
Share margin financing	2,968,000	(2,036,027)	-	-	931,973
	149,104,454	13,443,463	7,785,137	5,898,230	176,231,284
Company					
Revolving credits	15,000,000	-	-	-	15,000,000
Share margin financing	2,968,000	(2,036,027)	-	-	931,973
	17,968,000	-	(2,036,027)	-	15,931,973

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

OCR Group Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur. The principal place of business of the Company is located at A-3A-01, Block Allamanda, 10 Boulevard Lebuhraya Sprint, PJU 6A, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The Company is principally engaged in the business of investment holding. The principal activities of its subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 April 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments to MFRS

The Group and the Company have adopted the following applicable amendments to MFRS for the current financial year:

Amendments to MFRS

MFRS 121 The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendments to MFRS did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but are yet to be effective

- (a) The Group and the Company have not adopted the following new MFRS and amendments to MFRSs that have been issued, but are yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2027
MFRS 128	Investments in Associates and Joint Ventures	Deferred

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces *MFRS 101 Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communicates about the entity’s financial performance, and any changes made to the MPMs in the year.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but are yet to be effective (continued)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

MFRS 18 Presentation and Disclosure in Financial Statements (continued)

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the requirements, including:

- clarify the classification of financial assets, particularly those with environmental, social and corporate governance and similar features. The Amendments clarify how the contractual cash flows on such financial assets should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduce new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

- (c) The Group and the Company are currently assessing the impact of initial application of the above applicable amendments/improvements to MFRSs. Nevertheless, the Group and the Company expect that the initial application is unlikely to have material financial impacts to the current period and prior period financial statements of the Group and of the Company.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION (CONTINUED)

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (the "functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

2.5 Basis of measurement

The financial statements of the Group and the Company have been prepared on the historical cost basis, except as otherwise disclosed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at their acquisition-date fair values.

(c) Associates

Investment in associates is accounted for in the consolidated financial statements of the Group using the equity method.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Financial instruments

Financial assets – subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity instruments at fair value through other comprehensive income

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and Company have made an irrevocable election to classify its equity instruments as disclosed in Note 12 to the financial statements that are not held for trading as equity instruments designated at fair value through other comprehensive income. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost.

The Group and the Company subsequently measure financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Property, plant and equipment

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

All property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Renovation, furniture and fittings	3 to 10 years
Software	5 years
Tools and equipment	3 to 10 years
Motor vehicles	5 to 10 years

3.5 Leases

(a) Lessee accounting

The Group presents right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Investment properties

Investment properties are measured at fair value with gains and losses arising from changes in the fair values of investment properties recognised in profit or loss for the period in which they arise.

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in investment properties are not depreciated as these assets are not yet available for use.

If the Group determines that the fair value of investment properties under construction is not reliably determinable but the Group expects the fair value of the properties to be reliably determinable when construction is complete, the Group shall measure that investment properties under construction at cost until either its fair value becomes reliably determinable or construction is completed, whichever is earlier. Once the Group can measure reliably the fair value of an investment properties under construction that has previously been measured at cost, the Group shall measure those properties at its fair value.

The fair value of investment properties reflects among other things, rental income from current leases and other assumptions that market participants would use when pricing investment properties under current market conditions.

3.7 Inventories

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

Property under development and completed properties

The cost of property under development recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

The cost of unsold completed properties is determined on a specific identification basis.

3.8 Revenue and other income

(a) Property development

The Group develops and sells residential and commercial properties. Contracts with customers may include multiple distinct promises to customers and therefore are accounted for as separate performance obligations. In the contract with customer contains more than one performance obligation, when the stand-alone selling price are not directly observable, they are estimated based on expected cost-plus-margin approach.

Revenue from residential and commercial properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance 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 a performance obligation is determined by the proportion of property development costs incurred for work performed to-date bear to the estimated total property development costs (an input method).

Notes to the Financial Statements (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.8 Revenue and other income (continued)

(a) Property development (continued)

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to-date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and deposits or advances received from customers exceeds revenue recognised to-date, then the Group recognises a contract liability for the difference.

Based on the Group's customary business practice, the customers' legal fees are borne by the Group. Revenue is recognised based on the transaction price agreed in the contracts, net of the customers' legal fees. The Group uses its experience in estimating the legal fees to be incurred by using the expected value method. The amount of revenue recognised does not include any customers' legal fees which is constrained.

For residential and commercial properties, as part of the statutory requirements, the Group's obligations are to rectify any defects that become apparent within the defect liability period of 24 months after the customer takes vacant possession of the building. No provision for rectification costs has been made as at the end of the financial year as there has been no known material defect reported and only minimal costs have been incurred in the past.

(b) Construction contracts

The Group constructs commercial and residential properties under long-term contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the works performed is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to-date bear to the estimated total construction costs (an input method).

Billings are made with a credit term of 30 days, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customers for construction of commercial and industrial properties based on achieving a series of performance-related milestones.

The Group recognises a contract asset for any excess of revenue recognised to-date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to-date and any deposit or advances received from customers, then the Group recognises a contract liability for the difference.

Defect liability period is usually 24 months from the date of Certificate of Practical Completion as provided in the contracts with customers.

Notes to the Financial Statements
(Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.8 Revenue and other income (continued)

(c) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

(d) Management fees

Management fees are recognised over time as services are rendered based on time elapsed.

(e) Interest income

Interest income is recognised using the effective interest method.

3.9 Deferred tax

When investment properties are carried at fair value in accordance with the material accounting policy information as disclosed in Note 3.6 to the financial statements, the amount of deferred tax is measured using the tax rates that would apply on sale of those assets at their carrying value at the date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Notes to the Financial Statements (Cont'd)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting 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 that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Impairment of trade and other receivables

The impairment provisions for trade and other receivables are based on assumptions about the risk of default and their expected losses. The Group and the Company use judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's and the Company's history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

The assessment of the correlation between historically observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast economic conditions over the expected lives of the trade and other receivables. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of the counterparty's actual default in the future.

The information about the impairment losses on the Group's and the Company's trade and other receivables is disclosed in Note 11 to the financial statements.

(b) Revenue recognition for property development and construction

The Group recognised property development and construction revenue and expenses in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that property development or construction costs incurred for work performed to-date bear to the estimated total property development or construction costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the property development or construction costs incurred, the estimated total property development and construction revenue and costs, as well as the recoverability of the projects. In making the judgement, the Group evaluates based on past experience and relying on the work of specialists.

The carrying amounts of the Group's property development costs, contract assets and contract liabilities are disclosed in Notes 8 and 13 to the financial statements.

Notes to the Financial Statements
(Cont'd)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(c) Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit and loss. The Group engaged external valuers to determine fair values. The valuation methods adopted by the valuer include sales comparison method being comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for location and accessibility, market condition, size, shape and terrain of land, tenurial interest and restriction if any, availability of infrastructure and vacant possession, development potential, zoning, approvals if any and other relevant characteristics. Judgement made in determining the appropriate valuation methods and the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amounts of the investment properties.

The carrying amounts of the Group's investment properties disclosed in Note 7 to the financial statements.

Notes to the Financial Statements (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

	Renovation, furniture and fittings RM	Software RM	Tools and equipment RM	Motor vehicles RM	Total RM
Group					
2025					
Cost					
At 1 January 2025	4,416,917	69,443	2,369,466	388,764	7,244,590
Additions	181,150	39,755	24,926	-	245,831
Disposals	(178,615)	-	(2,177,700)	-	(2,356,315)
Written off	(93,721)	-	-	-	(93,721)
At 31 December 2025	4,325,731	109,198	216,692	388,764	5,040,385
Accumulated depreciation					
At 1 January 2025	3,923,142	47,152	1,402,325	326,631	5,699,250
Depreciation charge for the financial year	217,679	15,818	287,219	46,600	567,316
Disposals	(163,351)	-	(1,524,390)	-	(1,687,741)
Written off	(93,440)	-	-	-	(93,440)
At 31 December 2025	3,884,030	62,970	165,154	373,231	4,485,385
Carrying amounts					
At 31 December 2025	441,701	46,228	51,538	15,533	555,000
Group					
2024					
Cost					
At 1 January 2024	5,382,740	69,443	6,695,600	572,983	12,720,766
Acquisition of a subsidiary	93,721	-	-	-	93,721
Additions	34,052	-	-	-	34,052
Disposals	-	-	(4,326,134)	(184,219)	(4,510,353)
Written off	(1,093,596)	-	-	-	(1,093,596)
At 31 December 2024	4,416,917	69,443	2,369,466	388,764	7,244,590
Accumulated depreciation					
At 1 January 2024	3,776,442	34,916	2,479,017	464,250	6,754,625
Acquisition of a subsidiary	93,163	-	-	-	93,163
Depreciation charge for the financial year	331,709	12,236	829,112	46,600	1,219,657
Disposals	-	-	(1,905,804)	(184,219)	(2,090,023)
Written off	(278,172)	-	-	-	(278,172)
At 31 December 2024	3,923,142	47,152	1,402,325	326,631	5,699,250
Carrying amounts					
At 31 December 2024	493,775	22,291	967,141	62,133	1,545,340

Notes to the Financial Statements (Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Renovation, furniture and fittings RM	Motor vehicles RM	Total RM
Company			
2025			
Cost			
At 1 January 2025	1,026,174	155,764	1,181,938
Additions	245,831	-	245,831
Disposals	(91,685)	-	(91,685)
At 31 December 2025	1,180,320	155,764	1,336,084
Accumulated depreciation			
At 1 January 2025	902,396	155,764	1,058,160
Depreciation charge for the financial year	96,047	-	96,047
Disposals	(91,685)	-	(91,685)
At 31 December 2025	906,758	155,764	1,062,522
Carrying amounts			
At 31 December 2025	273,562	-	273,562
Company			
2024			
Cost			
At 1 January 2024	1,023,612	155,764	1,179,376
Additions	2,562	-	2,562
At 31 December 2024	1,026,174	155,764	1,181,938
Accumulated depreciation			
At 1 January 2024	834,478	155,764	990,242
Depreciation charge for the financial year	67,918	-	67,918
At 31 December 2024	902,396	155,764	1,058,160
Carrying amounts			
At 31 December 2024	123,778	-	123,778

Assets under hire purchase agreements

The carrying amounts of assets under hire purchase agreements are as follows:

	Group	
	2025 RM	2024 RM
Tools and equipment	-	907,375
Motor vehicles	15,533	62,133
	15,533	969,508

The tools and equipment and motor vehicles under hire purchase agreements of the Group are pledged as security for related hire purchases liabilities as disclosed in Note 19(f) to the financial statements.

Notes to the Financial Statements (Cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

The Group leases several assets including leasehold land and sales office and showroom.

Information about leases for which the Group as lessees is presented below:

	Leasehold land RM	Sales office and showroom RM	Total RM
Group 2025			
Cost			
At 1 January 2025	11,285,603	231,992	11,517,595
Additions	-	236,203	236,203
Derecognition	-	(78,907)	(78,907)
At 31 December 2025	11,285,603	389,288	11,674,891
Accumulated depreciation			
At 1 January 2025	1,617,084	222,131	1,839,215
Depreciation charge for the financial year	304,987	95,775	400,762
Derecognition	-	(78,907)	(78,907)
At 31 December 2025	1,922,071	238,999	2,161,070
Carrying amounts			
At 31 December 2025	9,363,532	150,289	9,513,821
Group 2024			
Cost			
At 1 January 2024	11,285,603	550,383	11,835,986
Acquisition of a subsidiary	-	78,907	78,907
Derecognition	-	(397,298)	(397,298)
At 31 December 2024	11,285,603	231,992	11,517,595
Accumulated depreciation			
At 1 January 2024	1,312,097	314,992	1,627,089
Acquisition of a subsidiary	-	76,441	76,441
Depreciation charge for the financial year	304,987	178,334	483,321
Derecognition	-	(347,636)	(347,636)
At 31 December 2024	1,617,084	222,131	1,839,215
Carrying amounts			
At 31 December 2024	9,668,519	9,861	9,678,380

Notes to the Financial Statements (Cont'd)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

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

Leasehold land generally has remaining lease terms between 29 to 34 years (2024: 30 to 35 years).

The Group also leases sales office and showroom for its project which has lease terms of 2 years.

(b) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group	
	2025	2024
	RM	RM
Minimum lease payments:		
- Not later than one year	120,000	27,200
- Later than one year and not later than five years	54,200	-
	<u>174,200</u>	<u>27,200</u>
Less: Future finance charges	(5,907)	(3,224)
Present value of minimum lease payments	<u>168,293</u>	<u>23,976</u>
Represented by:		
Current		
- Not later than one year	<u>124,458</u>	<u>23,976</u>
Non-current		
- Later than one year and not later than five years	43,835	-
	<u>168,293</u>	<u>23,976</u>

The lease liabilities bear interest rates ranging of 5.75% (2024: 5.75%) per annum.

Notes to the Financial Statements (Cont'd)

7. INVESTMENT PROPERTIES

	Freehold land and buildings RM	Leasehold commercial retail units RM	Assets under construction RM	Total RM
Group				
2025				
At fair value/cost:				
At 1 January 2025	43,100,000	5,850,000	178,494,173	227,444,173
Additions	357,298	-	6,854,085	7,211,383
At 31 December 2025	43,457,298	5,850,000	185,348,258	234,655,556
Carrying amounts				
At 31 December 2025				
- At fair value	43,457,298	5,850,000	-	49,307,298
- At cost	-	-	185,348,258	185,348,258
	43,457,298	5,850,000	185,348,258	234,655,556
2024				
At fair value/cost:				
At 1 January 2024	25,000,000	-	169,334,249	194,334,249
Additions	7,856,181	-	16,299,124	24,155,305
Disposals	-	(2,416,800)	-	(2,416,800)
Net gain arising from fair value adjustments	10,243,819	1,127,600	-	11,371,419
Reclassification	-	7,139,200	(7,139,200)	-
At 31 December 2024	43,100,000	5,850,000	178,494,173	227,444,173
Carrying amounts				
At 31 December 2024				
- At fair value	43,100,000	5,850,000	-	48,950,000
- At cost	-	-	178,494,173	178,494,173
	43,100,000	5,850,000	178,494,173	227,444,173

Notes to the Financial Statements (Cont'd)

7. INVESTMENT PROPERTIES (CONTINUED)

- (a) The following are recognised in profit or loss in respect of investment properties:

	Group	
	2025 RM	2024 RM
Rental income	929,398	534,000

- (b) Investment properties with a total carrying amount of RM228,805,556 (2024: RM221,594,173) for the Group have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.

- (c) As at the reporting date, land titles for the leasehold commercial retail units and investment properties under construction with carrying amounts of RM5,850,000 (2024: RM5,850,000) and RM185,348,258 (2024: RM178,494,173) respectively have yet to be registered under the subsidiaries' name.

On 20 April 2022, a subsidiary of the Group ("the developer") entered into a Joint Venture Agreement with a third party ("the landowner") for the development of a parcel of 99 years leasehold land held under PT12, Seksyen 15, Bandar Shah Alam, Daerah Petaling, Selangor Darul Ehsan. The developer has irrevocable power to deal with the land pursuant to the power of attorney given to the developer under the Power of Attorney.

- (d) Included in investment properties are borrowing costs capitalised during the financial year as follows:

	Group	
	2025 RM	2024 RM
Borrowing costs capitalised	6,167,461	7,246,887

Notes to the Financial Statements (Cont'd)

7. INVESTMENT PROPERTIES (CONTINUED)

- (e) Fair values of investment properties are categorised as follows:

	Group	
	2025	2024
	RM	RM
Assets carried at fair value		
Level 3		
Freehold land and buildings	43,457,298	43,100,000
Leasehold commercial retail units	5,850,000	5,850,000
	49,307,298	48,950,000

There is no transfer between the levels of fair value hierarchy during the financial year ended 31 December 2025 and 31 December 2024.

Valuation processes applied by the Group

The fair values of the freehold land and buildings and leasehold commercial units are determined by external independent property valuers, members of the Institute of Valuers in Malaysia, with appropriate recognised professional qualifications and recent experience in the location and category of properties valued.

Level 3 fair value

Level 3 fair values of buildings have been derived using the sales comparison approach. Sales prices of comparable buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable buildings.

The fair values of freehold land and buildings and leasehold commercial retail units are arrived at based on comparisons with prices of similar properties in the same location.

Highest and best use

In estimating the fair values of the properties, the highest and best use of the properties are their current use.

- (f) Fair value of investment properties under construction

The fair value of the investment properties under construction is unable to be determined as there are uncertainties in estimating its fair value.

The investment properties under construction will be carried at cost until its fair value becomes readily determinable or when the construction is completed, whichever is earlier.

Notes to the Financial Statements (Cont'd)

8. INVENTORIES

		Group	
	Note	2025 RM	2024 RM
Non-current			
Land held for development			
- Land costs		20,042,690	20,042,690
- Development costs		3,047,490	3,047,490
	(a)	<u>23,090,180</u>	<u>23,090,180</u>
Current			
Property under development			
- Land costs	(b)	120,799,224	101,958,749
- Development costs	(b)	41,246,684	96,155,779
		<u>162,045,908</u>	<u>198,114,528</u>
Completed unsold development properties		37,082,862	8,917,686
		<u>199,128,770</u>	<u>207,032,214</u>
		<u>222,218,950</u>	<u>230,122,394</u>

(a) Land held for development

The land held for property development with a total carrying amount of RM18,051,029 (2024: RM18,051,029) had been pledged to a licensed bank as securities for banking facilities granted to the Group in the previous financial year as disclosed in Note 19 to the financial statements.

(b) Property under development

Property development costs with a total carrying amount of RM104,170,843 (2024: RM153,298,748) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 19 to financial statements.

(c) The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM143,330,042 (2024: RM57,761,691).

(d) Included in inventories are borrowing costs capitalised in the property development costs during the financial year as follows:

	Group	
	2025 RM	2024 RM
Borrowing costs capitalised	<u>864,309</u>	<u>490,653</u>

Notes to the Financial Statements (Cont'd)

9. INVESTMENT IN SUBSIDIARIES

	Company	
	2025	2024
	RM	RM
At cost		
Unquoted shares	32,350,997	32,350,998
Less: Accumulated impairment losses	(7,325,193)	(7,075,048)
	<u>25,025,804</u>	<u>25,275,950</u>
 Deemed capital contribution:		
- Share option granted	232,759	232,759
 Loans that are part of net investments	246,909,286	181,302,640
Less: Accumulated impairment losses	(40,518,319)	(30,360,940)
	<u>206,390,967</u>	<u>150,941,700</u>
 Carrying amounts		
At the end of the financial year	<u>231,649,530</u>	<u>176,450,409</u>

Loans that are part of net investments represent amount owing by subsidiaries which are non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

(a) Details of the subsidiaries are as follows:

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025	2024	
		%	%	
OCR Commerce Sdn. Bhd. ("OCSB")	Malaysia	100	100	Dormant
OCR Construction Sdn. Bhd. ("OCCSB")	Malaysia	100	100	Construction of residential and commercial properties and property development
OCR Development (Kuantan) Sdn. Bhd. ("ODKSB")	Malaysia	70	70	Property development and property investment

Notes to the Financial Statements
(Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
Tristar City Sdn. Bhd. ("TCSB")	Malaysia	100	100	Property development and property investment
Grand Superland Sdn. Bhd. ("GSSB")	Malaysia	100	100	Construction of residential and commercial properties and property development and investment holding
Pangkal Teguh Sdn. Bhd. ("PTSB")	Malaysia	70	70	Construction of residential and commercial properties, property and real estate management
Kita Mampan Sdn. Bhd. ("KMPSB")	Malaysia	85	85	Construction of residential and commercial properties
O&C Makok Isola Sdn. Bhd. ("OMISB") #	Malaysia	50.01	50.01	Property development
Sunrise Meadow Sdn. Bhd. ("SMSB")	Malaysia	100	100	Property development and property investment
Kirana Masyhur Sdn. Bhd. ("KMSB")	Malaysia	100	100	Dormant
OCR Properties (Kuantan) Sdn. Bhd. ("OPKSB")	Malaysia	90	90	Property development and property investment

Notes to the Financial Statements (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
OCR Ventures Sdn. Bhd. ("OVSB")	Malaysia	100	100	Property development and property investment
OCR (The Mate) Sdn. Bhd. ("OTMSB")	Malaysia	-	100	Dormant
Junjung Simfoni Sdn. Bhd. ("JSSB")	Malaysia	100	100	Dormant
OCR Land Development Sdn. Bhd. ("OLDSB")	Malaysia	100	100	Property development
Wonderland Projects Sdn. Bhd. ("WPSB")	Malaysia	100	100	Property investment holding and leasing of temporary structure space to tenants
Stack Builder Sdn. Bhd. ("SBSB")	Malaysia	50.495	50.495	Property development
OCR Selayang Industrial Park Sdn. Bhd. ("OSIPSB") ^	Malaysia	50	50	Investment holding, receiving rental and property development
Subsidiary of Kirana Masyhur Sdn. Bhd.				
Mampan Esa (Melaka) Sdn. Bhd. ("MEMSB")	Malaysia	100	100	Real estate management

Notes to the Financial Statements (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Details of the subsidiaries are as follows (continued):

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
Subsidiaries of Grand Superland Sdn. Bhd.				
Visi Anggun Properties Sdn. Bhd. ("VAPSB")	Malaysia	80	80	Dormant
Greatway Capital Sdn. Bhd. ("GCSB")	Malaysia	100	100	Dormant
Serba Simfoni Sdn. Bhd. ("SSSB")	Malaysia	100	100	Dormant
OCR Avenue Sdn. Bhd. ("OASB")	Malaysia	100	100	Property investment
OCR Templer Sdn. Bhd. ("OTSB")	Malaysia	100	100	Property development
OCR Asra Sdn. Bhd. ("OCASB")	Malaysia	100	-	Property development
Subsidiary of Serba Simfoni Sdn. Bhd.				
Fotopop (M) Sdn. Bhd. ("FMSB")	Malaysia	100	100	Dormant
Subsidiary of Kita Mampan Sdn. Bhd.				
AES Builders Sdn. Bhd. ("AES")	Malaysia	100	100	Construction of residential and commercial properties

The Group consolidated 100% of OMISB as the non-controlling interest shareholder has no control over OMISB pursuant to a Shareholders' Agreement entered between the non-controlling interest shareholder and the Company.

^ The Group consolidated 50% of OSIPSB as the Company has control over OSIPSB pursuant to a Shareholders' Agreement entered between the non-controlling interest shareholder and the Company.

Notes to the Financial Statements (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Newly incorporated subsidiaries

OCR Asra Sdn. Bhd. ("OCASB")

During the financial year, Grand Superland Sdn. Bhd., a wholly owned subsidiary of the Company incorporated a private limited liability company known as OCR Asra Sdn. Bhd. As a result of the incorporation, OCASB became a wholly owned subsidiary of the Group.

(c) Disposal of a subsidiary

The Company disposed of its entire shareholdings in OCR (The Mate) Sdn. Bhd. ("OTMSB") to a director of the Company, comprising 1 ordinary share, representing 100% of the issued and paid-up capital in OTMSB, for a consideration of RM1. The disposal was completed on 26 March 2025 and OTMSB ceased to be subsidiary of the Company.

(i) Summary of the effects of disposal of OCR (The Mate) Sdn. Bhd.:

	2025 RM
Recognised:	
Cash consideration received	1
	<u>1</u>
Derecognised:	RM
Fair value of identifiable net assets at disposal date	
Cash in hand	5,518
Other payable and accruals	(182,145)
	<u>176,627</u>
Gain on disposal of a subsidiary (Note 24)	<u>176,628</u>

(ii) Summary of the effects of disposal of a subsidiary on cash flows:

	2025 RM
Consideration received in cash	1
Less: Cash and cash equivalents of subsidiary disposed	(5,518)
Net cash flows on disposal of a subsidiary	<u>(5,517)</u>

Notes to the Financial Statements
(Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(d) Non-controlling interests in subsidiaries

Equity interest held by non-controlling interests are as follows:

Name of company	Principal place of business/ country of incorporation	Ownership interest	
		2025 %	2024 %
OCR Development (Kuantan) Sdn. Bhd.	Malaysia	30	30
Pangkal Teguh Sdn. Bhd.	Malaysia	30	30
Kita Mampan Sdn. Bhd.	Malaysia	15	15
OCR Properties (Kuantan) Sdn. Bhd.	Malaysia	10	10
Visi Anggun Properties Sdn. Bhd.	Malaysia	20	20
Stack Builder Sdn. Bhd.	Malaysia	49.50	49.50
OCR Selayang Industrial Park Sdn. Bhd.	Malaysia	50	50

Carrying amount of non-controlling interests:

Name of company	Group	
	2025 RM	2024 RM
OCR Selayang Industrial Park Sdn. Bhd.	12,294,198	12,310,999
Stack Builder Sdn. Bhd.	6,187,504	917,787
Other subsidiaries with immaterial non-controlling interests	(1,323,220)	(1,302,151)
	<u>17,158,482</u>	<u>11,926,635</u>

Profit or loss allocated to non-controlling interests:

Name of company	Group	
	2025 RM	2024 RM
OCR Selayang Industrial Park Sdn. Bhd.	(16,801)	542,943
Stack Builder Sdn. Bhd.	5,269,717	(1,235,519)
Other subsidiaries with immaterial non-controlling interests	(21,069)	627,615
	<u>5,231,847</u>	<u>(64,961)</u>

Notes to the Financial Statements (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's and Company's subsidiary that has material non-controlling interest is as follows:

	OCR Selayang Industrial Park Sdn. Bhd. RM	Stack Builder Sdn. Bhd. RM
Summarised statement of financial position		
As at 31 December 2025		
Non-current assets	-	381,542
Current assets	24,599,494	109,289,243
Non-current liabilities	-	(7,593,352)
Current liabilities	(11,099)	(47,195,355)
Net assets	24,588,395	54,882,078
Summarised statement of comprehensive income/(loss)		
Financial year ended 31 December 2025		
Revenue	-	93,009,379
(Loss)/Profit for the financial year	(33,602)	10,644,828
Total comprehensive (loss)/income	(33,602)	10,644,828
Summarised statement of cash flows information		
Financial year ended 31 December 2025		
Net cash from operating activities	66,311	19,914,887
Net cash used in financing activities	-	(17,190,954)
Net increase in cash and cash equivalents	66,311	2,723,933

Notes to the Financial Statements
(Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(e) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Group's and Company's subsidiary that has material non-controlling interest is as follows (continued):

	OCR Selayang Industrial Park Sdn. Bhd. RM	Stack Builder Sdn. Bhd. RM
Summarised statement of financial position		
As at 31 December 2024		
Non-current assets	-	330,465
Current assets	28,109,010	109,241,628
Non-current liabilities	-	(14,447,117)
Current liabilities	(3,487,013)	(93,271,046)
Net assets	24,621,997	1,853,930
Summarised statement of comprehensive income/(loss)		
Financial year ended 31 December 2024		
Revenue	-	4,131,787
Profit/(Loss) for the financial year	1,085,886	(2,495,749)
Total comprehensive income/(loss)	1,085,886	(2,495,749)
Summarised statement of cash flows information		
Financial year ended 31 December 2024		
Net cash used in operating activities	(19,679)	(331,104)
Net cash used in investing activities	-	(31,490)
Net cash used in financing activities	-	(710,125)
Net decrease in cash and cash equivalents	(19,679)	(1,072,719)

Notes to the Financial Statements (Cont'd)

10. INVESTMENT IN ASSOCIATES

	Group	
	2025 RM	2024 RM
At cost		
Unquoted shares	400,000	400,000
Share of post-acquisition reserves	(24,944)	(22,368)
Less: Impairment losses	(243,015)	(243,015)
	132,041	134,617

Details of associates are as follows:

Name of company	Principal place of business/ country of incorporation	Ownership interest		Principal activities/ nature of relationship
		2025 %	2024 %	
Associate of Kirana Masyhur Sdn. Bhd.				
Landasan Surimas Sdn. Bhd. ("LSSB")	Malaysia	40	40	Investment holding, project management consultation and construction. The activities contribute to the Group's construction segment.

Summarised financial information of material associates

Summarised financial information of the associates has not been presented as the associates and the shares of results of associates are not individually material to the Group.

Notes to the Financial Statements
(Cont'd)

11. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Non-current:					
Non-trade					
Other receivables		7,069,232	6,073,057	-	-
Total other receivables (non-current)		7,069,232	6,073,057	-	-
Current:					
Trade					
Trade receivables		33,538,139	32,349,743	-	-
Retention sum		3,990,140	4,590,934	-	-
Stakeholder sum		3,954,948	6,464,473	-	-
Related parties		33,062,906	33,953,496	-	-
		74,546,133	77,358,646	-	-
Less: Accumulated impairment losses	(b)	(3,103,908)	(3,103,908)	-	-
Total trade receivables (current)		71,442,225	74,254,738	-	-
Non-trade					
Other receivables		36,594,499	40,850,828	4,158,578	2,823,915
Deposits	(c)	21,346,390	20,306,047	15,141,402	15,139,002
Amount owing by:					
- subsidiaries	(d)	-	-	69,597,364	132,296,028
- related parties	(d)	15,680,656	11,786,828	2,011,747	963,143
		73,621,545	72,943,703	90,909,091	151,222,088
Less: Accumulated impairment losses					
- other receivables		(5,085,858)	(5,085,858)	-	-
- deposits		(113,111)	(213,111)	(13,111)	(13,111)
- amount owing by:					
- subsidiaries		-	-	(8,025,025)	(9,325,588)
	(a)	(5,198,969)	(5,298,969)	(8,038,136)	(9,338,699)
Total other receivables (current)		68,422,576	67,644,734	82,870,955	141,883,389
Total trade and other receivables (current)		139,864,801	141,899,472	82,870,955	141,883,389
Total trade and other receivables (non-current and current)		146,934,033	147,972,529	82,870,955	141,883,389

Notes to the Financial Statements (Cont'd)

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Other receivables

The Group's and the Company's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	5,298,969	7,140,198	9,338,699	9,338,699
Charge for the financial year				
- Individually assessed	-	-	-	-
Reversal of impairment losses				
- Individually assessed	-	(1,841,229)	(1,300,563)	-
Disposal of a subsidiary	(100,000)	-	-	-
At 31 December	5,198,969	5,298,969	8,038,136	9,338,699

Included in the other receivables (current portion) of the Group at the end of the reporting period is an amount of RM8,720,009 (2024: RM8,720,009) representing unsecured and interest-free advances to a joint venture partner for development project in Bangi, Selangor Darul Ehsan.

(b) Trade receivables

Trade receivables are non-interest bearing and the normal credit term offered by the Group ranging from cash term to 30 days (2024: cash term to 30 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis. Late interest is charged at 10% (2024: 10%) per annum on the overdue balance to house buyers.

The retention sum and stakeholder sum are receivables upon the expiry of defect liabilities period as provided in the contracts with customers.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2025 RM	2024 RM
At 1 January	3,103,908	436,596
Charge for the financial year		
- Individually assessed	-	2,886,226
Reversal of impairment losses		
- Individually assessed	-	(6,000)
Written off	-	(212,914)
At 31 December	3,103,908	3,103,908

Notes to the Financial Statements (Cont'd)

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Trade receivables (continued)

The information about the credit exposures is disclosed in Note 27(b)(i) to the financial statements.

Included in trade receivables of the Group are amounts totalling of RM23,983,801 (2024: RM25,475,185) due from 1 (2024: 1) of its significant receivables.

(c) Deposits

Included in deposits of the Group at the end of reporting period:

- (i) is an amount of RM15,000,000 (2024: RM15,000,000) representing deposit paid by the Group and the Company to participate in the acquisition of a condominium project located at Lot 167, Seksyen 94A, Jalan Robson, Off Jalan Syed Putra, Kuala Lumpur to a stakeholder; and
- (ii) is an amount of RM3,500,000 (2024: RM3,500,000) representing deposit paid by a subsidiary of the Group, OCR Development (Kuantan) Sdn. Bhd. ("ODKSB") upon execution of a Joint Venture Agreement with a landowner in relation to a proposed development on a parcel of land in Bandar Kuantan, Kuantan, Pahang.

(d) Amount owing by subsidiaries and related parties

The non-trade amounts owing by subsidiaries and related parties are unsecured, interest-free, repayable on demand and are expected to be settled in cash.

12. OTHER INVESTMENTS

	Group and Company	
	2025	2024
	RM	RM
Financial assets designated at fair value through other comprehensive income ("DFVOCI")		
- Quoted equity investments in Malaysia	5,835,122	2,376,000

These investments were irrevocably designated at fair value through other comprehensive income as the Group and the Company consider these investments as strategic long-term investments and the volatility of market prices of these investments would not affect profit or loss.

All the quoted equity investments in Malaysia of the Group and the Company are pledged as collaterals for the share margin financing facility as disclosed in Note 19 to the financial statements.

Notes to the Financial Statements (Cont'd)

13. CONTRACT ASSETS/(CONTRACT LIABILITIES)

	Group	
	2025 RM	2024 RM
Contract assets relating to property development contracts	37,728,492	20,441,240
Contract assets relating to construction service contracts	2,313,966	2,358,470
Total contract assets	40,042,458	22,799,710
Contract liabilities relating to property development contracts	(1,209,285)	(21,739,332)
Total contract liabilities	(1,209,285)	(21,739,332)
Net amount	38,833,173	1,060,378

(a) Contract assets

The contract assets represent the Group's rights to consideration for the work completed for properties sold and construction contracts but are yet to be billed. Contract assets are transferred to receivables when the Group issues progress billings to the customers. Typically, the amount will be billed within 7 days and payments is expected within 30 days.

(b) Contract liabilities

The contract liabilities represent progress billings and deposits received for properties sold and construction contracts for which performance obligations have not been satisfied. The contract liabilities are expected to be recognised as revenue over a period of 30 days.

Notes to the Financial Statements (Cont'd)

13. CONTRACT ASSETS/(CONTRACT LIABILITIES) (CONTINUED)

(c) Changes in contract balances are as follows:

	2025		2024	
	Contract assets Increase/ (Decrease) RM	Contract liabilities (Increase)/ Decrease RM	Contract assets Increase/ (Decrease) RM	Contract liabilities (Increase)/ Decrease RM
Group				
Revenue recognised that was included in contract liabilities at the beginning of the financial year	-	21,739,332	-	9,562,285
Increases due to consideration received from customers, but revenue not recognised	-	(1,209,285)	-	(21,739,332)
Increases due to revenue recognised for unbilled goods or services transferred to customers	40,042,458	-	22,799,710	-
Transfer from contract assets recognised at the beginning of the period to receivables	(22,799,710)	-	(13,540,147)	-

The contract assets and contract liabilities at the end of the reporting period are expected to be recognised within one year.

Revenue recognised that was included in the contract liabilities balance at the beginning of the year represented primarily revenue from the sale of property development contracts when percentage of completion increases.

(d) Revenue recognised in relation to contract balances

During the financial year, revenue recognised that was included in the contract liability at the beginning of the year amounting to RM21,739,332 (2024: RM9,562,285). Revenue recognised represented primarily revenue from the sale of property development contracts when percentage of completion increases.

14. CONTRACT COSTS

	Group	
	2025 RM	2024 RM
Current		
Costs to obtain contracts	9,512,326	10,786,446

Costs to obtain contracts relate to incremental commission fees paid to intermediaries as results of obtaining contracts with customers.

The costs to obtain contracts are amortised in accordance with the pattern of transfer of goods or services to which the asset relates. During the financial year, the amortisation of contract costs of the Group recognised were RM6,782,575 (2024: RM5,008,927).

Notes to the Financial Statements (Cont'd)

15. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	13,453,051	10,259,602	247,568	125,054
Short-term deposits placed with licensed banks	18,664,083	18,162,904	12,269,100	11,947,403
	<u>32,117,134</u>	<u>28,422,506</u>	<u>12,516,668</u>	<u>12,072,457</u>

- (a) For purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Short-term deposits placed with licensed banks	18,664,083	18,162,904	12,269,100	11,947,403
Less: Deposits with maturity period of more than three months (pledged)	(12,269,100)	(11,947,403)	(12,269,100)	(11,947,403)
Less: Pledged deposits	(6,394,983)	(6,215,501)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and bank balances	13,453,051	10,259,602	247,568	125,054
Bank overdrafts	(12,636,010)	(9,768,895)	-	-
	<u>817,041</u>	<u>490,707</u>	<u>247,568</u>	<u>125,054</u>

- (b) The short-term deposits placed with licensed banks of the Group and of the Company are pledged to licensed banks as security for credit facilities granted to the Group and the Company as disclosed in Note 19 to the financial statements.
- (c) The short-term deposits of the Group and the Company bore interest rates ranging from 1.85% to 2.70% (2024: 1.85% to 2.70%) and 2.70% (2024: 2.70%) per annum respectively at the end of the reporting date. The fixed deposits of the Group and the Company have maturity periods ranging from 1 to 12 months (2024: 1 to 12 months).
- (d) Included in cash and bank balances of the Group is amount of RM778,655 (2024: RM884,543) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 which are restricted from use in other operations.

Notes to the Financial Statements (Cont'd)

16. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
Ordinary shares				
Issued and fully paid up				
(no par value):				
At 1 January	3,340,869,518	1,385,997,155	343,182,365	275,177,931
Issuance of shares during the financial year through:				
- rights issue with free warrants	-	1,336,346,717	-	46,772,135
- settlement of a subsidiary's advances	-	618,525,646	-	43,296,795
Allocated to warrant reserves	-	-	-	(22,064,496)
At 31 December	3,340,869,518	3,340,869,518	343,182,365	343,182,365

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

In the previous financial year, the Company:

- (a) issued 618,525,646 new ordinary shares at a price of RM0.070 per ordinary share for the settlement of advances of RM43,296,795 owing by Stack Builder Sdn. Bhd., a 50.495% owned subsidiary of the Company to two directors of the subsidiary; and
- (b) issued 1,336,346,717 new ordinary shares at a price of RM0.035 per ordinary share via renounceable rights issue together with free detachable warrants on basis of 2 rights shares together with 2 Warrants E for every 3 existing shares in the Company.

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

Notes to the Financial Statements (Cont'd)

17. OTHER RESERVES

	Note	Group and Company 2025 RM	2024 RM
Fair value reserve of financial assets at fair value through other comprehensive income ("FVOCI")	(a)	(48,462)	(1,382,446)
Warrant reserve	(b)	22,064,496	22,064,496
		22,016,034	20,682,050

(a) Fair value reserve of financial assets at FVOCI

This reserve comprises the cumulative net change in the fair value of financial assets at FVOCI until the investments are derecognised or impaired.

The Group and the Company have elected to recognise changes in the fair value of its investments in equity securities in other comprehensive income. These changes are accumulated within the fair value reserve of financial assets at FVOCI as disclosed in Note 12 to the financial statements. The Group and the Company transfer amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(b) Warrant reserve

The warrant reserve relates to the portion of proceeds from the rights shares issue ascribed to the attached warrants. As and when the warrants are exercised, the related balance in the warrant reserve will be transferred to the share capital account. Each warrant carries the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of RM0.035. The warrants will be expired on 1 October 2027 and the balances in the warrant reserve will be fully transferred to retained earnings upon expiry.

Notes to the Financial Statements
(Cont'd)

18. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Non-current:					
Trade					
Land cost payables	(a)	10,756,093	10,756,100	-	-
Total trade payables (non-current)		10,756,093	10,756,100	-	-
Current:					
Trade					
Land cost payables	(a)	49,809,601	64,478,470	-	-
Trade payables	(c)	20,674,235	21,313,183	-	-
Retention sum	(c)	21,230,943	17,238,698	-	-
Accrued costs for completion of projects	(d)	40,982,108	29,139,348	-	-
Total trade payables (current)		132,696,887	132,169,699	-	-
Non-trade					
Other payables		8,828,859	10,350,157	263,641	123,794
Deposits		1,811,538	322,800	-	-
Accruals		5,062,930	4,016,579	3,819,892	667,448
Amount owing to an associate	(e)	965,857	970,543	965,857	970,543
Amount owing to subsidiaries	(e)	-	-	46,107,130	39,602,757
Amount owing to related parties	(b)	5,055,645	12,359,872	282,267	559,455
Amount owing to directors	(e)	515,713	425,960	-	-
Total other payables (current)		22,240,542	28,445,911	51,438,787	41,923,997
Total trade and other payables (current)		154,937,429	160,615,610	51,438,787	41,923,997
Total trade and other payables (non-current and current)		165,693,522	171,371,710	51,438,787	41,923,997

(a) The non-current and current land cost payables represent land proprietary entitlements and development profits payable for its development projects.

(b) The amounts owing to related parties are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash.

Notes to the Financial Statements (Cont'd)

18. TRADE AND OTHER PAYABLES (CONTINUED)

- (c) Trade payables are non-interest bearing and the normal credit terms granted to the Group ranging from cash term to 150 days (2024: cash term to 150 days). The retention sum is payable upon the expiry of defect liability period.
- (d) Accrued costs for completion of projects of the Group represent property development and construction costs identified to be incurred for housing and commercial development projects and construction projects of the Group.
- (e) The amounts owing to an associate, subsidiaries and directors are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash.

For the explanation on the Group's and the Company's liquidity risk management process, refer to Note 27(b)(ii) to the financial statements.

19. LOANS AND BORROWINGS

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Non-current:					
Secured					
Bridging loan	(a)	7,995,368	3,075,191	-	-
Term loans	(a)	127,712,413	114,412,607	-	-
Hire purchase liabilities	(f)	54,042	145,290	-	-
		135,761,823	117,633,088	-	-
Current:					
Secured					
Bridging loan	(a)	2,833,500	-	-	-
Term loans	(a)	39,508,204	28,346,325	-	-
Trust receipts	(c)	4,279,452	4,428,013	-	-
Revolving credits	(d)	15,000,000	23,560,879	15,000,000	15,000,000
Bank overdrafts	(b)	12,636,010	9,768,895	-	-
Share margin financing	(e)	3,105,951	931,973	3,105,951	931,973
Hire purchase liabilities	(f)	91,247	1,307,030	-	-
		77,454,364	68,343,115	18,105,951	15,931,973
		213,216,187	185,976,203	18,105,951	15,931,973
Total loans and borrowings:					
Bridging loan	(a)	10,828,868	3,075,191	-	-
Term loans	(a)	167,220,617	142,758,932	-	-
Bank overdrafts	(b)	12,636,010	9,768,895	-	-
Trust receipts	(c)	4,279,452	4,428,013	-	-
Revolving credits	(d)	15,000,000	23,560,879	15,000,000	15,000,000
Share margin financing	(e)	3,105,951	931,973	3,105,951	931,973
Hire purchase liabilities	(f)	145,289	1,452,320	-	-
		213,216,187	185,976,203	18,105,951	15,931,973

Notes to the Financial Statements (Cont'd)

19. LOANS AND BORROWINGS (CONTINUED)

The loans and borrowings bore interest rates at the end of the reporting period as follows:

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Bridging loan	7.32 to 7.57	7.57	-	-
Term loans	5.50 to 8.00	5.45 to 9.50	-	-
Trust receipts	8.20	8.20	-	-
Revolving credits	5.52	5.91 to 6.20	5.52	5.91
Bank overdrafts	6.20 to 7.20	6.20 to 7.20	-	-
Hire purchase liabilities	2.22	2.22 to 4.50	-	-
Share margin financing	5.05 to 6.75	7.00	5.05 to 6.75	7.00

(a) Bridging loan and term loans

Term loan of a subsidiary of RM13,789,517 (2024: RM20,687,117) is secured and supported as follows:

- (i) legal charge over a property held under HSD 325829, PT 41228, Petaling, Mukim of Bukit Raja, Selangor as disclosed in Note 8 to the financial statements;
- (ii) debenture over fixed and floating assets, both present and future of a subsidiary of the Group;
- (iii) joint and several guarantee by a director; and
- (iv) corporate guarantee of the Company.

Term loans of a subsidiary of RM21,235,939 (2024: RM16,180,000) is secured and supported as follows:

- (i) legal charge over three pieces of freehold land held under Seksyen 19 and Seksyen 57, Mukim of Kuala Lumpur, Daerah of Kuala Lumpur, Negeri of Wilayah Persekutuan as disclosed in Note 7 to the financial statements;
- (ii) debenture over fixed and floating assets, both present and future of a subsidiary of the Group;
- (iii) joint and several guarantee by the directors; and
- (iv) corporate guarantee of the Company.

Notes to the Financial Statements (Cont'd)

19. LOANS AND BORROWINGS (CONTINUED)

(a) Bridging loan and term loans (continued)

Bridging loan and term loans of a subsidiary of RM10,828,868 (2024: RM12,820,900) are secured and supported as follows:

- (i) an all monies third party first legal charge over residential land held under Title No. Hak Milik 454, Lot 13844 Daerah Petaling, Mukim Sungai Buloh, Kampong Sungai Karu Ara, 47400 Negeri Selangor as disclosed in Note 8 to the financial statements;
- (ii) a personal guarantee by a director of the Company;
- (iii) a corporate guarantee by the Company;
- (iv) an all-monies debenture and power of attorney created over all present and future assets and properties;
- (v) an assignment of Housing Development Account ("HDA") or Project Account on all sales proceeds inclusive of profit from sales of designated project;
- (vi) power of Attorney by a subsidiary of the Group in favour of the Bank to appoint a contractor at the Bank's absolute discretion to complete the entire designated project upon the occurrence of an event of default and non-completion or suspension in the designated project for any reasons; and
- (vii) undertakings from all the Company's guarantors to cover any cost overrun and to complete the designated project.

Term loans of a subsidiary of RM81,642,252 (2024: RM82,146,106) are secured and supported as follows:

- (i) open all money third party first fixed charge over a piece of leasehold commercial land held under HSD 16667, PT 12, Seksyen 15, Bandar Shah Alam, Daerah Petaling, Negeri Selangor Darul Ehsan registered in the name of a joint venture partner as disclosed in Note 7 to the financial statements;
- (ii) open all money first party debenture by way of a fixed and floating charge created by over all a subsidiary's present and future assets;
- (iii) open all money first party deed of assignment and charge over the debt service reserve account ("DSRA");
- (iv) personal guarantee by a director of the Company; and
- (v) corporate guarantee by the Company.

Term loans of a subsidiary of RM14,000,000 (2024: RM14,000,000) are secured and supported as follows:

- (i) corporate guarantee by the Company.

Term loan of a subsidiary of RM36,552,909 (2024: Nil) are secured and supported as follows:

- (i) open all money third party first legal charge over a piece of freehold land held as disclosed in Note 8 to the financial statements;
- (ii) open all money first party deed of assignment of Housing Development Account ("HDA");
- (iii) open all money first party deed of assignment and charge overall sales proceeds and all monies available in the Project Development Account ("PDA") and the debt service reserve account ("DSRA");
- (iv) open all money first party debenture by way of a fixed and floating charge created by over all a subsidiary's present and future assets; and
- (v) corporate guarantee by the Company.

Notes to the Financial Statements (Cont'd)

19. LOANS AND BORROWINGS (CONTINUED)

(b) Bank overdrafts

The bank overdrafts of the Group are secured by:

- (i) a personal guarantee of a director of the Company;
- (ii) a third-party specific debenture by way of fixed and floating charge over two pieces of leasehold land in Daerah Melaka Tengah, Negeri Melaka belong to two subsidiaries as disclosed in Note 8 to the financial statements;
- (iii) a first party deed of assignment and charge over the surplus sales proceeds in respect of proposed development as well as all monies available in the designated account;
- (iv) a corporate guarantee of the Company;
- (v) short-term deposits with licensed banks as disclosed in Note 15 to the financial statements;
- (vi) against first party, first legal charge over a property also known HSD 325829, PT 41228, Petaling, Mukim of Bukit Raja, Selangor as disclosed in Note 8 to the financial statements; and
- (vii) debenture over fixed and floating assets, both present and future of a subsidiary.

(c) Trust receipts

The trust receipts of the Group are secured by a personal guarantee of a director of the Company, short-term deposits with licensed banks as disclosed in Note 15 to the financial statements and a corporate guarantee of the Company.

(d) Revolving credits

The revolving credits of the Group and of the Company are secured and supported as follows:

- (i) personal guarantee of a director of the Company; and
- (ii) short-term deposits placed with licensed banks as disclosed in Note 15 to the financial statements.

(e) Share margin financing

Share margin financing facility of the Group and of the Company is to finance the purchase of quoted securities by placing the collateral shares as disclosed in Note 12 to the financial statements.

Notes to the Financial Statements (Cont'd)

19. LOANS AND BORROWINGS (CONTINUED)

(f) Hire purchase liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group	
	2025	2024
	RM	RM
Minimum lease payments:		
- Not later than one year	94,513	1,369,404
- Later than one year and not later than five years	55,626	150,140
	150,139	1,519,544
Less: Future finance charges	(4,850)	(67,224)
Present value of minimum lease payments	145,289	1,452,320
Represented by:		
Current		
- Not later than one year	91,247	1,307,030
Non-current		
- Later than one year and not later than five years	54,042	145,290
	145,289	1,452,320

Hire purchase liabilities of the Group bears interest ranging from 2.22% (2024: 2.22% to 4.50%) per annum are secured by the Group's tools and equipment and motor vehicles under hire purchase arrangements as disclosed in Note 5 to the financial statements.

Notes to the Financial Statements (Cont'd)

20. DEFERRED TAX LIABILITIES

		Group	
	Note	2025 RM	2024 RM
Deferred tax liabilities arising from fair value gain on investment properties			
At 1 January		3,580,137	898,594
Recognised in profit or loss	25	(21,158)	2,681,543
At 31 December		3,558,979	3,580,137

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unabsorbed capital allowances	2,542,342	1,658,275	732,374	620,859
Unused tax losses	49,473,419	39,820,130	11,375,104	9,501,169
Other timing differences	(5,824,415)	(1,593,111)	(123,449)	(99,780)
	46,191,346	39,885,294	11,984,029	10,022,248
Potential deferred tax assets not recognised at 24% (2024: 24%)	11,085,923	9,572,470	2,876,167	2,405,340

Unused tax losses which are available for offset against future taxable income will expire in the following years:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Year of assessment				
2028	6,802,820	6,802,820	4,571,188	4,571,188
2029	1,476,014	1,476,014	1,457,622	1,457,622
2030	1,075,405	1,075,405	1,015,173	1,015,173
2031	800,909	874,874	570,405	570,405
2032	10,056,116	10,221,207	847,647	847,647
2033	8,379,418	9,084,695	610,658	610,658
2034	17,714,466	10,285,115	428,476	428,476
2035	3,168,271	-	1,873,935	-
	49,473,419	39,820,130	11,375,104	9,501,169

Notes to the Financial Statements (Cont'd)

21. PROVISION

Provision represented the provision for liquidated ascertained damages, which refers to liquidated ascertained damages expected to be claimed by the customers based on the terms of the applicable sale and purchase agreements.

	Group	
	2025 RM	2024 RM
At 1 January	-	-
Additions	10,379,747	-
At 31 December	10,379,747	-

22. REVENUE

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contract customers:					
Property development	(a)	183,940,811	94,026,632	-	-
Revenue from other sources:					
Management fees		-	-	7,822,694	9,457,108
Rental income from investment properties		929,398	534,000	-	-
		929,398	534,000	7,822,694	9,457,108
Total		184,870,209	94,560,632	7,822,694	9,457,108
Timing of revenue recognition:					
At a point in time	(a)	19,050,573	-	-	-
Over time	(a)	164,890,238	94,026,632	-	-

(a) Disaggregation of revenue

The Group and the Company report the following major segments: construction services, property development and others in accordance with MFRS 8 *Operating Segments*. For purpose of disclosure of disaggregation of revenue, it disaggregates revenue into major goods or services as disclosed in Note 30 to the financial statements and timing of revenue recognition (i.e. goods transferred at a point in time, or services transferred over time).

The Group operates its businesses predominantly in Malaysia. Accordingly, the information by geographical segments is not presented.

Notes to the Financial Statements (Cont'd)

22. REVENUE (CONTINUED)

(b) Transaction price allocated to the remaining performance obligation

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

	Group	
	2025 RM	2024 RM
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied		
- Property development contracts	250,412,414	156,345,578

The Group applies the practical expedient in Paragraph 121(a) of MFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

23. FINANCE COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest expenses on:				
- bank overdrafts	764,625	723,100	-	-
- hire purchase liabilities	62,372	163,250	-	-
- lease liabilities	8,026	7,066	-	-
- net fair value loss on financial assets measured at amortised cost	683,229	700,061	-	-
- revolving credits	1,661,975	963,034	847,392	877,201
- trust receipts	185,434	130,146	-	-
- term and bridging loans	4,438,905	3,537,068	-	-
- share margin interest	8,170	-	8,170	-
- other interest	1,586,070	450,000	-	-
	9,398,806	6,673,725	855,562	877,201

Notes to the Financial Statements (Cont'd)

24. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit/(loss) before tax:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration:				
- statutory audit:				
- Baker Tilly Monteiro Heng PLT	345,000	291,500	80,000	76,000
- other services:				
- Baker Tilly Monteiro Heng PLT	68,000	34,568	68,000	34,568
- non-statutory audit fees:				
- internal auditors	32,000	28,000	32,000	28,000
Bad debts written off	-	3,537	-	-
Depreciation of:				
- property, plant and equipment	567,316	1,219,657	96,047	67,918
- right-of-use assets	400,762	483,321	-	-
Directors' fees	168,000	174,000	168,000	174,000
Directors' remuneration:				
- salaries and other remuneration	1,200,000	1,200,000	600,000	600,000
- defined contribution plans	144,000	144,000	72,000	72,000
- others	10,686	27,506	9,293	13,753
Expenses relating to:				
- leases of low value assets	51,201	49,695	26,292	27,120
- short-term leases	523,664	527,444	240,688	240,588
Fair value gain on investment properties	-	(11,371,419)	-	-
Gain on derecognition of right-of-use assets	-	(21,382)	-	-
(Gain)/Loss on disposal of:				
- a subsidiary	(176,628)	-	-	-
- other investments	182,469	221,300	182,469	221,300
- property, plant and equipment	517,326	1,025,764	(1,218)	-
Impairment losses on:				
- investment in an associate	-	9,552	-	-
- loans that are part of net investment in subsidiaries	-	-	10,407,524	1,954,169
Interest income	(479,970)	(500,294)	(323,571)	(352,332)
Negative goodwill on acquisition of a subsidiary	-	(784,866)	-	-
Net impairment losses on trade and other receivables	-	1,038,997	-	-
Reversal of impairment losses on amount owing by subsidiaries	-	-	(1,300,563)	-
Property, plant and equipment written off	281	815,424	-	-
Staff costs:				
- salaries and other remuneration	10,061,011	8,475,030	6,400,780	5,620,905
- defined contribution plans	1,221,325	1,074,393	780,411	722,979
- others	927,587	1,052,230	604,618	791,996
Unwinding of discount on other receivables	(304,774)	(244,098)	-	-

Notes to the Financial Statements (Cont'd)

25. TAX EXPENSES

The major components of income tax expense for the financial years ended 31 December 2025 and 31 December 2024 are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Statements of comprehensive income				
Current income tax:				
- current income tax charge	3,342,917	31,524	77,657	-
- adjustments in respect of prior years	14,608	(405,571)	-	-
	<u>3,357,525</u>	<u>(374,047)</u>	<u>77,657</u>	<u>-</u>
Deferred tax:				
- origination of temporary differences	-	2,681,543	-	-
- adjustments in respect of prior years	(21,158)	-	-	-
	<u>(21,158)</u>	<u>2,681,543</u>	<u>-</u>	<u>-</u>
Income tax expense recognised in profit or loss	<u>3,336,367</u>	<u>2,307,496</u>	<u>77,657</u>	<u>-</u>

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

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before tax	<u>7,623,613</u>	<u>7,015,226</u>	<u>(12,756,666)</u>	<u>(3,669,874)</u>
Tax at Malaysian statutory income tax rate of 24% (2024: 24%)	1,829,667	1,683,654	(3,061,600)	(880,770)
Adjustments:				
- Deferred tax not recognised on tax losses and temporary differences	2,640,721	2,783,206	470,827	-
- Income not subject to tax	(7,766,106)	(4,782,341)	(312,135)	-
- Non-deductible expenses	7,765,285	3,263,879	2,980,565	870,496
- Adjustment in respect prior years:				
- income tax	14,608	(405,571)	-	-
- deferred tax	(21,158)	-	-	-
- Share of results of associates	618	608	-	-
- Utilisation of deferred tax assets previously not recognised	(1,127,268)	(2,917,482)	-	10,274
Temporary differences on fair value gain of investment properties	-	2,681,543	-	-
Income tax expense	<u>3,336,367</u>	<u>2,307,496</u>	<u>77,657</u>	<u>-</u>

Notes to the Financial Statements (Cont'd)

26. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per ordinary share

Basic (loss)/earnings per share is based on the profit/(loss) for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2025	2024
	RM	RM
(Loss)/Profit attributable to owners of the Company	(944,601)	4,772,691
	Unit	Unit
Weighted average number of ordinary shares in issue:		
Ordinary shares at 1 January	3,340,869,518	1,385,997,155
Movement during the financial year:		
- effect of issuance of ordinary shares	-	258,564,000
- effect of rights issue with free warrants	-	369,438,407
Weighted average number of ordinary shares for basic (loss)/earnings per share	3,340,869,518	2,013,999,562
	RM	RM
Basic (loss)/earnings per ordinary share (sen)	(0.03)	0.24

Notes to the Financial Statements (Cont'd)

26. (LOSS)/EARNINGS PER SHARE (CONTINUED)

(b) Diluted (loss)/earnings per ordinary share

Diluted (loss)/earnings per share is based on the profit/(loss) for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	2025 RM	2024 RM
(Loss)/Profit attributable to owners of the Company	(944,601)	4,772,691
	Unit	Unit
Weighted average number of ordinary shares for basic (loss)/earnings per share	3,340,869,518	2,013,999,562
Effect of dilution from:		
- Potential exercise of Warrants E	- *	515,782,943
Weighted average number of ordinary shares for diluted (loss)/earnings per share	3,340,869,518	2,529,782,505
	RM	RM
Diluted (loss)/earnings per ordinary share (sen)	(0.03)	0.19

* The effect of warrants have not been accounted for in current financial year as the effect is antidilutive.

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the authorisation of these financial statements.

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost ("AC"); and
- (ii) Designated fair value through other comprehensive income ("DFVOCI").

	Carrying amount RM	AC RM	DFVOCI RM
As 31 December 2025			
Financial assets			
Group			
Other investments	5,835,122	-	5,835,122
Trade and other receivables	146,934,033	146,934,033	-
Cash and short-term deposits	32,117,134	32,117,134	-
	<u>184,886,289</u>	<u>179,051,167</u>	<u>5,835,122</u>
Company			
Other investments	5,835,122	-	5,835,122
Trade and other receivables	82,870,955	82,870,955	-
Cash and short-term deposits	12,516,668	12,516,668	-
	<u>101,222,745</u>	<u>95,387,623</u>	<u>5,835,122</u>
As 31 December 2025			
Financial liabilities			
Group			
Trade and other payables	(165,693,522)	(165,693,522)	-
Loans and borrowings	(213,216,187)	(213,216,187)	-
	<u>(378,909,709)</u>	<u>(378,909,709)</u>	<u>-</u>
Company			
Trade and other payables	(51,438,787)	(51,438,787)	-
Loans and borrowings	(18,105,951)	(18,105,951)	-
	<u>(69,544,738)</u>	<u>(69,544,738)</u>	<u>-</u>

Notes to the Financial Statements
(Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned (continued):

	Carrying amount RM	AC RM	DFVOCI RM
As 31 December 2024			
Financial assets			
Group			
Other investments	2,376,000	-	2,376,000
Trade and other receivables	147,972,529	147,972,529	-
Cash and short-term deposits	28,422,506	28,422,506	-
	178,771,035	176,395,035	2,376,000
Company			
Other investments	2,376,000	-	2,376,000
Trade and other receivables	141,883,389	141,883,389	-
Cash and short-term deposits	12,072,457	12,072,457	-
	156,331,846	153,955,846	2,376,000
As 31 December 2024			
Financial liabilities			
Group			
Trade and other payables	(171,371,710)	(171,371,710)	-
Loans and borrowings	(185,976,203)	(185,976,203)	-
	(357,347,913)	(357,347,913)	-
Company			
Trade and other payables	(41,923,997)	(41,923,997)	-
Loans and borrowings	(15,931,973)	(15,931,973)	-
	(57,855,970)	(57,855,970)	-

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and market price risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not use derivative financial instruments to hedge certain exposures and do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit worthiness of a customer is assessed based on a set of evaluation criteria and credit limits are defined in accordance with this assessment.

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 30 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the counterparty does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by their carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables and contract assets by industry sector profile on an ongoing basis. The credit risk concentration profile of the Group's trade receivables and contract assets at the reporting date are as follows:

	Group			
	2025 RM	%	2024 RM	%
Trade receivables				
Property development	37,275,405	33	35,710,308	37
Construction	34,166,820	31	38,544,430	40
	<u>71,442,225</u>	<u>64</u>	<u>74,254,738</u>	<u>77</u>
Contract assets				
Property development	37,728,492	34	20,441,240	21
Construction	2,313,966	2	2,358,470	2
	<u>40,042,458</u>	<u>36</u>	<u>22,799,710</u>	<u>23</u>
	<u>111,484,683</u>	<u>100</u>	<u>97,054,448</u>	<u>100</u>

The Company does not have trade receivables as at reporting date.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit loss provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit characteristics and the days past due. The impairment losses also incorporate forward-looking information.

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The Group's major concentration of credit risk relates to the amount owing by 1 (2024: 1) customer who constituted approximately 32% (2024: 34%) of its trade receivables (including related parties) at the end of the reporting period.

The information about the credit risk exposure on the Group's trade receivables and contract assets is as follows:

Group	Gross carrying amount RM	Impairment loss RM	Net balance RM
At 31 December 2025			
Contract assets	40,042,458	-	40,042,458
Trade receivables			
Current (not past due)	13,716,078	-	13,716,078
1 - 30 days past due	5,125,983	-	5,125,983
31 - 60 days past due	1,407,000	-	1,407,000
61 - 90 days past due	973,118	-	973,118
More than 90 days past due	50,220,046	-	50,220,046
Credit impaired (individually assessed)	3,103,908	(3,103,908)	-
	74,546,133	(3,103,908)	71,442,225
Total	114,588,591	(3,103,908)	111,484,683
At 31 December 2024			
Contract assets	22,799,710	-	22,799,710
Trade receivables			
Current (not past due)	16,832,025	-	16,832,025
1 - 30 days past due	2,211,921	-	2,211,921
31 - 60 days past due	1,735,036	-	1,735,036
61 - 90 days past due	739,275	-	739,275
More than 90 days past due	52,736,481	-	52,736,481
Credit impaired (individually assessed)	3,103,908	(3,103,908)	-
	77,358,646	(3,103,908)	74,254,738
Total	100,158,356	(3,103,908)	97,054,448

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Credit risk arising from construction contracts

For construction contracts, as there are only a few customers, the Group assessed the risk of loss for each customer individually based on their financial capability, past trends of payments and other external information relating to the debtors that are publicly available.

Credit risk arising from property development

The Group does not have any significant credit risk as its services and products are predominantly rendered and sold to large number of customers comprise substantially property purchasers with financing facilities from reputable end-financiers. Credit risks with respect to property purchasers with no end financing facilities are limited as the ownership and rights to the properties revert to the Group in the event of default. The Group does not have any significant exposure to any individual or counterparty nor any major concentration of credit risk related to any financial instruments.

Other receivables and other financial assets

For other receivables and other financial assets (including investment securities and cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets are represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of defaulting upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due to making a contractual payment.

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets (continued)

Some intercompany balances between entities within the Group comprise loans or advances which are repayable on demand. The Company regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorate significantly, the Company assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Company is able to determine the timing of repayment of the loans or advances, the Company will consider the loans or advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Company determines the probability of defaults on these loans or advances using internally available information. The Company considers the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

At the end of the reporting date, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

Other than the credit-impaired other receivables, the Group and the Company consider these financial assets to have low credit risk.

As at the reporting date, the Group and the Company did not recognise any loss allowance for impairment of other receivables and other financial assets other than those as disclosed in Note 11 to the financial statements.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM194,964,947 (2024: RM168,591,910) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 27(b)(ii) to the financial statements. As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to subsidiaries' secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds from operational collections to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

Maturity analysis

The maturity analysis of the Group's and of the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

		Contractual cash flows			
	Carrying amount RM	On demand or within 1 year RM	Between 1 and 5 years RM	More than 5 years RM	Total RM
Group					
At 31 December 2025					
Financial liabilities					
Trade and other payables	165,693,522	154,937,429	10,756,093	-	165,693,522
Term and bridging loans	178,049,485	47,993,197	142,854,313	10,682,086	201,529,596
Trust receipts	4,279,452	4,630,367	-	-	4,630,367
Revolving credits	15,000,000	15,886,500	-	-	15,886,500
Bank overdrafts	12,636,010	13,482,623	-	-	13,482,623
Hire purchase liabilities	145,289	94,513	55,626	-	150,139
Share margin financing	3,105,951	3,323,368	-	-	3,323,368
Lease liabilities	168,293	120,000	54,200	-	174,200
	379,078,002	240,467,997	153,720,232	10,682,086	404,870,315

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's and of the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows (continued):

		Contractual cash flows			
	Carrying amount RM	On demand or within 1 year RM	Between 1 and 5 years RM	More than 5 years RM	Total RM
Group					
At 31 December 2024					
Financial liabilities					
Trade and other payables	171,371,710	160,615,618	10,756,092	-	171,371,710
Term and bridging loans	145,834,123	53,333,996	131,822,085	8,389,334	193,545,415
Trust receipts	4,428,013	4,791,110	-	-	4,791,110
Revolving credits	23,560,879	24,978,153	-	-	24,978,153
Bank overdrafts	9,768,895	10,816,151	-	-	10,816,151
Hire purchase liabilities	1,452,320	1,369,404	150,140	-	1,519,544
Share margin financing	931,973	997,211	-	-	997,211
Lease liabilities	23,976	27,200	-	-	27,200
	357,371,889	256,928,843	142,728,317	8,389,334	408,046,494
Company					
At 31 December 2025					
Financial liabilities					
Other payables	51,438,787	51,438,787	-	-	51,438,787
Revolving credits	15,000,000	15,886,500	-	-	15,886,500
Share margin financing	3,105,951	3,323,368	-	-	3,323,368
Financial guarantee contracts	-	194,964,947	-	-	194,964,947
	69,544,738	265,613,602	-	-	265,613,602
At 31 December 2024					
Financial liabilities					
Other payables	41,923,997	41,923,997	-	-	41,923,997
Revolving credits	15,000,000	15,886,500	-	-	15,886,500
Share margin financing	931,973	997,211	-	-	997,211
Financial guarantee contracts	-	168,591,910	-	-	168,591,910
	57,855,970	227,399,618	-	-	227,399,618

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as results of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates. The Group's and the Company's do not hedge their interest rate risk.

Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial instruments at fair value through profit or loss. Therefore, a change in interest rates as at the reporting period would not affect the profit or loss.

Sensitivity analysis for floating rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's and the Company's total equity and profit for the financial year.

	Change in rate %	Effect on profit for the financial year RM	Effect on equity RM
Group			
31 December 2025	+ 10%	(21,307,090)	(21,307,090)
	- 10%	21,307,090	21,307,090
31 December 2024	+ 10%	(18,452,388)	(18,452,388)
	- 10%	18,452,388	18,452,388
Company			
31 December 2025	+ 10%	(1,810,595)	(1,810,595)
	- 10%	1,810,595	1,810,595
31 December 2024	+ 10%	(1,593,197)	(1,593,197)
	- 10%	1,593,197	1,593,197

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Market price risk

Market price risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as results of changes in market price (other than interest or exchange rates).

The Group's and the Company's investments in quoted equity instruments are subject to market price risk. Such exposures are not hedged as the investment is stable where the risks accepted are commensurate with the expected returns.

Sensitivity analysis for equity price risk

The following table demonstrates the sensitivity to a reasonably change in the FTSE Bursa Malaysia KLCI ("FBM KLCI"), with all other variables held constant on the Group's and the Company's total equity and profit for the financial year.

	Change in % of FBMKLCI %	Effect on profit for the financial year RM	Effect on equity RM
Group and Company			
31 December 2025	+ 10%	583,512	583,512
	- 10%	(583,512)	(583,512)
31 December 2024	+ 10%	237,600	237,600
	- 10%	(237,600)	(237,600)

(c) Fair value measurement

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no transfers between Level 1 and Level 2 during the financial year (2024: no transfer in either direction).

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments:

Group	Carrying amount Total RM	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
31 December 2025									
Financial assets									
Non-current									
Other receivables	7,069,232	-	-	-	-	-	-	7,069,232	7,069,232
Other investments									
- Quoted equity investments	5,835,122	5,835,122	-	-	5,835,122	-	-	-	-
Financial liabilities									
Non-current									
Trade payables	10,756,093	-	-	-	-	-	-	10,756,093	10,756,093
31 December 2024									
Financial assets									
Non-current									
Other receivables	6,073,057	-	-	-	-	-	-	6,073,057	6,073,057
Other investments									
- Quoted equity investments	2,376,000	2,376,000	-	-	2,376,000	-	-	-	-
Financial liabilities									
Non-current									
Trade and other payables	10,756,100	-	-	-	-	-	-	10,756,100	10,756,100

Notes to the Financial Statements
(Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments (continued):

	Carrying amount Total RM	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Company									
31 December 2025									
Financial assets									
Non-current									
Other investments									
- Quoted equity investments	5,835,122	5,835,122	-	-	5,835,122	-	-	-	-
31 December 2024									
Financial assets									
Non-current									
Other investments									
- Quoted equity investments	2,376,000	2,376,000	-	-	2,376,000	-	-	-	-

Notes to the Financial Statements (Cont'd)

27. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

Level 1 fair value

Fair value of financial instruments carried at fair value

The fair value of the Group's and the Company's quoted investments is estimated based on their quoted market prices as at end of the reporting year.

Level 3 fair value

Fair value of financial instruments not carried at fair value

The fair value of trade and other receivables and trade payables are determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

The fair value, which are for disclosure purposes, have been determined using the following basis:

- (i) The fair value of the Group's other receivable (non-current) is calculated based on present value of the projected repayment of balances;
- (ii) The fair value of the Group's trade payables (non-current) is calculated based on the present value of the trade payable entitlement on development land belonging to trade payables as disclosed in Note 18(a) to the financial statements; and
- (iii) The fair value of the Group's and the Company's loans and borrowings that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

Fair value hierarchy is not presented for those financial assets and financial liabilities of the Group and the Company which are not carried at fair value by any valuation method.

28. RELATED PARTIES

(a) Identity of related parties

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

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Associates;
- (iii) Entities in which directors have substantial financial interest; and
- (iv) Key management personnel of the Group and the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

Notes to the Financial Statements (Cont'd)

28. RELATED PARTIES (CONTINUED)

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Progress billings				
Entity in which a director has a substantial financial interests	1,504,505	4,873,037	-	-
Subcontractor fees				
Entity in which a director has a substantial financial interests	13,482,746	28,793,821	-	-
Marketing fees				
Entity in which a director has a substantial financial interests	3,118,469	375,862	-	-
Management fees				
Subsidiaries	-	-	(7,822,694)	(9,457,108)
Rental expenses				
Entity in which a director has a substantial financial interests	447,564	447,564	447,564	447,564
Advertising expenses				
Entities in which a director has a substantial financial interests	191,125	20,920	-	-
Sales commission				
Entities in which a director has a substantial financial interests	58,404	-	-	-

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Note 11 and 18.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 27(b)(i).

Notes to the Financial Statements
(Cont'd)

28. RELATED PARTIES (CONTINUED)

(c) Compensation of key management personnel

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Directors of the Company				
Short-term employee benefits	1,378,686	1,401,506	777,293	787,753
Post-employment employee benefits	144,000	144,000	72,000	72,000
	<u>1,522,686</u>	<u>1,545,506</u>	<u>849,293</u>	<u>859,753</u>
Other key management personnels				
Short-term employee benefits	1,217,737	2,127,504	1,217,737	2,127,504
Post-employment employee benefits	150,546	258,734	150,546	258,734
	<u>1,368,283</u>	<u>2,386,238</u>	<u>1,368,283</u>	<u>2,386,238</u>
	<u>2,890,969</u>	<u>3,931,744</u>	<u>2,217,576</u>	<u>3,245,991</u>

Notes to the Financial Statements (Cont'd)

29. CAPITAL MANAGEMENT

For the purpose of the Group's and the Company's capital management, capital includes issued capital and other equity reserves attributable to equity holders of the parent. The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio to support their business and maximise shareholders value. The Group and the Company manage their capital structure and make adjustment to it, in light to changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 December 2025 and 31 December 2024.

The Group and the Company monitor capital using debt-to-equity ratio. The debt-to-equity ratio is calculated as total loans and borrowings less cash and short-term deposits divided by total equity. The debt-to-equity ratio as at the reporting date are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Loans and borrowings	213,216,187	185,976,203	18,105,951	15,931,973
Less: Cash and short-term deposits	(32,117,134)	(28,422,506)	(12,516,668)	(12,072,457)
Net debts	181,099,053	157,553,697	5,589,283	3,859,516
Total equity	304,951,908	299,330,678	263,578,718	275,079,057
Debt-to-equity ratio	59%	53%	2%	1%

There was no change in the Group's and the Company's approach to capital management during the financial year.

The Group and the Company are required to comply with certain debts to equity ratios in respect of their credit facilities.

Gearing ratios are not governed by the MFRSs and their definitions and calculations may vary between reporting entities.

Notes to the Financial Statements (Cont'd)

30. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group's Managing Director ("MD") for the purpose of making decisions about resource allocation and performance assessment.

The three reportable operating segments are as follows:

Segments	Products and services
Property development	Development and sales of residential and commercial properties.
Construction	Construction of residential and commercial properties.
Others	Investment holdings company and non-core business other than the above.

Inter-segment pricing is determined on negotiated basis.

Segment profit

Segment performance is used to measure performance as the Group MD believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets

The total segment asset is measured based on all assets (excluding investment in associates) of a segment, as included in the internal reports that are reviewed by the Group MD.

Segment liabilities

Segment liabilities are not included in the internal reports that are reviewed by the Group MD. Hence, no disclosures are made on segment liabilities.

Notes to the Financial Statements
(Cont'd)

30. SEGMENT INFORMATION (CONTINUED)

	Note	Property development RM	Construction RM	Others RM	Adjustments and eliminations RM	Total RM
At 31 December 2025						
Revenue:						
Revenue from external customers		180,566,269	-	929,398	3,374,542	184,870,209
Inter-segment revenue	A	-	16,991,044	7,822,694	(24,813,738)	-
		180,566,269	16,991,044	8,752,092	(21,439,196)	184,870,209
Results						
<i>Included in the measure of segment profit/(loss)</i>						
Operating results		24,156,354	(1,572,031)	(2,337,062)	(2,216,832)	18,030,429
Depreciation and amortisation		(483,597)	(93,453)	(96,049)	(294,979)	(968,078)
(Loss)/Gain on disposal of property, plant and equipment		(386,424)	(132,120)	1,218	-	(517,326)
Impairment loss on investment in subsidiaries		-	-	(10,876,312)	10,876,312	-
Net reversal of impairment losses on financial instruments		-	-	1,300,563	(1,300,563)	-
Interest expenses		(6,233,473)	(144,255)	(3,021,078)	-	(9,398,806)
Interest income		128,462	27,612	323,896	-	479,970
		17,181,322	(1,914,247)	(14,704,824)	7,063,938	7,626,189
Reportable segment profit/(loss)						
<i>Not included in the measure of segment profit/(loss)</i>						
Share of results of associates		-	-	(2,576)	-	(2,576)
Segment profit/(loss)		17,181,322	(1,914,247)	(14,707,400)	7,063,938	7,623,613
Tax expenses		(3,017,569)	-	(318,798)	-	(3,336,367)
Profit/(Loss) for the financial year	B	14,163,753	(1,914,247)	(15,026,198)	7,063,938	4,287,246
Assets:						
Investment in associates		-	-	132,041	-	132,041
Addition to non-current assets		6,854,085	-	603,129	-	7,457,214
Segment assets	C	575,932,035	57,694,368	439,428,373	(370,791,546)	702,263,230

30. SEGMENT INFORMATION (CONTINUED)

At 31 December 2024		Adjustments			
Revenue:					
Note	Property development RM	Construction RM	Others RM	and eliminations RM	Total RM
A	94,026,632	-	534,000	-	94,560,632
	-	30,155,559	9,457,108	(39,612,667)	-
	94,026,632	30,155,559	9,991,108	(39,612,667)	94,560,632
Results					
<i>Included in the measure of segment profit/(loss)</i>					
	Operating results	(6,060,507)	(468,007)	(941,807)	3,535,981
	Depreciation and amortisation	(471,227)	(67,918)	(294,979)	(1,702,978)
	Fair value gain on investment properties	-	11,371,419	-	11,371,419
	Gain on disposal of property, plant and equipment	502,430	-	-	1,025,764
	Net (impairment losses)/reversal of impairment losses on financial instruments	(1,044,996)	495,997	(1,157,009)	(1,038,997)
	Interest expenses	(492,908)	(3,019,830)	-	(6,673,725)
	Interest income	51,895	352,495	-	500,294
	Reportable segment profit/(loss)	(7,515,313)	8,664,156	(2,393,795)	7,017,758
<i>Not included in the measure of segment profit/(loss)</i>					
	Share of results of associates	(2,532)	-	-	(2,532)
	Segment profit/(loss)	(7,517,845)	8,664,156	(2,393,795)	7,015,226
	Tax credit/(expenses)	322,180	(2,687,504)	-	(2,307,496)
B	Profit/(Loss) for the financial year	(7,195,665)	5,976,652	(2,393,795)	4,707,730
Assets:					
	Investment in associates	-	134,617	-	134,617
	Addition to non-current assets	-	7,858,743	-	24,189,357
C	Segment assets	58,495,897	439,372,638	(378,109,983)	682,022,036

Notes to the Financial Statements (Cont'd)

30. SEGMENT INFORMATION (CONTINUED)

Reconciliation of reportable segment revenue, profit or loss, assets and other material items are as follows:

A Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

B Reconciliation of profit or loss

	Group	
	2025 RM	2024 RM
Elimination of inter-segment unrealised profit	7,063,938	(2,393,795)

C Reconciliation of assets

	Group	
	2025 RM	2024 RM
Investment in associates	132,041	134,617
Inter-segment assets	(370,923,587)	(378,244,600)
	(370,791,546)	(378,109,983)

Geographical information

The Group operates predominantly in Malaysia and has not ventured into any operations outside Malaysia during the financial year. Accordingly, the information by geographical segment is not presented.

Notes to the Financial Statements (Cont'd)

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Other than as disclosed elsewhere in the financial statements, the significant events during the financial year and subsequent to the end of the financial year are as follows:

(a) Significant events during the financial year

(i) Incorporation of a new subsidiary

On 13 February 2025, Grand Superland Sdn. Bhd., a wholly owned subsidiary of the Company incorporated a private limited liability company known as OCR Asra Sdn. Bhd. ("OCASB"). As a result of the incorporation, OCASB became an indirect subsidiary of the Company.

(ii) Disposal of a subsidiary

The Company disposed its entire shareholdings in OCR (The Mate) Sdn. Bhd. ("OTMSB") to a director of the Company a total of 1 ordinary share, representing 100% of issued and paid-up capital in OTMSB for consideration of RM1. The disposal was completed on 26 March 2025 and OTMSB ceased to be subsidiary of the Company.

(b) Significant events subsequent to the end of the financial year

(i) On 24 March 2026, OCR Avenue Sdn. Bhd., an indirect wholly-owned subsidiary of the Company entered into a Sales and Purchase Agreement ("SPA") to dispose 4.58 acres of the leasehold land held under PT12, Seksyen 15, Bandar Shah Alam, Daerah Petaling, Selangor Darul Ehsan for a total consideration of RM45,000,000.

(ii) On 25 March 2026, the Company entered into a heads of agreement with a third party for the proposed acquisition of 49% equity interest in Chester Properties Sdn. Bhd. for a purchase consideration to be negotiated and agreed upon which will be satisfied entirely via issuance of new ordinary shares in the Company.

Notes to the Financial Statements (Cont'd)

32. MATERIAL LITIGATIONS

Commencement of Arbitration Proceedings by O&C Makok Isola Sdn. Bhd. ("OMISB") against Jetson Construction Sdn. Bhd. ("JCSB")

OMISB, a 50.01% owned subsidiary of the Company has commenced arbitration proceedings ("Arbitration") against JCSB in connection with the contract for the construction of the main building and external works ("Contract") for a property development project.

Particular of claims

In commencing the Arbitration, OMISB is seeking to claim for, among others but not limited to the sum of RM30,879,616.14, or alternatively a sum to be assessed by the Tribunal for the additional costs relating to the appointment of a replacement contractor to complete the Works, the liquidated damages, reimbursement of all any over payment of Works, interest, costs and expenses of the arbitration against JCSB.

On 4 October 2024, the Company announced that following the deemed termination of the Arbitration initiated against JCSB on 10 September 2024 due to JCSB's failure to pay its share of requisite deposits to Pertubuhan Arkitek Malaysia, OMISB has filed the Writ of Summons and Statement of Claim against JCSB and Kumpulan Jetson Berhad ("KJB") on 3 October 2024 with the Kuala Lumpur High Court in Civil Suit No. WA-22C-73-10/24 ("Suit").

The Suit was filed against JCSB and Kumpulan Jetson Berhad ("KJB") in connection with OMISB's claims against JCSB as stipulated in the Arbitration proceedings and OMISB's enforcement against KJB under the Corporate Guarantee dated 30 January 2022 issued by KJB due to JCSB's failure to remedy its breaches and defaults under the contract.

In the Suit, OCMI's claim against the JCSB and KJB is approximately RM66,000,000 and RM4,400,000. JCSB has filed a counterclaim for approximately RM40,000,000.

The Court has fixed the trial dates for this Suit from 19 May 2026 to 22 May 2026.

The solicitors of OCMI have been informed that JCSB's contributory namely Hectamark Sdn. Bhd., was wound up in September 2025 in which case JCSB's contributory is no longer instructing, supporting or funding JCSB in the Suit. They are awaiting notification from the Official Receiver on the position that JCSB wishes to take in the legal action.

The Group does not expect any material operational impact and any losses to arise by reason of the commencement of the said Arbitration proceeding other than the associated legal cost and time to be incurred on the legal claim. Hence, the Arbitration is expected to have no material operational and financial adverse impact to the Group.

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **ONG KAH HOE** and **TUNKU AZUDINSHAH IBNI TUNKU ANNUAR**, being two of the directors of OCR GROUP BERHAD, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 127 to 211 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

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

.....
ONG KAH HOE

Director

.....
TUNKU AZUDINSHAH IBNI TUNKU ANNUAR

Director

Date: 22 April 2026

STATUTORY DECLARATION

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **ONG KAH HOE**, being the director primarily responsible for the financial management of OCR GROUP BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 127 to 211 are 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.

.....
ONG KAH HOE

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 22 April 2026.

Before me,

.....
Commissioner for Oaths
HADINUR MOHD SYARIF W761

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCR GROUP BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of OCR Group Berhad, which comprise the statements of financial position as at 31 December 2025 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 policy information, as set out on pages 127 to 211.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OCR GROUP BERHAD
(Cont'd)

Key Audit Matters

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

Group and Company

Trade and other receivables (Note 4(a) and 11 to the financial statements)

The Group and the Company have significant trade and other receivables as at 31 December 2025.

We focused on this area because the Group's and the Company's expected credit losses assessments require the exercise of significant judgements to be made by the directors, especially in determining the risk of default and expected credit losses, which are based on the Group's and the Company's past history, existing market conditions as well as forward-looking estimates at the end of the reporting period. These judgements and assumptions are inherently uncertain.

Our response:

Our audit procedures included, among others:

- discussing with the management on the recoverability of the trade and other receivables;
- obtaining confirmation of balances from selected receivables; and
- checking subsequent receipts, customer correspondence and understanding directors' explanation on recoverability with significantly past due balances on selected receivables.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OCR GROUP BERHAD
(Cont'd)

Key Audit Matters (Continued)

Group

Revenue recognition for property development activities (Note 4(b) and 22 to the financial statements)

The Group's accounting policy is to recognise the revenue from property development over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of performance obligation is to be determined by reference to the proportion of development incurred for works performed to-date bear to the estimated total costs for each project (input method).

We focused on this area because the Group's revenue recognition for property development requires the exercise of significant judgement to be made by the directors, particularly in determining the progress towards satisfaction of a performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

Our response:

Our audit procedures included, among others:

- reading the terms and conditions of sample of agreements with selected customers;
- understanding the Group's process in preparing or updating project budgets and the calculation of the progress towards complete satisfaction of performance obligation;
- comparing the key assumptions to contractual terms and discussing with project managers; and
- checking the mathematical computation of recognised revenue for the projects during the financial year.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OCR GROUP BERHAD
(Cont'd)

Key Audit Matters (Continued)**Group**

Investment properties (Note 4(c) and 7 to the financial statements)

The Group measures its investment properties at fair value subsequent to their initial recognition. The Group determines the fair value of the investment properties based on the market valuation performed by external independent valuers.

We focused on this area because the Group's measurement of fair value requires the exercise of significant judgement to be made by directors, especially in determining the appropriate valuation methods and the key assumptions used in the valuations. These judgements and assumptions are inherently uncertain.

Our response:

Our audit procedures included, among others:

- understanding the competence, capabilities and objectivity of the external valuers which included consideration of their qualifications and experience;
- understanding the scope and purpose of the valuation by reading the terms of engagement to assess whether any matters that might have affected the external valuers' objectivity or limited the scope of their work;
- reading the valuation reports and discussing with external valuers on their valuation approach and the significant judgements they made, including the selection of comparable properties and adjustments for differences in key attributes made to the transacted value of comparable properties; and
- discussing with the Group on the valuation approach used and appropriateness of the key assumptions.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OCR GROUP BERHAD (Cont'd)

Responsibilities of the Directors for the Financial Statements

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

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group 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:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OCR GROUP BERHAD
(Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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 (continued):

- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OCR GROUP BERHAD
(Cont'd)

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ong Teng Yan
No. 03076/07/2027 J
Chartered Accountant

Kuala Lumpur

Date: 22 April 2026

LIST OF PROPERTIES

AS AT 31 DECEMBER 2025

No	Location	Description	Tenure	Tenure Term	Net Book Value (RM)	Date of Revaluation
1	Lot 53403 & Lot 53404, Hill Street Kajang, Bandar Kajang, District of Hulu Langat, Selangor Darul Ehsan	161,954 sq.ft of vacant development land zoned for residential	Leasehold	Leasehold for a term of 99 years expiring on 3 November 2054 - Unexpired term is 29 years	9,363,532	17 January 2024
2	Lot 159 Section 19, Lot 442 Section 19 and Lot 623 Section 57, Bandar Kuala Lumpur, District of Kuala Lumpur and State of Wilayah Persekutuan Kuala Lumpur	23,284 sq.ft of development land zoned for commercial use	Freehold	n/a	43,457,298	26 February 2026
3	GF-R1, GF-R2, GF-R3, GF-R4 and GF-R6, Yolo Signature, Jalan PJS 8/9, PJS 8, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan	5 unit of retail lots	Leasehold	Leasehold for a term of 99 years expiring on 29 August 2104 - Unexpired term is 79 years	5,850,000	13 February 2026
4	PT12 Seksyen 15, Bandar Shah Alam, Daerah Petaling, Selangor	871,199 sq.ft of development land zoned for industrial use	Leasehold	Leasehold for a term of 99 years expiring on 27 September 2083 - Unexpired term is 58 years	185,348,258	1 November 2022
5	Lot 475, Kawasan Bandar XXXIX, District of Melaka Tengah, State of Melaka	37,265 sq.ft of vacant development land currently using as car parking area	Leasehold	Leasehold for a term of 99 years expiring on 4 October 2082 - Unexpired term is 57 years	11,600,000	7 December 2022
6	Lot 476, Kawasan Bandar XXXIX, District of Melaka Tengah, State of Melaka	22,787 sq.ft of vacant development land currently using as car parking area	Leasehold	Leasehold for a term of 99 years expiring on 4 October 2082 - Unexpired term is 57 years	6,451,029	7 December 2022
7	Lot 1506, 1507 and 1508, Mukim of Machap, District of Alor Gajah, State of Melaka	1,072,099 sq.ft of agricultural lands	Freehold	n/a	5,039,151	7 December 2022

STATISTICS OF ORDINARY SHAREHOLDINGS

AS AT 1 APRIL 2026

Class of Shares	:	Ordinary Shares
Total Number of Issued Shares	:	3,340,869,518
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS AS AT 1 APRIL 2026

Size of Holdings	No. of shareholders	No. of Shares	Percentage of Shares %
1 – 99	156	6,758	0.00
100 - 1,000	357	187,698	0.01
1,001 - 10,000	1,429	8,594,312	0.26
10,001 - 100,000	1,894	76,990,613	2.30
100,001 to less than 5% of issued shares	846	2,154,459,773	64.49
5% and above of issued shares	4	1,100,630,364	32.94
Total	4,686	3,340,869,518	100.00

SUBSTANTIAL SHAREHOLDER AS AT 1 APRIL 2026*

No.	Name of Substantial Shareholder	No. of Shares held Percentage		No. of Shares held Percentage	
		Direct	(%)	Indirect	(%)
1	ONG KAH HOE	842,508,549	25.22	322,289,400 ⁽¹⁾	9.65
2	DR ONG KIM CHONG @ ONG HWEE CHOO	2,500,000	0.07	310,125,600 ⁽²⁾	9.28
3	TAN CHIN HOONG	222,644,978	6.66	-	-
4	OCR LAND HOLDINGS SDN. BHD.	310,125,600	9.28	-	-

* Based on Register of Substantial Shareholder

DIRECTORS' INTERESTS IN SHARES AS AT 1 APRIL 2026 (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 1 APRIL 2026)

No.	Name of Directors	No. of Shares held Percentage		No. of Shares held Percentage	
		Direct	of shares held (%)	Indirect	of shares held (%)
1	TUNKU AZUDINSHAH IBNI TUNKU ANNUAR	-	-	-	-
2	ONG KAH HOE	842,508,549	25.22	322,289,400 ⁽¹⁾	9.65
3	CHAN LIAN SEI	-	-	-	-
4	HJ. ABDULLAH BIN ABDUL RAHMAN	-	-	-	-
5	JULIAN KOH LU ERN	-	-	-	-

Note:

⁽¹⁾ Deemed interested by virtue of Mr. Ong Kah Hoe's interest in OCR Land Holdings Sdn. Bhd., pursuant to Section 8 of the Companies Act 2016 and Mr. Ong Kah Hoe's parents and siblings' direct shareholdings.

⁽²⁾ Deemed interested by virtue of Dr Ong Kim Chong @ Ong Hwee Choo's interest in OCR Land Holdings Sdn. Bhd., pursuant to Section 8 of the Companies Act 2016.

STATISTICS OF ORDINARY SHAREHOLDINGS AS AT 1 APRIL 2026 (Cont'd)

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 1 APRIL 2026)

No.	Name of Shareholders	No. of Shares	Percentage of shares held (%)
1	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE (MARGIN)	473,462,686	14.17
2	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD TAN CHIN HOONG	222,644,978	6.66
3	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR OCR LAND HOLDINGS SDN BHD (MARGIN)	214,022,700	6.41
4	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE	190,500,000	5.70
5	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD	166,000,000	4.97
6	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE CHIN CHEH (MARGIN)	141,136,463	4.22
7	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OCR LAND HOLDINGS SDN. BHD.	94,023,000	2.81
8	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE	82,504,463	2.47
9	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ANDREW TAN JUN SUAN (MARGIN)	77,914,000	2.33
10	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ANDREW TAN JUN SUAN (7005150)	75,333,300	2.25
11	RHB NOMINEES (TEMPATAN) SDN BHD OSK CAPITAL SDN BHD FOR ONG KAH HOE	60,000,000	1.80
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM WAI YEE (7009577)	52,599,000	1.57
13	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN SENG	50,000,000	1.50
14	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOON POH TAT	48,731,666	1.46
15	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM SHAVE HUAT (MARGIN)	45,607,490	1.37
16	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WONG SAU BING (MARGIN)	44,646,500	1.34
17	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' ONG CHOO MENG (6000478)	37,900,000	1.13
18	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN HWA SING (7000335)	33,500,000	1.00
19	CHEW SI HOO (DATO')	33,452,300	1.00

STATISTICS OF ORDINARY SHAREHOLDINGS AS AT 1 APRIL 2026 (Cont'd)

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 1 APRIL 2026) (Cont'd)

No.	Name of Shareholders	No. of Shares	Percentage of shares held (%)
20	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEONG KAI MENG	31,750,000	0.95
21	IFAST NOMINEES (TEMPATAN) SDN BHD LEW JIN AUN	27,000,066	0.81
22	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR DATO' ONG CHOO MENG (MARGIN)	26,667,000	0.80
23	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT – AMBANK (M) BERHAD FOR KEH CHUAN CHOON (SMART)	26,000,000	0.78
24	LEE CHIN CHEH	25,200,000	0.75
25	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE (020) (THIRD PARTY)	24,405,400	0.73
26	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHU KERD YEE (7010755)	23,200,000	0.69
27	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM SHAVE HUAT (STA 1)	22,609,400	0.68
28	LEONG SHANG MING	19,103,000	0.57
29	TYE LIM HUAT	18,500,000	0.55
30	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEH BAK SIM (MARGIN)	17,400,000	0.52
TOTAL		2,405,813,412	72.01

STATISTICS OF WARRANTS E 2024/2027

AS AT 1 APRIL 2026

Class of Shares : Warrants E 2024/2027
 Total Number of Issued Shares : 1,336,346,717

DISTRIBUTION OF WARRANTS HOLDINGS AS AT 1 APRIL 2026

Size of Holdings	No. of warrant holders	No. of warrants	Percentage of Warrants %
1 – 99	41	2,143	0.00
100 - 1,000	30	10,731	0.00
1,001 - 10,000	93	582,680	0.04
10,001 - 100,000	270	12,642,181	0.95
100,001 to less than 5% of warrants	224	381,456,301	28.54
5% and above of warrants	6	941,652,681	70.46
Total	664	1,336,346,717	100.00

DIRECTORS' INTERESTS IN WARRANTS E 2024/2027 AS AT 1 APRIL 2026 (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 1 APRIL 2026)

No.	Name of Directors	No. of warrants held		No. of warrants held	
		Direct	Percentage of warrants held (%)	Indirect	Percentage of warrants held (%)
1	TUNKU AZUDINSHAH IBNI TUNKU ANNUAR	-	-	-	-
2	ONG KAH HOE	4,654,400	0.35	203,222,700 ⁽¹⁾	15.21
3	CHAN LIAN SEI	-	-	-	-
4	HJ. ABDULLAH BIN ABDUL RAHMAN	-	-	-	-
5	JULIAN KOH LU ERN	-	-	-	-

Note:

⁽¹⁾ Deemed interested by virtue of Mr. Ong Kah Hoe's interest in OCR Land Holdings Sdn. Bhd., pursuant to Section 8 of the Companies Act 2016 and Mr. Ong Kah Hoe's parents and siblings' direct warrants holdings.

STATISTICS OF WARRANTS E 2024/2027
AS AT 1 APRIL 2026 (Cont'd)

LIST OF TOP 30 LARGEST WARRANTS ACCOUNTS HOLDERS
(ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 1 APRIL 2026)

No.	Name of warrant holders	No. of warrants	Percentage of warrants held (%)
1	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM KOK HAN (MARGIN)	356,038,018	26.64
2	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR OCR LAND HOLDINGS SDN BHD (MARGIN)	203,022,700	15.19
3	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WONG SAU BING (MARGIN)	111,868,200	8.37
4	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR STRONGLEAP SDN BHD	97,991,900	7.33
5	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE CHIN CHEH (MARGIN)	97,398,563	7.29
6	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ANDREW TAN JUN SUAN (7005150)	75,333,300	5.64
7	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM SHAVE HUAT (MARGIN)	58,825,100	4.40
8	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM SHAVE HUAT (STA 1)	46,359,700	3.47
9	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ANDREW TAN JUN SUAN (MARGIN)	26,894,900	2.01
10	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOON POH TAT	19,492,666	1.46
11	PHANG POOI LING	17,200,000	1.29
12	TAN SONG ENG	12,500,000	0.94
13	IFAST NOMINEES (TEMPATAN) SDN BHD LEW JIN AUN	12,333,366	0.92
14	WONG KAH WENG	11,750,000	0.88
15	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TENG MING MING	11,200,000	0.84
16	TIAH THEE SENG	7,500,000	0.56
17	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH	6,000,000	0.45
18	CHONG KAH KENT	5,300,000	0.40
19	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE (6000713)	4,654,400	0.35
20	NG RIC KEE	4,496,900	0.34
21	LEE CHIN CHEH	4,180,000	0.31
22	CHE ALIAS BIN MAT	4,010,000	0.30
23	CHRIS TEOH HUI SHEE	4,000,000	0.30
24	DAN YOKE PYNG	4,000,000	0.30

STATISTICS OF WARRANTS E 2024/2027 AS AT 1 APRIL 2026 (Cont'd)

LIST OF TOP 30 LARGEST WARRANTS ACCOUNTS HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 1 APRIL 2026) (Cont'd)

No.	Name of warrant holders	No. of warrants	Percentage of warrants held (%)
25	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR STRONGLEAP SDN BHD (MARGIN)	3,429,400	0.26
26	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM KOK HAN (STA 2)	3,203,400	0.24
27	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR PAK SOW LOON	3,133,300	0.23
28	LIM POH FONG	3,001,195	0.22
29	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHRIS TEOH HUI SHEE	3,000,000	0.22
30	IFAST NOMINEES (TEMPATAN) SDN BHD NG CHOR KUAN	2,666,666	0.20
TOTAL		1,220,783,674	91.35

NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Eighth (28th) Annual General Meeting (“**AGM**”) of the Company will be held at Clubhouse Dolomite Templer, No. 1, Persiaran DT, 48000 Rawang Selangor on Wednesday, 10 June 2026, 2:30 p.m. for the following purposes: -

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. *(Please refer Explanatory Notes 1)*
2. To approve the payment of Directors' fees and benefits of not exceeding RM500,000 for the period from the conclusion of the 28th AGM until the conclusion of the 29th AGM to be held in year 2027. *Ordinary Resolution 1*
3. To re-elect the following Directors who are retiring in accordance with Clause 77(2) of the Constitution of the Company:-
 - (i) Tunku Azudinshah Ibni Tunku Annuar *Ordinary Resolution 2*
 - (ii) Chan Lian Sei *Ordinary Resolution 3*
4. To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company. *Ordinary Resolution 4*

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions: -

5. **PROPOSED AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** *Ordinary Resolution 5*

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to approvals from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and other relevant authorities, where approval is necessary, authority be and is hereby given to the Directors to allot and issue shares in the Company at any time upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares to be issued shall not exceed 10% of the total number of issued shares of the Company or such higher percentage as Bursa Malaysia Securities Berhad allowed for the time being AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 12(3) of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with existing issued shares in the Company.”

NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING (Cont'd)

6. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** *Ordinary Resolution 6*

"THAT, subject always to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (collectively the "Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 5 of the Circular to Shareholders dated 30 April 2026, provided that such transactions and/or arrangements which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "Proposed Renewal of Shareholders' Mandate"):-

THAT the Proposed Renewal of Shareholders' Mandate shall only continue to be in full force until: -

- a) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at said AGM, such authority is renewed; or
- b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate."

7. **PROPOSED RETENTION OF YAM TUNKU AZUDINSHAH IBNI TUNKU ANNUAR AS INDEPENDENT NON-EXECUTIVE DIRECTOR** *Ordinary Resolution 7*

"THAT subject to the passing of Ordinary Resolution 2, approval be and is hereby given to YAM Tunku Azudinshah Ibni Tunku Annuar who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance 2021."

8. **PROPOSED RETENTION OF HJ. ABDULLAH BIN ABDUL RAHMAN AS INDEPENDENT NON-EXECUTIVE DIRECTOR** *Ordinary Resolution 8*

"THAT approval be and is hereby given to Hj. Abdullah Bin Abdul Rahman who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance 2021."

NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING (Cont'd)

9. To transact any other business of which due notice have been given in accordance with the Companies Act 2016.

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482) (SSM PC No. 202208000250)

LAU HOOI PIN (MAICSA 7081620) (SSM PC No. 202408000447)

Company Secretaries

Kuala Lumpur

Dated: 30 April 2026

Remarks:

1. A member entitled to attend and vote at the general meeting is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf.
2. Where a member appoints two (2) proxies, the appointment of such proxies shall not be valid unless the member specifies the proportion of his/her shareholding to be represented by each such proxy. There is no restriction to the qualification of the proxy.
3. Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A (1) of the Central Depositories Act 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.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or signed by the attorney so authorised.
5. The Form of Proxy may be deposited at the Poll Administrator Office of the Company at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or by electronic lodgment via Digerati Portal at <https://ocr-agm.digerati.com.my> or email to admin@aldpro.com.my not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
6. For the purposes of determining a member who shall be entitled to attend, speak and vote at the 28th AGM, the Company shall be requesting the Record of Depositors as at 2 June 2026. Only a depositor whose name appears on the Record of Depositors as at 2 June 2026 shall be entitled to attend and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING (Cont'd)

Explanatory Notes:

1. Audited Financial Statements for the Financial Year Ended 31 December 2025

This item of the Agenda is for discussion purposes only, as Section 340(1)(a) of the Companies Act 2016 does not require the shareholders to formally approve the Audited Financial Statements. Therefore, this item will not be put forward for voting.

2. Ordinary Resolutions 2 and 3 - Re-election of Directors who retire in accordance with Clause 77(2) of the Constitution of the Company

Clause 77(2) of the Constitution of the Company provides that at the Annual General Meeting in every subsequent year, one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the Annual General Meeting in every year provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election.

Pursuant to Clause 77(2) of the Constitution of the Company, YAM Tunku Azudinsyah Ibni Tunku Annuar and Ms. Chan Lian Sei shall retire at the 28th AGM.

The performance of the Directors who are recommended for re-election has been assessed through the Board annual evaluation. The Nominating Committee and the Board are satisfied with the performance and effectiveness of YAM Tunku Azudinsyah Ibni Tunku Annuar and Ms. Chan Lian Sei, who are due for retirement as Directors, and being eligible, have offered themselves for re-election at the 28th AGM.

3. Ordinary Resolution 5 - Authority to allot and issue shares in general pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 5, seeking a renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

There were no issuances of ordinary shares pursuant to the general mandate granted to the Directors at the 27th AGM held on 10 June 2025.

Pursuant to Section 85 of the Companies Act 2016 read together with Clause 12(3)(a) of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

The proposed Ordinary Resolution, If passed, will exclude your pre-emptive right to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Ordinary Resolution

4. Ordinary Resolution 6 – Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolution 6, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

NOTICE OF TWENTY-EIGHTH ANNUAL GENERAL MEETING (Cont'd)

5. Ordinary Resolutions 7 and 8 – Proposed Retention of YAM Tunku Azudinshah Ibni Tunku Annuar and Hj. Abdullah Bin Abdul Rahman as Independent Non-Executive Directors

The Board, through the Nominating Committee, had conducted annual performance evaluation and assessment on YAM Tunku Azudinshah Ibni Tunku Annuar and Hj. Abdullah Bin Abdul Rahman, who are serving as an Independent Non-Executive Director for a cumulative term exceeding nine (9) years, and had recommended them to continue to act as Independent Non-Executive Director of the Company based on the following justifications:

- they fulfil the criteria under the definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and, therefore, are able to bring independent and objective judgment to the Board as a whole;
- their experience in the relevant industries has enabled them to provide the Board and Board Committees, as the case may be, with pertinent expertise, skills, contribution and competence;
- they have been with the Company for a certain period and therefore understands the Company's business operations which enables them to contribute actively and effectively during deliberations or discussions at Board and Board Committees' meetings;
- they continue to be scrupulously independent in their thinking and in their effectiveness as constructive challengers of the Group MD and Executive Director; and
- they exercise due care during their tenure as an independent non-executive Director and carried out their professional duties in the best interest of the Company and shareholders.

Their profile is set out in the Profile of Directors on page 4 to 6 of the Company's Annual Report 2025.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:-

1. Details of individual who are standing for election as Directors (excluding Directors for re-election)

No individual is seeking election as a Director at the 28th AGM of the Company.
2. General mandate for issue of securities in accordance with Paragraph 6.03 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The details of the proposed authority for Directors of the Company to issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out under Explanatory Note.

FORM OF PROXY



OCR GROUP BERHAD
[Registration No. 199701025005 (440503-K)]
(Incorporated in Malaysia)

CDS Account No.
No. of Shares Held

*I/We
[Full name in block, NRIC/Passport/Company No.]

Tel. No.: of

being a *member/members of OCR GROUP BERHAD hereby appoint:

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Mobile Number:			

*and / or (delete as appropriate)

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Mobile Number:			

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-Eighth (28th) Annual General Meeting ("AGM") of the Company to be held at Clubhouse Dolomite Templer, No. 1, Persiaran DT, 48000 Rawang Selangor on Wednesday, 10 June 2026, at 2:30 p.m. or any adjournment thereof, and to vote as indicated below:-

Resolution	Agenda	FOR	AGAINST
1	To approve the payment of Directors' fees and benefits of not exceeding RM500,000 for the period from the conclusion of the 28 th AGM until the conclusion of the 29 th AGM to be held in year 2027.		
2	To re-elect YAM Tunku Azudinshah Ibni Tunku Annuar as Director.		
3	To re-elect Chan Lian Sei as Director.		
4	To re-appoint Messrs. Baker Tilly Monteiro Heng PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company.		
5	Proposed authority to Directors to allot and issue new ordinary shares pursuant to sections 75 and 76 of the Companies Act 2016		
6	Proposed Renewal Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
7	Proposed Retention of YAM Tunku Azudinshah Ibni Tunku Annuar as Independent Non-Executive Director		
8	Proposed Retention of Hj. Abdullah Bin Abdul Rahman as Independent Non-Executive Director		

Please indicate with an "X" or "✓" in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this.....day of 2026

.....
Signature of Shareholder(s)/Common Seal

* Strike out whichever is not applicable

Remarks:

1. A member entitled to attend and vote at the general meeting is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf.
2. Where a member appoints two (2) proxies, the appointment of such proxies shall not be valid unless the member specifies the proportion of his/her shareholding to be represented by each such proxy. There is no restriction to the qualification of the proxy.
3. Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A (1) of the Central Depositories Act 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.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or signed by the attorney so authorised.
5. The Form of Proxy may be deposited at the Poll Administrator Office of the Company at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or by electronic lodgment via Digerati Portal at <https://ocr-agm.digerati.com.my> or email to admin@aldpro.com.my not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
6. For the purposes of determining a member who shall be entitled to attend, speak and vote at the 28th AGM, the Company shall be requesting the Record of Depositors as at 2 June 2026. Only a depositor whose name appears on the Record of Depositors as at 2 June 2026 shall be entitled to attend and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

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AFFIX
STAMP

The Poll Administrator of
OCR GROUP BERHAD
[Registration No. 199701025005 (440503-K)]

c/o Aldpro Corporate Services Sdn. Bhd.
B-21-1, Level 21, Tower B, Northpoint Mid Valley City
No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel No.: +603-9770 2200
Email : admin@aldpro.com.my

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Selangor, Malaysia

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✉ : corporate@ocrbhd.com