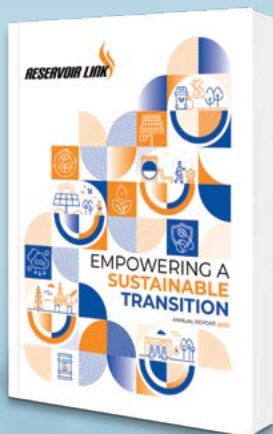




EMPOWERING A **SUSTAINABLE** **TRANSITION**

ANNUAL REPORT **2025**



EMPOWERING A SUSTAINABLE TRANSITION

Built around a bold visual language, this cover brings together iconography and geometric patterns to illustrate Reservoir Link's business evolution and commitment to sustainability. A series of custom vector icons highlights the Group's diverse portfolio – spanning upstream oil & gas services, solar energy, water treatment, and carbon-efficient technologies – while also integrating broader sustainability themes such as environmental stewardship and clean energy. These visuals provide a clear, modern representation of the Group's integrated service capabilities.

Flowing semi-circular line motifs unify the composition, symbolising continuous movement and transformation, in alignment with the overarching theme "Empowering a Sustainable Transition". The design is further elevated by the strategic use of the company's corporate colours—blue and orange—which add vibrancy and reinforce brand identity. Altogether, the composition reflects the company's strategic shift toward a more sustainable, future-focused energy ecosystem, achieved through innovation, diversification and responsible approach to growth.

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"RESERVOIR LINK REMAINS STEADFAST, ACHIEVING PROFITABILITY THROUGH STRATEGIC FOCUS WHILE CREATING LONG-TERM VALUE AND STRENGTHENING FOUNDATIONS FOR SUSTAINABLE GROWTH."

DATO' WAN HASSAN BIN MOHD JAMIL
Group Chief Executive Officer/
Managing Director



TENTH (10TH) ANNUAL GENERAL MEETING ("AGM")

Tenth (10th) Annual General Meeting ("AGM") of Reservoir Link Energy Bhd ("RLEB" or "the Company") will be held at South Wing Hall, Old Court House, No 7, Jalan Abang Haji Openg, 93000 Kuching, Sarawak.



20 November 2025



2.00 p.m.

BASIS OF THIS REPORT

This Annual Report covers the operations of the group of companies within Reservoir Link Energy Bhd ("RLEB") for a financial year from 1 July 2024 to 30 June 2025 ("FY2025"). We offer insights into our investment rationale, accompanied by analyses of our strategic approach, business accomplishments, governance, and prospective outlook.



For more information:

Scan the QR code to view our AR online
www.reservoirlink.com

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CORPORATE PROFILE

Reservoir Link Energy Bhd is an energy-related service provider focused on the **Oil & Gas (O&G)** industry, as well as **Renewable Energy (RE)** and **Sustainability Ventures**.



OIL & GAS



**RENEWABLE ENERGY
& SUSTAINABILITY
VENTURES**



OTHERS

Established in 2008, we have experienced rapid growth with a portfolio that covers all stages of well servicing – from making wells functional, to perforation for hydrocarbon production, and ultimately, providing wash and cement services as part of plug and abandonment (P&A) operations to safely seal wells at the end of their productive life.

Today, Reservoir Link Group actively provides a range of upstream services including well perforation, well leak repair, well testing, wash and cementing, as well as wireline services. We also offer improved oil recovery solutions, laboratory studies and expert interpretation services in areas such as flow assurance, formation damage, and sand management, in addition to technical manpower supply.

In 2021, the Group expanded into the renewable energy sector as an Engineering, Procurement, Construction, and Commissioning (EPCC) contractor and project investor for large-scale solar plants and commercial & industrial (C&I) properties. Our EPCC services within the solar segment include solar engineering design, supply and installation of PV mounting structures, construction and commissioning of solar systems, rooftop installations, and other engineering works spanning civil, structural, mechanical, and electrical disciplines. Our dual role as contractor and investor enables us to deliver end-to-end solar solutions with sustainable, long-term value creation.

Further advancing our sustainability venture initiatives, we entered the wastewater treatment sector in 2023, delivering environmentally responsible solutions that promote water conservation and operational efficiency. This strategic move underscores our ongoing commitment to environmental stewardship and the principles of a circular economy.



KEY MILESTONE

2008

- › Incorporation of Reservoir Link Engineering Sdn Bhd and later change to Reservoir Link Sdn Bhd ("RLSB") in 2012.

2009

- › RLSB obtained PETRONAS licence.
- › Secured our first project in Vietnam.
- › Secured a total number of three contracts.

2020

- › Listed on the ACE Market of Bursa Malaysia Securities Berhad on 15 July 2020.

2021

- › Acquisition of a 51% stake in Founder Energy Sdn Bhd, EPCC of the Solar Photovoltaic Project.

2022

- › Formed a joint venture with EDPR Sunseap.
- › Transfer listing from ACE to Main Market of Bursa Securities.

CORPORATE PROFILE



VISION

To build sustainable enterprise throughout the energy sector, focused in Malaysia with equitable international presence.



SHARED VALUES



► INTEGRITY

Work Ethics, Professionalism, Governance, Honesty



► LEADERSHIP

Respect, Competency, Teamwork, Innovation



MISSION

We focus on technological innovation, unparalleled customer service and providing high quality solutions to enhance value and return for our customers.

Committed in achieving sustainability goals that meet the growing energy needs in a safe, environmentally responsible, social sensitive and profitable way.



► EXCELLENCE

Quality, Performance, Delivery, Efficiency, Trustworthy



► SUSTAINABILITY

Profitability, Growth, Environment, Resources



2014

- › Reservoir Link Energy Bhd was incorporated as an investment holding company.

2015

- › Acquisition of a 100% stake in Amsito Oilwell Services (Malaysia) Sdn Bhd, a provider of wireline services.

2018

- › Reservoir Link Solutions Sdn Bhd ("RL Solutions") obtained PETRONAS licence and commenced its operations.

2023

- › Secured a Wastewater Treatment contract with PT Unilever Oleochemical Indonesia and expanded into sustainability dimension.

2024

- › Acquisition of a 100% stake in SAG Renewables Sdn Bhd.
- › Founder Group Limited listed on NASDAQ.

2025

- › Acquisition of a 30% stake in Propel Maxflo Sdn Bhd.

CORPORATE PROFILE



OIL & GAS



Reservoir Link is primarily a provider of oil & gas well services that support operators in the upstream of the oil & gas industry.

We have established ourselves as a key player in the upstream oil and gas sector through years of perseverance, technical excellence, and strategic evolution. Once a space heavily dominated by foreign players, we recognised early on that to remain competitive, we had to expand our capabilities beyond well perforation alone and deliver full-spectrum well solutions that uphold the highest standards of safety, reliability, and performance.

However, expanding our service offerings is not enough — execution is key. In an industry as complex and high-risk as oil and gas, precision and safety are paramount.

Today, Reservoir Link offers a comprehensive suite of services that span the full lifecycle of oil and gas wells — from exploration and production enhancement to plug and abandonment (P&A) and decommissioning.

With our integrated approach, advanced technologies, and unwavering commitment to safety and sustainability, Reservoir Link continues to create value for clients while contributing to the responsible development of the energy industry.



For more information:

Scan the QR code to know more about our Oil and Gas product and services.
<https://reservoirlink.com/oil-gas/>

CORPORATE PROFILE

OIL & GAS PRODUCT & SERVICES

Through continuous investment in research and development ("R&D") and collaboration with leading universities, Reservoir Link has strengthened its technical capabilities, enabling the design and application of proprietary chemical formulations that improve well integrity and flow performance. Our ISO 9001:2015, ISO/TS 29001:2010 and ISO 45001:2028 certifications underscore our dedication to maintaining international standards of quality and operational excellence.

Complementing our domestic presence, we have successfully expanded regionally, undertaking projects across Southeast Asia and beyond – including Indonesia, Vietnam, Brunei, and Turkmenistan. The Group's recent strategic investment in Propel Maxflo Sdn Bhd further strengthens our position, providing an entry into the Middle East, particularly in Saudi Arabia and Bahrain, one of the world's largest oilfield markets. This milestone enhances our ability to deliver integrated well solutions globally.

With our integrated approach, technical strength, and unwavering commitment to safety and performance, Reservoir Link continues to deliver value across the full lifecycle of oil and gas wells.



PRODUCTION ENHANCEMENT & FLOW ASSURANCE

- Well Perforating
- Chemically Enhance Production & Flow Assurance
- Sand Management & Consultancy



WELL ABANDONMENT AND DECOMMISSIONING

- Perf, Wash & Cement
- Facilities & Decommissioning
- Subsea Wellhead Cutting & Removal
- Conductor Removal Well Suspension Plug



PRODUCTION SERVICES

- Modular Water Injection
- Wellhead Desander
- Pig Trap System



WELL INTERVENTION

- Wireline Services
- Data Logging & Interpretation
- Well Leak Diagnostic & Repair
- Modular Light Weight Pumping
- Wellhead Maintenance



TESTING & MEASUREMENT

- Well Testing
- Metering Calibration
- Early Production System
- Tracer/Marker's Technology for Production Logging & Allocation



WELL CONSTRUCTION

- Autonomous Inflow Control Device (AICD)
- Boron Sand Screen
- Auxiliary Cementing Accessories
- Fishing Equipment



NEW TECHNOLOGY PRODUCT & SERVICES

- R&D Collaboration with Universities for New Technology Development
- Geochemical & CCUS Expert Advisory Solutions
- Slim Retrievable Downhole Heater for Wells



MANPOWER SUPPLY

- Skilled & Professional Manpower
- Visa & Work Permit
- Project Management Team
- General Worker for General Industries

CORPORATE PROFILE



RENEWABLE ENERGY & SUSTAINABILITY VENTURES



Exploring profitable growth options in low-carbon business: renewable energy and sustainability ventures.

With Malaysia targeting to increase the renewable energy share in its installed capacity mix to 31% by 2025 (18,000 MW) and 40% by 2035, the shift towards a low-carbon economy presents significant and strategic growth opportunities.

Reservoir Link is well-positioned to drive and benefit from this transition. Through our subsidiary, Founder Energy (formerly Solar Bina Engineering), we have over a decade of experience and have become one of the largest solar installation companies in Malaysia by project size.

In addition to offering full-fledged EPCC services, we are also an active investor in solar assets, especially in commercial and industrial (C&I) rooftop solar projects, enabling long-term recurring revenue and enhanced project ownership.

Beyond our EPCC expertise, Reservoir Link's role as a solar asset investor underscores our commitment to long-term value creation. By building a diversified portfolio of C&I rooftop solar projects and selectively participating in large-scale solar ventures, we not only secure sustainable recurring income



For more information:

Scan the QR code to know more about our Renewable Energy and Sustainability Ventures product and services.
<https://reservoirlink.com/renewable-energy/>

CORPORATE PROFILE

but also strengthen our alignment with Malaysia's national renewable energy ambitions. This dual approach – combining project execution with asset ownership – positions us to capture both immediate project returns and enduring investment benefits.

We are a major supplier of in-house designed solar PV mounting structural systems and the exclusive provider of ground-mounted solar tracking systems in Malaysia. Our fully integrated capabilities across design, supply, construction, and investment allow us to create high-value, efficient, and scalable solar energy solutions.

In line with our broader sustainability venture initiatives, we entered the wastewater treatment sector in 2023, offering industrial and municipal clients environmentally responsible and efficient water treatment solutions. This marks our strategic expansion into the environmental services domain, supporting the principles of a circular economy and resource conservation.

Looking ahead, Reservoir Link is also actively exploring new energy opportunities, including hydropower, wind energy, and geothermal solutions, in line with global trends and national climate goals. These initiatives reflect our ambition to build a diversified, future-ready energy portfolio that supports a resilient and sustainable energy ecosystem.

RENEWABLE ENERGY & SUSTAINABILITY VENTURES PRODUCT & SERVICES



SOLAR PV EPCC

- Solar Energy Engineering
- Solar PV Mounting Structural System Manufacturing
- Solar Energy Construction & Installation
- Solar Rooftop Installation for Commercial & Industrial



SOLAR PV INVESTOR

- Solar Rooftop Investor for Commercial & Industrial
- Corporate Green Power Programme (CGPP)
- Large Scale Solar (LSS)



WASTEWATER TREATMENT

- Build, Own, Operate and Maintain (BOOM) model of wastewater treatment plant



HYDROPOWER

- Hydropower plant with capacity to generate up to 12 MW



CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK TAI HEE

Non-Independent
Non-Executive Chairman

THIEN CHIET CHAI

Non-Independent Executive
Deputy Chairman

DATO' WAN HASSAN BIN MOHD JAMIL

Group Chief Executive Officer/
Managing Director

DATO' AHMAD RIZAL BIN ABDUL RAHMAN

Independent
Non-Executive Director

SITI ZURINA BINTI SABARUDIN

Independent
Non-Executive Director

ELAIN BINTI LOCKMAN

Independent
Non-Executive Director

REWI HAMID BUGO

Independent
Non-Executive Director
(appointed on 20 June 2025)

► AUDIT COMMITTEE (AC)

DATO' AHMAD RIZAL BIN ABDUL
RAHMAN (Chairman)
SITI ZURINA BINTI SABARUDIN
ELAIN BINTI LOCKMAN
REWI HAMID BUGO

► RISK MANAGEMENT COMMITTEE (RMC)

THIEN CHIET CHAI (Chairman)
DATO' AHMAD RIZAL BIN ABDUL
RAHMAN
SITI ZURINA BINTI SABARUDIN

► REMUNERATION AND NOMINATION COMMITTEE (RNC)

SITI ZURINA BINTI SABARUDIN
(Chairman)
DATO' AHMAD RIZAL BIN ABDUL
RAHMAN
ELAIN BINTI LOCKMAN
REWI HAMID BUGO

► COMPANY SECRETARY

WONG YOUN KIM
(MAICSA 7018778)
(SSM Practising Certificate No.
201908000410)

► HEAD OFFICE/PRINCIPAL PLACE OF BUSINESS

E-33-01, Menara SUEZCAP 2
KL Gateway, No. 2, Jalan Kerinchi
Gerbang Kerinchi Lestari
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Telephone No : (603) 2711 2128
Facsimile No : (603) 2711 2120
Email Address : [investor.relation@
reservoirlink.com](mailto:investor.relation@reservoirlink.com)
Website : <https://reservoirlink.com>

► REGISTERED OFFICE

E289, 1st Floor, Block E
iCom Square, Jalan Pending
93450 Kuching, Sarawak
Telephone No : (6082) 248 491
Facsimile No : (6082) 253 857
Email : rlkuching@reservoirlink.com

► AUDITORS

Nexia SSY PLT
UOA Business Park
Tower 3, 5th Floor, K03-05-08
1 Jalan Pengaturcara U1/51A
Section U1, 40150 Shah Alam
Selangor
Telephone No : (603) 5039 1811
Facsimile No : (603) 5039 1822

► SHARE REGISTRAR

Boardroom Share Registrars
Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Telephone No : (603) 7890 4700
Facsimile No : (603) 7890 4670

► PRINCIPAL BANKERS

Ambank (M) Berhad
Aminvestment Bank Berhad
Affin Hwang Asset Management
Berhad

► STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name : RL
Stock Code : 0219
Sector : Energy

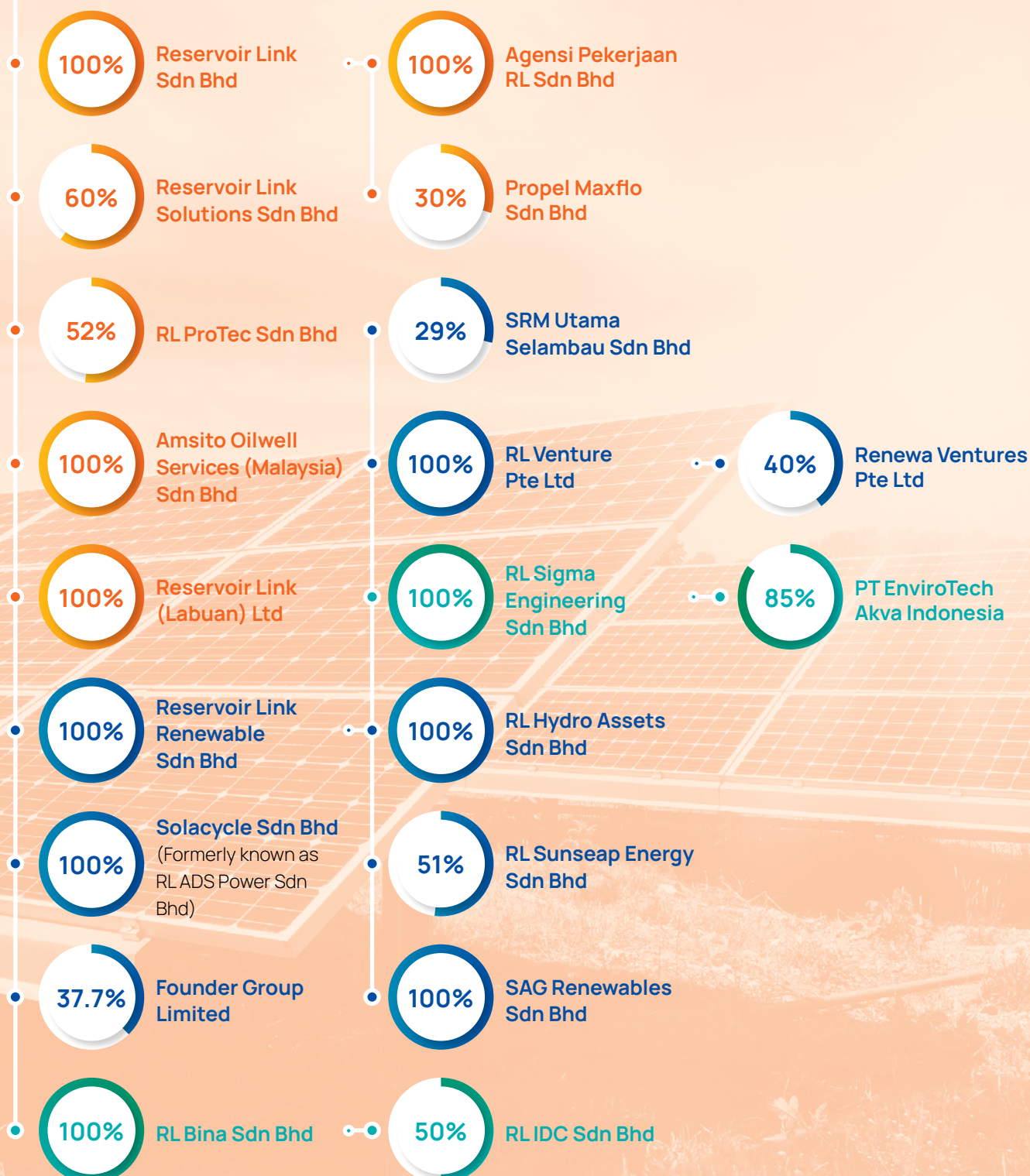
CORPORATE STRUCTURE

30 September 2025

RESERVOIR LINK

RESERVOIR LINK ENERGY BHD

(Registration No.: 201401044508 (1120690-K))



Legend: ● Oil & Gas | ● Renewable Energy | ● Non-RE (Sustainability)

BOARD OF DIRECTORS



DATUK TAI HEE

Non-Independent
Non-Executive Chairman



THIEN CHIET CHAI

Non-Independent Executive
Deputy Chairman

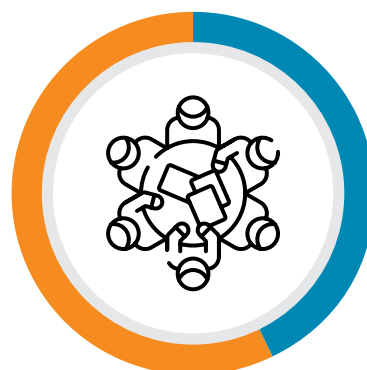


**DATO' WAN HASSAN BIN
MOHD JAMIL**

Group Chief Executive Officer/
Managing Director

The Board of Directors ("Board") of the Company recognises good Corporate Governance is vital and important for the long-term success of the Company and its subsidiaries. The Board plays a critical role in setting the appropriate tone at the top, providing thought leadership and championing good governance in ethical practices throughout the Company and hence deliver sustainable value to its stakeholders.

► BOARD COMPOSITION



● **43%**
Non-Independent
Director

● **57%**
Independent
Director

BOARD OF DIRECTORS



**DATO' AHMAD
RIZAL BIN ABDUL
RAHMAN**

Independent
Non-Executive Director



**SITI ZURINA BINTI
SABARUDIN**

Independent
Non-Executive Director



**ELAIN BINTI
LOCKMAN**

Independent
Non-Executive Director



**REWI HAMID
BUGO**

Independent
Non-Executive Director

▶ BOARD TENURE

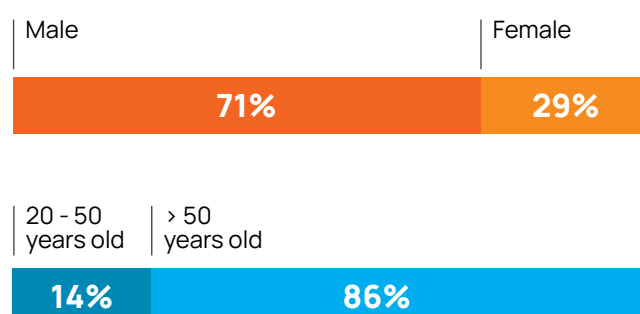


14.3%
Below 2 years

14.3%
2 - 5 years

71.4%
Above 5 years

▶ DIVERSITY



DIRECTORS' PROFILE

DATUK TAI HEE

Non-Independent Non-Executive Chairman

62 years of age | Male | Malaysian

Date Appointed to the Board:
31 May 2019

Length of Tenure:
6 years

Board Meetings Attended:



Membership of Board Committee:

- AC
- RMC
- RNC



DATUK TAI HEE is the Group's Non-Independent Non-Executive Chairman. He obtained his Bachelor of Science (Honours) in Information Systems from United Kingdom in 1987. He joined Pansar Computer Services Sdn Bhd (a company in Pan Sarawak group of companies) in 1988 as a Division Manager of the Computer Services Division.

He held various positions in the Pan Sarawak Group and was promoted to Group Executive Director in Pan Sarawak group of companies in 1996. He was subsequently promoted to the position as its Group Managing Director in 2011. He also assumed the position of Group Managing Director of Pansar Berhad since listing on the Main Market of Bursa Securities in 2010. He gained extensive experience via his exposure helping the Pan Sarawak's diversified group of companies spanning wide ranging industries such as the building and construction industry, hospitality and travel, information technology, insurance agency, manufacturing of building materials, marine and industrial engineering, mechanical, electrical and civil engineering, retail mall management, shipping and timber processing, environmental waste management and oil palm plantations.

Over the past decades, he has been active in trade delegations, missions and working visits to many countries representing Malaysia, Sarawak and Pan Sarawak group of companies in various industries. He is a Vice President of the Malaysia Japan Economic Association since 2012 and represents Malaysia as a board member in the East Asia Business Council Malaysia since 2016. He was a member of the Employers Panel of the Industrial Court representing employers from 2007 until 2012 and a member of Malaysia

Crime Prevention Foundation Sarawak, Sarawak Tourism Board since 2012 and Sarawak Taekwondo Federation since 1997.

He served as Chairman of Sarawak United National Youth Organisation (Saberkas) Sibu District from 2003 to 2011 and Vice President of State wide Saberkas from 2006 to 2012. He is the Vice Chairman of Special Olympics Sarawak since 2004 as well as its Chairman in Sibu since 2000.

For his contributions to Sarawak and Malaysia, he was decorated with Ahli Bintang Sarawak (ABS) in 2001, Panglima Bintang Sarawak (PBS) in 2006, Johan Bintang Kenyalang (JBK) by the Governor of Sarawak in 2012 and in 2016, he was conferred the federal award of Panglima Jasa Negara (PJN) which carries the title Datuk by the Yang Di Pertuan Agong.

He currently serves as the Managing Director of Pansar Berhad, a company listed on the Main Market of Bursa Securities. Datuk Tai is the brother of Dato' James Tai Cheong and uncle of David Tai Wei who are the substantial shareholder of Reservoir Link.

He has no family relationship with other Directors and/or major shareholders of Reservoir Link and does not have any conflict of interest with Reservoir Link. Further, he has not been convicted of any offences within the past five (5) years other than traffic offences.

DIRECTORS' PROFILE

THIEN CHIET CHAI

Non-Independent Executive Deputy Chairman

58 years of age

Male

Malaysian

Date Appointed to the Board:

2 December 2014

Length of Tenure:

11 years

Board Meetings Attended:

8/8

Membership of Board Committee:

AC

RMC (Chairman)

RNC

THIEN CHIET CHAI is the Group's Non-Independent Executive Deputy Chairman. He started his career with Halliburton Energy Services (M) Sdn Bhd ("Halliburton") in 1989 as a trainee for cementing services. During his employment with Halliburton, he pursued part time studies to obtain his Diploma in Business and Management from SEGi College, Malaysia ("SEGi") in 2006.

He left Halliburton in 2007 as its Country Manager for South East Asia, responsible for testing tools and services, perforation services, maintaining customer contact and developing and implementing local products and services.

In March 2007, he ventured into his own business by setting up Thimi Resources Sdn Bhd (formerly known as Reservoir Link Resources Sdn Bhd) ("Thimi Resources") which was involved in the trading of industrial products and contractor work. With his exposure and experience in the upstream of the O&G industry, he ceased the operations of Thimi Resources in 2008 and joined Reservoir Link Sdn Bhd as Executive Director. On 2 December 2014, he was appointed as a Non-Independent Executive Director of Reservoir Link Energy Bhd and was subsequently appointed as Non-Independent Executive Deputy Chairman on 9 October 2023. He is responsible for developing and implementing growth strategies and establishing the Group's vision, mission and value. He supports the Chairman of the Group and also assists in high level business development and customer relations.

He was appointed on the Board of Wawasan Dengkil Holdings Berhad (a company listed on the ACE Market of Bursa Securities) as an Independent Non-Executive Chairman on 15 April 2024. He has no family relationship with other Directors and/or major shareholders of Reservoir Link and does not have any conflict of interest with Reservoir Link. Further, he has not been convicted of any offences within the past five (5) years other than traffic offences.



DIRECTORS' PROFILE

DATO' WAN HASSAN BIN MOHD JAMIL

Group Chief Executive Officer/Managing Director

51 years of age

Male

Malaysian

Date Appointed to the Board:

2 December 2014

Board Meetings Attended:

8/8

Length of Tenure:

11 years

Membership of Board Committee:

AC

RMC

RNC



DATO' WAN HASSAN BIN MOHD JAMIL is the Group's Chief Executive Officer/Managing Director. In 1997, he obtained his Bachelor's Degree in Petroleum Engineering from the University of Technology Malaysia. In the same year, he began his career in the O&G industry in Geoeast (M) Sdn Bhd as a Welltest Engineer.

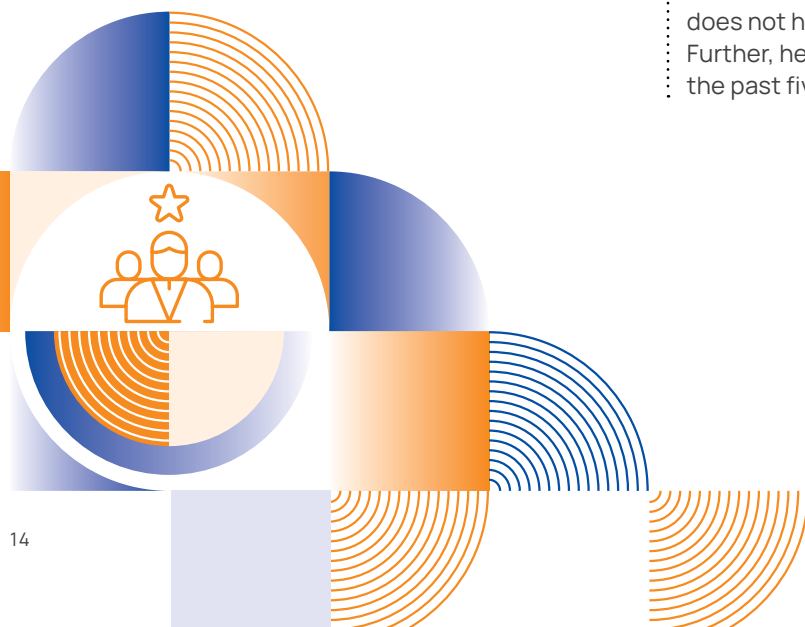
He left the company to join Dimension Bid (M) Sdn Bhd ("Dimension Bid") in 1998 as a Field Engineer that kicked-off the Data Acquisition Services Department, where he rose to the position of Data Acquisition Services Manager. His experience during his tenure with Dimension Bid included bottomhole pressure survey, pressure transient analysis, production logging, multifinger caliper logging and slickline services.

He left Dimension Bid in 2003 to join Geowell Sdn Bhd as a Technical Manager, leading the company's technical division in providing slickline and data acquisition technical services where his last position was as an Operations Director.

In 2010, he joined Reservoir Link Sdn Bhd as an Executive Officer. He assumed his current position as Chief Executive Officer in 2012, where he is responsible for leading and managing the Group in accordance with the strategic direction and vision developed by the Board.

He is also an Adjunct Professor and Industrial Panel Advisor in University of Malaysia Pahang in Mechanical Engineering since February 2019.

He does not hold any directorship in any other public company. He has no family relationship with other Directors and/or major shareholders of Reservoir Link and does not have any conflict of interest with Reservoir Link. Further, he has not been convicted of any offences within the past five (5) years other than traffic offences.



DIRECTORS' PROFILE



DATO' AHMAD RIZAL BIN ABDUL RAHMAN

Independent Non-Executive Director

56 years of age

Male

Malaysian

Date Appointed to the Board:

13 June 2022

Length of Tenure:

3 years

Board Meetings Attended:



Membership of Board Committee:

AC (Chairman)

RMC

RNC

DATO' AHMAD RIZAL BIN ABDUL RAHMAN is the Group's Independent Non-Executive Director. He has more than 30 years of experience under his belt, specifically in business, strategy, corporate finance and operations. An accountant by profession, he started his career as an auditor and business advisor where he was involved in creating business strategies and implementing them in various corporate sectors such as manufacturing, financial & investment services, property & development, construction, independent power plant and oil & gas.

He graduated from MARA Institute of Technology, Shah Alam with an Advanced Diploma in Accountancy and Diploma in Accountancy in November 1992 and June 1990 respectively. He is a member of Malaysian Institute of Accountants for a Chartered Accountant since June 2001. He then completed his professional qualification for Associate Chartered Global Management Accountant ("CGMA") United Kingdom in May 2018 and in August 2018, he was accorded as a Fellow Chartered Global Management Accountant ("CIMA").

Additionally, in November 2014, he was awarded an Honorary Fellowship at International Institute of Plantation Management, Malaysia. In June 2017 he was awarded a certificate of completion for the Leaders in Development: Managing Change in a Dynamic World at John F. Kennedy School of Government at Harvard University USA.

He started his career in December 1992 as an Audit Assistant with Al Jefri & Co until May 1993 and later in June 1993, he joined KPMG Peat Marwick for the same position until the position of the Audit Senior. In October 1996 until February 1998, he furthered his career in Corporate Finance with Commerce International Merchant Bankers Berhad.

He had an illustrious career in financial services across various industries before being appointed as the Group Chief Executive Officer for Perak State Agricultural Development Corporation (Perak State GLC) in October 2010 to 30 September 2018. He was then appointed as the Independent Non-Executive Director of Boustead Plantations Berhad in 2019 before he accepted the position of Chief Executive Officer for Mardec Berhad, a subsidiary of Tradewinds Plantation Berhad from July 2021 to June 2023.

He was appointed on the Board of Labtech Berhad, a company listed on the Main Market of Bursa Securities as an Independent Non-Executive Director on 21 April 2022. He was also appointed as an Independent Non-Executive Director on the Board of Turiya Berhad on 4 July 2024. He has no family relationship with other Directors and/or major shareholders of Reservoir Link and does not have any conflict of interest with Reservoir Link. Further, he has not been convicted of any offences within the past five (5) years other than traffic offences.

DIRECTORS' PROFILE

SITI ZURINA BINTI SABARUDIN

Independent Non-Executive Director

49 years of age

Female

Malaysian

Date Appointed to the Board:

31 May 2019

Length of Tenure:

6 years

Board Meetings Attended:



Membership of Board Committee:

AC

RMC

RNC (Chairman)



SITI ZURINA BINTI SABARUDIN is the Group's Independent Non-Executive Director. In October 2000, she obtained her Bachelor of Laws from the International Islamic University of Malaysia. In January 2001, she began her career as a law lecturer at Kemayan Advance Tertiary College (ATC), Kuala Lumpur.

In December 2001, she underwent her pupillage at Messrs Azmi & Associates before being admitted as an Advocate & Solicitor of the High Court of Malaya on 13 December 2002. She continued to practice at Messrs Azmi & Associates until February 2003. In March 2003, she joined Puncak Niaga Sdn Bhd (a subsidiary of Puncak Niaga Holdings Berhad) as a legal executive, advising the operations division on matters pertaining to maintenance related services for water treatment plants. She was also involved in negotiating the concession for the operations and management of all water treatment plants in Kuala Lumpur, Selangor and Putrajaya, as well as the supply and distribution of water to consumers in the aforementioned states.

She joined Messrs Foong & Partners in June 2005 as their Legal Associate and was involved in initial public offering exercises and corporate commercial matters. In June 2006, she joined SapuraCrest Petroleum Berhad (a company listed on the Main Market of Bursa Securities) as their Legal Executive, advising on matters pertaining to tenders and operational contracts, and managing contractual disputes.

From July 2007 till October 2010, she was employed in Messrs Deol & Gill as Legal Associate, where she attended to capital market assignments including setting up of venture capital funds, delisting exercises of public listed companies and venture capital investments. From November 2010 till February 2012, she was employed in Messrs Abu Talib Shahrom as their Senior Associate and was subsequently promoted as a Partner in March 2012.

In August 2012, she joined Messrs Zul Rafique & Partners as a Partner. Subsequently, in December 2012, she joined Messrs Azmi & Associates as its Partner, notably advising on initial public offerings and take-over matters, as well as venture capital/ private equity investments.

In October 2016, she founded her own legal firm, Law Office of Zurina & Noreeta, specialising in venture capital funds, investments and fintech advisory. Whilst she was still a partner at the firm, the firm changed its name to Messrs Zurina in 2017.

In August 2019, she ceased legal practice to focus on her business that she co-founded, AFS Assist Sdn Bhd, which connects and provides companies access to service providers such as company secretarial, accounting, taxation and legal services including venture capital firms.

In March 2020, she resumed legal practice and is currently a partner at Messrs Zurina.

Zurina is also the Managing Director of Audra Capital Sdn Bhd, a venture capital fund that focuses on funding high growth companies.

She does not hold any directorship in any other public company. She has no family relationship with other Directors and/or major shareholders of Reservoir Link and does not have any conflict of interest with Reservoir Link. Further, she has not been convicted of any offences within the past five (5) years other than traffic offences.

DIRECTORS' PROFILE



ELAIN BINTI LOCKMAN

Independent Non-Executive Director

57 years of age

Female

Malaysian

Date Appointed to the Board:

31 May 2019

Length of Tenure:

6 years

Board Meetings Attended:



Membership of Board Committee:

AC

RMC

RNC

ELAIN BINTI LOCKMAN is the Group's Independent Non-Executive Director. In 1991, she obtained a Bachelor of Science (in the field of study of Actuarial Science) and subsequently, a Master of Science in Operational Research in 1992 from The London School of Economics and Political Science.

She started her career with PETRONAS from 1993 till 1995 as its Petroleum Economist in the Exploration and Production Division, then was promoted as a Business Analyst where she was responsible for reviewing PETRONAS Carigali's selected local and international businesses and operations, strategies and planning.

From 1997 until 2015, she was employed by various organisations in senior management positions, namely Senior Manager, Business Development and International Affairs in Multimedia Development Corporation Sdn Bhd (February 1997 to August 2001), Director of e-Business Strategy in Global B2B2C.com Sdn Bhd (September 2001 to May 2012), Knowledge Management Consultant in iPerintis Sdn Bhd (July 2002 to October 2003), Vice President of the Managing Director/Chief Executive Officer's Office in Malaysia Debt Ventures Berhad (November 2003 to February 2005), Chief Operating Officer in Gyro Venture Partners Sdn Bhd (March 2005 to March 2006), a Partner in E&E Good Works (May 2011 to December 2012), Director of Special Projects in MSC Management Services Sdn Bhd (May 2012 to October 2014) and Head of Business Development, Sales and Marketing in The Ai Group Sdn Bhd (February 2015 to June 2015).

Her exposure provided her with diverse experiences from developing sales and marketing strategies, establishing startup companies, project management, strategy development to business consulting in the areas of joint ventures, mergers and acquisitions, corporate communications strategies and planning, among others.

Between 2006 and 2011, she was engaged on retainer basis with several organisations, including Media Shoppe Bhd as Director of Business Development (June 2006 to June 2011), Digi Telecommunications Sdn Bhd as Enterprise Business Senior Consultant (January 2007 to December 2008), Packet One Networks (Malaysia) Sdn Bhd as Associate Director for Business

Development and Special Projects (January 2007 to December 2010), and Green Science Sdn Bhd as Director (November 2010 to October 2011).

She has also served in the following organisations:

- Independent Non-Executive Director, in Leet Technology Inc, a company listed on OTC Market USA from 21 August 2021 to 12 August 2024.
- Independent Director at Universiti Tun Hussein Onn Malaysia from 12 July 2021 to 11 July 2024, an appointment by the Ministry of Higher Education.
- President of the Registered Digital Markets Association Malaysia from April 2018 to April 2025.

In May 2015, she co-founded Ata Plus Sdn Bhd, an equity crowdfunding platform regulated by and registered with the SC. She is currently the Chief Executive Officer of Ata Plus Sdn Bhd.

In addition, she is also undertaking the following roles:

- Independent Non-Executive Director in Sagtec Global Limited, a company listed on NASDAQ Market USA since 16 May 2025.
- Independent Non-Executive Director, in Western Union Payments Systems Sdn Bhd since 2 May 2024.
- Trustee for Yayasan Khazanah Trustee (Board of Trustee) since 28 April 2022.
- Trustee for Yayasan Bina Makmur Trustee (Board of Trustee) since 24 November 2021.
- Trustee for Yayasan KRU (Board of Trustee) on 6 August 2021.

She was appointed on the Board of Propel Global Berhad (Previously Known as Daya Materials Berhad a company listed on the Main Market of Bursa Securities as an Independent and Non-Executive Director on 17 December 2020. She has no family relationship with other Directors and/or major shareholders of Reservoir Link and does not have any conflict of interest with Reservoir Link. Further, she has not been convicted of any offences within the past five (5) years other than traffic offences.

DIRECTORS' PROFILE

REWI HAMID BUGO

Independent Non-Executive Director

52 years of age | Male | Malaysian

Date Appointed to the Board:
20 June 2025

Length of Tenure:
1 year

Board Meetings Attended:



Membership of Board Committee:

- AC
- RMC
- RNC



REWI HAMID BUGO is the Group's Independent Non-Executive Director. He was appointed to our Board on 20 June 2025. He is a member of Audit Committee and Remuneration and Nomination Committee.

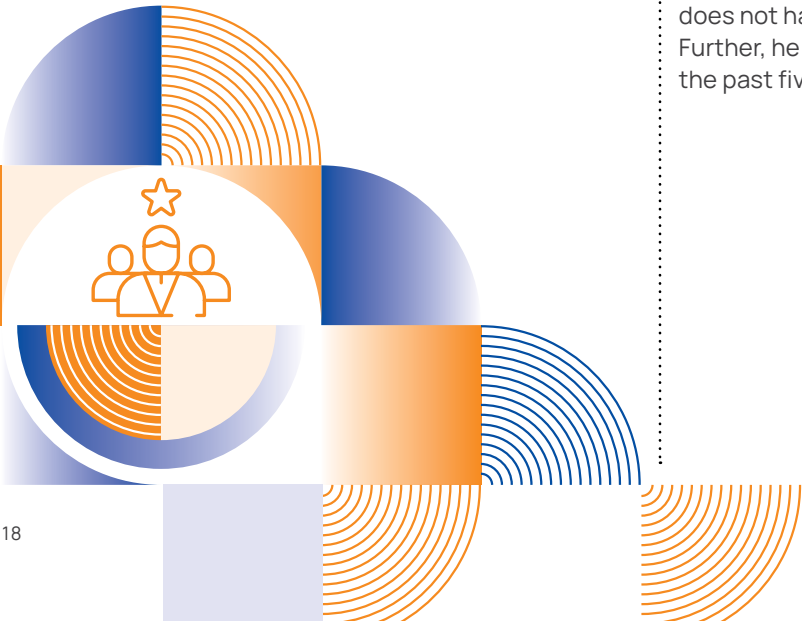
He holds a Bachelor of Science in Management Science, a Master of Commerce (First-Class Honours), and a Postgraduate Diploma in Management from the University of Canterbury, New Zealand.

He brings with him over 20 years of extensive leadership and governance experience, having served on the boards of both private and public-listed companies in Malaysia and New Zealand. Mr. Rewi is the Chairman of General Capital Ltd, a company listed on the New Zealand Exchange (NZX). He was formerly an Independent Non-

Executive Director of Thriven Global Berhad from 2015 to 2024 and a Non-Independent Non-Executive Director of Sarawak Consolidated Industries Berhad between 2015 and 2019.

Mr. Rewi has served on various board committees, including Audit, Risk, Nomination, and Remuneration Committees, demonstrating strong governance and regulatory compliance expertise. He has also contributed to environmental and social causes through his role as a Trustee of WWF-Malaysia from 2017 to 2025. His experience spans multiple sectors, including property development, finance, automotive importing and distribution, engineering and insurance broking.

He was appointed on the Board of Propel Global Berhad as a Non-Independent and Non-Executive Director on 18 December 2024. He has no family relationship with other Directors and/or major shareholders of Reservoir Link and does not have any conflict of interest with Reservoir Link. Further, he has not been convicted of any offences within the past five (5) years other than traffic offences.



SENIOR MANAGEMENT TEAM



From Left to Right (First Row - Bottom)

MOHD FADZLI BIN HAMIDON
Chief Executive Officer - RL ProTec

BONG LEONG SUNG
Group Chief Financial Officer

From Left to Right (Second Row - Middle)

EE HOOD LIANG
General Manager, Business
Development - RL Renewable

ANWARUDIN BIN SAIDU MOHAMED
Chief Executive Officer - RL Solutions

MOKHTAR BIN HAJI ALI
General Manager, Group Corporate
Services

From Left to Right (Third Row - Above)

ZULKURNAIN BIN MAMAT
General Manager, Operations -
RLSB

MAD HAIMI BIN ABU HASSAN
Chief Executive Officer - RLSB

SENIOR MANAGEMENT TEAM

BONG LEONG SUNG

Group Chief Financial Officer

51

Male



**Date of
Joining**
16 April 2021

Academic/Professional Qualifications:

- Bachelor of Accounting, University of Malaya, Malaysia
- Member of the Malaysian Institute of Accountants ("MIA")
- Member of the Malaysian Institute of Certified Public Accountants ("MICPA")

Working Experience:

Joined the Group as Financial Advisor in January 2021 and later in April 2022, he assumed his current position as Chief Financial Officer for the Group. Prior to joining the Group, he was the Group Chief Financial Officer at Uzma Berhad.

MAD HAIMI BIN ABU HASSAN

Chief Executive Officer - RLSB

48

Male



**Date of
Joining**
1 November 2008

Academic/Professional Qualifications:

- Bachelor of Engineering (Electrical), University of Malaya, Malaysia

Working Experience:

Co-founded RLSB in 2008 and worked as Technical Manager. He has held various positions in the firm, the last being Executive Director before resuming position as Chief Executive Officer. Prior to joining the Group, he worked at Halliburton Energy Services (M) Sdn Bhd from 2002 until 2008 as an Associate Technical Professional and he left the company as a Service Leader.

ANWARUDIN BIN SAIDU MOHAMED

Chief Executive Officer - RL Solutions

45

Male



**Date of
Joining**
1 July 2017

Academic/Professional Qualifications:

- Bachelor of Mechanical Engineering, PETRONAS University of Technology, Malaysia
- Master of Science in Petroleum Engineering, Imperial College London, UK
- Chairman Society of Petroleum Engineers (SPE) – Kuala Lumpur Section
- Honorary Secretary Malaysian Oil Gas & Energy Services Council

Working Experience:

Joined the Group as Chief Technology Officer in 2018. He was also an Executive Director and a substantial shareholder at RL Solutions. Prior to that, he was a General Manager at Deleum Berhad, overseeing corporate and corporate relations matters.

MOHD FADZLI BIN HAMIDON

Chief Executive Officer - RL ProTec

56

Male



**Date of
Joining**
1 June 2022

Academic/Professional Qualifications:

- Bachelor of Electrical Engineering, University of Tennessee, USA
- Board of Engineers (BEM) Malaysia
- Member of Society of Petroleum Engineers (SPE) – Kuala Lumpur Chapter

Working Experience:

Joined RL ProTec in 2022 as Chief Executive Officer and Executive Director. Prior to that, he was Head of Business Operations at WHA Oil & Gas Sdn Bhd.

SENIOR MANAGEMENT TEAM

MOKHTAR BIN HAJI ALI

General Manager, Group Corporate Services

51

Male



Date of Joining
7 January 2020

Academic/Professional Qualifications:

- Bachelor of Management, University of Science Malaysia

Working Experience:

Joined the Group as Senior Manager for Contract & Corporate Services in 2020. In the same year, he was redesignated to General Manager, Corporate Services. Prior to joining the Group, he was General Manager for Corporate Resources at Deleum Oilfield Services Sdn Bhd.

EE HOOD LIANG

General Manager, Business Development - RL Renewable

43

Male



Date of Joining
15 July 2022

Academic/Professional Qualifications:

- Bachelor of Management, University of Science Malaysia

Working Experience:

Joined RL Renewable as General Manager for Business Development. Prior to that, he was the founder and Business Development Director for Skyline Titan Energy Sdn Bhd.

ZULKURNAIN BIN MAMAT

General Manager, Operations - RLSB

43

Male



Date of Joining
1 October 2011

Academic/Professional Qualifications:

- Bachelor of Petroleum Engineering from the University of Technology Malaysia

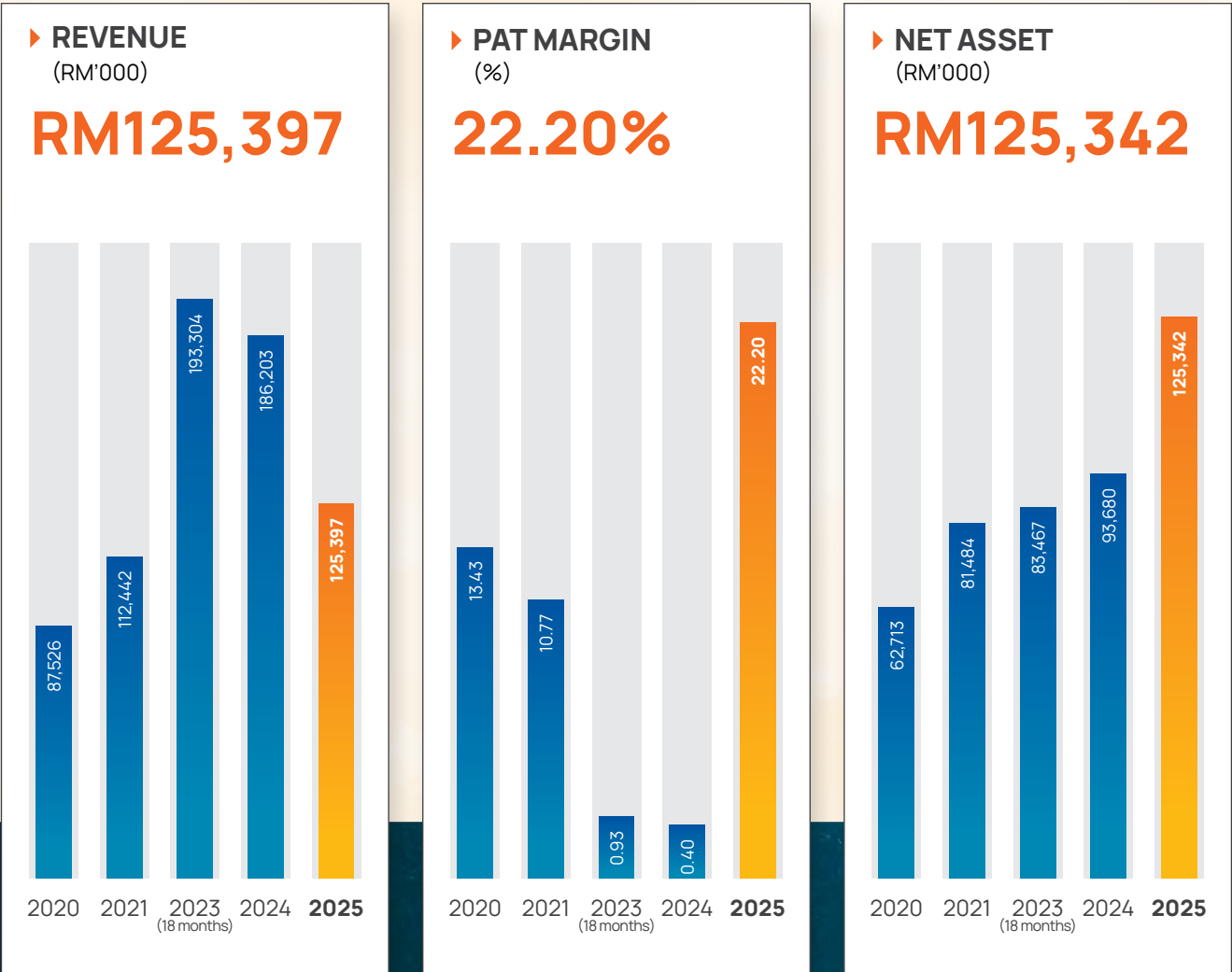
Working Experience:

Joined RLSB as a Service Engineer on 1 October 2011. He has held various positions in the firm, the last being Senior Manager, Operations before resuming position as General Manager, Operations oversees the company's well services operations. Prior to that, he was a Field Services Engineer for Geowell Sdn Bhd.

None of the Key Senior Management members above have:

- Any directorship in public companies and listed issuers in Malaysia.
- Any family relationship with any Director and/or major shareholder of RLEB.
- Any conflict of interest with RLEB.
- Any conviction for offences within the past five (5) years other than traffic offences.
- Any public sanction or penalty imposed on them by the relevant regulatory bodies during the financial year 2025.

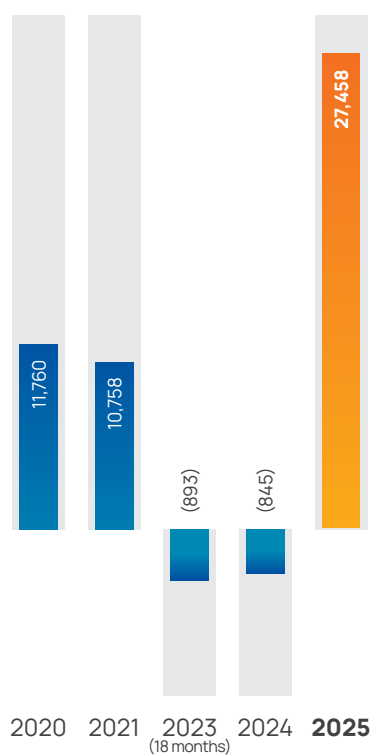
FINANCIAL HIGHLIGHTS



FINANCIAL HIGHLIGHTS

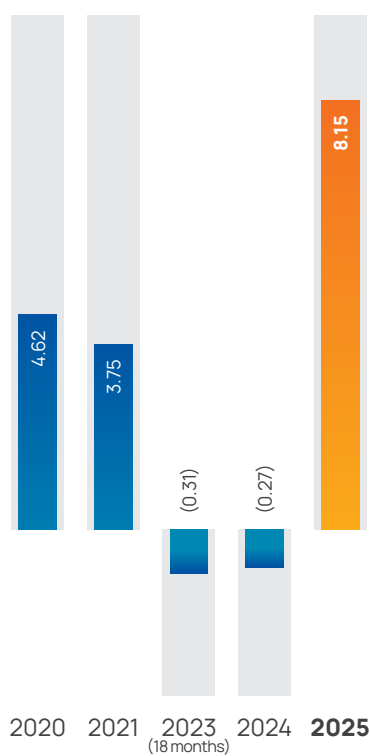
► PATAMI (RM'000)

RM27,458



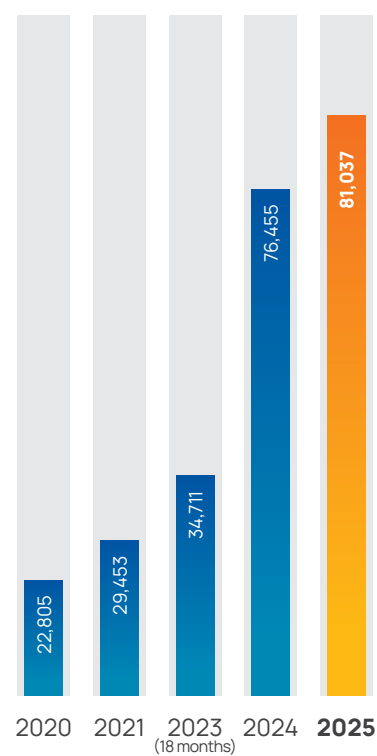
► EARNING PER SHARE (SEN)

8.15 SEN



► PROPERTY, PLANT AND EQUIPMENT (RM'000)

RM81,037



CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Reservoir Link Energy Bhd (“Reservoir Link”, “the Group” or “the Company”), please allow me to present our Annual Report and Audited Financial Statements for the financial year ended 30 June 2025 (“FY2025”).

Net Assets Per
Share increased by
26.7%
to RM0.37

Gearing Ratio
remained
at a healthy
0.5 times

FY2025 has been a year of transformation and also a test of resilience. As we navigate a volatile geopolitical landscape shaped by economic uncertainties, geopolitical tensions, supply chain disruptions, as well as the accelerating energy transition. Despite these headwinds, the Group achieved meaningful progress and remains steadfast in delivering long-term shareholder value while advancing our sustainability commitments.



DATUK TAI HEE

Non-Independent
Non-Executive Chairman



CHAIRMAN'S STATEMENT

“...our core oil and gas segment delivered strong growth, with revenue increasing 14.8% to RM86.6 million...”

WEATHERING UNCERTAINTY, BUILDING STRENGTH

The global economy in FY2025 showed signs of stabilisation as inflationary pressures eased and consumer demand improved. However, persistent conflicts and disruptions across global trade routes kept markets volatile. Oil prices largely remained between USD70 and USD90 per barrel, supported by OPEC+ strategies, while regulatory and investor pressures accelerated the global pivot towards low-carbon solutions.

In Malaysia, PETRONAS is committed and reaffirmed its commitment to boost production to 2 million barrels of oil equivalent per day (MMboe/d) by 2027, opening significant opportunities for well services and production enhancement, areas where Reservoir Link has established technical expertise.

Meanwhile, the renewable energy sector witnessed accelerated growth, bolstered by favourable regulatory support and strong investor interest. Malaysia's economy benefited from improving global demand for commodities and sustained policy support for the energy transition. The National Energy Transition Roadmap (“NETR”) continued to roll out and provided greater clarity on the country's path toward carbon neutrality, creating new opportunities in renewable energy and green technologies. As Malaysia moves toward its 2050 net-zero target, the convergence of traditional and renewable energy systems is accelerating. Our balanced portfolio across oil and gas services, renewable energy, and concession-based operations in sustainability ventures enabled us to weather volatility and seize emerging opportunities.

FINANCIAL PERFORMANCE: STRENGTH AMID TRANSITION

For FY2025, the Group recorded a revenue of RM125.4 million, representing a 32.7% decrease compared to RM186.2 million in FY2024. The decline was primarily due to the deconsolidation of Founder Group Limited following its successful NASDAQ listing. Excluding this impact, our core oil and gas segment delivered strong growth, with revenue increasing 14.8% to RM86.6 million, supported by sustained demand for well intervention and production enhancement services.

Profit after tax stood at RM27.8 million, compared to RM0.74 million in FY2024, largely due to a one-off fair value adjustment and impairment. Importantly, our balance sheet strengthened, with net assets per share rising 26.7% to RM0.37 and a healthy gearing ratio of 0.5 times, positioning us well for future investments.

STRATEGIC GROWTH INITIATIVES

In line with our long-term growth objectives, the Group, during the financial year under review, undertook a strategic acquisition of 30% of Propel Maxflo Sdn Bhd, an initiative aimed at strengthening our core capabilities and expanding our market presence. This acquisition complements our existing business portfolio and unlocks synergies across operations, technology, and customer engagement, thereby reinforcing our competitive advantage across both domestic and regional markets.



CHAIRMAN'S STATEMENT

Significantly, the period also witnessed a milestone achievement with the successful listing of Founder Group Limited on NASDAQ in October 2024. This listing not only underscores the Group's commitment to global standards of governance and transparency but also positions us to tap into international capital markets, expand our investor base, and elevate brand recognition globally.

A CULTURE BUILT ON SAFETY

In FY2025, we achieved 218,560 man-hours without a Lost Time Incident (LTI), further extending our cumulative record to over 1.78 million LTI-free man-hours since 2009. This milestone stands as a testament to the Group's strong safety culture, unwavering vigilance, and commitment to protecting the well-being of our people.

RESILIENCE THROUGH ROBUST GOVERNANCE

Our ability to navigate an increasingly complex business environment is underpinned by strong and transparent governance practices. In FY2025, we continued to uphold the highest standards of corporate governance, guided by a steadfast commitment to integrity, accountability, and ethical conduct. The Group further enhanced its governance and risk management frameworks through well-defined structures, rigorous oversight, and robust internal controls. Our Enterprise Risk Management ("ERM") system has been pivotal in identifying

and mitigating risks associated with regulatory shifts, cyber threats, and climate-related challenges, thereby reinforcing organisational resilience and sustaining stakeholders' confidence.

CONTINUED PUSH FOR ESG STEWARDSHIP

In line with our long-standing commitment to sustainability and the global energy transition, the Group continued to drive forward initiatives that promote cleaner, more efficient energy solutions. During the year, we achieved meaningful progress in expanding our renewable energy portfolio, particularly through the implementation of additional solar photovoltaic (PV) projects for commercial and industrial clients. These developments reflect our growing capability in delivering customised clean energy solutions tailored to business needs. Our continued success in securing and executing these contracts reinforces our position as a

proactive enabler of Malaysia's clean energy aspirations, while supporting the decarbonisation targets of the broader commercial and industrial sectors.

Beyond renewable energy, our strategic entry into the wastewater treatment segment has begun yielding tangible results in FY2025, contributing a steady stream of recurring income to the Group. This diversification not only enhances the resilience of our earnings base but also reflects our deeper commitment to environmental stewardship and responsible resource management. By providing effective, compliant, and sustainable wastewater treatment solutions, we are helping industries adopt cleaner practices and conserve critical water resources. As regulatory landscapes evolve and the demand for sustainable infrastructure continues to grow, our expanding role in this space underscores the Group's commitment to ESG leadership and long-term value creation.



"In FY2025, we achieved 218,560 man-hours without a Lost Time Incident (LTI)..."



CHAIRMAN'S STATEMENT

OUTLOOK AND STRATEGIC DIRECTION

As we look ahead, the Group remains cautiously optimistic about the operating environment in the coming financial year. While global economic conditions continue to be shaped by persistent geopolitical tensions and monetary policy shifts across key markets, we are confident that our diversified portfolio, prudent financial management, and operational resilience will help us navigate prevailing uncertainties.

Heading towards 2026 and beyond, Malaysia's oil and gas sector is expected to experience a renewed sense of urgency in accelerating the energy transition while ensuring national energy security. The industry continues to face a delicate balancing act in sustaining traditional hydrocarbon activities while gradually pivoting towards cleaner, low-carbon alternatives.

In particular, the upcoming wave of Plug & Abandonment ("P&A") and decommissioning activities presents a compelling growth avenue. With plans to execute the P&A of wells and the decommissioning of offshore facilities, the national decommissioning programme offers a robust pipeline of

opportunities through 2026 and beyond. The Group's established capabilities align directly with the scope of these projects. Through strategic partnerships, we are further enhancing our competitive edge in securing and executing these high-value contracts.

Within the spectrum of our core operations, the Group remains confident in maintaining its sound performance in well services, sand management, and production enhancement. These business lines continue to underpin our operational stability and financial performance. At the same time, we are actively exploring adjacent service lines to support broader energy security goals, in line with industry shifts and customer demand.

The renewable energy segment will continue to be a central pillar of our long-term growth agenda as the Group intends to deepen its presence in the solar photovoltaic sector by leveraging our proven track record in commercial and industrial solar projects.

In the financial year ahead, we remain upbeat about the Group's growth prospects as we seek to deepen our strategic acquisition initiatives to drive long-term value creation. Building on the momentum of our

recent acquisition, the Group is well-positioned to pursue targeted regional expansion, particularly in key Middle East markets. These markets offer compelling opportunities and align with our broader ambition to expand beyond our existing geographical footprint. Notably, the acquisition also unlocks opportunities for collaboration with global industry leaders, thereby enhancing our visibility, credibility, and competitiveness in upcoming regional tenders.

ACKNOWLEDGMENTS

On behalf of the Board, I extend our deepest gratitude to our shareholders, customers, suppliers, financiers, and business partners for their trust and support. I also thank my fellow Board members for their guidance, and our employees for their dedication and professionalism.

Finally, it is my pleasure to welcome Mr. Rewi Hamid Bugo to the Board. His experience and insight will bring added strength to our leadership team.

With renewed purpose and optimism, we look forward to delivering sustainable value in the years ahead.

DATUK TAI HEE

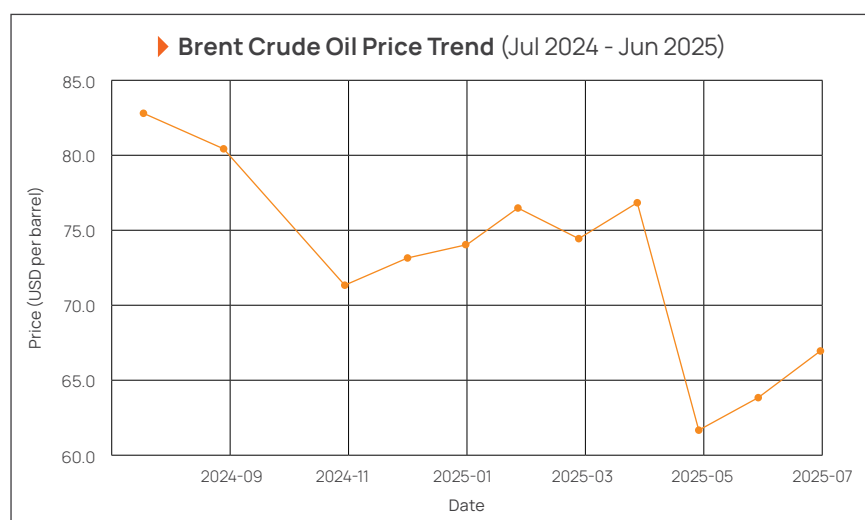
Non-Independent
Non-Executive Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING ENVIRONMENT

FY2025 unfolded against a backdrop of volatility, marked by the interplay of stabilising oil prices, persistent geopolitical tensions, and the accelerating shift toward energy transition continued to shape industry dynamics. The volatility in Brent prices during FY2025 reverberated across the global energy landscape, shaping investment flows, policy responses, and operational strategies. Fluctuating prices exerted pressure on energy producers, with rising costs in the early part of the year followed by revenue compression during the price decline.

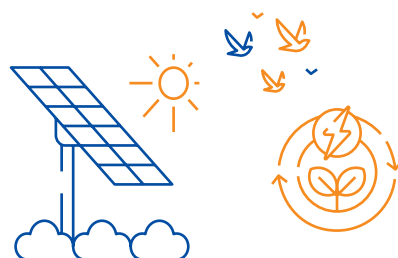


Data source: Macrotrends, Brent Crude Oil Historical Data (accessed July 2025).
Data values: Monthly Brent crude oil prices, July 2024 – June 2025.



For the Group, these market shifts underscored both challenges and opportunities. Reservoir Link is well-positioned to benefit from both traditional and renewable energy opportunities. Malaysia's oil and gas (O&G) upstream services segment could anticipate a stable outlook for the next three years, supported by crude oil price projections of USD70-USD80 per barrel. According to the PETRONAS Activity Outlook 2025-2027, the number of wells to be drilled is expected to rise slightly in 2025, whereas plugging and abandonment activities are expected to dip in 2025, before rebounding from 2026 onwards. For the next three years, the upcoming wave of Plug & Abandonment ("P&A") and decommissioning activities, presents a compelling growth avenue. With plans to execute the P&A of wells and the decommissioning of offshore facilities, the national decommissioning programme offers a robust pipeline of opportunities through 2026 and beyond.

As the energy landscape continues to shift, Reservoir Link continues to strengthen its position in high-value, specialised services that address both current and emerging industry needs. With an increasing number of assets approaching end-of-life, the demand for safe and cost-efficient decommissioning and Plug & Abandonment (P&A) solutions is set to grow. Leveraging our proven capabilities and niche technologies, we are well-prepared to support operators in responsibly retiring aging infrastructure while maintaining operational excellence.



MANAGEMENT DISCUSSION AND ANALYSIS

Sustaining Growth in the Energy Transition

Malaysia's renewable energy sector remains on a solid growth trajectory, underpinned by sustained government initiatives and potential new measures to spur further investments. The Malaysia Renewable Energy Roadmap (MyRER) and the National Energy Transition Roadmap (NETR) outline the country's strategic shift toward sustainable energy. With ambitious targets set by the government – 31% renewable energy by 2025, 40% by 2035, and 70% by 2050 – Malaysia is positioning itself as a regional clean energy leader. Introduced in July 2023, the NETR also promotes smart grid integration, energy efficiency, and electric vehicle adoption, with the aim of reducing Malaysia's carbon footprint by 2030.

Momentum in clean energy deployment is accelerating, driven by the strong growth of utility-scale solar under the Large-Scale Solar (LSS) Programme under the fifth round (LSS5) and LSS Petra 5+ Programme (LSS5+), while SEDA expanded rooftop solar opportunities through incremental Net Energy Metering (NEM) quotas. These initiatives directly support Reservoir Link's EPCC pipeline and align with NETR's long-term renewable energy target of 70% by 2050.

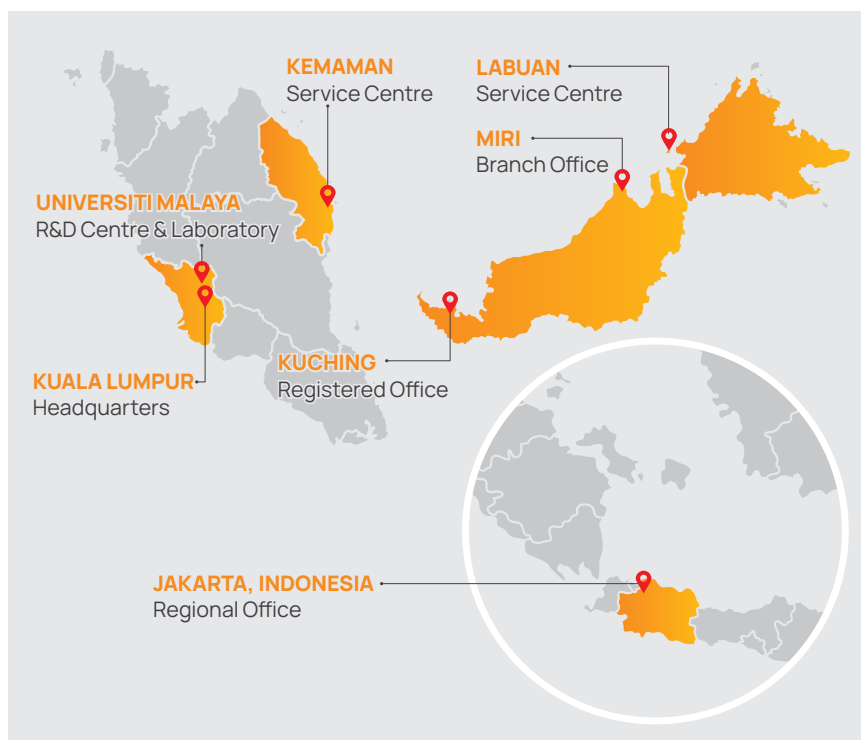
The rollout of these utility-scale projects not only incentivises industry players such as Reservoir Link but also enhances the economic viability of renewable energy investment, boosts Malaysia's solar capacity, and reaffirms the nation's leadership in ASEAN's clean energy transition.

OUR BUSINESS AT A GLANCE

Reservoir Link Energy Bhd was incorporated in Malaysia on 2 December 2014, building on foundations laid in 2008 through Reservoir Link Engineering Sdn Bhd. Over the years, the Group has evolved into a dynamic investment holding company with core expertise in well services for the oil & gas industry and growing capabilities in renewable energy solutions.

A significant milestone was achieved on 15 July 2020 with the Group's listing on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). This was followed by a successful transfer to the Main Market on 27 June 2022, underscoring Reservoir Link's steady growth trajectory and strengthened position in the market.

Today, Reservoir Link operates 5 facilities across Malaysia, anchored by its headquarters in Kuala Lumpur. Key service centres are strategically positioned at the Kemaman Supply Base in Terengganu and the Asian Supply Base in Labuan, two of the nation's principal offshore oil & gas hubs. Our operations are further supported by an office in Miri, Sarawak, along with a dedicated research and development (R&D) centre and laboratory at Universiti Malaya. Complementing our domestic strength, we maintain a regional presence in Jakarta, Indonesia, through PT Envirotech Akva Indonesia, reinforcing Reservoir Link's commitment to serving clients across Southeast Asia.



Building on our strong domestic foundation, Reservoir Link has established a growing regional and international footprint, with a presence in key markets such as Indonesia, Vietnam, Brunei, and Turkmenistan. This diversified geographical reach strengthens our market position, mitigates concentration risks, and provides a solid platform for sustainable growth and long-term value creation for all stakeholders.

MANAGEMENT DISCUSSION AND ANALYSIS



Trusted Partner in Well Services

Reservoir Link has built a strong reputation as a trusted partner in delivering specialised well services to the demanding O&G industry. Our core expertise encompasses well leak repair, perforation and well testing, critical solutions that safeguard well integrity and optimise production efficiency.

To further enhance outcomes, we deploy advanced technologies and innovative techniques such as production enhancement, specialty chemical applications and sand management systems. These solutions are tailored to rejuvenate aging wells, extend their productive life, and unlock greater value for our clients.

In line with our strategy of long-term positioning and resilience, Reservoir Link continues to pursue strategic acquisitions that strengthen both capabilities and market presence. In FY2025, the Group acquired a 30% interest in Propel Maxflo Sdn Bhd ("Propel Maxflo"), a move that deepens our technical expertise while expanding our reach into the Middle East market particularly Saudi Arabia and Bahrain. This investment not only enhances our

ability to deliver comprehensive, integrated well services, but also establishes a strategic platform to develop a regional hub for well solutions, reinforcing Reservoir Link's growth trajectory in one of the world's most dynamic energy markets.

Championing Environmental Stewardship

With more offshore facilities reaching the end of their lifecycle, Reservoir Link plays a crucial role in safeguarding the environment through our comprehensive decommissioning and well abandonment services. We are committed to carrying out these activities with the highest levels of safety, strict compliance with environmental regulations, and a clear focus on sustainability. This reflects not only our responsibility to our clients and stakeholders, but also our broader commitment to advancing sustainable practices across the energy sector.

Renewed Commitment to Cleaner Solutions

Reservoir Link continues to lead the charge in advancing Malaysia's renewable energy transition. Our

solar energy initiatives reflect our unwavering commitment to sustainability and innovation. Recognised as a top solar installation provider by project scale, we deliver reliable, high-quality solutions that empower businesses to embrace clean energy.

Building on initiatives introduced in recent years, Reservoir Link has successfully strengthened its presence in sustainable wastewater management. Through our 85%-owned subsidiary, PT EnviroTech Akva Indonesia, we are now fully operating the wastewater treatment facility for PT Unilever Oleochemical Indonesia under a 10-year agreement.

This milestone marks the successful execution of our entry into the wastewater services sector and demonstrates our ability to deliver long-term value. With eco-friendly technologies and efficient treatment processes, Reservoir Link continues to set new benchmarks in environmental stewardship, while generating sustainable returns for stakeholders.

MANAGEMENT DISCUSSION AND ANALYSIS

STRATEGIC PRIORITIES FOR SUSTAINABLE GROWTH

Reservoir Link remains steadfast in its mission to deliver exceptional value across both the oil & gas and renewable energy sectors. Guided by our commitment to customer excellence, technological advancement, and responsible business practices, we continue to align our efforts with global sustainability goals.

As we strengthen our market position, these strategic priorities serve as the foundation for driving innovation, expanding capabilities, and creating long-term value for our stakeholders.



OIL & GAS WELL SERVICES SECTOR

01

Integrated Well Services

Reservoir Link is advancing its position as a comprehensive oil and gas solutions provider by integrating and expanding our service offerings to deliver greater value for clients. Through cross-functional collaboration and knowledge sharing, we provide seamless, value-added solutions that address evolving industry needs and differentiate us in a competitive market. This capability was further validated with our recent umbrella contract award under PETRONAS's Integrated Well Continuity Services (IWCS), covering well intervention, workover, and abandonment. The win underscores both our growing technical capacity and our ability to deliver end-to-end well solutions across the well lifecycle.

02

R&D and Product Innovation

Innovation remains at the core of our growth strategy. We continue to invest in research and development (R&D) to improve well performance and production efficiency. By fostering industry-academia collaborations with leading local universities, Reservoir Link has developed specialty chemicals for flow assurance and well integrity, directly boosting oil well productivity. These initiatives demonstrate our role in bridging academic research with commercial application, strengthening our commitment to innovation-driven growth.

03

Pioneering New Technologies and Solutions

Reservoir Link is committed to embracing emerging technologies that solve industry challenges and create a lasting competitive edge. Through the development of customised, client-centric solutions and strategic partnerships with global technology leaders, we continue to bring forward breakthrough innovations. These include erosion-resistant through-tubing sand screens and advanced mercury management solutions, reinforcing our role as a trusted technology partner in upstream oil and gas operations.

MANAGEMENT DISCUSSION AND ANALYSIS



RENEWABLE ENERGY SECTOR

01

[Expanding Renewable Energy Portfolio](#)

Reservoir Link is committed to achieving a significant milestone of delivering 100 MW of profitable and sustainable renewable energy mix of assets under management by 2027. As of FY2025, our combined capacity has reached 42.17 MWp, spanning projects operation, construction, and secured agreements reflecting tangible progress towards this target. To realise this ambition, we are actively forging strategic alliances with industry leaders to capture a greater share of the Solar PV market in Malaysia and across the region.

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02

[Diversification Beyond Renewable Energy](#)

In the renewable energy spectrum, solar energy remains our core focus. At the same time, we are strategically diversifying beyond our core by exploring opportunities in hydropower, biomass, geothermal, and waste-to-energy to broaden our revenue base and capture new market opportunities. This diversification positions us for sustainable long-term growth and enhances our competitiveness in the evolving energy landscape.

Building on this momentum, our wholly-owned subsidiary, RL Sigma, secured a turnkey EPCC contract for an industrial waste recovery facility. The project scope includes design, civil and structural works, as well as mechanical, electrical, and automation systems to process up to 15,000 metric tonnes of scheduled waste annually. The facility will produce a proprietary alternative fuel with energy performance comparable to conventional fuels used in cement and power plants, strengthening our foothold in the circular economy value chain.

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03

[Strategic Acquisitions and Partnerships](#)

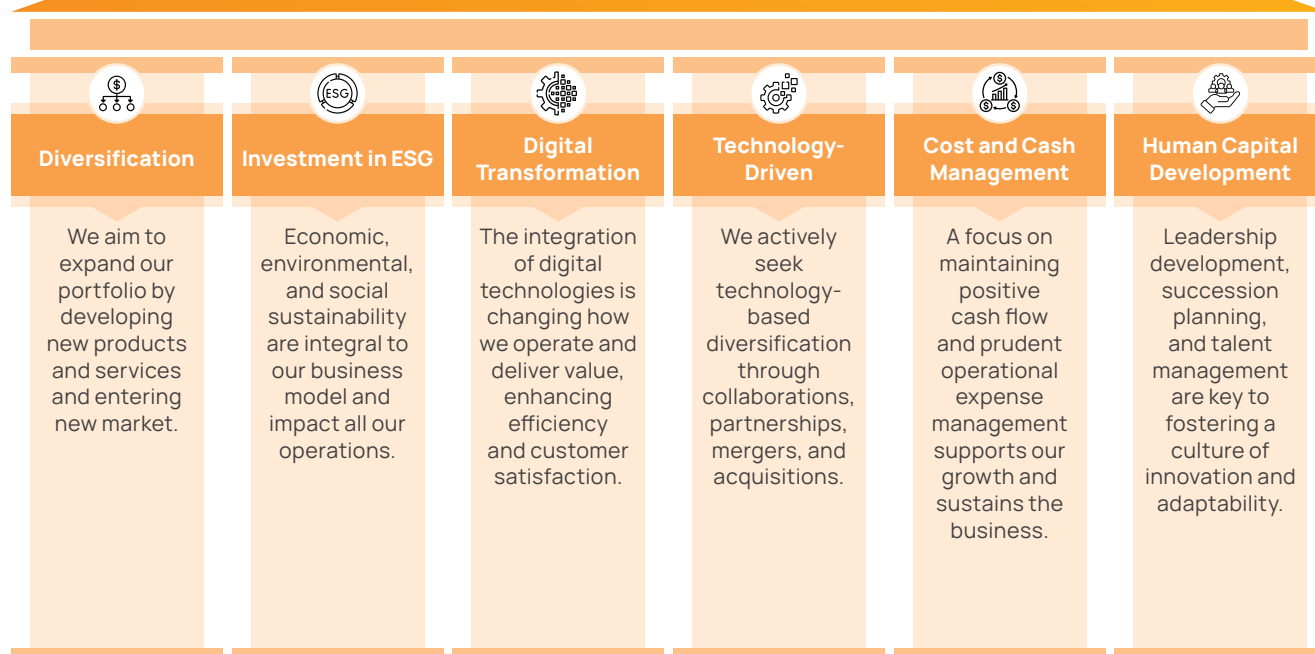
With renewable energy technologies evolving rapidly, Reservoir Link is committed to leveraging strategic acquisitions and partnerships to accelerate market entry and build expertise across diverse renewable energy segments. This approach enables us to fast-track growth, enhance technological capabilities, and expand our regional footprint beyond Malaysia. Through the disciplined execution of these strategies, Reservoir Link is positioning itself as a leading force in the renewable energy sector, creating long-term value for stakeholders while contributing meaningfully to a low-carbon, sustainable future.

MANAGEMENT DISCUSSION AND ANALYSIS

OUR GUIDING PRINCIPLES AND SHARED VALUES



THE GROUP'S INTEGRAL SIX-PILLAR STRATEGY



MANAGEMENT DISCUSSION AND ANALYSIS

OUR STRATEGIC APPROACH THUS FAR

01 Advancements in Oil & Gas Technologies

In the realm of oil & gas, Reservoir Link is not merely a participant but a vanguard in technological innovation. Through our strategic collaborations in research and development (R&D) with esteemed universities, we have positioned ourselves at the pinnacle of technological advancement.

02 Continuously Pursuing Technological Innovation

Our well-testing equipment, acquired several years ago in collaboration with our suppliers, has empowered our workforce to master emerging technologies. This not only augments our existing expertise but also diversifies our service offerings to Petroleum Arrangement Contractors ("PACs"). Our commitment to quality is evidenced by our ISO/TS 29001:2010 and ISO 9001:2015 certifications from DNV-GL, which we have diligently maintained since the year 2013.

03 Bolstering Our Renewable Energy Capability

Founder Energy, our associate company, continues to play a pivotal role in advancing our renewable energy ambitions. As a leading engineering, procurement, construction, and commissioning (EPCC) specialist for large-scale solar installations in Malaysia, Founder Energy's expertise and track record complement our strategy in the nation's rapidly growing renewable energy sector. Ongoing project deliveries and contract wins through this partnership reinforce our positioning for sustainable, long-term growth.

04 Scientific Research for Operational Excellence

Our research collaboration with Universiti Teknologi Malaysia ("UTM") is focused on the development of chemical formulations that will enhance well integrity and flow assurance. This research is anticipated to improve upstream production operations and cost efficiencies, thereby positioning our subsidiary, Reservoir Link Solutions Sdn Bhd, to own proprietary technologies that may be commercialised in both domestic and international markets in the foreseeable future.

MANAGEMENT DISCUSSION AND ANALYSIS

OUR KEY VALUE PROPOSITIONS

At Reservoir Link, our success is built on a deep well of technical expertise, innovative thinking, and unwavering commitment to delivering excellence. These core strengths set us apart in an increasingly dynamic energy sector, enabling us to create sustainable value for our stakeholders. By leveraging our proven capabilities and forward-looking strategies, we continue to strengthen our market position and lay a resilient foundation for long-term growth.



OIL & GAS SEGMENT

Expertise in Well Services

Accelerating forward from our first project in 2009, Reservoir Link has established a strong reputation as a leading provider of specialised well services. Our range of expertise extends to various well types and applications across multiple countries, including Malaysia, Vietnam, Brunei, Mauritania and Turkmenistan.

Proven Track Record

With 18 years of experience in well perforation and a growing track record in other services such as well leak repair, well testing, wireline and production enhancement, we have successfully served a diverse client base, including prominent players in the oil & gas industry, both domestically and internationally.

Strong Endorsement

As a Petroliaam Nasional Berhad (PETRONAS) licensed company, we are authorised to operate within Malaysia's oil & gas sector. Our 79 Standard Work Equipment Codes (SWEC) license ensures our ability to deliver high-quality services and sustain our business growth.

Holistic Lifecycle Services

Reservoir Link delivers a full spectrum of well services across the entire lifecycle of a well. Since our establishment in 2008, we have grown rapidly, expanding our portfolio to support every stage of well development. Our services include making wells operational, perforating to enable hydrocarbon production, and providing wash and cement solutions as part of plug and abandonment operations ensuring wells are safely sealed at the end of their productive life.

Today, Reservoir Link Group actively delivers a broad suite of services, including well perforation, well leak repair, well testing, perforations wash and cementing, and wireline operations. In addition, we support clients with enhanced oil recovery solutions, specialised laboratory studies, and expert interpretative services in areas such as flow assurance, formation damage, and sand management.

Sound Management Leadership

Under the guidance of our experienced management team in the oil & gas industry, Reservoir Link is well-positioned for continued growth and expansion in the years to come.

MANAGEMENT DISCUSSION AND ANALYSIS



RENEWABLE ENERGY SEGMENT

Leading Force in Solar Installation

Reservoir Link is a prominent solar installation company in Malaysia, renowned for our large-scale project capabilities. With a legacy dating back to Solar Bina Engineering Sdn Bhd (now known as Founder Group Limited), our team brings over a decade of expertise in solar energy engineering, construction, installation, and the supply of solar PV mounting systems.

Investor-Focused Tone

On 23 October 2024, Reservoir Link's 51%-owned subsidiary, Founder Group Limited (FGL), successfully listed on NASDAQ. This strategic NASDAQ listing is expected to enhance FGL's access to capital and broaden its investor base, supporting its expansion and growth trajectory in the solar renewable energy sector. While the Group will equity account for the FGL's financial results moving forward, it is well-positioned to benefit from FGL's growth, leveraging on the increased corporate visibility and financial flexibility that the NASDAQ listing brings.

Holistic Business Model

At Reservoir Link, we have adopted a unique business model that synergises our strategic pursuit of asset ownership with our capability to deliver turnkey projects.

Skilled Team of Professionals

Our team is composed of highly skilled professionals with extensive experience in developing renewable energy businesses. This expertise enhances our competitive advantage and reinforces our dedication to quality, customer satisfaction, and strategic positioning in the dynamic energy landscape.

FINANCIAL REVIEW

Presented below are the Group's key financial indicators for the financial year ended 30 June 2025 (FY2025), benchmarked against the corresponding financial year ended 30 June 2024 (FY2024).

Group Performance

(In RM'000 unless otherwise stated)

Indicators	FY2025	FY2024	Variance (%)
Revenue	125,397	186,203	-32.7%
EBITDA	45,068	13,050	245.4%
Profit Before Tax	31,716	4,093	674.9%
Profit After Tax	27,839	737	3,677.3%
Gross Profit Margin	18.9%	15.6%	18.7%
Profit Before Tax Margin	25.3%	2.2%	724.1%

MANAGEMENT DISCUSSION AND ANALYSIS

In FY2025, the Group recorded revenue of RM125.4 million, a 32.7% decrease compared to RM186.2 million in FY2024. The shortfall was primarily due to the deconsolidation of Founder Group Limited following its successful NASDAQ listing. Revenue in FY2025 was primarily derived from the oil & gas well services segment, which contributed RM86.6 million or 69%, with the balance of RM38.8 million or 31% generated from the renewable energy and sustainable ventures segment.

The Group registered a gross profit of RM23.7 million, representing an 18.9% decline against FY2024's RM29.1 million. The contraction was mainly attributable to lower revenue recognition following the dilution of Founder Group Limited, as well as reduced contributions from the renewable energy EPCC segment.

Despite the lower topline, the Group achieved a profit before tax (PBT) of RM31.7 million, a substantial 674.9% increase over FY2024's RM4.1 million. This improvement was primarily driven by a one-off fair value gain arising from the deemed disposal and remeasurement of investment in an associate, which offset the weaker revenue from the renewable energy EPCC segment.

Correspondingly, the Group recorded a profit after tax (PAT) of RM27.8 million, compared to RM0.74 million in FY2024, marking a 3,677.3% increase. The significant uplift in PAT was likewise attributable to the one-off fair value gain, notwithstanding lower contributions from the renewable energy EPCC segment.

The Board did not declare, pay, or propose any dividend during the financial year under review.

Segmental Performance

The financial period revenue broken down by business segments is summarised in the table below:

(In RM'000 unless otherwise stated)

Business Segments	FY2025 (12 months)		FY2024 (12 months)	
	RM'000	%	RM'000	%
O&G Well Services	86,554	69.0	73,721	39.6
Renewable Energy & Sustainable Ventures (incl. Wastewater Treatment)	38,843	31.0	112,482	60.4
Total	125,397	100.0	186,203	100.0



Oil & Gas

In FY2025, the Oil & Gas well services segment contributed RM86.6 million, an increase from RM73.7 million in FY2024. The segment remained the Group's core revenue driver, accounting for 69.0% of total revenue. Growth was mainly supported by higher work orders across production enhancement, well intervention, and testing activities. Despite lower group revenue overall, the Oil & Gas segment maintained strong performance and profitability, reflecting steady demand from upstream service contracts.



Renewable Energy & Sustainable Ventures

Revenue from Renewable Energy and Sustainable Ventures decreased significantly to RM38.8 million in FY2025 compared to RM112.5 million in FY2024, following the dilution of the Group's equity interest in Founder Group Limited (FGL) after its NASDAQ listing in October 2024.

MANAGEMENT DISCUSSION AND ANALYSIS



Solar PV EPCC

Large-scale solar projects (including LSS4) were substantially completed, and the CGPP project has yet to commence, resulting in lower revenue recognition.



Solar Assets

Contributed stable recurring income, though at a smaller scale compared to FY2024.



Wastewater Treatment

Recorded higher contribution of RM12.5 million in FY2025 versus RM2.3 million in FY2024, reflecting growth momentum in this segment.



Hydropower

No revenue contribution yet, as the project remains at the development stage.



MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review: Net Cash Flow

(In RM'000 unless otherwise stated)

Net Cash Flow	FY2025 (RM'000)	FY2024 (RM'000)
Net Cash (for)/from Operating Activities	1,391	(6,981)
Net Cash (for)/from Investing Activities	(29,117)	(45,168)
Net Cash from/(for) Financing Activities	25,010	58,281
Net (Decrease)/Increase in Cash and Cash Equivalent	(2,715)	6,132
Foreign Exchange Translation	2,060	(189)
Opening Balance of Cash and Cash Equivalents	7,554	1,611
Cash and Cash Equivalents at the End of the Financial Year	6,899	7,554

Issue of Shares

In FY2025, the Company increased its issued and paid-up share capital from 316.8 million shares to 362.4 million shares, amounting from RM55.8 million to RM70.0 million. The increase was mainly attributable to the completion of three (3) tranches of private placement exercises during the year and the exercise of ESOS options.

Utilisation of Proceeds raised from the Private Placement

The gross proceeds raised from the Private Placement of RM10.7 million are intended to be utilised in the following manner:

No.	Purpose	Proposed Utilisation (RM'000)	Actual Utilisation up to 30 June 2025 (RM'000)	Transfer (RM'000)	Balance Unutilised (RM'000)	Estimated Timeframe for Utilisation
1.	Acquisition of 30% equity interest in Propel Maxflo Sdn Bhd	7,390	(7,390)	-	-	Within 12 months from the receipt of funds
2.	Working Capital	2,982	(1,180)	220	2,022	Within 12 months from the receipt of funds
3.	Estimated expenses for the Proposed Private Placement	300	(80)	(220)	-	Upon completion of the Proposed Private Placement
Total		10,672	(8,650)*	-	2,022**	

* The actual utilisation of RM8.7 million is based on the fund raised from the following tranches:

- i) On 17 April 2025, we have placed out first tranche of 14,500,000 units of shares for RM4.6 million.
- ii) On 29 April 2025, we have placed out second tranche of 11,460,000 units of shares for RM3.6 million.
- iii) On 21 May 2025, we have placed out third tranche of 1,500,000 units of shares for RM0.5 million.

** The balance unutilised is subject to further tranches of private placement which have yet to be placed out.

MANAGEMENT DISCUSSION AND ANALYSIS

RISK MANAGEMENT FRAMEWORK

Reservoir Link continues to operate in a dynamic and competitive market environment, characterised by evolving industry trends and external factors that may influence our financial performance and operational resilience. Recognising that certain risks remain beyond our control, we have adopted a proactive and structured approach to risk management, enabling us to mitigate potential impacts and safeguard sustainable growth. This section provides an overview of the principal risks facing the Group across both the oil & gas and renewable energy sectors, their potential implications, and the strategies we have put in place to address them.

Top Five Group Risk FY2025

Key Risks	Potential Consequences	Mitigation Strategies
Loss of operational license (Oil & Gas)	The Group is facing regulatory challenges affecting its operations, notably a conflict of interest involving Company directors who are also directors and shareholders of another public listed company in the same industry, which has triggered a conflict of interest in the PETRONAS Licensing Management System ("PLMS"). Additionally, the Group is also unable to renew its 2024 Explosive Permit Storage for a new bunker at Kemaman Supply Base due to a delay in approval by the Kementerian Dalam Negeri ("KDN"), relying instead on a third-party logistics provider's permit to import and transport explosives using other bunkers in Batu Arang and Bentong.	- Immediate assessment at site level to identify and assess all applicable laws, regulations, approvals, license, permits and corporate requirements meeting PETRONAS License and others license requirements. - Quarterly check mechanism for new licensing updates/requirement to identify key stakeholders to engage and rectify. - Monitoring process in place to monitor expiry/renewal dates, timeline for submission and identify and understand the relevant requirement. - Continue to build good rapport/relationship with authorities/regulatory to be alerted on any new updates on regulatory requirements.
Project delay (Renewable Energy)	There are 10 out of 26 projects for Large Scale Solar ("LSS") and 9 out of 21 projects for Commercial & Industrial Solar ("C&I") experienced delays in completion. Amongst the factors contributing to the delay include delay in approval by local authority, untimely arrival of materials and adverse weather conditions that could affect in carrying out works especially installations as it is performed at an open site area.	- Pre-job meeting is conducted prior to project commencement. - Re-planning of project financial arrangement according to project new timeline. - Timely procure and supply of materials and equipment according to new timeline.
Over-reliance on key customers (Renewable Energy)	Losing major clients could negatively affect our operating results due to their substantial contribution to our revenue. At least 27% of the order book value is contributed by one (1) key/major customer.	- Diversification of services/solutions and identification of new business opportunities. - Review Business Development activities and develop action plans. - Regular engagement meeting with variety of customers.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Risks	Potential Consequences	Mitigation Strategies
Change in government's policy regulations (Renewable Energy)	Renewable energy, particularly solar, is heavily regulated by the Government, and a halt in additional quotas could disrupt the market, especially with uncertainties in the political landscape in Malaysia. To manage this risk, the Group is exploring other renewable energy services such as energy storage solutions in the market.	- Diversification of services into the Solar Investment segment. - Maintain updated on all applicable laws, and regulations by the government. - Continue to build good rapport/relationship with authorities/regulatory to be alerted on any new updates on regulatory requirements.
Liquidity risk (Group)	The Group's liquidity position is supported by ongoing corporate exercises, including a private placement of up to 30% of issued shares valued at RM25.1 million, of which RM8.0 million has been received from the first two tranches, with the remaining RM17.1 million expected in subsequent tranches. In addition, RLEB has access to a fund from financial institutions and, given the current portfolio of ongoing projects, does not anticipate liquidity challenges at this time.	- Reservoir Link performs pre-mobilisation audits and inspections, including System Integration Tests, Factory Acceptance Tests, and Site Acceptance Tests, to ensure all safety measures are in place before project commencement. - Working capital management to monitor the use of current assets and liabilities. - Cash flow forecast is prepared, and cost variance analysis is performed to identify the difference between budget and actual spending and causes of the differences. - Ability to draw down on facilities.

Reservoir Link remains steadfast in its commitment to navigating the complexities and risks inherent in our industries. We have strengthened our approach with targeted strategies that prioritise operational excellence, financial discipline, and long-term resilience. By embedding robust risk management practices into every aspect of our business, we not only safeguard the interests of our stakeholders but also position the Group for sustainable growth. These efforts reinforce our financial stability and ensure we remain agile in responding to evolving market dynamics.

PROSPECTS AND OUTLOOK

FY2025 marked a pivotal year for Reservoir Link, underscoring our resilience and reinforcing our position as a trusted partner in the energy sectors amid ongoing economic uncertainties and industry challenges. As the energy landscape continues to shift, Reservoir Link is well-positioned to benefit from both traditional and renewable energy opportunities.

In the financial year ahead, we remain committed to pursuing strategic growth avenues that reinforce our market position and unlock opportunities for sustainable, long-term growth. Among our key priorities will be the full acquisition of Propel Maxflo, a strategic move that consolidates technical synergies and provides Reservoir Link with a strategic entry point into the Middle East, one

of the world's largest and most dynamic oilfield markets, as Propel Maxflo has established a strong presence in the Middle East, particularly in Saudi Arabia and Bahrain. With full ownership, Reservoir Link will not only secure effective control over Propel Maxflo's strategic, operational, and financial decisions but also fully integrate and streamline its operations in alignment with the Group's objectives.

Simultaneously, our role as a panel contractor under PETRONAS's Integrated Well Continuity Services (IWCS) contract underscores the confidence placed in Reservoir Link to deliver comprehensive well solutions, from well intervention, well abandonment and workover as well as subsea intervention services. Reservoir Link is strategically positioned to expand its service portfolio and deepen its

MANAGEMENT DISCUSSION AND ANALYSIS

presence within Malaysia's upstream sector. Leveraging our proven expertise, established track record, and integrated capabilities, we are well-placed to capture greater market opportunities across the well services value chain. This contract not only reinforces our credibility with PETRONAS but also serves as a platform for long-term growth, enabling us to capitalise on the increasing demand for reliable well intervention, abandonment, and subsea solutions.

In the renewable energy sector, over the past 12 months, Energy Commission (Suruhanjaya Tenaga, ST) launched 2 GW of quota under the fifth round (LSS5) and an additional 2 GW under the LSS Petra 5+ Programme (LSS5+), while SEDA expanded rooftop solar opportunities through incremental Net Energy Metering (NEM) quotas. These initiatives directly support Reservoir Link's EPCC pipeline and align with NETR's long-term renewable energy target of 70% by 2050.

The upcoming LSS6, expected to offer at least 2 GW of quota, is set to integrate Battery Energy Storage Systems (BESS) to strengthen grid stability and introduce a Community Renewable Energy Aggregation Mechanism (CREAM) to boost residential solar adoption. Such developments are accelerating capacity additions and expanding the Group's market opportunities.

This presents a direct growth opportunity for our EPCC business, positioning the Company to capitalise on the expanding solar energy market. Meanwhile, Malaysia's

Renewable Energy Roadmap (MyRER) and National Energy Transition Roadmap (NETR) continue to guide the nation toward a sustainable energy future, positioning us to capitalise on emerging opportunities.

The sector outlook remains robust as earnings recognition from engineering, procurement, construction, and commissioning (EPCC) works on the 800 MW Corporate Green Power Programme (CGPP) begins. Reservoir Link's participation in the programme, in collaboration with Sumitomo Corporation and Maqo Engineering as a solar power producer, is expected to open new growth avenues in the sustainable energy space.

Looking ahead, Reservoir Link will not just be navigating industry cycles, we are actively shaping our role in Malaysia's evolving energy landscape. By strengthening our core O&G services in line with PETRONAS's roadmap, advancing our renewable and sustainable ventures under MyRER and NETR, we are positioning Reservoir Link as a trusted partner across the energy value chain.

Our strategy is to remain resilient in today's market while preparing for tomorrow's opportunities. With a balanced portfolio, a strong technical foundation, and a forward-looking vision, Reservoir Link is well-positioned to deliver lasting value to our shareholders, clients, and communities, while contributing meaningfully to the global transition toward a more sustainable energy future.



MANAGEMENT DISCUSSION AND ANALYSIS



FY2025 was a defining year for Reservoir Link, demonstrating our resilience and reinforcing our reputation as a trusted partner in the energy sector, even amid global uncertainties and industry headwinds. As the energy landscape evolves, Reservoir Link stands at the intersection of opportunity – poised to capture value from both traditional oil and gas activities and the fast-growing renewable energy sector.

In the year ahead, our focus remains firmly on strategic growth, operational excellence, and long-term sustainability.

Expanding in the Middle East

A key priority will be the full acquisition of Propel Maxflo, a transformational step that consolidates technical synergies and secures a strong foothold in the Middle East – one of the largest and most dynamic oilfield markets. With Propel Maxflo's established presence in Saudi Arabia and Bahrain, full ownership will grant Reservoir Link decisive control over strategic, operational, and financial directions, while enabling seamless integration with the Group's long-term objectives. This move strengthens our international profile and positions Reservoir Link for accelerated global growth.

Strengthening Domestic Leadership

At home, our role as a panel contractor under PETRONAS's Integrated Well Continuity Services (IWCS) reflects the confidence entrusted to us to deliver end-to-end well solutions from intervention and abandonment to workover and subsea services. Leveraging our track record and integrated expertise, Reservoir Link is well-placed to deepen its footprint in Malaysia's upstream sector and capture greater market share across the well services value chain. This not only validates our credibility with PETRONAS but also cements a platform for sustainable, recurring growth.

Scaling Renewable Energy

On the renewable front, Malaysia's policy momentum continues to unlock opportunities. Recent launches of LSS5 and LSS5+ (4 GW total), coupled with incremental NEM quotas, have expanded our EPCC pipeline. The upcoming LSS6 programme, expected to introduce at least 2 GW with integrated Battery Energy Storage Systems (BESS) and a Community Renewable Energy Aggregation Mechanism (CREAM), will further accelerate demand for solar and grid-stability solutions.

Reservoir Link is strategically positioned to capture this growth, supported by the Malaysia Renewable Energy Roadmap (MyRER) and National Energy Transition Roadmap (NETR). Our participation in the 800 MW Corporate Green Power Programme (CGPP) in partnership with Sumitomo Corporation and Maqo Engineering marks another milestone, opening new avenues for growth as a solar power producer.

Looking Forward

Reservoir Link is not merely navigating market cycles, we are actively shaping Malaysia's energy future. By strengthening our oil and gas services in line with PETRONAS's roadmap and scaling our renewable ventures under MyRER and NETR, we are building a balanced portfolio that blends resilience with forward-looking growth.

With a strong technical foundation, expanding global reach, and clear strategic vision, Reservoir Link is well-positioned to:

- Deliver sustainable value to shareholders.
- Strengthen partnerships with clients.
- Contribute meaningfully to national and global energy transition goals.

Our strategy is simple yet powerful resilience today, opportunities tomorrow. Reservoir Link will continue to stand as a trusted partner across the energy value chain, driving innovation, growth, and sustainability for decades to come.

SUSTAINABILITY STATEMENT

OUR COMMITMENT TO SUSTAINABILITY

Reservoir Link Energy Bhd (“Reservoir Link” or “the Company”), along with its subsidiaries (collectively “the Group”, “we”, or “our”), has built a strong presence in the upstream oil and gas services sector. In recent years, we’ve expanded our focus to include renewable energy and sustainability ventures, adapting to the evolving energy landscape and working towards a more sustainable future. Sustainability now plays a key role in how we operate, guiding our day-to-day decisions and long-term planning. Our goal is to balance our economic, environmental and social (“EES”) responsibilities while continuing to grow and serve our stakeholders in a way that’s both responsible and forward-thinking.

Our Sustainability Statement reflects our continued progress in this area. As we mark our fifth year of sustainability reporting, we are dedicated to maintaining transparency and aligning with both Bursa Malaysia’s guidelines and global standards for sustainability disclosures.

This statement outlines our efforts to integrate economic, environmental and social considerations into our operations. We are focused on reducing our environmental impact, supporting social well-being, and maintaining strong governance. Looking ahead, we remain committed to making responsible choices that not only reduce our footprint but also create long-term value for our stakeholders.

REPORTING SCOPE AND PERIOD

This Sustainability Statement covers the sustainability activities and performance of the Group during the period from 1 July 2024 to 30 June 2025, for the financial year ended 30 June 2025 (“FY2025”). The reporting scope of this Statement includes the Group as follows:

Reservoir Link Sdn Bhd

- ▶ Providing well leak repair; perforation; well testing; perforate wash and cement and wireline services

Amsito Oilwell Services (Malaysia) Sdn Bhd

- ▶ Providing wireline and related services

Reservoir Link Renewable Sdn Bhd

- ▶ Investment holding for renewable energy

Reservoir Link Solutions Sdn Bhd

- ▶ Developing and providing oil and gas production enhancement services and sand management solutions

REPORTING STANDARDS

In line with our ongoing commitment to transparency and accountability, we continue to follow a comprehensive set of reporting standards to ensure that our sustainability practices align with the highest industry norms. For FY2025, we have been guided by the following reporting standards:



- ▶ Malaysia Code of Corporate Governance, Updated April 2021



- ▶ Practice Note 9 of the Main Market Listing Requirements
- ▶ Sustainability Reporting Guide, 3rd Edition (“SRG”)



- ▶ Global Reporting Initiative (“GRI”), 2021



- ▶ IFRS S1 and IFRS S2 on Sustainability-related Disclosures

FEEDBACK

We appreciate and value the feedback, suggestions, and input from our stakeholders regarding this Statement. Your insights on any aspect of our sustainability practices and performance are welcome. For any comments, queries or suggestions regarding the content of this Statement, please email us at investor.relation@reservoirlink.com.

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

The Group is dedicated to fostering sustainable development by effectively embedding sustainability initiatives across our operations. We are committed to regularly evaluating and enhancing our governance framework to ensure we create lasting value for all stakeholders through responsible and sustainable practices.

Sustainability issues are addressed in our monthly management meetings, with in-depth discussions taking place at the Board level every quarter. The key responsibilities for overseeing sustainability are organised and carried out as follows:



BOARD OF DIRECTORS ("BOARD")

- Comprises of four (4) Independent Non-Executive Director, a Non-Independent Non-Executive Chairman, Non-Independent Executive Deputy Chairman and Group CEO/MD.
- Oversees the Group's overall sustainability strategy, setting our sustainability strategy and for overseeing the implementation of that strategy.
- Receives regular reports on our sustainability performance and reviews our progress towards our sustainability goals.



SENIOR MANAGEMENT ("SM")

- Consists of CFO, CEOs, General Manager of Group Corporate Services and Business Development.
- Responsible in developing and implementing sustainability strategy throughout the organisation.

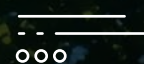
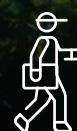


OPERATIONAL MANAGEMENT ("OM")

- Represented by various Heads of Departments.
- Cross-functional alignment, transparent end-to-end management, and the execution of agreed-upon sustainability goals by operational management in their operational activities.



Our goal is to balance our environmental, social, and economic responsibilities while continuing to grow and serve our stakeholders in a way that's both responsible and forward-thinking.



SUSTAINABILITY STATEMENT

SUSTAINABILITY POLICY

The Sustainability Policy, approved by the Board on 25 August 2021 and subsequently revised on 25 August 2023, underscores the Group's commitment to conducting business ethically. It establishes clear objectives aimed at reducing our environmental impact, enhancing social responsibility, and ensuring long-term economic sustainability.

The Policy sets out the following key objectives:

01

Endeavour to integrate the principles of sustainability into the Group's strategies, policies and procedures.

02

Facilitate the involvement, cooperation and oversight of the Company's Board of Directors ("Board"), the Senior Management and sustainability working teams in the implementation of the Policy, as well as the setting and monitoring of EES performance targets.

03

Fostering a sustainability culture within the Group and the community by developing a comprehensive set of sustainable practices within the EES principles.

EXCELLENT GOVERNANCE: POLICIES AND GUIDELINES

We remain dedicated to upholding the highest standards of corporate governance across the Group. Our established policies provide clear guidance, ensuring that sustainability is embedded in every aspect of our business. These policies cover, but are not limited to:

Human Rights Policy

Code of Business Conduct

Sexual Harassment Policy

Whistleblowing Policy

Anti-Bribery and Corruption Policy



SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT

Our commitment to stakeholder engagement is central to generating sustainable value for the Group. We work closely with our key stakeholders across all business operations, ensuring that their expectations and interests are aligned with our strategic objectives. The following summary highlights our interactions with these stakeholders, the platforms we use for communication, the key issues discussed, and our responses to address their concerns.

Engagement & Communication Platform

Stakeholder Group	Ongoing	Annual	As Needed	Areas of Concern
Shareholders/ Investors/ Board of Directors	- Company website - News release - Board meetings - Committee meetings - Director circular resolution	- Annual General Meetings (AGM) - Annual reports - Quarterly financial report	- Bursa Malaysia announcements - Investor relation email contact - Analyst briefings - Extraordinary General Meetings (EGM)	- Growth in company performance and value creation - Strengthen communication frequency and improve on content of communication materials - Corporate governance and business ethics
Customers	- Company website - Social media	Customer satisfaction survey	- Techno-commercial meetings - Operational meetings - Corporate events - Lunch & learn - Forum & workshop	- Products & services quality and reliability - Company performance - New product and service development and innovation - Anti-bribery and corruption - Ethical business practices - Data privacy
Supplier, Subcontractors and Vendors	- Day-to-day interactions - Vendor registration - Vendor Integrity Pledge	Vendor Evaluation	- Meetings - Site visits - Presentations and negotiations - Supplier performance reviews - Due diligence	- Long-term viability of the company - Safety and regulatory compliance - Quality of products and services - Anti-bribery and corruption - Ethical business practices - Health, safety & environment standard and practices
Local Authorities/ Regulators/ Government Ministries	- Seminars - Forums and conferences - Online portals	- Statutory filings - Compliance Report - License renewal	- Meetings - Site visits - Tenders	- Governance and regulatory compliance - Ethical business practices - Health, safety & environment - Anti-bribery and corruption - Data privacy

SUSTAINABILITY STATEMENT

Engagement & Communication Platform

Stakeholder Group	Ongoing	Annual	As Needed	Areas of Concern
Employees	• Newsletter • Intranet • Internal memo • HR portals	• Townhall session • Employee appraisal sessions • Employee Satisfaction Survey • Acceptance and compliance to company policies	• Social events and activities • Workshops • Seminar and training sessions	• Benefits design • Talent engagement • Health, safety & environment • Anti-bribery and corruption • Employer-employee engagement culture and alignment • Employee well-being and mental health • Human rights and gender equality • Succession planning • Retention of key talents • Work-life balance
Local Communities	• Company website	-	• Participation and collaboration in community projects • Community engagement sessions • Corporate social responsibility events • Press release	• Community needs • Social and environmental impact • Safety of our operations
Financial Institutions	• Day-to-day correspondence	• Annual review and reports • Financial disclosure • Loan covenants compliance	• Engagement session • Meetings	• Financial compliance to regulations, standards and requirements • Growth project progress and deliverables • Operational, commercial and financial performance
Partners & Principals	• Strategic dialogues • Day-to-day interactions • Due diligence	• Annual sales reports	• Meetings • Site visits • Conferences and forums	• Continuous value creation • Ethical business practices • Anti-bribery and corruption • Health, safety & environment • Human rights

SUSTAINABILITY STATEMENT

MATERIALITY MATTERS

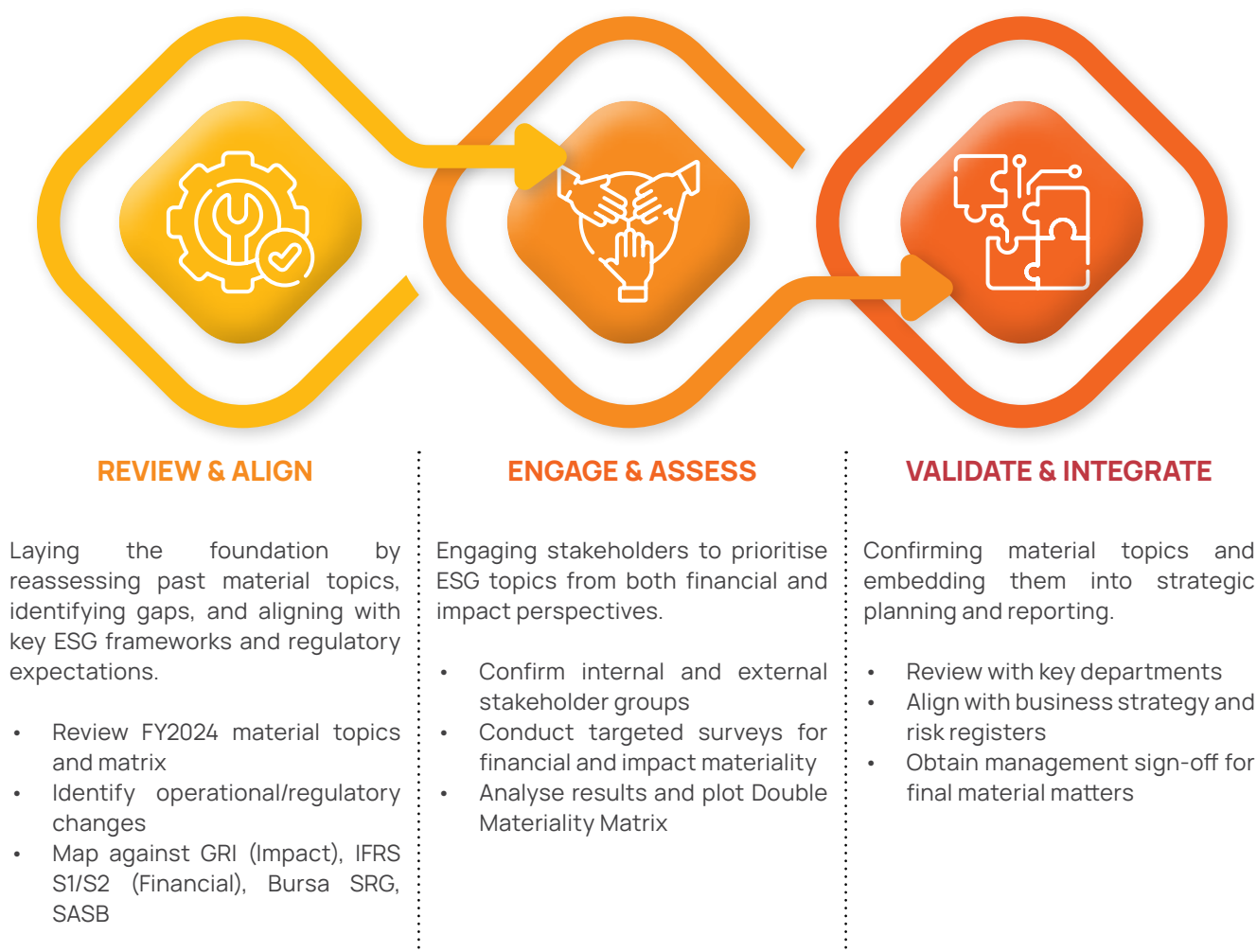
In FY2025, Reservoir Link undertook a comprehensive reassessment of its material sustainability topics to ensure alignment with evolving stakeholder expectations, Bursa Malaysia's Sustainability Reporting Guide (3rd Edition), the Global Reporting Initiative ("GRI") 2021 Standards, and the International Financial Reporting Standards ("IFRS") S1 and S2.

Recognising that our operations span both conventional upstream oil & gas and renewable energy & sustainability ventures through various subsidiaries, this year's assessment adopted a double materiality approach – incorporating both:

Impact materiality, which considers the organisation's actual and potential impacts on the environment, economy, and society (in line with GRI and Bursa Malaysia guidance); and

Financial materiality, which identifies sustainability-related risks and opportunities that could reasonably influence our enterprise value over the short, medium, or long-term (in line with IFRS S1/S2).

Materiality Assessment Process



SUSTAINABILITY STATEMENT

Survey Design and Deployment

A stakeholder survey involving respondents from across Reservoir Link’s stakeholder network was conducted to evaluate and rank ESG matters of greatest significance to the Group and its stakeholders. Responses were measured on a five-point scale, with the average scores used to determine the top priorities within each ESG pillar.

Impact Review

In FY2025, the Group’s material matters expanded from 13 to 18 topics, reflecting greater detail and the inclusion of emerging priorities. New additions such as Biodiversity, Employment, Customer Health & Safety, Critical Incident Risk Management, and Product Design & Lifecycle Management highlight increased focus on environmental stewardship, operational resilience, and customer well-being. Core matters from FY2024 remain, with refined scopes to address evolving stakeholder expectations in governance, social responsibility, and environmental performance.

Reservoir Link’s FY2025 Material Matters and Definitions

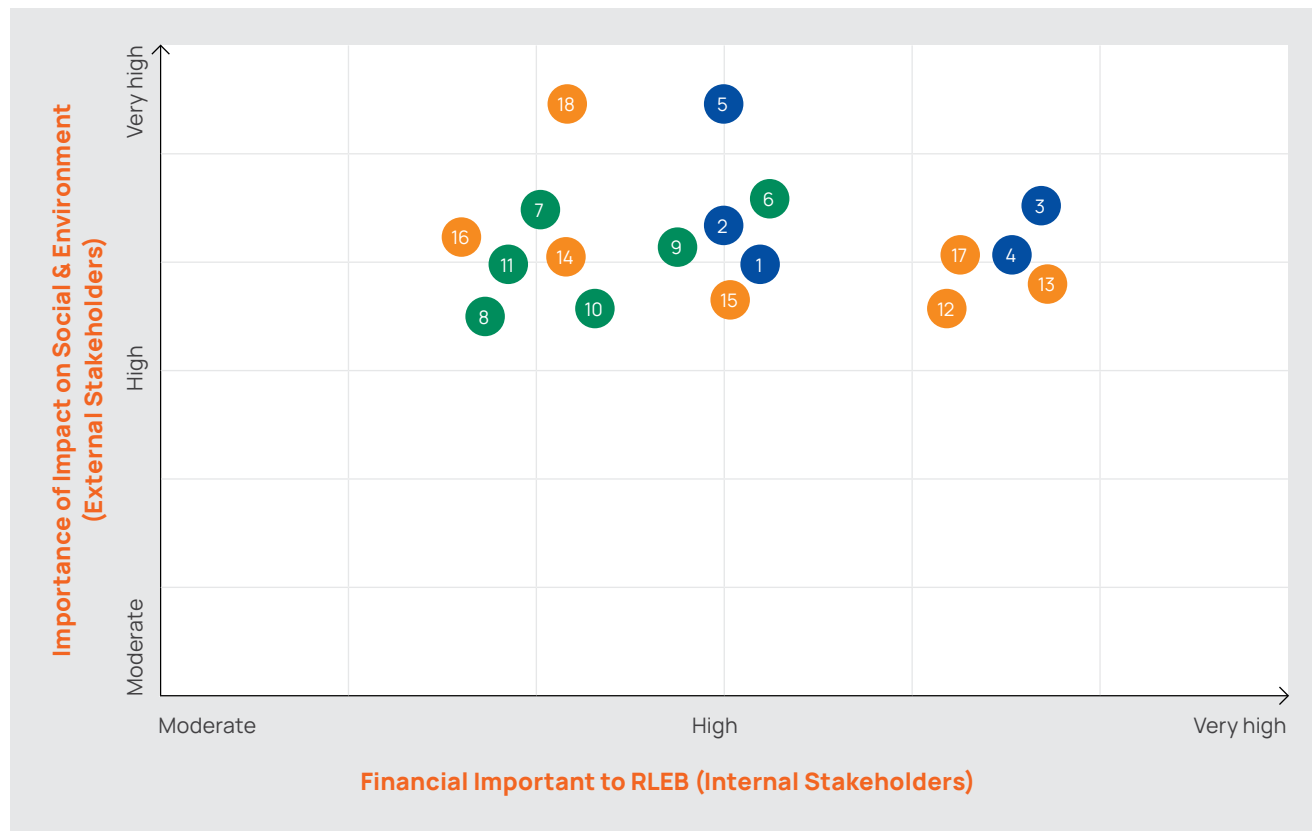
Material Issues	Definition
Economic Presence & Sustainability Profitability	Ensuring the Group’s long-term financial viability by balancing profitability with sustainable growth. This includes monitoring the economic impacts of market trends, regulatory changes, and stakeholder expectations while maintaining resilience and value creation.
Supply Chain Management	Promoting responsible procurement by evaluating suppliers and vendors based on environmental, social, and governance criteria, prioritising ethical sourcing, and ensuring transparency in supply chain operations.
Establishment of Responsible Business Practices	Upholding the highest standards of ethics, integrity, and transparency across operations. This includes implementing anti-bribery and anti-corruption measures, fostering compliance with laws and regulations, and promoting fair, responsible conduct.
Critical Incident Risk Management	Focuses on how the Group prepares for rare but severe accidents or emergencies that could have major impacts on people, the environment, and business continuity. It covers the use of safety management systems, emergency response planning, and a strong safety culture to prevent such incidents or reduce their impact if they occur.
Product Design & Lifecycle Management	Developing products with consideration for their entire lifecycle – from design and production to use and end-of-life – to improve durability, reduce environmental impact, and promote circular economy principles.
Environmental Compliance	Meeting or exceeding environmental regulations and standards applicable to the Group’s operations, including permits, monitoring, and corrective actions to minimise ecological harm.

SUSTAINABILITY STATEMENT

Material Issues	Definition
Energy Management	Managing and optimising energy use to improve efficiency, reduce costs, and lower carbon emissions. This includes adopting renewable energy sources and innovative energy-saving technologies where feasible.
GHG Emissions Management (previously Emissions Management)	Identifying, measuring, and reducing direct and indirect greenhouse gas emissions to mitigate climate change impacts, in alignment with national and global reduction targets.
Water Management	Conserving water resources through efficient usage, wastewater treatment, and compliance with discharge regulations to prevent pollution and protect ecosystems.
Waste Management	Implementing strategies to reduce, reuse, and recycle waste, including safe handling, storage, and disposal of hazardous materials in compliance with regulations.
Biodiversity	Protecting and enhancing biodiversity by minimising operational impacts on habitats and ecosystems and supporting conservation and restoration efforts.
Employment (previously Labour Practices & Standards)	Maintaining fair practices, competitive remuneration, and opportunities for career development, while respecting workers' rights and fostering job security.
Occupational Health & Safety	Ensuring a safe and healthy working environment by identifying, managing, and mitigating workplace hazards, supported by training, monitoring, and emergency preparedness measures.
Training & Development	Providing employees with skills development, continuous learning opportunities, and leadership training to enhance performance and career progression.
Diversity & Equal Opportunity	Fostering an inclusive workplace that values diversity and ensures equal opportunities in recruitment, promotion, and professional growth, free from discrimination.
Engagement with Local Communities	Building positive relationships with local communities through outreach programmes, partnerships, and initiatives that support social well-being, economic empowerment, and environmental stewardship.
Customer Health & Safety	Designing, producing, and delivering products or services that meet safety standards, with proactive measures to protect customers from potential risks.
Data Privacy & Security	Safeguarding personal and sensitive information through robust data protection measures, cybersecurity systems, and compliance with relevant privacy regulations.

SUSTAINABILITY STATEMENT

MATERIALITY MATRIX FY2025




- 1 Economic Presence & Sustainability Profitability
- 2 Supply Chain Management
- 3 Establishment of Responsible Business Practices
- 4 Critical Incident Risk Management
- 5 Product Design & Lifecycle Management

ECONOMIC



- 6 Environmental Compliance
- 7 Energy Management
- 8 Water Management
- 9 GHG Emissions
- 10 Waste Management
- 11 Biodiversity

ENVIRONMENT



- 12 Employment
- 13 Occupational Health & Safety
- 14 Training & Development
- 15 Diversity & Equal Opportunity
- 16 Engagement with Local Communities
- 17 Customer Health & Safety
- 18 Data Privacy & Security

SOCIAL

SUSTAINABILITY STATEMENT

RISKS, OPPORTUNITIES AND MANAGEMENT APPROACH

Recognising material issues is crucial for shaping our strategy, as it helps us identify both risks and opportunities. With a comprehensive understanding of their significance, we can set future targets and develop action plans to address associated risks and leverage on potential opportunities.

Materiality Matters	Risks & Opportunities	Management Approach
ECONOMIC PRESENCE AND SUSTAINABILITY PROFITABILITY		
Affected Key Stakeholders - Shareholders/Investors/ Board of Directors - Supplier, Subcontractors and Vendors - Employees	Risks - Liquidity risk Opportunities - Market expansion - Enhanced reputation	- Perform an effective working capital management by ensuring optimal level of current assets and liabilities - Conduct cash flow forecasting where expected cash inflows and outflows are estimated over a specific period
SUPPLY CHAIN MANAGEMENT		
Affected Key Stakeholders - Supplier, Subcontractors and Vendors - Customers	Risks - Non-performing vendors - High reliance on key suppliers/ contractors Opportunities - Improved supplier and vendor relationship - Able to meet and maintain standards towards ESG aspects	- Schedule regular audit on vendors and suppliers - Establish contracts and agreements with vendors outlining organisation needs - Establish negotiation techniques, vendor selection methods - Continuously source for other alternatives when it comes to vendors and suppliers
ESTABLISHMENT OF RESPONSIBLE BUSINESS PRACTICES		
Affected Key Stakeholders - Shareholders/Investors/ Board of Directors - Customers - Supplier, Subcontractors and Vendors - Employees	Risks - Corruption risk Opportunities - Enhance trust and credibility of stakeholders - Strengthen the corporate governance practices in the organisation	- Awareness training and/or communication on anti-bribery and corruption for employees and business associates - Embed effective corporate governance practices in business operations - Guidelines and procedures are established for gifts, entertainment, hospitality and travel
CRITICAL INCIDENT RISK MANAGEMENT		
Affected Key Stakeholders - Customers - Shareholders/Investors/ Board of Directors - Employees	Risks - Operational shutdowns due to accidents, equipment failures, or extreme weather events - Financial losses from unplanned downtime or damage claims Opportunities - Strengthening resilience and business continuity planning - Building trust with stakeholders through transparent incident response protocols	- Develop and regularly update emergency response and business continuity plans - Conduct drills and simulations for critical incident scenarios

SUSTAINABILITY STATEMENT

Materiality Matters	Risks & Opportunities	Management Approach
PRODUCT DESIGN & LIFECYCLE MANAGEMENT		
Affected Key Stakeholders - Customers - Shareholders/Investors/Board of Directors - Supplier, Subcontractors and Vendors	Risks - Products/services not meeting sustainability or regulatory standards Opportunities - Innovating products with lower environmental footprint - Access to green financing or incentives	Implement lifecycle assessments to identify improvement areas
ENVIRONMENTAL COMPLIANCE		
Affected Key Stakeholders - Customers - Supplier, Subcontractors and Vendors - Local Authorities/Regulators/Government Ministries - Local Communities	Risks - Health, safety & environmental risk - Operational disruption Opportunities - Enhanced trust and credibility of stakeholders	- Conduct safety awareness and induction training to relevant staff - Conduct regular inspections check to ensure the compliance with relevant regulatory requirements - Perform process safety review for certain projects
ENERGY MANAGEMENT		
Affected Key Stakeholders - Shareholders/Investors/Board of Directors - Employees - Customers - Supplier, Subcontractors and Vendors - Local Authorities/Regulators/Government Ministries	Risks - Environmental risk Opportunities - Encourage innovation in energy-efficient technologies and practices - Cost saving benefits	- Monthly monitoring of energy bills - Upgrading to LED-saving lights - Awareness campaigns to promote energy saving behaviours in daily operations
GHG EMISSIONS MANAGEMENT		
Affected Key Stakeholders - Shareholders/Investors/Board of Directors - Employees - Customers - Supplier, Subcontractors and Vendors - Local Authorities/Regulators/Government Ministries	Risks - Health, safety & environmental risk Opportunities - Minimise emissions generation	- Invest in renewable energy and sustainability ventures business - Establish a baseline calculating the total carbon footprint - Set emission reduction targets aligned with global climate goals - Energy efficient practices in production, transportation and facility management - Foster a culture of sustainability in emission reduction efforts and energy saving practices

SUSTAINABILITY STATEMENT

Materiality Matters	Risks & Opportunities	Management Approach
WATER MANAGEMENT		
Affected Key Stakeholders - Shareholders/Investors/ Board of Directors - Employees - Customers - Supplier, Subcontractors and Vendors - Local Authorities/ Regulators/Government Ministries	Risks - Pollution/environmental risk Opportunities - Water conservation	- Employee awareness to help create a culture of water conservation within the organisation - Set up water conservation projects
WASTE MANAGEMENT		
Affected Key Stakeholders - Customers - Local Communities - Employees	Risks - Health, safety & environmental risk - Non-compliance to local business/ statutory/regulatory requirements Opportunities - Minimise waste generation - Reduce the use of non-renewable sources - Cost saving benefits	- Management of generated waste is outsourced to a third-party contractor - Implementation of recycling programme across the Group - Conduct awareness sessions relating to recycling programme initiative in Reservoir Link - Exploring practical and holistic approaches to be embedded in the 3Rs programme to align with circular economy principles
BIODIVERSITY		
Affected Key Stakeholders - Local Communities - Local Authorities/ Regulators/Government Ministries - Shareholders/Investors/ Board of Directors - Partners & Principals	Risks - Regulatory non-compliance leading to penalties or project delays - Reputational damage from perceived negative environmental impact Opportunities - Strengthening ESG credentials through biodiversity conservation projects	Implement site rehabilitation and restoration plans
OCCUPATIONAL HEALTH & SAFETY		
Affected Key Stakeholders - Customers - Supplier, Subcontractors and Vendors - Local Authorities/ Regulators/Government Ministries - Employees	Risks - Health, safety & environmental risk - Non-compliance to local business/ statutory/regulatory requirements Opportunities - Positive workplace culture - Reduce Non-Productive Time (NPT)	- Regular meeting conducted by OSH Committee members discussing on matters pertaining to health and safety of the employees at the workplace - Conduct health and safety awareness trainings for the employees - Regular housekeeping of OSH processes

SUSTAINABILITY STATEMENT

Materiality Matters	Risks & Opportunities	Management Approach
EMPLOYMENT		
Affected Key Stakeholders Employees	Risks - Lack of competent/skilled employees - High employee turnover leading to loss of expertise - Non-compliance with labour laws or fair employment practices Opportunities - Talent retention - Building strong employer brand in the oil & gas and renewable energy sectors - Enhancing employee engagement and productivity via training and development	- Offer competitive remuneration packages and clear career pathways - Monitor employee engagement through regular surveys and feedback sessions
TRAINING AND DEVELOPMENT		
Affected Key Stakeholders Employees	Risks - Lack of competent/skilled employees Opportunities - Talent retention - Improved productivity and employees' performance	Conduct training need analysis and provide required trainings for the employees on an annual basis
DIVERSITY AND EQUAL OPPORTUNITY		
Affected Key Stakeholders - Shareholders/Investors/ Board of Directors - Employees	Risks - Lack of competent/skilled employees - Challenge to attract talent from diverse background Opportunities - Ability to contribute diverse ideas, improving quality of decisions	- Incorporate a zero-tolerance policy against discrimination in any form and provide equal opportunities regardless of race, religion or gender - Implementation of inclusive hiring practices that attract diverse talent during recruitment process
DATA PRIVACY & SECURITY		
Affected Key Stakeholders - Shareholders/Investors/ Board of Directors - Employees - Customers - Supplier, Subcontractors and Vendors	Risks - Leakage/Loss of confidential information - Cybersecurity risk - Non-compliance to local business/ statutory/regulatory requirements Opportunities - Enhanced customer trust - Improved operational efficiency and streamline data management process	- Provide awareness to employees when managing confidential information - Implementation of access control measures

SUSTAINABILITY STATEMENT

Materiality Matters

Risks & Opportunities

Management Approach

ENGAGEMENT WITH LOCAL COMMUNITIES

Affected Key Stakeholders

- Local Communities

Risks

- Non-compliance to rules and regulations

Opportunities

- Ability to build strong relationship with local communities

- Provide financial assistance and contribution to the surrounding communities

CUSTOMER HEALTH & SAFETY

Affected Key Stakeholders

- Customers

Risks

- Safety incidents involving products or services leading to injury or fatality
- Loss of client trust

Opportunities

- Strengthening customer relationships via transparent safety performance reporting

- Strict compliance with industry HSE standards
- Perform safety audits and risks assessments for all projects and services

PRODUCT DESIGN & LIFECYCLE MANAGEMENT

Affected Key Stakeholders

- Customers
- Shareholders/Investors/ Board of Directors
- Supplier, Subcontractors and Vendors

Risks

- Products/services not meeting sustainability or regulatory standards

Opportunities

- Innovating products with lower environmental footprint
- Access to green financing or incentives

- Implement lifecycle assessments to identify improvement areas

FY2025 KEY SUSTAINABILITY HIGHLIGHTS

Increase in revenue

for Renewable Energy Solar Asset



ZERO

cases of bribery and corruption



190

Mangrove trees planted



ZERO

workplace fatality



Reduced electricity consumption by

4.9%



SUSTAINABILITY STATEMENT

KEY PERFORMANCE INDICATORS (“KPI”)

To drive progress across our three sustainability pillars, we have defined clear targets and KPIs for both the Board and Management. These are supported by a series of strategic initiatives, summarised in the table below.

Target and KPI for Board

Material Topic	Target	KPI	UOM	FY2025
Increase Revenue Associate to Sustainability Dimension	• Percentage (%) increase in revenue from investment in environment protection and sustainability dimension (e.g., decommissioning, renewable energy, sustainability ventures)	• Percentage (%) of total additional revenue in environmental protection sustainability dimension	Percentage	• RM-73.9 million (662% decrease)
Increase Use of Renewable Sources	• At least 50% of company revenue from renewable source and sustainability ventures activities	• Percentage of renewable sources and sustainability ventures revenue	Percentage	• 31%
	• Investment in solar panel/ involvement in solar projects	• Amount/Quantity power generated (MWdc/MWh)	MWdc/MWh	• 5,057.8 MWh
Reduce Superfluous Resources Consumption	• Percentage reduction (e.g., decrease its water consumption 20%/reduce leakage within water system not more than 10%)	• Energy use per man-hours	KWh/ man-hours	• 1.11
		• Average consumption water	Average per month (RM)	• RM280.42
Stakeholders' Relationship	• Employee working environment and satisfaction level – more than 80%	• Employee satisfaction rate	Percentage	• 3.68/5.00 (73.6%)
	• Average customer rating results – average 75% achieved (Achieve 3.75/5.00)	• Yearly customer satisfaction rate	Percentage	• 4.29/5.00 (86%)

Target and KPI for Management

Material Topic	Target	KPI	UOM	FY2025
Economic Presence & Sustainability Profitability	• Target revenue other than Oil & Gas	• 30% of contribution from other segments	Percentage	• 31%
Sustainability Profitability	• Number of proposals participated and success rate	• Minimum 60 proposals per year	Number of proposals	• 38
		• Success rate	Percentage	• O&G: 18%
Anti-Corruption	• Zero proven case and continuous education and awareness	• Number of reported cases	Case	• 0
		• Number of awareness session	Session	• 1

SUSTAINABILITY STATEMENT

Material Topic	Target	KPI	UOM	FY2025
3Rs of Sustainability	• Establish framework	• 3R framework	Yes/No	• Yes
	• Conduct awareness annually	• Number of awareness session	Session	• 1
	• Less paper usage	• Reduce 10% paper usage	Reduction (%)	• +4%
	• Less printing job	• Cost of printing	RM	• RM9,762 (RM813 per month)
Environmental	• Zero case of non-compliance • Zero fine imposed by authority • Number of business interruption	• Number of non-compliance	Case	• 0
	• Zero fine imposed by authority	• Number of fine imposed	Case	• 0
	• Number of business interruption	• Number of business interruption	Case	• 0
Waste Management	• Roll-out product & waste recycling initiative	• Total waste	Metric tonnes	• 50.51
		• Rate of reduction	Percentage	• +8,929% increase
Occupational Health & Safety	• Zero case of non-compliance OHS regulations	• Number of non-compliance	Case	• 0
	• Zero case of fatalities	• Number of fatalities	Case	• 0
	• Reduce accident case and incident rate	• Number of accident case	Case	• 2
Training & Development	• 15 hours per employee per year at management level	• Average training hours for all staff	Hours/ person	• 29.2
		• Average training hours for management	Hours/ person	• 9.8
	• Budget for training and development	• Total training cost for all staff/management	RM	• Staff: RM202,605 Management: RM38,702
Employee Turnover, Retention and Hiring	• Employee happiness survey rating	• >80% rating	Percentage	• 73.6%
	• Low employee turnover	• Employee turnover rate	Percentage	• 11.9%
Diversity & Equal Opportunity	• 70:30 ratio between male & female	• Gender diversity ratio	Ratio	• 74:26
	• 33% female in Board level	• Board female composition	Percentage	• 29%
	• Sexual harassment case	• Number of cases	Case	• 0
Engagement with Employee	• Number of activities carried out	• 10-15 activities/ engagement	Activity	• 6
	• Townhall session minimum once a year	• Number of townhall	Session	• 1
Engagement with Local Communities	• Sponsorship/donation contribution	• Total spent on charity	RM	• RM48,707
		• Number of sponsorship/ donation	Event	• 18
	• Internship programme	• Number of interns	Pax	• 13

SUSTAINABILITY STATEMENT

OUR SUSTAINABILITY PROGRESS



ECONOMIC



ECONOMIC PRESENCE & SUSTAINABILITY PROFITABILITY

We recognise that true progress comes from more than financial performance alone. At Reservoir Link, we are committed to advancing long-term economic development by aligning growth with environmental, social, and cultural priorities, ensuring a more resilient and sustainable future.

Our Performance

In FY2025, Reservoir Link recorded a 32.4% decrease in revenue to RM125.4 million, primarily driven by lower contributions from the Renewable Energy EPCC segment as due to the deconsolidation of Founder Group Limited following its successful NASDAQ listing. Nevertheless, the Group registered revenue growth in Oil & Gas (+14.82%). Looking ahead, we remain focused on strengthening our project delivery capabilities, securing new renewable energy contracts, and capitalising on opportunities within Malaysia's energy transition agenda.

Sustainability Indicator	UOM	FPE June 2023	FY2024	FY2025
Revenue	RM'000	RM193,304	RM186,203	RM125,397

Oil & Gas Division

Our Oil & Gas Well Services division continues to play a vital role in delivering reliable solutions that support the global energy sector. Recognising the responsibilities tied to our industry, we remain focused on managing resources prudently while contributing to the long-term resilience of the communities and regions we serve.

In FY2025, the Oil & Gas Division continued to demonstrate steady performance, supported by demand for well services and production enhancement solutions. The division expanded its portfolio through various projects and service contracts, reinforcing its role as a trusted provider in Malaysia's upstream energy sector. These efforts not only contributed to business growth but also helped sustain long-term client relationships.

At the same time, the division maintained its focus on innovation and collaboration. By working with partners and research institutions, Reservoir Link explored opportunities to introduce new technologies and solutions that enhance efficiency, reliability, and sustainability in operations. These initiatives support the Group's commitment to continuous improvement while creating opportunities for future growth.



SUSTAINABILITY STATEMENT

Renewable Energy Division

The Group remains committed to supporting Malaysia's energy transition and the global journey towards net-zero. We believe that the demand for clean energy solutions will continue to grow, creating opportunities for expansion in the renewable energy sector despite short-term challenges.

In FY2025, revenue from the Renewable Energy EPCC segment declined compared to the previous year, due to the deconsolidation of Founder Group Limited following its successful NASDAQ listing. While this impacted overall financial performance, our Renewable Energy Solar Asset and wastewater treatment segment recorded higher contributions, reflecting the long-term potential of renewable energy & sustainability ventures within our portfolio.

Moving forward, we aim to strengthen our competitiveness by exploring others renewable energy solutions and diversifying our service offerings in the solar value chain. These efforts, supported by government initiatives such as the Corporate Green Power Programme (CGPP) and the LSS-Energy Transition SuRiA (LSS5) project, will position us to capture future opportunities in the renewable energy market.

Details of the Group's financial performance can be found in the Management Discussion & Analysis section of this Annual Report.

SUPPLY CHAIN MANAGEMENT

Our procurement practices are guided by our Procurement Policy, which ensures fairness, integrity, and compliance across the entire process – from tendering and evaluation to contract award and delivery. In FY2025, we continued to apply clear evaluation criteria that go beyond price, considering product quality, reliability, delivery timelines, and service standards. We also require our suppliers and contractors to uphold ethical conduct, comply with applicable laws and regulations, and align with our values of responsible business practices.

Our Performance

Vendor performance is reviewed on an annual basis, with no major issues recorded in FY2025. To maintain quality standards, new suppliers are not immediately added to the Approved Vendor List. Instead, the Procurement Department monitors performance across up to five purchase orders during a probation stage. If no concerns are raised, suppliers are formally onboarded. This system ensures that underperformance can be identified and corrected early, with minimal operational or financial impact.

In FY2025, the Group's supply chain strategy delivered notable cost efficiencies:

- **Diversification of supply sources:** Beyond established suppliers in Germany and the USA, we began sourcing from China since back in 2024, where materials meeting the same specifications were available at approximately 40% lower cost, also insulating the Group from tariffs imposed under the Trump Administration.
- **Future localisation benefits:** One of our key U.S. suppliers has announced plans to open a factory in Batam, Indonesia by end-2025, which is expected to further reduce costs by around 40% through transport savings.
- **Logistics optimisation:** We appointed a new logistics provider which offering rates approximately 20% lower than our previous provider.

These initiatives collectively strengthened our cost control measures and improved our gross profit margin to 18.9% in FY2025, compared to 15.6% in FY2024. Without such measures, the potential financial impact of material cost escalation could have reached an estimated RM26 million (40% of forecasted variable overheads), which was successfully mitigated through proactive supply chain management. In FY2025, 76% of our suppliers are local, while 24% are international.

Sustainability Indicator	UOM	FPE June 2023	FY2024	FY2025
Proportion of spending on local suppliers	Percentage	37%	60%	76%
Proportion of spending on international suppliers	Percentage	63%	40%	24%

SUSTAINABILITY STATEMENT

ESTABLISHMENT OF RESPONSIBLE BUSINESS PRACTICES/ANTI-CORRUPTION/BUSINESS ETHICS

In FY2025, we continued to emphasise the importance of integrity and accountability in how we operate as an organisation. Responsible conduct is part of everyday decision-making – whether in how our people manage projects, safeguard resources, or interact with stakeholders. We believe that consistency in upholding ethical standards protects the Group from reputational risks and strengthens stakeholder confidence.

We ensure that all employees are aware of and adhere to the Group's Code of Conduct and related policies, which set out expectations on anti-corruption, conflicts of interest, and responsible behaviour in the workplace. The frameworks and policies that govern responsible business practices within the Group are shown in the table below.

Framework/Policies	Description
Code of Business Conduct ("COBC")/ Employees' Handbook	Our Code of Business Conduct ("COBC"), outlined in the Employee Handbook, applies to all levels of staff – whether permanent, part-time, contract, or temporary. It sets out clear expectations on ethical behaviour, accountability, and compliance, ensuring that employees understand their role in upholding integrity across daily operations. There were no reports of employee non-compliance or violations of the COBC for the FY2025.
Anti-Bribery and Corruption ("ABC") Policy/Anti-Bribery Management System ("ABMS")	The Group upholds a strict zero-tolerance stance against bribery and corruption. Our commitment is anchored in the Anti-Bribery and Corruption ("ABC") Policy and Anti-Bribery Management System ("ABMS"), which are aligned with the Malaysian Anti-Corruption Commission Act ("MACC") and industry best practices. Standard Operating Procedures and guidelines under ABMS as follows: • Guideline on Declaring Conflict of Interest • Guideline on Providing and Receiving of Gifts, Entertainment, Hospitality and Travel • Guideline on Granting of Donations and Sponsorships • Guideline on Due Diligence on Employees and Business Associates • Guideline on Training and Communication During FY2025, the Group continued to reinforce awareness of the ABC Policy through regular communication and refresher sessions, including training on corporate liability for employees, management, and directors. These efforts ensure that all personnel understand their responsibilities in preventing bribery and corruption. There were no incidents of bribery or corruption reported in FY2025. The ABC Policy remains accessible to employees and stakeholders via our corporate website at https://reservoirlink.com.
Whistleblowing Policy	The Group's Whistleblowing Policy provides a safe and confidential channel for employees and stakeholders to report any concerns relating to misconduct, corruption, fraud, waste, or abuse. In line with the Whistleblower Protection Act 2010 ("WPA"), the policy safeguards individuals who raise concerns in good faith from retaliation, while ensuring that all reports are handled with strict confidentiality. Any concerns shall be reported to Chairman of Audit Committee or Chairman of Reservoir Link as follows: a. Report via email to whistleblowing@reservoirlink.com; or b. Letter/Documents/Report marked "STRICTLY PRIVATE AND CONFIDENTIAL TO BE OPENED BY THE ADDRESSEE ONLY" addressed to the Chairman of Audit Committee. In FY2025, no whistleblowing reports were received. The policy remains publicly available on the Group's corporate website at https://reservoirlink.com.

SUSTAINABILITY STATEMENT

Framework/Policies	Description
Risk Management Policy	Risk management is embedded into our strategic planning and day-to-day decision-making, ensuring that risks are identified, assessed, and addressed in a timely and transparent manner. By taking a proactive approach, we are able to anticipate challenges, implement effective controls, and minimise potential impacts before they escalate. Our commitment to effective risk management safeguards the interests of stakeholders while positioning the Group to capture opportunities for sustainable growth.

Our Performance

No incidents of bribery or corruption were recorded in FY2025. Training and awareness on anti-bribery and corruption (ABC) remain a key focus, beginning with induction for all new employees and directors. For existing staff, refresher sessions are conducted annually, with the scope and content adjusted to reflect the level of exposure and risk relevant to their roles.

Sustainability Indicator	Sustainability Target	UOM	FPE June 2023	FY2024	FY2025
Corruption case reported and action taken	Zero cases on bribery and corruption	Case	0	0	0
Awareness training session	Awareness sessions annually	Session	1	1	1

CRITICAL INCIDENT RISK MANAGEMENT

Critical incident risk management is a key element of our governance and safety framework, ensuring that Reservoir Link is prepared to respond to rare but high-impact events that could disrupt operations or pose risks to people and the environment. The Group maintains an Emergency Response Plan (ERP) and has achieved ISO 45001:2018 certification across several subsidiaries, including Reservoir Link Energy Bhd, Reservoir Link Sdn Bhd, Amsito Oilwell Services (M) Sdn Bhd, and Reservoir Link Solutions Sdn Bhd. These systems provide a structured foundation for anticipating risks and strengthening operational resilience.

Reservoir Link maintains robust governance and preventive measures to manage critical risks, with oversight provided by the Board and Management through the Quality and HSE Management System and the HSE Committee. Regular safety drills and scenario-based exercises—including fire evacuation, chemical spill response, and offshore emergency simulations—are conducted at the Group's headquarters, Kemaman Supply Base (KSB), and Asian Supply Base (ASB) to strengthen preparedness and emergency response.

Our preventive maintenance programmes cover critical assets such as lifting equipment, firefighting systems, and vehicles, complemented by monthly HSE inspections and a strict Permit-to-Work system to control high-risk activities. The QHSE Department actively monitors performance through inspections, audits, and follow-up reviews, while Management ensures resources are allocated for training, equipment, and monitoring tools. This integrated governance structure reinforces accountability, continuous improvement, and resilience in safeguarding people, assets, and the environment.

Our Performance

In December 2024, adverse weather conditions at the Baram A Platform in Sarawak resulted in property damage, including the loss of equipment due to extreme sea swells. Importantly, no injuries were reported. Interim investigations identified contributing factors such as unsecured equipment and severe weather, prompting corrective actions to strengthen equipment safety protocols. Apart from this incident, there were no other critical incidents recorded across the Group in FY2025. We remain committed to improving preparedness and maintaining robust safety standards to protect our workforce, safeguard the environment, and ensure the continuity of our operations.

SUSTAINABILITY STATEMENT

PRODUCT DESIGN & LIFECYCLE MANAGEMENT

We integrate sustainability considerations into the lifecycle of our renewable energy projects, from supplier selection and design to installation and long-term operation. Our portfolio reflects a balanced mix of operational, under-construction, and pipeline projects, each developed with the goal of delivering reliable clean energy while supporting Malaysia's renewable energy transition. In our Renewable Energy sector, product design and lifecycle management are central to ensuring that the solutions we deliver create long-term environmental and social value. We integrate ESG considerations into our project design, from selecting quality-certified suppliers to optimising installation processes that enhance system durability and efficiency. By focusing on lifecycle impacts, we not only help customers transition to cleaner energy but also reduce the environmental footprint associated with our solar assets over time.

Our Performance

As at FY2025, the Group's renewable energy portfolio reached a combined capacity of 42.17 MWp, spanning projects under commercial and industrial operation, construction, and secured agreements. These projects are supported by long-term power purchase agreements with tariffs ranging between RM0.25 and RM0.46 per kWh, ensuring both environmental impact and economic sustainability. While no solar assets have reached end-of-life, we continue to monitor best practices for solar panel recycling and lifecycle management to strengthen long-term environmental responsibility.



SUSTAINABILITY STATEMENT



ENVIRONMENT

ENVIRONMENTAL COMPLIANCE

Regulatory compliance remains the foundation of our environmental management. By adhering to legal requirements and industry standards, we demonstrate not only accountability but also our commitment to responsible operations and long-term sustainability. Our approach goes beyond simply meeting regulatory thresholds – it is about maintaining the trust of our stakeholders and ensuring that our activities contribute positively to the communities and environments in which we operate.

Our Performance

In FY2025, the Group continued to comply with environmental regulations set by authorities including the Department of Environment (DOE), Construction Industry Development Board (CIDB), Atomic Energy Licensing Board (AELB), and the Department of Occupational Safety and Health (DOSH). We are pleased to report that no fines or penalties were incurred during the year for environmental non-compliance. Continuous monitoring, internal controls, and staff awareness remain central to ensuring that our operations meet regulatory expectations and support our broader sustainability goals.

Sustainability Indicator	Sustainability Target	UOM	FPE June 2023	FY2024	FY2025
Number of non-compliances to non-environmental regulations	Zero non-compliances to non-environmental regulations	Case	0	0	0
Number of fines imposed by authorities	Zero fines imposed by authorities	Case	0	0	0
Number of business interruption	Zero case of business interruption	Case	0	0	0



SUSTAINABILITY STATEMENT

ENERGY MANAGEMENT

Managing energy use remains a key part of our sustainability strategy, both for cost efficiency and to reduce our carbon footprint. By embedding energy-conscious practices into daily operations, we reinforce our responsibility to use resources wisely and support broader climate goals.

In FY2025, we continued with our *RL Earth Hour* initiative, where non-essential lights, air-conditioning, and office equipment are switched off during lunch hours to reduce electricity consumption. Beyond lowering energy use, this initiative builds awareness among employees on the importance of collective action in addressing climate change. Through these efforts, we not only reduce our operational impact but also foster a workplace culture that values sustainability in practice.

Our Performance

In FY2025, the Group recorded a total energy consumption of 160,384 kWh, representing a 4.9% reduction compared to 168,605 kWh in FY2024. This improvement reflects the impact of our ongoing initiatives, including replacing fluorescent lights with energy-efficient LEDs, installing motion detectors to control lighting in unoccupied areas, and promoting awareness among employees on responsible energy use. These efforts have not only lowered our consumption but also reinforced a culture of energy mindfulness across the organisation.



Unplug

All standby devices not in use/fully charged (mobile chargers, coffee machines, laptops, PCs etc). Even when not in use, these devices continue to draw energy if left plugged in.



Switch Off

All the lights and AC before leaving the room (unoccupied areas, meeting rooms and common areas). Also please ensure that you only have the lights & AC on at your respective area or workstation when working alone or during non-working hours.



+1° on AC

Because AC is the most energy consuming device. Be mindful of heating and cooling settings in your workspace. Set the AC temperature **not less than 22 degree.**



Power Savings Features

Take advantage of power-saving features on computers, monitors, printers and other office equipment.

Sustainability Indicator	Sustainability Target	UOM	FPE June 2023	FY2024	FY2025
Total energy consumption	160,000	kWh	230,408	168,605	160,384
Electricity consumption	Reduce electricity consumption by 5%	Percentage	-	30.4%	4.9%

SUSTAINABILITY STATEMENT

GHG EMISSIONS MANAGEMENT

Reservoir Link recognises the importance of managing greenhouse gas (GHG) emissions as part of our responsibility to combat climate change and support Malaysia's transition to a low-carbon economy. We adopt a two-pronged approach: reducing emissions from our own operations while expanding renewable energy solutions that help clients and communities lower their carbon footprint. Our operational initiatives include energy efficiency measures and monitoring of electricity consumption across offices, while our Renewable Energy Division actively develops and manages solar photovoltaic (PV) projects that generate clean energy for commercial and industrial users.

Our Performance

As part of our continued commitment to advancing the energy transition, Reservoir Link has expanded its renewable energy portfolio. In FY2025, we have commissioned and operate a total of 20 solar photovoltaic (PV) assets. This represents growth from 15-17 assets in FY2024, highlighting our strategic focus on scaling clean energy solutions. These assets collectively contribute over 42 MW of installed capacity, directly displacing grid electricity that is predominantly generated from fossil fuels. This progress underscores our dual commitment—to strengthen the Group's business resilience while supporting Malaysia's national renewable energy targets and global net-zero ambitions.

Reservoir Link continues to strengthen its commitment to transparent carbon emissions reporting and reduction. In FY2025, we maintained disclosure of Scope 1 (direct emissions from company operations), Scope 2 (indirect emissions from purchased electricity), and Scope 3 (other indirect emissions associated with business travel, employee commuting and upstream leased assets specifically forklifts and cranes). We are dedicated to reporting our emissions with accuracy and taking continuous, practical steps to improve how we manage our environmental impact.

Sustainability Indicator	Sustainability Target	UOM	FPE June 2023	FY2024	FY2025
Scope 1	To reduce Scope 1 to 12.7 tCO ₂ e (5% reduction)	tonnes of CO ₂ e	-	12.98	13.36
Scope 2	To reduce Scope 2 to 106.3 tCO ₂ e (5% reduction)	tonnes of CO ₂ e	114.06	127.80	111.89
Scope 3 ^a	To reduce Scope 3 to 107.15 tCO ₂ e (5% reduction)	tonnes of CO ₂ e	173.17	113.23	112.56
Total Emissions	To reduce total emissions to 226.14 tCO ₂ e (5% reduction)	tonnes of CO ₂ e	287.23	254.01	237.81

Note: ^a – Figures for Scope 3 emissions in FPE2023 and FY2024 have been restated due to updated data availability. Consequently, the total GHG emissions for these reporting periods have also been revised. These adjustments reflect our commitment to improving the accuracy and reliability of our emissions data.

SUSTAINABILITY STATEMENT

Climate-related Disclosures (IFRS S1 and S2)

For FY2025, the Group has begun its journey towards aligning with the International Financial Reporting Standards (IFRS) S1 and S2. This marks an important first step in enhancing the transparency of our sustainability reporting, particularly in relation to climate-related risks and opportunities.

At this early stage, our focus is on building awareness and understanding of the requirements under IFRS, while gradually strengthening our internal processes to capture and disclose relevant information. We recognise that climate-related risks such as regulatory changes, market shifts, and the energy transition may affect our business, and therefore, we aim to progressively embed these considerations into our reporting and decision-making.



GOVERNANCE

Reservoir Link recognises the importance of governance in managing sustainability and climate-related matters. As this is our first year taking reference from IFRS S1 and S2, we are at an early stage of building awareness across the organisation. For now, our focus is on understanding the standards and gradually exploring how existing governance structures may incorporate oversight of climate-related topics in the future. This approach allows us to progress at a practical pace, laying the foundation for more structured disclosures in the years ahead.



STRATEGY & RISK MANAGEMENT

We acknowledge that climate change may influence our business in different ways, presenting both risks and opportunities. In FY2025, Reservoir Link has taken initial steps to familiarise ourselves with IFRS guidance, particularly in relation to how external factors such as policies, regulations, and market developments may affect our operations. While our processes are still developing, we aim to progressively strengthen how climate considerations are factored into our broader business strategy and risk management approach over time.

Risk Category	Impact Level	Timeline	Risk	Strategy & Opportunities
Physical	Moderate to High	Short to Medium-Term	Acute weather (<i>storms, floods, heavy rainfall, sea swells, landslides</i>) - Damage to offshore equipment and solar infrastructure. - Operational delays and costly repairs. - Increased insurance premiums.	- Strengthen equipment securing and maintenance procedures. - Conduct regular emergency response drills and site-specific risk reviews. - Ensure insurance coverage is sufficient and up to date for any climate-related events.
	Low to Moderate	Medium to Long-Term	Chronic weather (<i>rising temperatures, sea-level rise</i>) - Increased cooling costs and heat stress for workers. - Asset damage or disruption from extreme weather if climate risks are not considered during project design. - Disruption to coastal/logistics facilities from sea-level rise.	- Strengthen worker safety measures (hydration, heat management, protective scheduling). - Incorporate climate risk assessments into project planning and design stages to ensure resilience of facilities and assets. - Periodically review long-term insurance coverage for climate-related risks.

SUSTAINABILITY STATEMENT

Risk Category	Impact Level	Timeline	Risk	Strategy & Opportunities
Transition	Moderate to High	Medium to Long-Term	Policy & Legal - Stricter environmental and carbon-related regulations. - Introduction of carbon tax or mandatory emissions reporting. - Compliance costs for both O&G and solar operations.	- Monitor upcoming regulatory changes closely. - Strengthen compliance processes and documentation. - Engage with regulators and industry bodies for early awareness.
	High	Short to Medium-Term	Technology - Need for investment in newer, more efficient solar technology and energy storage. - Exploring other sources of renewable energy such as hydropower, thermal, biogas etc. - Requirement to adopt digital solutions in O&G to remain competitive and lower emissions.	- Explore feasible technology upgrades when commercially viable. - Partner with clients and technology providers to test new solutions. - Continue small-scale research collaborations to build readiness.
	High	Short to Medium-Term	Market - Shift in customer/investor expectations towards low-carbon solutions. - Potential loss of contracts in O&G if unable to demonstrate climate alignment. - Stronger demand for renewable energy projects.	- Strengthen focus on renewable energy projects (e.g., solar portfolio). - Communicate climate-related efforts more clearly to stakeholders. - Stay responsive to market demand for cleaner energy.
	High	Short to Medium-Term	Reputation - Stakeholder pressure for credible climate disclosures. - Risk of being perceived as lagging in transition compared to peers. - Difficulty in accessing financing if ESG standards not met.	- Improve transparency through sustainability reporting aligned with IFRS and Bursa requirements. - Share progress on climate initiatives clearly with stakeholders. - Take gradual steps to strengthen climate governance.



METRICS & TARGET

Reservoir Link is at the early stage of aligning with IFRS S2 and recognises the importance of setting meaningful metrics and targets to guide its sustainability journey. For FY2025, our focus is on strengthening the foundation of reporting by tracking key areas such as energy use and greenhouse gas (GHG) emissions, while progressively improving data quality and collection. We acknowledge that climate strategies will evolve over time. At this stage, our efforts are centred on building awareness and establishing a baseline, with the aim of refining our metrics and targets in line with international guidance and industry expectations as our journey progresses.

SUSTAINABILITY STATEMENT

WATER MANAGEMENT

Water is a vital resource, and we remain committed to managing it responsibly across our operations. In FY2025, Reservoir Link introduced practical initiatives to strengthen awareness and encourage mindful use of water in the workplace. This includes quarterly Water Check Weeks, where staff are reminded to look out for leaks, practice water-saving habits, and reinforce collective awareness of conservation.

In addition, simple water-saving guidelines – such as turning off taps when not in use, using water responsibly for cleaning, and reporting leaks promptly – have been shared with employees and contractors. These measures reflect our focus on promoting a culture of conservation through everyday actions, ensuring that our workforce contributes to reducing unnecessary water use while maintaining operational efficiency.



Our Performance

In FY2025, the cost of water consumption increased by 14.9%, compared to FY2024. This increase is due to high activity level in Asian Supply Base, Labuan F.T. Despite this, we continue to strengthen water-saving initiatives such as quarterly Water Check Weeks and staff awareness campaigns to minimise avoidable waste. Moving forward, we remain committed to improving efficiency and aligning our practices with the long-term target of reducing water-related costs.

Sustainability Indicator	Sustainability Target	UOM	FPE June 2023	FY2024	FY2025
Water consumption	To reduce cost of water consumption to RM2,500	RM	3,183	2,766	3,179

WASTE MANAGEMENT

Reservoir Link is committed to managing scheduled waste responsibly in line with regulatory requirements. The types of waste generated from our operations include oil waste, used gloves and rags, seal maker waste, lithium batteries, and other maintenance-related residues. These are primarily linked to offshore operations and maintenance activities.

3R Programme



Reservoir Link continues to recognise the importance of reducing, reusing, and recycling as part of its environmental responsibility. In FY2025, we maintained our efforts under the 3R Programme to raise awareness among employees and promote simple but effective waste management practices. These efforts include encouraging the reduction of unnecessary waste, reusing materials where possible, and recycling everyday items such as paper, plastics, and containers in line with local recycling guidelines.

The Group views the 3R Programme as a practical way to engage employees and embed sustainable practices in daily routines, both at the workplace and beyond. In FY2025, paper consumption recorded a 4% increase compared to the previous year. While this contrasts with the significant 59% reduction achieved in FY2024, the increase highlights the need to strengthen our paper-saving initiatives and ensure consistent application across all operations. Each year, we carry out waste audits to uncover new ways to reduce waste and optimise resource use. Through this process, we actively pursue opportunities to reduce, reuse, and recycle materials, while nurturing a strong culture of sustainability across the Group.

SUSTAINABILITY STATEMENT

In FY2025, Reservoir Link collaborated with the Society of Petroleum Engineers (SPE) Universiti Malaysia Pahang for the “Kuantan Beach Care Collective” at Pantai Cempaka, Kuantan. This initiative aimed to promote environmental awareness and coastal preservation. Together with SPE UMP and local volunteers, we successfully collected over 300kg of waste, contributing to a cleaner shoreline and healthier marine ecosystem.



Reservoir Link organised a Plogging Event, which combined fitness with environmental responsibility. Employees participated in an activity that promoted both exercise and waste collection, with the target of gathering 200kg of litter. This initiative not only contributed to cleaner surroundings but also helped raise awareness on waste reduction among staff in a practical and engaging way.



Our Performance

In FY2025, the total scheduled waste generated by the Group amounted to 50.51 MT, compared to 0.56 MT in FY2024. This significant increase is primarily linked to disposal of expired chemicals by Reservoir Link Solutions Sdn Bhd. All scheduled waste generated has been tracked and stored in compliance with the Department of Environment's requirements, with disposal carried out through licensed contractors. As volumes of scheduled waste can vary depending on project scope and intensity, the Group remains focused on ensuring proper segregation, storage, and safe handling across all sites. Reservoir Link also continues to strengthen its internal monitoring and awareness programmes to minimise potential environmental impacts. Additionally, we did not receive any reports of scheduled waste incidents or fines from the local authorities (FY2024: Nil).

Sustainability Indicator	Sustainability Target	UOM	FPE June 2023	FY2024	FY2025
Total waste generated	Recycle 30% of waste generated	Metric tonnes	4.86	0.56	50.51

In FY2025, the Group achieved 100% compliance with the EQA 1974 (Scheduled Waste), recording a total of 26 out of 26 compliances. Among our environmental initiatives, we successfully installed proper scheduled waste signage and chemical storage areas, submitted monthly scheduled waste reports in eSWIS without issue, ensured disposal of scheduled waste in compliance with DOE regulations, and had our QHSE Executive for Kemaman Supply Base certified as a competent person for CEPsWaM.

SUSTAINABILITY STATEMENT

BIODIVERSITY

The Group recognises the importance of protecting natural ecosystems as part of our commitment to environmental sustainability. While our operations are not located near protected or high biodiversity areas, we actively support conservation initiatives that contribute to ecosystem resilience.

Our Performance

In FY2025, we organised a Mangrove Tree Planting campaign at Sungai Kemasik, Terengganu, where 190 mangrove trees were planted with the participation of our employees, clients, business partners and local authorities. Mangroves play a vital role in protecting coastlines from erosion, supporting marine life, and sequestering carbon. Through this initiative, Reservoir Link contributed to biodiversity restoration while raising awareness of the importance of conservation among our stakeholders.

We will continue to explore opportunities to support small-scale environment projects that align with our sustainability journey and provide tangible benefits to local communities and ecosystems.



SUSTAINABILITY STATEMENT



SOCIAL



EMPLOYMENT

At Reservoir Link, we continue to place strong emphasis on upholding fair labour practices and ensuring compliance with employment laws. Our approach reflects our commitment to fostering a safe, respectful, and equitable workplace where employees can thrive. In FY2025, we recorded zero cases of non-compliance with employment law and no complaints relating to human rights violations, reinforcing our dedication to maintaining ethical standards across the Group.

We recognise that our employees are one of our greatest assets, and retaining talent is essential for long-term growth. In FY2025, Reservoir Link hired 19 new employees to support our expanding operations. During the same period, our employee turnover rate was 11.9%, primarily influenced by employees pursuing opportunities for career advancement.

To address this, we are actively reviewing our employee value proposition, including staff benefits, training opportunities, and engagement initiatives, to improve retention and support long-term career development. These efforts aim to build a stronger and more resilient workforce while enhancing employee satisfaction and loyalty.

Our Performance

New Hires

Employee Category	FPE June 2023	FY2024	FY2025
Management	6	2	0
Executive	35	7	17
Non-Executive	14	8	2
Total	55	17	19

Number of Employee Turnover by Employee Category

Employee Category	FPE June 2023	FY2024	FY2025
Management	2	1	0
Executive	40	13	10
Non-Executive	10	6	0

Employee Turnover Rate

Year	Turnover Rate
FPE June 2023	29.9%
FY2024	13.6% ^b
FY2025	11.9%

Note: ^b - Figure has been reinstated.

SUSTAINABILITY STATEMENT

Internship Programmes

In FY2025, Reservoir Link welcomed a total of 13 interns across different divisions, including HR, IT, operations support, and laboratory functions. These placements provided students with valuable hands-on experience while supporting our business operations with fresh ideas and perspectives.

Although no interns were absorbed as permanent staff during this reporting period, the programme continues to serve as an important platform for developing future talent and strengthening ties with universities and colleges. Reservoir Link remains committed to offering practical training opportunities to nurture young professionals and contribute to the broader industry talent pool.

Compensation and Benefits

We maintain a remuneration and reward system that ensures employees are fairly compensated in line with local market practices. Salary structures are reviewed periodically to stay competitive within the industry. In addition, employees participate in regular performance reviews, where their contributions are evaluated against agreed objectives, covering both business results and individual performance. For our full-time and permanent employees, the compensation and benefits package include the following:



Medical

- Medical Benefits
- Maternity Subsidy



Allowance

- Mobile Phone
- Work Site
- Overstay, Offshore



Leaves

- Annual
- Sick
- Hospitalisation
- In-lieu Saturday
- Pilgrimage
- Examination
- Marriage
- Paternity



Insurance

- Group Health & Outpatient Plan
- Dental Treatment
- Personal Accident
- Hospitalisation & Surgical



Others

- Club Membership
- Professional Membership Benefits
- Vehicle
- Transfer/Relocation Benefits

Employee Engagement

Reservoir Link believes that employee engagement is essential for fostering collaboration, strengthening workplace culture, and enhancing overall job satisfaction. Throughout FY2025, we organised a series of activities designed to encourage participation, promote teamwork, and provide opportunities for employees to connect beyond their daily work routines.

Some of the key activities during the year included the Townhall Briefing, which brought together employees across locations to share updates and align on company goals, as well as social and wellness activities such as the Open House Raya celebration, badminton session, and pickleball event. These initiatives not only offered platforms for employees to interact in an informal setting but also reinforced a sense of belonging and camaraderie across the Group. By creating these opportunities, Reservoir Link continues to promote a supportive and inclusive work environment where employees feel engaged and valued.



SUSTAINABILITY STATEMENT

Employee Satisfaction

In FY2025, we conducted an employee satisfaction survey to better understand the needs and expectations of our workforce. The results showed an overall job satisfaction score of 73.6%, with the highest ratings in areas such as team collaboration (74.2%) and work environment (74.0%). These findings reflect a generally positive workplace culture where employees feel supported and engaged. At the same time, the survey highlighted areas for improvement, particularly in career development and training (58.8%) and compensation and benefits (61.2%). These insights provide valuable direction for strengthening our human capital strategy, guiding us to focus on enhancing learning opportunities, refining reward structures, and ensuring employees have the resources and recognition needed to thrive.

OCCUPATIONAL HEALTH & SAFETY

We view employee well-being and safety as a cornerstone of how we operate, not just a compliance requirement. A safe and healthy workplace is essential for smooth operations, sustaining productivity, and maintaining employee morale. Preventing accidents and health issues helps us avoid disruptions and ensures our teams can perform at their best.

Our safety motto, “*SAFETY IS THE PRIORITY, QUALITY IS THE STANDARD*,” reflects this approach. It serves as a daily reminder that safety is inseparable from the quality of our work. By embedding HSE practices into all levels of our operations, we aim to protect our people, uphold the integrity of our services, and foster a culture where respect and responsibility guide long-term success.

Reservoir Link ensures that employees and contractors are equipped with the necessary Personal Protective Equipment (PPE) to safely carry out their work. The Group provides standard items such as safety helmets, coveralls, safety boots, gloves, safety glass, chin strip, raincoat, life jacket, earmuff and others, depending on the nature of the task.

To strengthen accountability, PPE issuance is recorded and tracked through a formal PPE Issuance Form, ensuring that every individual receives the appropriate protective gear and replacements when required. This system helps maintain consistency, reduces the risk of unsafe practices, and reinforces our safety-first culture across all operations.

The Group also has established a range of policies and frameworks to uphold the health, safety, and well-being of its employees, contractors, and stakeholders. These include the Health, Safety and Security Policy, Substance Misuse Policy, Stop Work Policy, and Smoking Policy, which guide daily operations and ensure preparedness for potential risks.

HSE Committee and Performance

The HSE Committee continues to play a central role in monitoring and strengthening health, safety, and environmental practices across our operations, holding four (4) meetings during the year focused on critical health and safety matters. The Committee reviewed key performance indicators, shared safety alerts, and reinforced compliance with client and regulatory requirements.

Among the highlights was the achievement of over 1.4 million LTI-free man-hours, reflecting our collective commitment to safe operations. The Committee also introduced initiatives such as the 12 Vital Rules, which combine industry life-saving rules with additional measures tailored to our operations, to further strengthen a safety-first culture.

The meeting also served as a platform to address inspection findings, discuss risk management measures, and raise awareness of issues such as fatigue management, emergency preparedness, and regulatory compliance. In addition, employee well-being was considered through programmes such as the DASS 21 survey, designed to identify areas where mental health support may be needed.

Moving forward, the Committee will continue to provide oversight, encourage participation from employees at all levels, and ensure that safety remains embedded in day-to-day practices across the Group.

SUSTAINABILITY STATEMENT

Our Performance

Reservoir Link's commitment to health and safety is reflected in the recognition we have received from clients as well as our ISO certification. These acknowledgements highlight our consistent compliance with international standards and the emphasis we place on building a strong safety culture. For us, these achievements are not just awards but a reminder that prioritising health and safety protects our people and supports reliable operations.

In FY2025, Reservoir Link recorded zero (0) workplace fatalities across all operations. This outcome underscores our commitment to maintaining a safe and secure working environment for all employees and contractors. While we are encouraged by this result, we remain focused on continuous improvement in health and safety practices to prevent incidents and safeguard the well-being of our workforce.

Health & Safety Training

Sustainability Indicator	FPE June 2023	FY2024	FY2025
Number of employees trained on health and safety	50	30	62

Work-related Injuries

Sustainability Indicator	FPE June 2023	FY2024	FY2025
Total man-hour worked	310,928	214,151	218,560
Lost time incident rate	NIL	NIL	NIL

Health and Safety ISO Certifications and Awards Recognition

No.	Awards	Year
1.	14 Years Lost Time Injury (LTI) Free	2024
2.	8 Years Total Recordable Incident (TRI) Free	2024
3.	Wells Delivery: NOTABLE SERVICE AWARD 2024	2025
4.	PTTEP SSHE Excellence Award	2025
5.	In Recognition of Continuous Support and Dedication Towards HSE & Operational Excellence	2025
6.	Certified ISO 29001:2020	2025
7.	Certified ISO 9001:2015	2025

SUSTAINABILITY STATEMENT

TRAINING & DEVELOPMENT

We see training and development as essential to building both individual careers and the long-term strength of the organisation. By equipping employees with the right knowledge and skills, we help them perform more effectively in their roles while preparing them for future opportunities within the industry.

Our approach goes beyond compliance and technical requirements. We provide a mix of structured onboarding for new hires, technical training for operational roles, and ongoing learning opportunities to support career progression. Where possible, training is tailored to meet specific job needs, ensuring employees can apply what they learn directly to their work. This practical focus helps us maintain operational reliability while fostering a workplace culture that values growth, adaptability, and shared success.

Our Performance

Average Training Hours per Employee

Year	Average Training Hours per Employee
FPE June 2023	24
FY2024	13
FY2025	29

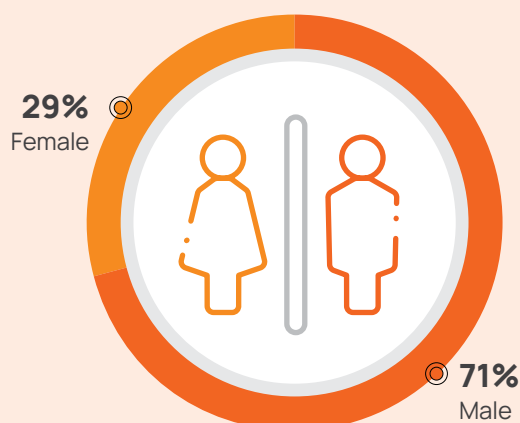
DIVERSITY & EQUAL OPPORTUNITY

In FY2025, Reservoir Link continues to uphold its commitment to diversity and equal opportunities as part of building a fair and inclusive workplace. We believe that every employee, regardless of background or role, deserves the opportunity to contribute and grow.

Our efforts this year have focused on creating an environment where respect, fairness, and merit guide decision-making. Recruitment and development practices are carried out with the aim of reducing bias and ensuring that all employees have equal access to opportunities. By promoting inclusivity in everyday practices and encouraging open dialogue, we strive to strengthen collaboration and support innovation across the Group.

Our Performance

Board Diversity - Board Composition by Gender



In FY2025, the Board of Reservoir Link comprised five (5) male members and two (2) female members, representing 71% and 29% respectively. While we remain mindful of the MCCG's recommendation for at least 30% female representation, our approach to Board composition continues to prioritise both diversity and merit. Board appointments are guided by the right mix of skills, experience, and perspectives needed to support effective governance and sustainable growth, ensuring that decisions are made with competence while also recognising the value of balanced representation.

SUSTAINABILITY STATEMENT

Employee Diversity – Employee Composition by Gender and Employee Category

Total Number and Percentage of Employees by Gender

	Units	FPE June 2023	FY2024	FY2025
Male	Number	125	138	83
	Percentage	76%	78%	74%
Female	Number	39	39	29
	Percentage	24%	22%	26%

Year	Senior Management		Executive		Non-Executive		Total
	Male	Female	Male	Female	Male	Female	
FPE June 2023	25	8	73	28	27	3	164
FY2024	37	10	85	27	16	2	177
FY2025	20	6	49	25	10	2	112

Employee Diversity – Employee Composition by Age Group and Employee Category

Age Group	Employee Category	FPE June 2023	FY2024	FY2025
		Number	Number	Number
<30 years old	Senior Management	0	1	1
	Executive	50	63	36
	Non-Executive	5	7	5
30 – 50 years old	Senior Management	38	38	20
	Executive	59	56	37
	Non-Executive	8	9	7
>50 years old	Senior Management	3	2	5
	Executive	1	1	1
	Non-Executive	0	0	0

In FY2025, our workforce comprised 74% male (FY2024: 78%) and 26% female (FY2024: 22%) employees, reflecting steady progress in building a more balanced organisation compared to the previous year. Beyond gender, our employees represent a wide range of backgrounds, experiences, and skill sets, which strengthens collaboration and innovation across the Group. We believe that this diversity, combined with our collective expertise, enables us to deliver meaningful outcomes while supporting both business growth and contributions to our communities.

In FY2025, Reservoir Link continued to uphold its commitment to providing a workplace free from harassment and discrimination. We maintain strict zero-tolerance towards any form of misconduct, including verbal, physical, or sexual harassment, and consistently reinforce this stance through our Code of Business Conduct, Human Rights Policy, and Sexual Harassment Policy.

We are pleased to report that there were no cases of sexual harassment recorded during the year, reflecting the effectiveness of our policies and the shared responsibility among employees to foster a safe, respectful, and inclusive environment. By embedding these values into daily practices, we aim to safeguard the well-being of our people while reinforcing trust and integrity across our organisation.

SUSTAINABILITY STATEMENT

ENGAGEMENT WITH LOCAL COMMUNITIES

At Reservoir Link, we view contributing to the community as part of our responsibility as a corporate citizen. Supporting local initiatives not only helps those in need but also strengthens our relationships with the communities where we operate.

Our Performance

In FY2025, the Group contributed RM48,707 through sponsorships and donations to various organisations, including educational institutions, charitable bodies and non-profit organisations. Some of the notable contributions during the year included:



UPM Student Excellent Award Program For Bachelor Of Chemical Engineering

20 Nov 2024

Student Excellent Award Programme for 3 Years



Kuantan Beach Care Collective by Society of Petroleum Engineers, UMP

11 Jan 2025

Expenses for food, banners, and other logistical needs



SPE KL 45th Anniversary Gala Dinner

19 Feb 2025

Sponsorship for one (1) table



Program Khidmat Masyarakat "Zoo Corps" by Society of Petroleum Engineers, UMP

14 June 2025

Package Zoo Corps for 38 pax

Local Community Engagement

	FPE June 2023	FY2024	FY2025
Total amount of contribution	RM45,312	RM64,249	RM48,707
Number of events	19	15	18

SUSTAINABILITY STATEMENT

CUSTOMER HEALTH & SAFETY

The Group recognises the importance of ensuring that all products and services delivered to clients meet strict health and safety requirements. Our operations, particularly in Oil & Gas well services and Renewable Energy projects, are guided by client specifications, industry standards, and regulatory frameworks that prioritise safety. While our work is largely business-to-business and does not directly impact end consumers, we continuously monitor and assess potential health and safety implications associated with our services.

In FY2025, there were no incidents of non-compliance reported in relation to the health and safety impacts of our products and services.

In recognition of our health and safety performance, the Group has received the following awards from its customers:

Award	Year	Customer
QHSE Excellence Award, Recognizing QHSE Excellence and Outstanding Efforts, in achieving incident free operations, D21 Phase 3 Well Campaign 2024	2024	Roc Oil
SHELL MALAYSIA Safety Award	2024	Shell
14 years Lost Time Injury (LTI) Free on 4 th September 2024	2024	Hibiscus
8 years Total Recordable Incident (TRI) Free on 8 th September 2024	2024	Hibiscus
Wells Delivery: NOTABLE SERVICE AWARD 2024	2025	EnQuest
PTTEP SSHE Excellence Award 2024	2025	PTTEP
In recognition of continuous Support and Dedication Towards HSE & Operational Excellence	2025	Jadestone

DATA PRIVACY & SECURITY

Reservoir Link places strong emphasis on safeguarding employee and corporate data by leveraging secure digital platforms to manage operations. In FY2025, the Group continued its use of Info-Tech systems, including the online appraisal and mobile time attendance applications, which streamline HR processes while ensuring that sensitive information is securely stored and managed. In addition, the adoption of the IBM Planning Analytic – Numa Consolidation System supports more accurate and efficient data management for financial and operational consolidation, strengthening both transparency and security of business information.

We adhere to the guidelines set forth in the Personal Data Protection Act 2010 (PDPA) to safeguard data. We recognise the critical importance of data security, as it not only protects personal integrity but also fosters trust in digital interactions and upholds individuals' fundamental rights.

Our approach to data privacy and security is guided by a commitment to responsible use of technology. While these systems enhance efficiency and productivity, they are also supported by safeguards to maintain confidentiality and protect against misuse of data. Going forward, Reservoir Link will continue to review and strengthen its digital platforms to ensure alignment with industry best practices and regulatory requirements.

We are pleased to report that there were no complaints relating to data breaches in FY2025.

SUSTAINABILITY STATEMENT

MOVING FORWARD

As we close FY2025, Reservoir Link acknowledges that sustainability is a continuous journey that requires persistence, reflection, and improvement. Over the year, we have made progress in strengthening our environmental practices, enhancing employee well-being, and fostering closer engagement with communities. At the same time, we are mindful of the challenges we face—whether in managing resource efficiency, broadening our data coverage, or embedding climate-related considerations more systematically into our business.

Looking ahead, our focus will be on building stronger foundations for sustainability reporting and performance. This includes improving the accuracy of data collection, aligning more closely with international frameworks such as the IFRS Sustainability Disclosure Standards, and further integrating environmental, social, and governance (ESG) considerations into decision-making across our operations. By doing so, we aim to strengthen resilience, reduce risks, and identify new opportunities for responsible growth.

Equally important, we will continue to prioritise our people and communities. From ensuring a safe and inclusive workplace to contributing to social initiatives and environmental conservation, our goal is to create value that extends beyond business outcomes. Guided by our commitment to integrity, transparency, and long-term responsibility, Reservoir Link will continue to advance step by step towards a more sustainable and resilient future.

ASSURANCE STATEMENT

Currently, our Sustainability Statement does not include an Assurance Statement, as we have yet to engage in internal or external assurance processes. However, we recognise the importance of verifying and enhancing the credibility of our sustainability disclosures. As such, we are actively exploring options to engage with assurance providers and are committed to incorporating an Assurance Statement into our Sustainability Statement by FY2026.



SUSTAINABILITY STATEMENT

BURSA PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023	2024	2025
Bursa (Supply Chain Management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	37	60	76
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100	100	100
Executive	Percentage	100	100	100
Non-executive	Percentage	100	100	100
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Case	0	0	0
Bursa (Energy Management)				
Bursa C4(a) Total energy consumption	kWh	230,408	168,605	160,384
Bursa (Water)				
Bursa C9(a) Total volume of water used	RM	3,183	2,766	3,179
Bursa (Health and Safety)				
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	50	30	62
Bursa (Employee Management)				
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	2	1	0
Executive	Number	40	13	10
Non-executive	Number	10	6	0
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Number	0	1	1
Management Between 30-50	Number	38	38	20
Management Above 50	Number	3	2	5

SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2023	2024	2025
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Executive Under 30	Number	50	63	36
Executive Between 30-50	Number	59	56	37
Executive Above 50	Number	1	1	1
Non-executive Under 30	Number	5	7	5
Non-executive Between 30-50	Number	8	9	7
Non-executive Above 50	Number	0	0	0
Gender Group by Employee Category				
Management Male	Number	25	37	20
Management Female	Number	8	10	6
Executive Male	Number	73	85	49
Executive Female	Number	28	27	25
Non-executive Male	Number	27	16	10
Non-executive Female	Number	3	2	2
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	66.7	66.7	71.4
Female	Percentage	33.3	33.3	28.6
Under 30	Percentage	0	0	0
Between 30-50	Percentage	33.3	33.3	14.3
Above 50	Percentage	66.7	66.7	85.7
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	15	14.7	5
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Training and Development)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	96	404	344
Executive	Hours	3,736	1,680	2,248
Non-executive	Hours	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	45,312	64,249	48,707
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	19	15	18
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	2

SUSTAINABILITY STATEMENT

GRI CONTENT INDEX

Statement of use: Reservoir Link Energy Bhd has reported information cited in this GRI content index for the period of 1 July 2024 to 30 June 2025 in accordance with the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021

Gri Standard/ Other Source	Disclosure Item	Reference Page(s) in Annual Report
GRI 2: General Disclosures 2021		
2-1	Organisation details	44
2-2	Entities included in the organisation's sustainability reporting	44
2-3	Reporting period, frequency and contact point	44
2-4	Restatement of information	44
2-5	External assurance	81
2-6	Activities, value chain and other business relationship	47
2-7	Employees	73
2-8	Workers who are not employees	74
2-9	Governance structure and composition	90 - 91
2-10	Nomination and selection of highest governance body	93
2-11	Chair of the highest governance body	12
2-12	Role of the highest governance body in overseeing the management of impacts	91
2-13	Delegation of responsibility for managing impacts	45, 90, 91
2-14	Role of the highest governance body in sustainability reporting	45, 92
2-15	Conflict of interest	62
2-16	Communication of critical concerns	62
2-17	Collective knowledge of the highest governance body	94, 95
2-18	Evaluation of the performance of the highest governance body	93
2-19	Remuneration policies	93
2-20	Process to determine remuneration	95
2-21	Annual total compensation ratio	96
2-22	Statement on sustainable development strategy	49, 50, 51
2-23	Policy commitments	46
2-24	Embedding policy commitments	46
2-25	Processes to remediate negative impacts	46
2-26	Mechanism for seeking advice and raise concerns	47, 48, 62
2-27	Compliance with laws and regulations	50, 61, 73, 102, 103, 104
2-28	Membership associations	74
2-29	Approach to stakeholder engagement	47, 48
2-30	Collective bargaining agreements	50, 51

SUSTAINABILITY STATEMENT

Gri Standard/ Other Source	Disclosure Item	Reference Page(s) in Annual Report
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	49
3-2	List of material topics	50, 51, 52
3-3	Management of material topics	53, 54, 55, 56, 57
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	61
GRI 205: Anti-corruption 2016		
205-1	Operation assessed for risks related to corruption	47, 48, 50, 53
205-2	Communication and training about anti-corruption policies and procedures	58
205-3	Confirmed incidents of corruption and actions taken	58
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	66
302-4	Reduction of energy consumption	66
GRI 303: Water and Effluents 2018		
303-5	Water consumption	70
GRI 304: Biodiversity 2016		
304-3	Habitats protected or restored	72
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	73
401-2	Benefit provided to full-time employees that are not provided to temporary or part-time employees	74
401-3	Parental leave	74
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	51, 55
403-2	Hazard identification, risk assessment, and incident investigation	26, 50, 53, 57
403-3	Occupational health services	51, 55
403-4	Worker participation, consultation, and communication on occupational health and safety	55
403-5	Worker training on occupational health and safety	76
403-6	Promotion of worker health	75
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	68
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	77
404-2	Programs for upgrading employee skills and transition assistance programs	48, 51, 77

SUSTAINABILITY STATEMENT

Gri Standard/ Other Source	Disclosure Item	Reference Page(s) in Annual Report
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	59, 77, 78
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	79
413-2	Operations with significant actual and potential negative impacts on local communities	72, 79
GRI 416: Customer Health and Safety 2016		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	80
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	80

AUDIT COMMITTEE REPORT

INTRODUCTION

The Board of Directors (“Board”) of Reservoir Link Energy Bhd (“RLEB” or “the Company”) is pleased to present this Audit Committee (“AC”) Report for the financial year end from 1 July 2024 to 30 June 2025 (“FY2025”).

OBJECTIVE

The AC was established by the Board of Directors on 7 February 2020. The primary objectives of the AC are to assist the Board in discharging its duties and responsibilities relating to corporate governance, internal control systems, management, and financial reporting practices of the Company and to ensure proper disclosure to the shareholders of the Company.

COMPOSITION OF THE AUDIT COMMITTEE

The composition of the AC is as follows:

AC Members	Designation	Directorship
Dato’ Ahmad Rizal Bin Abdul Rahman	Chairman	Independent Non-Executive Director
Siti Zurina Binti Sabarudin	Member	Independent Non-Executive Director
Elain Binti Lockman	Member	Independent Non-Executive Director
Rewi Hamid Bugo (<i>Appointed w.e.f 20 June 2025</i>)	Member	Independent Non-Executive Director

The Company has complied with Paragraph 15.09 and 15.10 of the Main Market Listing Requirement of Bursa Securities (“MMLR”) which requires all the AC members to be Non-Executive Directors, with a majority of whom being Independent Directors. The Company has also complied with the Step Up Practice of 9.4 under the Malaysian Code of Corporate Governance (“MCCG”) that the AC should comprise solely of Independent Non-Executive Directors.

Details of the members of the AC are contained in the Profile of Directors as set out on pages 15 to 18 of this Annual Report.

MEETINGS AND ATTENDANCE

During the FY2025, the AC convened a total of five (5) meetings and the details of attendance of each member of the Committee were as follows:

Name of AC Members	No. of the Meeting Attended	Percentage
Dato’ Ahmad Rizal Bin Abdul Rahman (Chairman)	4 of 5	80%
Siti Zurina Binti Sabarudin	5 of 5	100%
Elain Binti Lockman	4 of 5	80%
Rewi Hamid Bugo (<i>Appointed w.e.f 20 June 2025</i>)	0 of 0	-

The minutes of each AC meeting were recorded by the secretary and submitted at the next AC meeting for confirmation, and thereafter presented to the Board for notation.

AUDIT COMMITTEE REPORT

TERMS OF REFERENCE

The AC is guided by its Terms of Reference ("TOR"), which is available on the Company's website at www.reservoirlink.com. The TOR was approved by the Board on 7 February 2020 subsequently reviewed and amended on 23 March 2022 and 26 August 2022 and it shall be assessed, reviewed, and updated where necessary.

SUMMARY OF WORK OF THE AC

During the FY2025, the works carried out by the AC are summarised as follows:

Risk Management & Internal Control

- Reviewed the functions related to Risk Management and recommended to be embedded in an independent Risk Management Committee ("RMC"), which should report directly to the Board.
- Reviewed and approved the TOR of AC aligned with the developments of MMLR and MCCG.
- Reviewed the AC Report and Statement on Risk Management and Internal Control Report prior to submission to the Board for inclusion in the Annual Report.

Financial Reporting

- Reviewed the Group's unaudited quarterly financial statements including the announcement with management pertaining thereto prior to recommending to the Board for approval and release to Bursa Malaysia.
- Reviewed the Group's audited financial statements for FY2025 prior to recommending to the Board for consideration and approval, to ensure that statements and disclosures presented gives a true and fair view of the Group's financial performance in accordance with the Malaysian Financial Reporting Standards as well as the applicable disclosure provisions of MMLR and Companies Act 2016.
- Received and reviewed regular updates from management on the status and implication of major accounting policies and financial reporting standards of the Group. There were no new or revised MFRS in FY2025 that had a material effect on the financial performance or position of the Group.

External Auditors

- Reviewed the external audit plan with the External Auditors, audit strategy and scope of works.
- Discussed and reviewed with the External Auditors on fraud consideration and the impact of the new MACC Act issued by the Malaysian Anti-Corruption Commission.
- Reviewed the competency, efficiency and independence of External Auditors prior to the recommendation to the Board for approval on the reappointment of the External Auditors and their audit fees of the Group.

Internal Audit Function

- Review the appointment of the outsourced professional services firm as Internal Auditor of the Company.
- Reviewed the internal audit plans, and adequacy of scope and coverage on the activities of the Group, taking into consideration the assessment of the key risk areas, which were included and addressed accordingly.
- Reviewed the internal audit reports presented by the Internal Auditor with respect to system and control weaknesses and management's responses and ensured that appropriate actions are taken on the recommendations raised by the Internal Auditors.
- Reviewed the provision of audit services by the Internal Auditor and evaluated their suitability and independence on their reappointment.

Related Party Transactions

- Reviewed the related party transaction ("RPT") policy prior to submission to the Board for consideration and approval.
- Reviewed related party transactions that occurred within the Group to ensure that the transactions entered into were at arm's length basis every quarter.

AUDIT COMMITTEE PERFORMANCE REVIEW

For FY2025, the performance and effectiveness of the AC were reviewed and assessed by the Board through its Remuneration and Nomination Committee ("RNC"). The Board was satisfied that the AC has effectively discharged its duties, functions and responsibilities in accordance with the TOR.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional service firm, Axcelasia Sdn Bhd ("Axcelasia") (formerly known as Tricor Axcelasia Sdn Bhd). The Engagement Directors was Ms. Noor Lilah Wati Binti Abdul Majid who is an Associate Member of Institute of Internal Auditors of Malaysia ("IIAM") and has a Bachelor's Degree in Economics and Social Studies, from the University of Wales, Aberystwyth, United Kingdom. Later she was replaced by Mr. David Low who is also a Professional Member of the IIAM and a Chartered Accountant, Member of the Malaysian Institute of Accountants ("MIA").

The number of staff deployed by Axcelasia for internal audit ranges from 2 to 5 staff per visit including the Engagement Director. The staff involved in internal audit holds professional qualifications and/or university degrees. Most of them are also members of the IIAM. They are free from any relationships or conflicts of interest which could impair their objectivity and independence in conducting internal audit for the Group.

The internal auditors report directly to the AC and assist the Board in performing their duties by independently assessing the adequacy and effectiveness of the internal control system. The establishment of an effective system of internal controls is the primary responsibility of the Board and Management, including the on-going monitoring of its effectiveness and continuous improvement in responding to risks.

During the FY2025, the internal auditors performed their work in accordance with the internal audit plan approved by the AC. The results of the internal audit activities were reviewed and their recommendations were presented to the AC covering, amongst others, the following areas:

1. Business Development, Sales and Marketing Management ("FESB")
 - Strategic business planning.
 - Marketing programmes development & implementation.
 - Customer acquisition process.
 - Customer relationship and engagement management.
 - Business Development plans execution and monitoring.
 - Agent & authorised dealers management.
2. Financial Management ("RLEB")
 - Cashflow planning, working capital management, cashflow forecasting, variance analysis and unplanned cash management.
 - Monitoring of foreign exchange movements, hedging strategies and forex gains/losses management.
 - Credit assessment, credit terms setting, credit control policies and procedures, reminder mechanisms for accruals and debt collection monitoring.
 - Due-Diligence on potential investments (background checks on potential partner/investor), feasibility studies, investments plans and financing cost management.
 - Assessment of funding requirements, contingency plans and funding sources utilisation.
 - Budgetary process and control mechanism (variations and exceptions monitoring).
 - Reconciliation control for key financial information (such as cash and bank, accounts payables, accounts receivables and borrowings).

The outcome of the internal audits were discussed with Senior Management and the Internal Auditors follows-up on the implementation progress of recommendations made to ensure all findings and control concerns have been addressed by the Management in a timely manner. Based on the internal audits performed, none of the weaknesses has resulted in any material losses or contingencies that would require additional disclosure in this Annual Report.

The cost incurred for the internal audit function for the FY2025 under review was approximately RM35,500 excluding Sales and Service Tax and out-of-pocket expenses.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board of Directors (“Board”) of Reservoir Link Energy Bhd (“RLEB” or “the Company”) and its subsidiaries (collectively referred to as “the Group”) is committed to upholding the highest standards of corporate governance across the Group. This commitment forms a fundamental part of the Board’s duties to enhance long-term shareholder value while safeguarding the best interests of the Company’s stakeholders.

As part of this commitment, the Board is pleased to present this Corporate Governance Overview Statement (“this Statement”) to provide shareholders and stakeholders an overview of the Company’s Corporate Governance practices for the financial year ended from 1 July 2024 to 30 June 2025 (“FY2025”).

This Statement is made pursuant to Paragraph 15.25 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read together with the Corporate Governance Report 2025 (“CG Report”) which is available at the Company’s website at www.reservoirlink.com. The detailed applications of the Company’s Practices of the Malaysian Code on Corporate Governance (“MCCG”) can be found in the CG Report.

A BOARD LEADERSHIP AND EFFECTIVENESS

B

C

I. BOARD RESPONSIBILITIES

The Board’s Role

The Board plays a central role in enhancing shareholder value and providing effective leadership to the Group. The Board is primarily responsible for developing the Group’s overall corporate governance framework and strategic plans, overseeing business operations, managing risks and planning for succession within the Group. Moreover, the Board is responsible for implementing investor relations programmes and ensuring the effectiveness of internal controls and the management information system.

The Board remains profoundly aware of its stewardship over the Group and is committed to striking business growth with the highest standards of corporate governance, all with the ultimate aim of safeguarding sustainable long-term shareholder value.

In this regard, the Board has established the Board Charter which serves as a guiding document for the Board. The Board has defined in its Board Charter by setting out the roles, duties and responsibilities of the Board, as well as the principles and practices of corporate governance to be followed, together with the key matters reserved for the Board.

The Board Charter was approved on 7 February 2020 and subsequently reviewed and amended on 23 March 2022 and 16 November 2023 to ensure that it remains relevant and consistent with the MMLR and the MCCG. The Board Charter is published and made available at the Company’s website at www.reservoirlink.com.

Board Committees

To ensure the Board discharges its duties and responsibilities effectively, the Board has established three (3) Board Committees as follows:

- a) Audit Committee (“AC”)
- b) Remuneration and Nomination Committee (“RNC”)
- c) Risk Management Committee (“RMC”)

Hereinafter referred to as (“Committees”)

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The roles, responsibilities and functions of these Committees are set out in their respective Terms of Reference. These Committees operate within their approved Terms of Reference but the ultimate responsibility for the final decisions rests with the Board, taking into account the findings and recommendations brought forward by these committees, except for specific matters delegated by the Board to these Committees.

These Committees support the Board in making well-informed decisions through the reports of findings and recommendations on matters within their respective areas of responsibility. To further enhance good governance, the Independent Non-Executive Directors on these Committees are responsible for providing independent advice, bringing impartiality and scrutiny to Board deliberations and decision-making.

Board Leadership

The Chairman of the Board has been entrusted with the responsibility of instilling good governance practices and leadership in the Board whilst the Executive Deputy Chairman supports the Chairman of the Board and assists in high-level business development and customer relations. Group Chief Executive Officer/Managing Director (GCEO/MD) is the head of management with overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions. The roles of the Chairman, Executive Deputy Chairman and the GCEO/MD are separated and held by different individuals to ensure that there is a balance of power and authority. The clear division of these responsibilities is expressly set out in the Board Charter.

In line with the recommendation of MCCG, the Board has also adopted in its Board Charter that the Chairman of the Board should not be a member of any Board Committees.

Company Secretary

The Board is supported by a Company Secretary, who is qualified to act as Company Secretary under the Companies Act 2016. The Company Secretary is a Chartered Secretary/Chartered Governance Professional who is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). Besides performing her statutory duties under the Companies Act 2016, the Company Secretary also provides the Board with guidance on matters relating to good corporate governance practices affecting the Company. All Board Members have unrestricted access to the advice and services of the Company Secretary.

Board & Committee Meetings

The Company Secretary manages all the Board and committee meetings' logistics and attends and records the minutes of the meetings. The notice and agenda are circulated to all Directors at least seven (7) days in advance, while the Board papers are distributed at least three (3) days prior to the meetings. All pertinent issues discussed and decisions made at the Board Meetings are recorded by the Company Secretary and the minutes are signed by the Chairman upon confirmation by the Board and Board Committees at the subsequent Meeting.

During the FY2025, the Board had eight (8) Board Meetings, the Board and its Committee meeting attendance are outlined below for the FY2025:

Directors	BOD Meeting	AC Meeting	RMC Meeting	RNC Meeting
Datuk Tai Hee	7/8	-	-	-
Dato' Wan Hassan Bin Mohd Jamil	8/8	-	-	-
Thien Chiet Chai	8/8	-	1/1	-
Dato' Ahmad Rizal Bin Abdul Rahman	7/8	4/5	0/1	2/2
Siti Zurina Binti Sabarudin	8/8	5/5	1/1	2/2
Elain Binti Lockman	7/8	4/5	-	2/2
Rewi Hamid Bugo (<i>Appointed w.e.f 20 June 2025</i>)	0/0	0/0	-	0/0

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Good Business Conduct

The Board has put in place a Code of Business Conduct ("COBC") which applies to all directors and employees of the Group to promote a safe working environment, good business conduct, and maintain a healthy corporate culture that engenders integrity, transparency and fairness.

With the implementation of Section 17A of the Malaysia Anti-Corruption Commission Act 2009, the Group formalised the Anti-Bribery and Corruption Policy ("ABC Policy") and Whistleblowing Policy on 28 May 2020 to ensure that the Group's business is conducted in a socially ethical manner and provides an avenue for stakeholders to report any genuine concerns relating to the Group's activities.

The COBC, ABC Policy and the Whistleblowing Policy are published on the Company's website at www.reservoirlink.com. These policies will be reviewed periodically and may be amended as and when necessary to ensure their relevance and effectiveness.

Sustainability Governance

The Board, together with the Management, acknowledges their responsibility for promoting sustainability in areas covering the environment, social and governance ("ESG") while creating value to shareholders. The commitment to sustainability starts with the Board of Directors and senior management and is then reinforced at all levels.

The Board is committed to take accountable action to ensure its remain abreast with the Company's sustainability issues. Material sustainability matters are reviewed periodically in line with the GRI standards for sustainability reporting, with each review drawing on insights from previous assessments to identify potential new topics or areas for improvements. Such topics are then validated through professional, in-depth discussions.

The RNC also recommends the necessary climate-related training programmes for the Board to ensure that the Group maintains a leading role in sustainability governance and practices aligned with its business.

Details on sustainability governance are discussed in the Sustainability Statement section on page 45 of this Annual Report.

II. BOARD COMPOSITION

Board Composition and Diversity

The Board comprises seven (7) members: one (1) Non-Independent Non-Executive Chairman, one (1) Non-Independent Executive Deputy Chairman, one (1) GCEO/MD, and four (4) Independent Non-Executive Directors who meet the criteria of one-third (1/3) independent directorship as set out in the MMLR and that half of the Board comprises of Independent Directors which is in line with Practice 5.2 of the MCCG.

The Board of Directors comprises individuals with a wealth of diverse experiences and backgrounds, encompassing fields such as petroleum engineering, business administration, accounting/finance, legal and economics. The current Board composition is deemed suitable in terms of its size, the depth of skills and expertise it encompasses and the diversity of age among its members. The Board's composition enriches the Group by promoting a wider spectrum of perspectives and thereby enhancing the quality of decision-making.

The Board previously achieved more than 30% women representation. However, following the recent appointment of an additional Independent Director, the proportion of women on the Board now stands at two (2) Independent Non-Executive Directors, representing 28.57% of the Board's composition. While this is slightly below the MCCG's recommendation of 30%, the Company remains mindful of this requirement and is actively seeking suitable women candidates who meet the objective criteria and merit, with due regard for diversity in skills, experience, and age.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board recognises that for the best interests of shareholders and the long-term sustainability of the Group's business, the selection of potential directors and employees should be based solely on merit, skills and experience, without any bias towards cultural background or gender. As such, the Board upholds the responsibility to ensure that all director appointments and employee hiring processes are free from any form of discrimination.

In furtherance, the Board is mindful of the tenure limit for Independent Directors. Upon reaching the nine (9) year limit, the Independent Director may be re-designated as a Non-Independent Director. If the Board intends to retain them as Independent Directors, they must justify this decision and seek shareholders' approval through a two-tier voting process at Annual General Meeting ("AGM"). Furthermore, any Independent Director who has exceeded the 12-year period must either resign as an Independent Director or be re-designated as a Non-Independent Director. Currently, no Independent Directors of the Company have served on the Board for more than nine (9) years.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee ("RNC") is chaired by an Independent Non-Executive Director, Ms Siti Zurina Binti Sabarudin, the Board has established a formal and transparent procedure on the appointment, re-election and assessment of Directors and the Board Committees.

During the FY2025, the RNC had carried out key activities included the following:

- reviewed the required size, mix of skills, experiences and other qualities of the Board Members;
- evaluated the effectiveness of the Board and the Committees of the Board;
- reviewed the terms of office and performance of the Audit Committee;
- reviewed the re-election of Directors due for retirement by rotation;
- reviewed the remuneration package of Senior Management of the Group;
- reviewed the remuneration package of the Executive Directors;
- reviewed and recommended the Remuneration Policy for Directors and Senior Management prior to Board's approval;
- reviewed the Directors' Fees for the FY2025;
- recommended the other benefits payable to Directors for the FY2025;
- recommended the training or workshop for the Directors; and
- assessed and recommended the appointment of a proposed new Independent Director.

Based on the evaluation results performed by RNC and the Board on 6 October 2025, the Board was satisfied with the performance of each individual Director and its Board Committees. All Independent Non-Executive Directors have fulfilled the independence standards prescribed under the MMLR.

According to the Company's Constitution, all Directors who are appointed by the Board are subject to election by shareholders at the first Annual General Meeting of the Company after their appointment. Thereon, an election of Directors shall take place every year where one-third (1/3) of the Directors for the time being or, if their number is not three (3) or multiple of three (3), then the number nearest to one-third (1/3) shall retire but shall be eligible for re-election; provided always that all Directors shall retire from office at least once in every three (3) years.

Furthermore, the appointment of new Directors is considered and decided by the Board based on the recommendation of the RNC. The RNC shall consider the required mix of skills, experience, character, ability to dedicate sufficient time to fulfil his/her responsibilities as a member of the Board, and the core competencies which the new Director can bring to the Board.

In this regard, the RNC is guided by the Fit and Proper Policy to ensure that any person to be appointed or elected/re-elected as a Director of the Group must meet the criteria set out in the Policy. The execution of the Policy is delegated to the RNC and will be reviewed and updated periodically by the Board, or at any time when the Board deems proper. The Fit and Proper Policy is available on the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Gender Policy

The Company has no specific policy on gender, age or ethnicity for candidates to be appointed to the Board. The evaluation of the suitability of candidates is based on the candidates' competency, character, time commitment, integrity and experience in meeting the needs of the Company.

The Nomination Committee will however continue to take steps to ensure that gender, age and ethnicity of the candidates will be taken into consideration as part of its recruitment exercise.

Directors' Training

All Directors have completed the Mandatory Accreditation Programme Part II – Leading for Impact (LIP) prescribed by Bursa Malaysia within the stipulated timeframe, thereby fulfilling Bursa Malaysia's requirement for completion by 1 August 2025. During FY2025, the Directors also attended various training programmes to ensure they remain abreast of current issues and challenges affecting the business environment in which the Group operates.

The following are the trainings including seminars, workshops and conferences attended by the Directors during the FY2025:

Directors	Seminars, Workshops, Conferences and Courses Attended	Date
Datuk Tai Hee	Mandatory Accreditation Program Part II – Leading for Impact (LIP); by Institute Corporate Directors Malaysia (ICDM), Kuala Lumpur	9 – 10 April 2025
Dato' Wan Hassan Bin Mohd Jamil	7th Malaysia Oil & Gas Services Exhibition and Conference – MOGSEC 2024, Kuala Lumpur Convention Centre - Well Services Technical Solutions Day, Archer Well Services - Decarbonize 360 – Accelerating Business Opportunities for A Net-Zero Future by MOGSC, Royale Chulan Kuala Lumpur - ICoTA Asia Chapter (Intervention & Coiled Tubing Association), Kuala Lumpur Convention Centre - Mandatory Accreditation Program Part II – Leading for Impact (LIP); by Institute Corporate Directors Malaysia (ICDM), Kuala Lumpur - Kursus Integriti dan Kod Etika Kontraktor, by Lembaga Pembangunan Industri Pembinaan Malaysia dan Suruhanjaya Pencegahan Rasuah Malaysia	25 – 27 September 2024 9 December 2024 16 January 2025 19 February 2025 26 – 27 May 2025 3 September 2025
Mr. Thien Chiet Chai	- OGA Oil & Gas Asia 2024, Powering Progress Towards a Sustainable Energy Landscape, Kuala Lumpur Convention Centre - Decarbonize 360 – Accelerating Business Opportunities for A Net-Zero Future by MOGSC, Royale Chulan Kuala Lumpur - Mandatory Accreditation Program Part II – Leading for Impact (LIP); by Institute Corporate Directors Malaysia (ICDM), Kuala Lumpur - SNEC 18th International Photovoltaic Power Generation and Smart Energy Exhibition & Conference, National Exhibition and Convention Centre (Shanghai), China	25 – 27 September 2024 16 January 2025 26 – 27 May 2025 11 – 13 June 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors	Seminars, Workshops, Conferences and Courses Attended	Date
Mr. Thien Chiet Chai	Kursus Integriti dan Kod Etika Kontraktor, by Lembaga Pembangunan Industri Pembinaan Malaysia dan Suruhanjaya Pencegahan Rasuah Malaysia	24 September 2025
Dato' Ahmad Rizal Bin Abdul Rahman	- Board Room Insights 2025: Navigating Governance, Risks and Strategic Foresight, by Institute of Corporate Directors of Malaysia, Kuala Lumpur "RDS Legal & Tax Briefing", by Rosli Dahlan & Saravanan, Kuala Lumpur "The Journey into AI", By Bursa Malaysia & Institute of Corporate Directors of Malaysia; Kuala Lumpur "National Training Week 2025 - How ASEAN's evolving Tariff Landscape Shaping Business, Talent & Skills Development", by Asia School of Business, Kuala Lumpur "Connecting Care with Clicks 2025", by Medical Channel Asia, Kuala Lumpur "Leading for Longevity: The Board's Role in Driving Innovation", by Institute of Corporate Directors of Malaysia, Kuala Lumpur	17 December 2024 18 February 2025 17 June 2025 18 June 2025 21 June 2025 10 July 2025
Ms. Siti Zurina Binti Sabarudin	- Carbon Credit Conference, from Carbon Accounting, ESG Reporting to ESG End-to-end Sustainability Platform Solutions, by UPM with Unity BBS Trust and others - Single Family Office Summit by Securities Commission Malaysia	16 May 2025 22 May 2025
Ms. Elain Binti Lockman	Mandatory Accreditation Program Part II – Leading for Impact (LIP); by Institute Corporate Directors Malaysia (ICDM), Kuala Lumpur	19 - 20 March 2025
Encik Rewi Hamid Bugo (Appointed w.e.f 20 June 2025)	-	-

III. REMUNERATION

The remuneration of Executive Directors is aligned with individual and corporate performance, commensurate with their scale of responsibilities. The RNC makes recommendations to the Board on all elements of their remuneration, terms of employment, reward structure and other benefits which are subject to the Board's approval.

The Board Charter stipulates that the Board determines the remuneration of the Non-Executive Directors which is subject to shareholders' approval at the AGM. Non-Executive Directors receive fees and meeting allowances for discharging their responsibilities and for the Board and Committee Meetings.

The Directors' remuneration is determined at levels that enable the Company to attract and retain Directors with relevant calibre and skills to manage the operations and business of the Group effectively and competently.

On 6 October 2025, the RNC reviewed and recommended the remuneration package and directors' fee to the Board.

A summary of the Directors' remuneration for FY2025 distinguishing between Executive and Non-Executive Directors, presented in aggregate for the Company and the Group, with categorisation into appropriate components, is set out in the CG Report 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Group Level	Director Fees (RM)	Salaries & Bonuses (RM)	Meeting Allowances (RM)	Other Emoluments (RM)	Benefit-in-kind (RM)	Total (RM)
Executive Directors						
Dato' Wan Hassan Bin Mohd Jamil	30,000	534,332	-	183,609	7,200	755,141
Thien Chiet Chai	30,000	534,332	-	183,609	7,200	755,141
Non-Executive Directors						
Datuk Tai Hee	72,000	-	7,000	-	-	79,000
Dato' Ahmad Rizal Abdul Rahman	72,000	-	13,000	-	-	85,000
Siti Zurina Binti Sabarudin	60,000	-	16,000	-	-	76,000
Elain Binti Lockman	60,000	-	13,000	-	-	73,000
Rewi Hamid Bugo	1,833	-	-	-	-	1,833
TOTAL	325,833	1,068,664	49,000	367,219	14,400	1,825,115

Company Level	Director Fees (RM)	Salaries & Bonuses (RM)	Meeting Allowances (RM)	Other Emoluments (RM)	Benefit-in-kind (RM)	Total (RM)
Executive Directors						
Dato' Wan Hassan Bin Mohd Jamil	24,000	534,332	-	183,609	7,200	749,141
Thien Chiet Chai	24,000	534,332	-	183,609	7,200	749,141
Non-Executive Directors						
Datuk Tai Hee	72,000	-	7,000	-	-	79,000
Dato' Ahmad Rizal Abdul Rahman	72,000	-	13,000	-	-	85,000
Siti Zurina Binti Sabarudin	60,000	-	16,000	-	-	76,000
Elain Binti Lockman	60,000	-	13,000	-	-	73,000
Rewi Hamid Bugo	1,833	-	-	-	-	1,833
TOTAL	313,833	1,068,664	49,000	367,219	14,400	1,813,115

- The Company's director fees are subject to the shareholders' approval at the Annual General Meeting, as set out in the Notice of AGM.
- Meeting attendance allowance has been approved during the previous Annual General Meeting held on 3 December 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The top five (5) Key Senior Management personnel's remuneration received during the FY2025 is categorised within the band as follows:

Remuneration Band (RM)	Number of Key Senior Management
350,001 - 400,000	2
500,001 - 550,000	2
550,001 - 600,000	1

The Board is of the opinion that the disclosure of the Senior Management Personnel names and the remuneration component including salary and bonus, benefits in-kind and other emoluments would be unfavourable to the Group due to the intense competition, scarcity for talents and to safeguard its Senior Management retention efforts.

A B EFFECTIVE AUDIT AND RISK MANAGEMENT C

I. AUDIT COMMITTEE

The Audit Committee composition comprises four (4) members, who are all Independent Non-Executive Directors, as below:

- Dato' Ahmad Rizal Bin Abdul Rahman (Chairman) – Independent Non-Executive
- Ms Siti Zurina Binti Sabarudin – Independent Non-Executive
- Ms Elain Binti Lockman – Independent Non-Executive
- Encik Rewi Hamid Bugo (*appointed w.e.f 20 June 2025*) – Independent Non-Executive

The positions of Board Chairman and AC Chairman are different individuals and hence allow the Board to review the AC's findings and recommendations objectively.

The profile of the AC Chairman is set out in the Profile of Directors in this Annual Report. Accordingly, the Company complies with Paragraph 15.09 (1) (c) (i) of the MMLR.

During the financial period, five (5) meetings were carried out with attendance as follows:

Name of AC Members	No. of the Meeting Attended	Percentage
Dato' Ahmad Rizal Bin Abdul Rahman (Chairman)	4 of 5	80%
Siti Zurina Binti Sabarudin	5 of 5	100%
Elain Binti Lockman	4 of 5	80%
Rewi Hamid Bugo (<i>appointed w.e.f 20 June 2025</i>)	0 of 0	-

Oversight of External Auditors

The Board, through its Audit Committee maintains a formal and transparent relationship with its External Auditors. The Board had delegated the responsibility to the Audit Committee for making recommendations on the appointment, re-appointment or removal of the External Auditors as well as on their remunerations. The Audit Committee ensured that the External Auditors work closely with the Internal Auditors to enhance the effectiveness of the overall audit process. The Audit Committee assessed the performance and effectiveness of the External Auditors annually, considering amongst others, their qualifications, effectiveness of the audit process, quality of service and their independence.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The External Auditors also confirmed to the Audit Committee that they had remained independent throughout the audit engagement in respect of the financial year under review.

Details of the audit and non-audit fees paid to the External Auditor for the FY2025 are as follows :-

	The Group RM	The Company RM
Statutory audit fees paid to the External Auditor	423,537	195,000
Non-audit fees paid to the External Auditor	-	-

Details of activities carried out by the AC in FY2025 are disclosed on page 88 of this Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board is assisted by the Audit Committee and Risk Management Committee in discharging its responsibility for maintaining sound internal control and risk management systems within the group, including reviewing their adequacy and effectiveness, to protect shareholders' investments and the assets of the Group.

The Risk Management Committee has been tasked to review the ongoing enterprise risk management process i.e., identify, evaluate, and manage significant risks of the Group and report to Board on a yearly basis.

Meanwhile, an outsourced independent professional service provider was appointed to assist the Audit Committee and the Board in performing their duties by independently assessing the adequacy and effectiveness of the internal control system established by the Management.

The Statement on Risk Management and Internal Control set out on pages 101 to 105 of this Annual Report provides further details of risk management activities and internal audit functions within the Group.

Internal Audit Function

The Group's internal audit function is outsourced to an independent professional service provider, which adopts the International Professional Practices Framework of the Institute of Internal Auditors Malaysia ("IIAM"), an international professional association of internal auditors, in carrying out internal audit assignments on the Group.

During the FY2025, the AC reviewed the work of the internal audit function, its observations, and recommendations to ensure that the AC obtained the necessary level of assurance with respect to the adequacy and operating effectiveness of the system of internal control. A follow-up visit is to be performed to monitor the implementation progress of audit recommendations to ensure all audit findings and control concerns have been addressed by the management in a timely manner.

Further information on the internal audit function is disclosed in the Statement on Risk Management and Internal Control set out on page 104 of the Annual Report 2025.

An outsourced independent professional service provider, Axcelasia Sdn Bhd (formerly known as Tricor Axcelasia Sdn Bhd) was appointed to assist the AC and the Board in performing their duties by independently assessing the adequacy and effectiveness of the internal control system established by the management.

The Engagement Directors was Ms. Noor Lilah Wati Binti Abdul Majid who is an Associate Member of IIAM and has a Bachelor's Degree in Economics and Social Studies, from the University of Wales, Aberystwyth, United Kingdom. Later she was replaced by Mr. David Low who is also a Professional Member of the IIAM and a Chartered Accountant, Member of the Malaysian Institute of Accountants ("MIA").

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The number of staff deployed by Axcelasia Sdn Bhd for the internal audit ranges from three (3) to four (4) per visit, including the Engagement Director. The staff involved in the internal audit hold professional qualifications and/or a university degrees and most of members are professional member of IIAM. They are free from any relationships or conflicts of interest which could impair their objectivity and independence in conducting internal audits for the Group.

The internal audits were conducted in accordance with an approved risk-based internal audit plan and were guided by the International Professional Practice Framework.

A B C INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

The Group is committed to ensuring effective and timely disclosure of corporate information to its stakeholders and has established a Corporate Disclosure Policy on 23 November 2020, which was subsequently revised on 29 August 2022. The policy outlines the approach towards the determination and dissemination of material information, to maintain the confidentiality of information, and disclosure to Bursa Securities. It also covers monitoring and responding to market rumours, leaks and inadvertent disclosures and restrictions on insider trading.

I. ENGAGEMENT WITH STAKEHOLDERS

The Company's corporate website at <https://reservoirlink.com> serves as one of the convenient ways for shareholders and stakeholders to gain access to corporate information, news, and events relating to the Group. Under the Investors section on the Company's corporate website, it provides relevant links to the Company's announcements including corporate information, corporate governance, financial information, stock information, investor centre & reports and investor resources. It serves as a platform for timely information and accurate disclosure of all material information to the stakeholders of the Company.

In addition to the disclosures and announcements made to Bursa Malaysia i.e., quarterly financial reports, the Annual Report, and media releases, any inquiry regarding the Group may be directed to this email address investor.relation@reservoirlink.com.

The Company's AGM will also serve as the principal forum for dialogue and interaction among shareholders. Shareholders are welcome to participate in the question & answer session.

Details on relevant focused areas, engagement approach and frequency of engagement with the stakeholders are discussed in the Sustainability Statement section on pages 47 to 48 of this Annual Report.

Corporate Disclosure Policy

The Group established a Corporate Disclosure Policy on 23 November 2020 and subsequently revised on 29 August 2022. This policy outlines the approach towards the determination and dissemination of material information, to maintain confidentiality of information, and disclosure to Bursa Malaysia. It also covers monitoring and responding to market rumours, leaks, inadvertent disclosures and restrictions on insider trading.

Enhancing ESG Reporting

The nature and pace of change in businesses today have evolved significantly, with stakeholders placing greater emphasis on a company's future performance and its ESG practices. In response to this growing demand, the Company remains committed to enhancing the quality, transparency and accountability of its disclosures guided by globally recognised sustainability and reporting frameworks.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

II. CONDUCT OF GENERAL MEETING

The Company's General Meetings remain the main channel of communication with the Company's shareholders. The Chairman and Chair of all Board Committees are fully aware of their responsibilities and would commit themselves to attend all General Meetings to respond to shareholders' questions that fall within their respective scope of responsibilities.

The AGM will be conducted physically in Kuching, Sarawak. Notice for the upcoming AGM is to be provided 28 days in advance for the shareholders to make necessary arrangements to attend the general meetings and exercise their rights.

COMPLIANCE STATEMENT

The Board is satisfied that the Group has substantially complied with the majority of the practices of the MCCG throughout the financial period. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.

This Corporate Governance Overview Statement is made in accordance with the resolution of the Board of Directors on 14 October 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“Board”) of Reservoir Link Energy Bhd (“Reservoir Link” or “the Group”) is pleased to present its Statement on Risk Management and Internal Control (“SORMIC”) for financial year ended 30 June 2025 (“FY2025”), which has been prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (“MLLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and Practices 10.1 and 10.2 of Malaysian Code on Corporate Governance (“MCCG”), and in line the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”). The following statement outlines the nature and scope of the Group’s system of internal control and risk management during FY2025.

BOARD’S RESPONSIBILITIES

The Board acknowledges its overall responsibility for the Group’s system of risk management and internal control and is dedicated maintaining an ongoing process for reviewing its adequacy and integrity in order to safeguard shareholders’ investment and the Group’s assets.

The Board has delegated the responsibilities to the Audit Committee (“AC”) and Risk Management Committee (“RMC”) to provide oversight of the Group’s risk management and internal control systems. The AC and RMC are tasked to support the Board in fulfilling its fiduciary responsibilities by evaluating the adequacy, effectiveness, and integrity of the Group’s risk management and internal control systems. The adequacy and effectiveness of internal controls are reviewed by the AC in relation to the audits conducted by Internal Audit (“IA”) during the year while the Board through the RMC, review the Group’s risk management report and relaying any risk-related concerns to the Management. The responsibility for approving the Group’s risk management framework, which outlines the objectives, principles, activities, and areas of responsibility for risk management, rests with the Board.

Additionally, the Board is responsible for overseeing the effectiveness of the framework and delegating the responsibility for implementing the associated policies and procedures to Management.

RISK MANAGEMENT FRAMEWORK

Reservoir Link acknowledges that risk management contributes to effective management practices and strong corporate governance by improving decision-making, enhancing outcomes, and promoting accountability. The Group has adopted the ISO 31000:2018 principles and

general guidelines on risk management, which assist in identifying, assessing, managing, and monitoring significant risks, ensuring that its risk management process aligns with industry best practices.

ENTERPRISE-WIDE RISK MANAGEMENT (“ERM”)

The design and implementation of the Group’s ERM are vital elements that facilitate Reservoir Link to proactively manage business risks and build resilience throughout the organisation. The risk governance structure outlined below shows how Reservoir Link consistently communicates its risk management policies, procedures, and key principles:



The Risk Management Report (“RMR”), prepared by Senior Management, delivers regular updates to the RMC about risks that could potentially harm the Group’s performance. The report also outlines information on mitigating measures and key indicators that evaluate the severity of these risks. The RMC reviews the RMR, offers feedback and input, and continuously monitors the mitigating actions and risk indicators.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Senior Management also maintains a risk register that includes both strategic and operational risks, as well as financial and compliance risks associated with the business. The document is formally reviewed on an annual basis, with emerging risks incorporated as they arise. The key risk register is discussed in Management Committee Meetings as required and reported annually to the Board through the RMC. The seven steps for managing risks identified in the risk register are as follows:



The Group consistently reviews and monitors the implementation and effectiveness of its risk management process, ensuring the cultivation of a strong risk management culture throughout the organisation.

TOP FIVE (5) GROUP RISKS

In FY2025, a risk assessment exercise was carried out, demonstrating our commitment to proactive risk management. The results of this assessment were reviewed by the RMC as part of our thorough governance process and subsequently presented to the Board for approval on 28 August 2024. The Group's top five (5) identified risks are summarised below, along with a brief explanation of the corresponding mitigation actions:

1 Loss of operational license (Oil & Gas)

The Group is facing regulatory challenges affecting its operations, notably a conflict of interest involving Company directors who are also a directors and shareholders of another public listed company in the same industry, which has triggered a conflict of interest in the PETRONAS Licensing Management System ("PLMS"). Additionally, the Group is also unable to renew its 2024 Explosive Permit Storage for a new bunker at Kemaman Supply Base due to a delay in approval by the Kementerian Dalam Negeri ("KDN"), relying instead on a third-party logistics provider's permit to import and transport explosives using other bunkers in Batu Arang and Bentong.

Mitigation:

- Immediate assessment at site level to identify and assess all applicable laws, regulations, approvals, license, permits and corporate requirements meeting PETRONAS License and others license requirements.
- Quarterly check mechanism for new licensing updates/requirement to identify key stakeholders to engage and rectify.
- Monitoring process in place to monitor expiry/renewal dates, timeline for submission and identify and understand the relevant requirement.
- Continue to build good rapport/relationship with authorities/regulatory to be alerted on any new updates on regulatory requirements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

2 Project delay (Renewable Energy)

There are 10 out of 26 projects for Large Scale Solar ("LSS") and 9 out of 21 projects for Commercial & Industrial Solar ("C&I") experienced delays in completion. Amongst the factors contributing to the delay include delay in approval by local authority, untimely arrival of materials and adverse weather conditions that could affect in carrying out works especially installations as it is performed at an open site area.

Mitigation:

- Pre-job meeting is conducted prior to project commencement.
- Re-planning of project financial arrangement according to project new timeline.
- Timely procure and supply of materials and equipment according to new timeline.

3 Over-reliance on key customers (Renewable Energy)

Losing major clients could negatively affect our operating results due to their substantial contribution to our revenue. At least 27% of the order book value is contributed by one (1) key/major customer.

Mitigation:

- Diversification of services/solutions and identification of new business opportunities.
- Review Business Development activities and develop action plans.
- Regular engagement meeting with variety of customers.

4 Change in government's policy regulations (Renewable Energy)

Renewable energy, particularly solar, is heavily regulated by the Government, and a halt in additional quotas could disrupt the market, especially with uncertainties in the political landscape in Malaysia. To manage this risk, the Group is exploring other renewable energy services such as energy storage solutions in the market.

Mitigation:

- Diversification of services into the Solar Investment segment.
- Maintain updated on all applicable laws, and regulations by the government.
- Continue to build good rapport/relationship with authorities/regulatory to be alerted on any new updates on regulatory requirements.

5 Liquidity risk (Group)

The Group's liquidity position is supported by ongoing corporate exercises, including a private placement of up to 30% of issued shares valued at RM25.1 million, of which RM8.0 million has been received from the first two tranches, with the remaining RM17.1 million expected in subsequent tranches. In addition, RLEB has access to a fund from financial institutions and, given the current portfolio of ongoing projects, does not anticipate liquidity challenges at this time.

Mitigation:

- Reservoir Link perform pre-mobilisation audits and inspections, including System Integration Tests, Factory Acceptance Tests, and Site Acceptance Tests, to ensure all safety measures are in place before project commencement.
- Working capital management to monitor the use of current assets and liabilities.
- Cash flow forecast is prepared, and cost variance analysis is performed to identify the difference between budget and actual spending and causes of the differences.
- Ability to draw down on facilities.

The Group's risk management practices, as outlined above, constitute an ongoing process for identifying, evaluating, and managing significant risks from the review year through to the approval date of this Statement. The Board will continue to assess and refine the Group's risk management process to ensure it remains aligned with the Group's evolving needs.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT

The Group's internal audit function is outsourced to an independent audit service provider, Axcelasia Sdb Bhd (formerly known as Tricor Axcelasia Sdn Bhd), responsible for conducting an objective assessment of the adequacy, effectiveness, and integrity of the Group's risk management and internal control systems. All personnel assigned by Axcelasia to this engagement are free from any relationships or conflicts of interest that could compromise their objectivity and independence throughout the internal audit process.

In performing its duties, the internal audit function has unrestricted access to the Group's relevant records, personnel, and physical assets. The internal audit review was conducted and completed based on an approved risk-based audit plan and in compliance with the International Professional Practice Framework.

The results of the internal audit reviews and the associated recommendations for improvement are presented to the Board through the Audit Committee. Following these reviews, the Board believes that none of the identified control weaknesses pose a risk of material loss or significant adverse impact on the Group that would necessitate separate disclosure in the Annual Report. For areas requiring attention, measures have been and continue to be implemented to ensure the ongoing adequacy and effectiveness of internal controls, thereby safeguarding shareholders' investments and the Group's assets. In FY2025, the Board reviewed internal audit reports on 21 November 2024 and 23 May 2025. Two (2) audit cycles were conducted during the financial year, with the internal audit function costing approximately RM35,500, excluding Sales and Service Tax and out-of-pocket expenses.

Further details of the internal audit function are outlined in the Audit Committee Report on page 89 of this Annual Report.

OTHER KEY ELEMENTS OF INTERNAL CONTROLS

The following outlines additional key components of the Group's internal control systems, further demonstrating our commitment to robust corporate governance.

Components	Key Internal Control Elements
Organisation Structure and Authorisation Procedures	The Group has implemented an organisational structure that includes a clearly defined limits of authority, delegation of responsibility and reporting lines to facilitate effective and efficient decision-making processes. The Board committees that have been established including Audit Committee, Remuneration and Nomination Committee and Risk Management Committee which further enhance governance oversight and contribute to the Group's overall strategic direction.
Monitoring and Review	The Management Committee convenes monthly to discuss and review business and financial performance, Health, Safety & Environment (HSE) issues, Anti-Bribery and Corruption (ABC) updates, sustainability matters, business development, operational activities, and other departmental updates. The meetings include participation from the Executive Deputy Chairman, Group Chief Executive Officer/Managing Director (GCEO/MD), Chief Executive Officers, Chief Financial Officer, Senior Management, and/or Heads of Department. The Management regularly updates the Audit Committee, Remuneration and Nomination Committee, Risk Management Committee, and the Board on performance, either quarterly or as necessary. This reporting system keeps the Board informed about key issues related to internal controls, risk management, and regulatory compliance. Through this ongoing communication, the Board ensures that business goals are achieved and that Management implements timely corrective actions as required.
Group Policies and Procedures	Internal policies, procedures, and guidelines are regularly maintained and reviewed to ensure they effectively guide operations in compliance with applicable laws, regulations, and internal control standards.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Components	Key Internal Control Elements
ISO Certification	The Group is committed to fulfilling customer expectations and maintaining high standards of quality, while ensuring compliance with relevant oil and gas regulations and prioritising worker health and safety. To support these goals, our operations are certified under ISO 9001:2015 (Quality Management System), ISO/TS 29001:2010 (Quality Management System), and ISO 45001:2018 (Occupational Health and Safety Management System).
Integrity and Ethical Conduct	Acknowledging the vital influence of leadership in fostering a positive organisational culture, the Board highlights the importance of establishing a strong "tone from the top". To support this approach, the Board has adopted the Code of Business Conduct ("COBC") and the Anti-Bribery Management System ("ABMS"). These frameworks embed crucial ethical principles that Directors, Management, employees, and business partners are expected to uphold, promoting a culture of ethical business practices throughout the Group.
Whistleblowing Policy	The Whistleblowing Policy was implemented to offer stakeholders a safe and confidential means for reporting any improper behavior within the Group. It outlines the oversight responsibilities, reporting procedures, and protections for whistleblowers to ensure a transparent and secure process.

REVIEW BY EXTERNAL AUDITOR

The external auditor has reviewed this Statement on Risk Management and Internal Control for incorporation into the Annual Report for the FY2025. This review complies with Paragraph 15.23 of Bursa Malaysia Securities Bhd's Main Market Listing Requirements and follows the guidelines set by the Malaysian Institute of Accountants (MIA).

The external auditors have informed the Board that they have not identified any issues suggesting that this Statement is not prepared in accordance with the requirements outlined in Paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is it factually inaccurate.

CONCLUSION

The Board acknowledges that while the Group's risk management and internal control systems are designed to mitigate risks, they cannot provide absolute assurance against the occurrence of any material misstatements, losses, or fraud. Nevertheless, the Board and the AC and RMC are committed to maintaining a robust system of risk management and internal control that aligns with our evolving business needs and supports our strategic goals.

The Executive Deputy Chairman and Chief Financial Officer have assured the Board that the risk management and internal control systems were operating effectively in all material respects for FY2025 and up to the date of this statement.

This Statement on Risk Management and Internal Control was approved by Board of Directors dated 14 October 2025.

ADDITIONAL INFORMATION

AUDIT AND NON-AUDIT FEES PAID TO EXTERNAL AUDITORS

Details of statutory audit and non-audit fees payable to the external auditors for the FY2025 are set out as below;

	The Group RM	The Company RM
Audit services	423,537	195,000
Non audit services	-	-
Total	423,537	195,000

MATERIAL CONTRACTS OR LOANS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS

During the FY2025, there were no material contracts or loan entered by the Company and its subsidiaries involving Directors and major shareholder's interest.

UTILISATION OF PROCEEDS FROM PRIVATE PLACEMENTS

The gross proceeds raised from the Private Placement of RM10.7 million are intended to be utilised in the following manner:

No.	Purpose	Proposed Utilisation (RM'000)	Actual Utilisation up to 30 June 2025 (RM'000)	Transfer (RM'000)	Balance Unutilised (RM'000)	Estimated Timeframe for Utilisation
1.	Acquisition of 30% equity interest in Propel Maxflo Sdn Bhd	7,390	(7,390)	-	-	Within 12 months from the receipt of funds
2.	Working Capital	2,982	(1,180)	220	2,022	Within 12 months from the receipt of funds
3.	Estimated expenses for the Proposed Private Placement	300	(80)	(220)	-	Upon completion of the Proposed Private Placement
Total		10,672	(8,650)*	-	2,022**	

* The actual utilisation of RM8.7 million is based on the fund raised from the following tranches:

- i) On 17 April 2025, we have place out first tranche of 14,500,000 units of shares for RM4.6 million.
- ii) On 29 April 2025, we have place out second tranche of 11,460,000 units of shares for RM3.6 million.
- iii) On 21 May 2025, we have place out third tranche of 1,500,000 units of shares for RM0.5 million.

** The balance unutilised is subject to further tranches of private placement which have yet to be placed out.

ADDITIONAL INFORMATION

EMPLOYEE SHARE OPTION SCHEME (“ESOS”)

During the FY2023 the Group has one (1) ESOS in existence and the said ESOS is governed by the By-Laws approved by the shareholders during the Meeting of Members held on 1 April 2021. On 26 May 2023, a total of 43,356,750 ESOS options under the ESOS scheme was offered to the eligible directors and employees at RM0.2756 per share.

The information in relation to the ESOS as at 30 June 2025 is as follows:

	Aggregate for Staff	Aggregate for Directors
Granted	4,934,700	16,607,025
Exercised	105,000	-
Forfeited	494,300	3,400,000
Total options or shares outstanding as at 30 June 2025	4,335,400	13,207,025

The option offered to the Executive Directors are open-ended and valid as of 30 June 2025.

Name of Executive Directors	Amount of Option Granted	Amount of Option Accepted	Amount of Option Exercised
Dato' Wan Hassan Bin Mohd Jamil	4,335,675	-	-
Thien Chiet Chai	4,335,675	-	-
Mad Haimi Bin Abu Hassan	4,335,675	-	-

There were new options granted pursuant to ESOS during the FY2024 to the Non-Executive Directors. The breakdown of the options exercised by the Non-Executive Directors pursuant to the ESOS was as follows:

Name of Non-Executive Directors	Amount of Option Granted	Amount of Option Accepted	Amount of Option Exercised
Datuk Tai Hee	3,000,000	-	-
Dato' Ahmad Rizal Bin Abdul Rahman	200,000	-	-
Elain Binti Lockman	200,000	-	-
Siti Zurina Binti Sabaruddin	200,000	200,000	-



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DIRECTORS' REPORT

For the financial year ended 30 June 2025

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The subsidiaries are principally engaged in oil and gas field services, trading in petroleum drilling equipment and the provision of related engineering services, provision of well perforation and well leak repair services, developing and providing oil and gas production enhancement services and sand management solutions, investment holding and renewable energy activities, oil and gas extraction service activities, installation of non-electric solar energy collectors, and provision of wastewater treatment services. The principal activities of its subsidiaries are disclosed in Note 10 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the year, net of tax	27,839,362	35,067,954
Profit attributable to:		
Owners of the Company	27,458,300	35,067,954
Non-controlling interests	381,062	-
	27,839,362	35,067,954

DIVIDENDS

No dividends were paid, declared or proposed since the end of the previous financial year.

The Directors do not recommend the payment of any dividend for the financial year ended 30 June 2025.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year have been disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its total number of issued and paid-up share capital from 316,823,000 ordinary shares amounting to RM55,763,117 to 362,423,000 ordinary shares amounting to RM69,985,043, by way of:

- issuance of 5,330,000 new ordinary shares through private placement exercise at an issue price of RM0.3050 per ordinary share on 25 July 2024;
- issuance of 12,705,000 new ordinary shares at an issue price of RM0.70 per ordinary share on 9 August 2024, for the settlement of the contingent consideration of RM3,910,119 being the balance of the purchase consideration for the acquisition of Founder Energy Sdn. Bhd;

DIRECTORS' REPORT

For the financial year ended 30 June 2025

ISSUE OF SHARES AND DEBENTURES (CONTINUED)

During the financial year, the Company increased its total number of issued and paid-up share capital from 316,823,000 ordinary shares amounting to RM55,763,117 to 362,423,000 ordinary shares amounting to RM69,985,043, by way of (continued):

- (c) issuance of 50,000 new ordinary shares through Employees' Share Option Scheme ("ESOS") at an issue price of RM0.2756 per ordinary share on 4 March 2025;
- (d) issuance of 14,500,000 new ordinary shares through private placement exercise at an issue price of RM0.3150 per ordinary share on 16 April 2025;
- (e) issuance of 11,460,000 new ordinary shares through private placement exercise at an issue price of RM0.3150 per ordinary share on 28 April 2025;
- (f) issuance of 55,000 new ordinary shares through ESOS at an issue price of RM0.2756 per ordinary share on 2 May 2025; and
- (g) issuance of 1,500,000 new ordinary shares through private placement exercise at an issue price of RM0.3150 per ordinary share on 19 May 2025.

The above (a) is the third tranche of the private placement announced on 8 May 2023. The private placement exercise was for the development of wastewater treatment plant and renewable projects, and working capital. An amount of RM1,625,650 from the proceeds raised in Tranche 3 has been utilised for the development of wastewater treatment plant. The Company issued 31,708,000 shares under the proposed private placement of 86,713,500 shares, raising total proceeds of RM9,539,050. The private placement 2023 was deemed completed on 1 November 2024, following the lapse of the extended implementation period on 7 November 2024, as the Company decided not to place out the remaining shares.

During the year, on 18 April 2025 the Company proposed to undertake private placement of up to 33,356,300 new ordinary shares in the Company. The above (d), (e), and (g) are the first to third tranches. The remaining funds will be raised to finance the working capital requirements for the next 12 months.

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

There was no issuance of debentures by the Company during the financial year.

TREASURY SHARES

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 30 June 2025, the Company held a total of 1,400,000 treasury shares which were repurchased in the financial year 2023 and are held at a carrying amount of RM504,964. Details of treasury shares are disclosed in Note 28 to the financial statements.

DIRECTORS' REPORT

For the financial year ended 30 June 2025

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The ESOS of the Company is governed by the ESOS By-Laws and was approved by shareholders at the Extraordinary General Meeting on 1 April 2021. The ESOS was first implemented on 28 July 2021 and was in force for a period of 5 years from the date of implementation.

Pursuant to Paragraph 9.19(51) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, on 26 May 2023, the Board of Directors of the Company announced that 43,356,750 of options have been offered to the eligible persons to subscribe for new shares in the Company with an exercise price of RM0.2756 under the ESOS.

Movement of the Company's ESOS granted during the current financial year is as follows:

	Number of options granted over ordinary shares					Expiry date
	At 1.7.2024	Granted	Exercised	Forfeited	At 30.6.2025	
ESOS	4,783,500	-	(105,000)	(343,100)	4,335,400	27 July 2026

Details on the exercise price, exercise period, basis upon which the share options may be exercised and other information about the ESOS of the Company are set out in Note 30 to the financial statements.

WARRANTS

Pursuant to a Deed Poll dated 12 April 2021 ("Deed Poll"), the Company issued 71,250,000 free Warrants to the entitled shareholders of the Company pursuant to the Bonus Issue of Warrants on the basis of one warrant for every four existing shares held.

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

- (a) The Warrants were issued in registered form and constituted by the Deed Poll;
- (b) Each Warrant entitles the registered holder to subscribe for one ordinary share at an exercise price of RM0.63 per ordinary share;
- (c) The Warrants may be exercised at any time within the period commencing from the date of issue of the Warrants;
- (d) The exercise period is approximately 5 years from the date of issue;
- (e) Any Warrants which have not then been exercised will lapse and every statutory Warrant not exercised by then will cease to be valid for any purpose;
- (f) The New Shares to be issued arising from the exercise of the Exercise Rights represented by the Warrants, shall upon allotment and issuance rank equally in all respects with the then existing Company's Shares, save and except that the New Shares will not be entitled to any dividend, right, allotment and/or any other forms of distribution where the entitlement date of such dividend, right, allotment and/or any other forms of distribution precedes the relevant date of allotment and issuance of the New Shares; and

DIRECTORS' REPORT

For the financial year ended 30 June 2025

WARRANTS (CONTINUED)

The salient features of the Warrants as stated in the Deed Poll are as follows (continued):

- (g) Where a resolution has been passed by the Company for a members' voluntary winding-up 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;
 - (i) for the purpose of such a winding-up, compromise or arrangement (other than 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 special resolution, are to be a party, the terms of such winding-up, compromise or arrangement shall be binding on all the Warrants holders; and
 - (ii) in any other case, every Warrant holder shall be entitled at any time within 6 weeks after the passing of such resolution or 6 weeks after the granting of the court order approving the compromise or arrangement, by irrevocable surrender of his Warrants together with payment of the relevant Exercise Price monies, to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement, exercised the Exercise Rights represented by such Warrants, to the extent specified in the exercise notice and be entitled to receive out of the assets of the Company (which would be available in liquidation) if he had on such date been a holder of the Company Shares, to which he 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 above 6 weeks, all Exercise Rights shall lapse and cease to be valid for any purpose.

The number of unexercised Warrants at the end of the reporting year is 71,249,995 (2024: 71,249,995).

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:

Datuk Tai Hee
Dato' Wan Hassan Bin Mohd Jamil
Thien Chiet Chai
Siti Zurina Binti Sabarudin
Elain Binti Lockman
Dato' Ahmad Rizal Bin Abdul Rahman
Rewi Hamid Bugo

(Appointed on 20.6.2025)

The directors of the Company's subsidiaries in office during the financial year and during the period from the end of the financial year to the date of this report, excluding those Directors mentioned above, are:

Mad Haimi Bin Abu Hassan
Anwarudin Bin Saidu Mohamed
Mohd Fadzli Bin Hamidun
Venkata Ramana Chary Prathapuram
Chan Yew Ping
Dominic Liew Thiam Teck

(Resigned on 18.11.2024)

(Resigned on 18.11.2024)

DIRECTORS' REPORT

For the financial year ended 30 June 2025

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, particulars of interests in the shares, ESOS and warrants of the Company and its related corporations during the financial year of those Directors who held office at the end of the financial year were as follows:

Number of ordinary shares in the Company				
	At 1.7.2024	Additions	Disposals	At 30.6.2025
Direct interest:				
Datuk Tai Hee	500,000	-	-	500,000
Dato' Wan Hassan Bin Mohd Jamil	6,656,205	-	(4,201,700)	2,454,505
Thien Chiet Chai	18,190,035	5,960,000	-	24,150,035
Rewi Hamid Bugo	-	1,000,000	-	1,000,000
Indirect interest:				
Datuk Tai Hee *	29,333,503	-	-	29,333,503
Dato' Wan Hassan Bin Mohd Jamil #	65,210,000	-	(29,914,800)	35,295,200
Thien Chiet Chai #	65,210,000	-	(29,914,800)	35,295,200

Number of ESOS in the Company				
	At 1.7.2024	Granted	Exercised	At 30.6.2025
Direct interest:				
Siti Zurina Binti Sabarudin	200,000	-	-	200,000

Number of warrants in the Company				
	At 1.7.2024	Additions	Disposals	At 30.6.2025
Direct interest:				
Datuk Tai Hee	125,000	-	-	125,000
Dato' Wan Hassan Bin Mohd Jamil	15,000	-	-	15,000
Thien Chiet Chai	200,058	-	-	200,058
Indirect interest:				
Datuk Tai Hee *	7,330,875	-	-	7,330,875

* Deemed interested by virtue of his indirect substantial shareholdings in Pansar Berhad and his spouse.

Deemed interested by virtue of his direct substantial shareholdings in Reservoir Link Holdings Sdn. Bhd..

By virtue of their interests in the shares of the Company, Datuk Tai Hee, Dato' Wan Hassan Bin Mohd Jamil and Thien Chiet Chai are deemed to have interests in the shares in its related corporations during the financial year to the extent the Company has an interest.

DIRECTORS' REPORT

For the financial year ended 30 June 2025

DIRECTORS' INTERESTS (CONTINUED)

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

DIRECTORS' BENEFITS

In respect of the Directors or past Directors of the Company, no fees and other benefits distinguished separately, have been paid to or receivable by them as remuneration for their services to the Company and its related corporations, other than Directors' remuneration, as disclosed in Note 42 to the financial statements.

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in the financial statements.

Neither during nor at the end of the financial year was the Company or a related corporation a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than those arising from the share options granted under the ESOS and warrants.

INDEMNITY AND INSURANCE COSTS FOR DIRECTORS, OFFICERS AND AUDITORS

(a) Directors and Officers

The Directors and Officers of the Group and of the Company are covered by Directors' and Officers' Liability Insurance ("DOL Insurance") basis for the purpose of Section 289 of the Companies Act 2016. During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and the Officers of the Group and of the Company are RM10,000,000 and RM24,675 respectively.

(b) Auditors

Any indemnity given to or insurance effected for the auditors of the Company is to be made to the extent as permitted under Section 289 of the Companies Act 2016. To the extent permitted by law, the Company has agreed to indemnify its auditors, Nexia SSY PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit for an unspecified amount. No payment has been made to indemnify Nexia SSY PLT during the financial year and up to the date of this report.

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount to which they might be expected so to realise.

DIRECTORS' REPORT

For the financial year ended 30 June 2025

OTHER STATUTORY INFORMATION (CONTINUED)

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

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

- (a) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) no contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due, except as disclosed in the financial statements.

In the interval between the end of the financial year and the date of this report:

- (a) no item, transaction or event of a material and unusual nature has arisen which, in the opinion of the Directors, would affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
- (b) no charge has arisen on the assets of the Group and of the Company which secures the liability of any other person nor has any contingent liability arisen in the Group and in the Company.

SIGNIFICANT AND SUBSEQUENT EVENTS

The details of significant and subsequent events are disclosed in Note 53 to the financial statements.

AUDITORS

The auditors, Nexia SSY PLT, do not express their willingness to continue in office.

The auditors' remuneration is disclosed in Note 41 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 17 October 2025.

Thien Chiet Chai
Executive Deputy Chairman

Dato' Wan Hassan Bin Mohd Jamil
Managing Director

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2025

	Note	Group		Company	
		2025 RM	Restated 2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	6	81,036,629	76,455,335	111,511	166,715
Investment properties	7	4,640,510	4,757,253	-	-
Right-of-use assets	8	657,510	181,931	281,691	281,691
Intangible assets	9	3,157,948	3,226,739	-	-
Investment in subsidiaries	10	-	-	27,163,054	38,395,586
Investment in associates	11	60,269,260	290,000	53,600,082	-
Investment in joint ventures	12	965,523	1,134,193	-	51,000
Deferred tax assets	13	-	542,274	-	-
Goodwill	14	-	13,972,961	-	-
		150,727,380	100,560,686	81,156,338	38,894,992
Current assets					
Inventories	15	7,505,724	8,820,878	-	-
Contract assets	16	13,398,016	47,829,651	-	-
Trade receivables	17	10,770,493	27,698,153	-	-
Other receivables, deposits and prepayments	18	14,904,308	18,446,493	294,640	534,411
Amount owing by subsidiaries	19	-	-	15,736,841	12,756,548
Amount owing by associates	20	728,273	45,898	437,545	-
Amount owing by joint ventures	21	304,418	869,056	-	-
Amount owing by related parties	22	-	392,696	-	138,170
Short-term investments	23	1,052,715	1,020,970	1,052,715	1,020,970
Current tax assets		3,336,274	2,866,123	68,033	336,187
Derivative financial assets	24	-	3,565	-	-
Fixed deposits with licensed banks	25	4,912,341	9,676,772	-	-
Cash and bank balances	26	11,134,355	13,482,607	1,280,347	242,628
		68,046,917	131,152,862	18,870,121	15,028,914
TOTAL ASSETS		218,774,297	231,713,548	100,026,459	53,923,906

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

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2025

		Group		Company	
	Note	2025 RM	Restated 2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Equity					
Share capital	27	69,985,043	55,763,117	69,985,043	55,763,117
Treasury shares	28	(504,964)	(504,964)	(504,964)	(504,964)
Merger deficit	29	(15,779,300)	(15,779,300)	-	-
Share option reserve	30	302,177	319,470	302,177	319,470
Foreign exchange translation reserve	29	(159,775)	889,101	-	-
Contingent consideration	31	-	4,410,119	-	3,910,119
Retained earnings/(accumulated losses)	29	68,149,735	40,681,461	27,314,954	(7,762,974)
Equity attributable to owners of the Company					
		121,992,916	85,779,004	97,097,210	51,724,768
Non-controlling interests	10(c)	3,348,899	7,900,991	-	-
TOTAL EQUITY		125,341,815	93,679,995	97,097,210	51,724,768
Non-current liabilities					
Borrowings	32	39,255,658	37,444,198	-	-
Lease liabilities	33	2,042,673	1,502,815	95,162	95,162
Deferred tax liabilities	13	565,022	-	-	-
		41,863,353	38,947,013	95,162	95,162
Current liabilities					
Trade payables	34	8,245,041	41,618,736	-	-
Other payables and accruals	35	6,651,928	7,810,116	1,276,705	685,754
Contract liabilities	16	3,620,562	2,315,843	-	-
Amount owing to directors of subsidiaries	36	-	502,000	-	-
Amount owing to subsidiaries	19	-	-	298,369	180,092
Amount owing to associates	20	4,058,449	-	217,995	-
Amount owing to joint ventures	21	-	1	-	-
Amount owing to related parties	22	-	1,172,135	-	-
Borrowings	32	25,294,194	43,436,894	853,224	1,050,336
Lease liabilities	33	613,898	312,206	187,794	187,794
Current tax liabilities		3,085,057	1,918,609	-	-
		51,569,129	99,086,540	2,834,087	2,103,976
TOTAL LIABILITIES		93,432,482	138,033,553	2,929,249	2,199,138
TOTAL EQUITY AND LIABILITIES		218,774,297	231,713,548	100,026,459	53,923,906

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	37	125,396,832	186,202,799	3,554,154	3,501,834
Cost of sales		(101,713,003)	(157,077,198)	-	-
Gross profit		23,683,829	29,125,601	3,554,154	3,501,834
Other income	38	2,392,304	1,701,805	1,075,247	1,077,921
Administrative expenses		(21,347,708)	(22,321,248)	(7,828,187)	(7,945,638)
Finance costs	39	(4,527,021)	(3,627,947)	(42,272)	(63,891)
Gain on deemed disposal of subsidiaries	41	84,700,327	-	89,890,098	-
(Allowance for)/reversal of impairment loss on financial assets and contract assets - net	40	(150,913)	(759,238)	(176,898)	95,700
Reversal of impairment loss on investment in subsidiaries - net		-	-	183,230	-
Impairment loss on investment in associates	11	(50,203,970)	-	(51,587,418)	-
Share of loss of equity accounted for associates	11	(2,713,671)	-	-	-
Share of loss of equity accounted for joint ventures	12	(117,669)	(26,078)	-	-
Profit/(loss) before taxation	41	31,715,508	4,092,895	35,067,954	(3,334,074)
Taxation	43	(3,876,146)	(3,355,922)	-	-
Profit/(loss) for the year		27,839,362	736,973	35,067,954	(3,334,074)
Other comprehensive expenses					
<u>Items that will be reclassified subsequently to Profit or Loss</u>					
Foreign currency translation differences		(1,217,219)	(189,333)	-	-
Total comprehensive income/(expenses) for the year		26,622,143	547,640	35,067,954	(3,334,074)

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Profit/(loss) for the year attributable to:					
Owners of the Company		27,458,300	(844,798)	35,067,954	(3,334,074)
Non-controlling interests		381,062	1,581,771	-	-
		27,839,362	736,973	35,067,954	(3,334,074)
Total comprehensive income/(expenses) attributable to:					
Owners of the Company		26,409,424	(1,006,892)	35,067,954	(3,334,074)
Non-controlling interests		212,719	1,554,532	-	-
		26,622,143	547,640	35,067,954	(3,334,074)
Earnings/(losses) per share (sen)					
- Basic	44(a)	8.15	(0.27)		
- Diluted	44(b)	8.15	(0.27)		

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2025

	Non-distributable					Distributable				
	Share capital	Treasury shares	Merger deficit	Share option reserve	Foreign exchange translation reserve	Contingent consideration	Retained earnings	Attributable to owners of the Company	Non-controlling interests	Total equity
Note	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group										
At 1 July 2024	55,763,117	(504,964)	(15,779,300)	319,470	889,101	4,410,119	40,681,461	85,779,004	7,900,991	93,679,995
Profit for the year	-	-	-	-	-	-	27,458,300	27,458,300	381,062	27,839,362
Other comprehensive expenses for the year:										
- Foreign currency translation difference	-	-	-	-	(1,048,876)	-	-	(1,048,876)	(168,343)	(1,217,219)
Total comprehensive (expenses)/income for the year	-	-	-	-	(1,048,876)	-	27,458,300	26,409,424	212,719	26,622,143
Contributions by and distributions to owners of the Company:										
- Issuance of ordinary shares via private placement	10,275,550	-	-	-	-	-	-	10,275,550	-	10,275,550
- Share options exercised	36,257	-	-	(7,319)	-	-	-	28,938	-	28,938
- Share options forfeited	-	-	-	(9,974)	-	-	9,974	-	-	-
Balance carried forward	10,311,807	-	-	(17,293)	-	-	9,974	10,304,488	-	10,304,488
	66,074,924	(504,964)	(15,779,300)	302,177	(159,775)	4,410,119	68,149,735	122,492,916	8,113,710	130,606,626

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2025

Group	Note	Non-distributable					Distributable				Total equity RM
		Share capital RM	Treasury shares RM	Merger deficit RM	Share option reserve RM	Foreign exchange translation reserve RM	Contingent consideration RM	Retained earnings RM	Attributable to owners of the Company RM	Non-controlling interests RM	
Balance brought forward Contributions by and distributions to owners of the Company (continued):		66,074,924	(504,964)	(15,779,300)	302,177	(159,775)	4,410,119	68,149,735	122,492,916	8,113,710	130,606,626
	- Issuance of ordinary shares upon satisfaction of contingent consideration	27, 31(a)	3,910,119	-	-	-	(3,910,119)	-	-	-	-
	Deemed disposal of subsidiaries	10(a)	-	-	-	-	-	-	-	(6,620,386)	(6,620,386)
	Changes in a subsidiary's ownership interests that do not result in a loss of control		-	-	-	-	-	-	-	1,855,575	1,855,575
Reversal of contingent consideration	31(b)	-	-	-	-	-	(500,000)	-	(500,000)	-	(500,000)
		3,910,119	-	-	-	-	(4,410,119)	-	(500,000)	(4,764,811)	(5,264,811)
At 30 June 2025		69,985,043	(504,964)	(15,779,300)	302,177	(159,775)	-	68,149,735	121,992,916	3,348,899	125,341,815

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2025

	Note	Non-distributable					Distributable			Attributable to owners of the Company	Non-controlling interests	Total equity
		Share capital	Treasury shares	Merger deficit	Share option reserve	Foreign exchange translation reserve	Contingent consideration	Retained earnings				
Group												
At 1 July 2023		47,967,910	(504,964)	(15,779,300)	-	1,051,195	3,910,119	41,526,259	78,171,219	6,346,459	84,517,678	
(Loss)/profit for the year		-	-	-	-	-	-	(844,798)	(844,798)	1,581,771	736,973	
Other comprehensive expenses for the year:												
- Foreign currency translation difference		-	-	-	-	(162,094)	-	-	(162,094)	(27,239)	(189,333)	
Total comprehensive (expenses)/income for the year		-	-	-	-	(162,094)	-	(844,798)	(1,006,892)	1,554,532	547,640	
		47,967,910	(504,964)	(15,779,300)	-	889,101	3,910,119	40,681,461	77,164,327	7,900,991	85,065,318	
Contributions by and distributions to owners of the Company:												
- Issuance of ordinary shares via private placement	27	7,913,400	-	-	-	-	-	-	7,913,400	-	7,913,400	
- Share issue expenses	27	(118,193)	-	-	-	-	-	-	(118,193)	-	(118,193)	
- Share options granted	30	-	-	-	319,470	-	-	-	319,470	-	319,470	
Acquisition of a subsidiary	31(b)	-	-	-	-	-	500,000	-	500,000	-	500,000	
Total transactions with owners		7,795,207	-	-	319,470	-	500,000	-	8,614,677	-	8,614,677	
At 30 June 2024		55,763,117	(504,964)	(15,779,300)	319,470	889,101	4,410,119	40,681,461	85,779,004	7,900,991	93,679,995	

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2025

		Non-distributable				Distributable	
Note		Share capital RM	Treasury shares RM	Share option reserve RM	Contingent consideration RM	(Accumulated losses)/ retained earnings RM	Total equity RM
Company							
At 1 July 2024		55,763,117	(504,964)	319,470	3,910,119	(7,762,974)	51,724,768
Profit for the year		-	-	-	-	35,067,954	35,067,954
Contributions by and distributions to owners of the Company:							
- Issuance of ordinary shares via private placement	27	10,275,550	-	-	-	-	10,275,550
- Share options exercised	27, 30	36,257	-	(7,319)	-	-	28,938
- Share options forfeited	30	-	-	(9,974)	-	9,974	-
- Issuance of ordinary shares upon satisfaction of contingent consideration	27, 31(a)	3,910,119	-	-	(3,910,119)	-	-
		14,221,926	-	(17,293)	(3,910,119)	9,974	10,304,488
At 30 June 2025		69,985,043	(504,964)	302,177	-	27,314,954	97,097,210
At 1 July 2023		47,967,910	(504,964)	-	3,910,119	(4,428,900)	46,944,165
Loss for the year		-	-	-	-	(3,334,074)	(3,334,074)
Contributions by and distributions to owners of the Company:							
- Issuance of ordinary shares via private placement	27	7,913,400	-	-	-	-	7,913,400
- Share issue expenses	27	(118,193)	-	-	-	(118,193)	(118,193)
- Share options granted	30	-	-	319,470	-	-	319,470
		7,795,207	-	319,470	-	-	8,114,677
At 30 June 2024		55,763,117	(504,964)	319,470	3,910,119	(7,762,974)	51,724,768

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

STATEMENTS OF CASH FLOWS

For the financial year ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities					
Profit/(loss) before taxation		31,715,508	4,092,895	35,067,954	(3,334,074)
Adjustments for:					
Allowance for obsolete inventories		96,275	265,111	-	-
Amortisation of intangible assets		179,630	54,691	-	-
Bad debts written-off		2,172,225	3,450	-	-
Depreciation of property, plant and equipment		8,414,334	4,897,883	127,014	129,648
Depreciation of investment properties		116,743	116,742	-	-
Depreciation of right-of-use assets		114,707	259,415	187,794	185,331
Dividend income		(8,050)	-	(8,050)	-
Fair value gain on derivatives		-	(3,565)	-	-
Fair value loss on short-term investments		578,898	200,589	578,898	200,589
Finance costs		4,527,021	3,627,947	42,272	63,891
Gain on lease liabilities written off due to early termination		-	(3,188)	-	-
Gain on disposals of property, plant and equipment - net		(13,752)	-	(208)	-
Gain on disposals of short-term investments		(1,652)	(1,179)	(1,652)	(1,179)
Gain on deemed disposal of subsidiaries		(84,700,327)	-	(89,890,098)	-
Allowance for/(reversal of) impairment loss on:					
- trade receivables - net		12,743	770,025	-	-
- contract assets		-	(10,787)	-	-
- amount owing by subsidiaries - net		-	-	38,728	(95,700)
- amount owing by related parties		-	-	138,170	-
- amount owing by associates		138,170	-	-	-
- investment in subsidiaries - net		-	-	(183,230)	1,000,000
- investment in associates		50,203,970	-	51,587,418	-
Interest income		(237,757)	(251,359)	(1,062,434)	(1,040,721)
Inventories written-off		153,894	-	-	-
Property, plant and equipment written-off		-	32,782	-	2
Lease income		(256,092)	(160,092)	-	-
Balance carried forward		13,206,488	13,891,360	(3,377,424)	(2,892,213)

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

STATEMENTS OF CASH FLOWS

For the financial year ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities (continued)					
Balance brought forward		13,206,488	13,891,360	(3,377,424)	(2,892,213)
Reversal of obsolete inventories		(159,467)	-	-	-
Unrealised foreign exchange loss/(gain) - net		71,598	1,584,682	47,863	(1,188)
Share options granted under ESOS		-	319,470	-	128,590
Share of loss of equity accounted for associates		2,713,671	-	-	-
Share of loss of equity accounted for joint ventures		117,669	26,078	-	-
Operating profit/(loss) before working capital changes		15,949,959	15,821,590	(3,329,561)	(2,764,811)
(Increase)/decrease in inventories		(395,808)	241,043	-	-
Decrease in contract cost assets		-	959,005	-	-
Decrease/(increase) in contract assets - net		10,368,159	(18,272,625)	-	-
(Increase)/decrease in receivables		(18,807,356)	3,695,459	239,771	(471,521)
(Decrease)/increase in payables		(4,092,329)	(4,766,730)	590,951	(1,995,540)
Increase in amount owing by subsidiaries		-	-	(3,066,884)	(2,309,760)
Decrease/(increase) in amount owing by associates		1,909,487	(45,898)	(437,545)	-
Decrease in amount owing by joint ventures		564,638	42,256	-	-
Increase in amount owing by related parties		(80,594)	(392,696)	-	(138,170)
(Decrease)/increase in amount owing to directors of subsidiaries		(237,500)	502,000	-	-
Increase/(decrease) in amount owing to subsidiaries		-	-	118,277	(1,223,280)
Increase in amount owing to associates		4,427,252	-	217,995	-
(Decrease)/increase in amount owing to joint ventures		(1)	1	-	-
(Decrease)/increase in amount owing to related parties		(1,172,135)	1,172,135	-	-
Cash generated from/(used in) operations		8,433,772	(1,044,460)	(5,666,996)	(8,903,082)
Interest paid		(4,527,021)	(3,627,947)	(42,272)	(63,891)
Income tax paid		(2,808,896)	(2,308,316)	(25,416)	(121,599)
Balance carried forward		1,097,855	(6,980,723)	(5,734,684)	(9,088,572)

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

STATEMENTS OF CASH FLOWS

For the financial year ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Balance brought forward		1,097,855	(6,980,723)	(5,734,684)	(9,088,572)
Income tax refunded		293,570	-	293,570	-
Net cash generated from/(used in) operating activities		1,391,425	(6,980,723)	(5,441,114)	(9,088,572)
Cash flows from investing activities					
Acquisition of joint ventures	12	-	(1)	-	-
Increase of investment in joint ventures	12	(25,160)	-	(25,160)	-
Net cash outflow from the acquisition of a subsidiary	10(b)	-	(3,466,055)	-	-
Addition in intangible assets	9	(110,839)	-	-	-
Acquisition of the subsidiaries	10	-	-	(3,805,480)	-
Net cash inflow arising on deemed disposal of subsidiaries	10(a)	262,441	-	-	-
Dividend income received		8,050	-	8,050	-
Decrease in pledged fixed deposits		(2,444,017)	(2,537,291)	-	-
Increase of Investment in associates	11	(7,709,000)	(290,000)	-	-
Increase in non-controlling interest		1,855,575	-	-	-
Interest income received		237,757	251,359	1,062,434	1,040,721
Lease income received		256,092	160,092	-	-
Proceeds from disposal of property, plant and equipment		180,438	-	750	-
Proceeds from disposal of short-term investments		269,569	176,079	269,569	176,079
Purchase of property, plant and equipment	45(b)	(21,022,699)	(38,758,935)	(72,352)	(41,545)
Purchase of short-term investments	23	(878,560)	(703,229)	(878,560)	(710,084)
Decrease in derivative assets		3,565	-	-	-
Net cash (used in)/generated from investing activities		(29,116,788)	(45,167,981)	(3,440,749)	465,171
Cash flows from financing activities					
Drawdown of bankers' acceptance	45(a)	-	23,428,648	-	-
Drawdown of factoring payables	45(a)	-	20,933,551	-	-
Drawdown of invoice financing	45(a)	7,701,717	46,658,957	-	-
Drawdown of margin financing	45(a)	305,592	1,045,372	305,592	1,045,372
Drawdown of revolving credit	45(a)	2,000,000	-	-	-
Balance carried forward		10,007,309	92,066,528	305,592	1,045,372

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

STATEMENTS OF CASH FLOWS

For the financial year ended 30 June 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from financing activities (continued)					
Balance brought forward		10,007,309	92,066,528	305,592	1,045,372
Drawdown of terms loans	45(a)	20,723,542	37,252,860	-	-
Proceeds from issuance of ordinary shares		10,304,488	7,795,207	10,304,488	7,795,207
Net (decrease)/increase in credit card facility	45(a)	(3,392)	45,255	-	-
Repayment of bankers' acceptance	45(a)	(6,384,432)	(16,052,557)	-	-
Repayment of factoring payables	45(a)	(1,639,908)	(21,649,508)	-	-
Repayment of invoice financing	45(a)	-	(34,900,819)	-	-
Repayment of margin financing	45(a)	(502,704)	-	(502,704)	-
Repayment of revolving credit	45(a)	(804,000)	(871,000)	-	-
Repayment of term loans	45(a)	(6,194,754)	(5,026,615)	-	-
Repayment of lease liabilities	45(a)	(495,847)	(378,667)	(187,794)	(187,794)
Net cash generated from financing activities		25,010,302	58,280,684	9,919,582	8,652,785
Net (decrease)/increase in cash and cash equivalents		(2,715,061)	6,131,980	1,037,719	29,384
Effects of foreign exchange translation		2,059,709	(188,644)	-	-
Cash and cash equivalents at beginning of the year		7,553,906	1,610,570	242,628	213,244
Cash and cash equivalents at end of the year		6,898,554	7,553,906	1,280,347	242,628
Cash and cash equivalents reconciliations:					
Fixed deposits with licensed banks	25	4,912,341	9,676,772	-	-
Cash and bank balances	26	11,134,355	13,482,607	1,280,347	242,628
		16,046,696	23,159,379	1,280,347	242,628
Less:					
Bank overdrafts	32	(4,235,801)	(5,928,701)	-	-
Fixed deposits pledged to licensed banks	25	(4,912,341)	(9,676,772)	-	-
		(9,148,142)	(15,605,473)	-	-
		6,898,554	7,553,906	1,280,347	242,628

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

1. CORPORATE INFORMATION

The Company is a public limited 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 E289, 1st Floor, Block E, iCom Square, Jalan Pending, 93450 Kuching, Sarawak. The principal place of business of the Company is located at E-33-01, Menara SUEZCAP 2, KL Gateway, No. 2 Jalan Kerinchi, Gerbang Kerinchi Lestari, 59200 Kuala Lumpur, Wilayah Persekutuan.

The principal activity of the Company is investment holding. The subsidiaries are principally engaged in oil and gas field services, trading in petroleum drilling equipment and the provision of related engineering services, provision of well perforation and well leak repair services, developing and providing oil and gas production enhancement services and sand management solutions, investment holding and renewable energy activities, oil and gas extraction service activities, installation of non-electric solar energy collectors, and provision of wastewater treatment services.

The principal activities of its subsidiaries are disclosed in Note 10. There have been no significant changes in the nature of these 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 17 October 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policy information (Note 3).

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following accounting policies 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

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting year.

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Company also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 Basis of consolidation (continued)

Subsidiaries are consolidated from the date on which control is transferred to the Company up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Merger accounting for common control business combination

A business combination involving entities under common control is a business combination in which all the combining entities are ultimately controlled by the same party and parties both before and after the business combination and that control is not transitory.

Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using merger accounting principles. Under the merger method of accounting, the results, of the subsidiaries are presented as if the merger had been affected throughout the current financial year.

The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. No amount is recognised in respect of goodwill and excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets and liabilities and contingent liabilities over cost at the time of the common control business combination to the extent of the continuation of the controlling party and parties' interests.

When the merger method is used, the cost of investment in the Company's books is recorded at the nominal value of shares issued. The difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries is treated as a merger deficit or merger reserve as applicable. The merger deficit is adjusted against suitable reserves of the subsidiaries acquired to the extent that laws or statutes do not prohibit the use of such reserves. The results of the subsidiaries being merged are included for the full financial year.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Company at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 Basis of consolidation (continued)

Non-controlling interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in ownership interests in subsidiaries without change of control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in the equity of the Company.

Loss of control

Upon the loss of control of a subsidiary, the Group and the Company recognise any gain or loss on disposal in profit or loss which is calculated as the difference between:-

- i the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- ii the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9: Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3.2 Financial instruments

Financial instruments carried on the statements of financial position include cash and bank balances, deposits with financial institutions, investments, receivables, payables and borrowings. The recognition methods adopted are disclosed in the respective accounting policy statements.

Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the contractual arrangement. Interests, dividends and gains and losses relating to financial instruments classified as assets or liabilities, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Financial instruments (continued)

Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

When financial assets are initially recognised, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs.

The Group determines the classification of financial assets upon initial recognition. The measurement for each classification of financial assets is as below:

i Financial assets measured at amortised cost

Financial assets that are debt instruments are measured at amortised cost if they are held within a business model whose objective is to collect contractual cash flows and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss through the amortisation process and when the financial assets are impaired or derecognised.

ii Financial assets measured subsequently at fair value

Financial assets that are debt instruments are measured at fair value through other comprehensive income ("FVTOCI") if they are held within a business model whose objectives are to collect contractual cash flows and selling the financial assets, and have contractual terms which give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets that are debt instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in other comprehensive income, except for impairment losses, exchange differences and interest income which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Financial assets that are debt instruments which do not satisfy the requirements to be measured at amortised cost or FVTOCI are measured at FVTPL.

Equity instruments are classified as financial assets measured at FVTPL if they are held for trading or are designated as such upon initial recognition. Equity instruments are classified as held for trading if they are acquired principally for sale in the near term or are derivatives that do not meet the hedge accounting criteria (including separated embedded derivatives).

Subsequent to initial recognition, financial assets that are equity instruments are measured at fair value. Any gains or losses arising from the changes in fair value are recognised in other comprehensive income and are not subsequently transferred to profit or loss. Dividends on equity instruments are recognised in profit or loss when the Group's right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Financial instruments(continued)

Financial assets (continued)

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the year generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the settlement date, i.e. the date that the asset is delivered to or by the Group.

Financial liabilities

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

Financial liabilities are recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

i Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This includes derivatives entered into by the Group that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

ii Other financial liabilities

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished.

When an existing financial liability is replaced by another instrument from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Property, plant and equipment, and depreciation

All items of property, plant and equipment are initially recorded at cost. Costs includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use, and the estimated costs of dismantling and removing the items and restoring that site on which they are located.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance are charged to profit or loss as incurred.

No depreciation is provided for capital work-in-progress until the assets are ready for their intended use.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Building	2%
Equipment and tools	10% - 20%
Furniture and fittings	10% - 20%
Motor vehicles	20%
Office equipment	25% - 40%
Plant and machineries	20%
Portable cabin	10%
Portable workshop	10%
Renovation	10% - 25%
Signboard	20% - 25%
Solar assets	4% - 5%
Wireline equipment	20%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation methods are reviewed at each financial year end, and adjusted prospectively, if appropriate to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. When significant parts of an items of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss in the year the property, plant and equipment is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Investment properties

Investment properties are properties which are owned or are right-to-use assets held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The right-of-use asset held under a lease contract, that meets the definition of an investment property is measured initially similarly as other right-of-use assets.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to profit or loss on a straight-line method over the estimated useful lives of the investment properties. The estimated useful lives of the investment properties are 50 years.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. All transfers do not change the carrying amount of the property reclassified.

3.5 Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

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

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the statements of financial position.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Leases (continued)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liabilities, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment loss.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under MFRS 137: Provisions, Contingent Liabilities and Contingent Assets.

To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies MFRS 136: Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

3.6 Intangible assets

Intangible assets acquired as part of business combinations are initially recognised at fair value on the acquisition date. After initial recognition, these intangible assets are measured at cost, less accumulated amortisation (for assets with finite useful lives) and any accumulated impairment losses.

Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The amortisation expense is recognised in the income statement within the appropriate expense category.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually or more frequently if indications of impairment exist.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Intangible assets (continued)

The useful life of intangible assets with indefinite useful lives is reviewed annually to assess whether the indefinite life classification remains appropriate.

Any gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount, and are recognised in profit or loss at the time of derecognition.

Goodwill arising from consolidation is also an intangible asset, and is disclosed separately in Note 3.10.

3.7 Investment in subsidiaries

Subsidiaries are entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's separate financial statements, investment in subsidiaries which are eliminated on consolidation are stated at cost less impairment loss, unless the investment is held for sale.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in profit or loss.

3.8 Investment in associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investment in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments, if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Investment in joint ventures

Joint ventures are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements returns, and has rights only to the net assets of the arrangements.

Investment in joint ventures are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Investments in joint ventures are stated at cost in the statements of financial position of the Group and of the Company and are reviewed for impairment at the end of the reporting year if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

The investment in joint ventures is accounted for in the consolidated financial statements using the equity method, based on the financial statements of the joint venture made up to 30 June 2025. The Group's share of the post-acquisition profits and other comprehensive income of the joint venture is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that joint control commences up to the effective date when the investment ceases to be a joint venture or when the investment is classified as held for sale. The Group's investment in the joint venture is carried in the consolidated statement of financial position at cost plus the Group's share of the post-acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in a joint venture, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation. The interest in the joint venture is the carrying amount of the investment in the joint venture determined using the equity method together with any long-term interest that, in substance, form part of the Group's net investment in the joint venture.

Unrealised gain on transactions between the Group and the joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated unless cost cannot be recovered.

The Group discontinues the use of the equity method from the date when the investment ceases to be joint venture or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9: Financial Instruments. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that joint venture to profit or loss when the equity method is discontinued. However, the Group will continue to use the equity method when an investment in a joint venture becomes an investment in an associate. Under such change in ownership interest, the retained investment is not remeasured to fair value but a proportionate share of the amounts previously recognised in other comprehensive income of the joint venture will be reclassified to profit or loss when appropriate. All dilution gains or losses arising in investments in joint ventures are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.10 Goodwill or reserve arising from consolidation

Goodwill is measured at cost less accumulated impairment loss, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent year.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

In respect of equity-accounted joint-venture, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted joint-venture.

3.11 Inventories

Inventories are stated at the lower of cost (determined on the weighted average cost method) and net realisable value. Cost of finished goods and work-in-progress include cost of raw material, direct labour, other direct costs and appropriate production overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and costs to be incurred in selling expenses.

3.12 Contract assets and contract liabilities

A contract asset is recognised when the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment requirement of MFRS 9.

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, fixed deposits, demand deposits, bank overdrafts and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.14 Equity instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

i Ordinary shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

ii Treasury shares

When the Company's own shares recognised as equity are bought back, the amount of the consideration paid, including all costs directly attributable, are recognised as a deduction from equity. Own shares purchased that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

Where treasury shares are reissued by resale, the difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity.

Where treasury shares are cancelled, their costs are transferred to retained profits.

3.15 Interest bearing loans and borrowings

Borrowings are recognised initially at fair value net of transaction cost incurred. Subsequently, borrowings are stated at amortised cost using the effective interest method. Any difference between the amount recorded as borrowings and the associated redemption value is recognised in the profit or loss over the period of the borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan and are capitalised and amortised over the period of the facility to which it relates. All other borrowing costs are charged to profit or loss. Borrowings are derecognised from the statements of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the borrowings that have been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred and liabilities assumed, is recognised in profit or loss. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

3.16 Provision for liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each financial year end and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.17 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

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

3.18 Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the financial year end.

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

Deferred tax is provided for, using the liability method on temporary differences at the financial year end between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination, and at the time of the transaction, affects neither accounting profit or loss nor taxable profit or loss.

The carrying amount of deferred tax assets are reviewed at each financial year end and reduced to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are reassessed at each financial year end and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the financial year end.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.19 Employee benefits

i Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

ii Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or construction obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

As required by law, the Group makes contributions to the statutory provident fund, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss in the year as incurred.

iii Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits as a liability and an expense when it is demonstrably committed to either terminate the employment of current employees according to a detailed plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the financial year end are discounted to present value.

3.20 Revenue recognition

The Group recognises revenue from contracts with customers for the sale of goods and provision of services based on the five-step model as set out below:

- i Identify contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.
- ii Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- iii Determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- iv Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- v Recognise revenue when (or as) the Group satisfies a performance obligation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.20 Revenue recognition (continued)

The Group satisfies a performance obligation and recognise revenue over time if the Group's performance:

- i Does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to-date; or
- ii Creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii Provides benefits that the customer simultaneously receives and consumes as the Group performs.

For performance obligations where any one of the above conditions is not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services, it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

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

i Revenue

a. Sale of goods

Revenue is recognised at a point in time when the goods have been delivered to the customer and upon its acceptance, and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the goods sold.

b. Rendering of services

Revenue from providing products and services in relation to the oil and gas services industry is recognised over time in the year in which the services are rendered. As a practical expedient, the Group recognises revenue to the extent of the expenses incurred that are recoverable.

The Group involves in the renewable energy and contracts with customers. Under the terms of the contracts, control is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the year of the contract by reference to the progress toward complete satisfaction of that performance obligation. The progress toward complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date over to the estimated total construction costs (an input method).

The Group recognised 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 an 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.20 Revenue recognition (continued)

i Revenue (continued)

c. Sales of electricity through solar energy generation

The Group sells electricity generated through its self-constructed solar plant to the contract customers, under power purchase agreements ranging from 15 to 20 years. Revenue is recognised upon delivery of electricity by kilowatt-hour to the contract customer's grid and acceptance.

d. Wastewater treatment and related services

Revenue from waste management services is recognised when the services have been rendered based on the level of completion of waste management at the end of the month that can be reliably measured.

ii Other income

a. Interest income

Interest income is recognised on an accrual basis (taking into account the effective yield on the asset) unless its collectability is in doubt.

b. Rendering of management services

Revenue from providing management services is recognised over time in the year in which the services are rendered.

c. Dividend income

Dividend income represents dividend received from investments, and is recognised when the right to receive payment is established.

d. Rental income

Rental income from investment properties is accounted for on a straight-line method over the lease term.

3.21 Foreign currencies transactions

i 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 the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Group's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.21 Foreign currencies transactions (continued)

ii Foreign currency transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's reporting currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the date of the transactions. At each financial year end, monetary items denominated in foreign currencies are translated at the rates prevailing at financial year end. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the year except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in either the functional currency of the reporting entity or the foreign operation, are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operation, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, are recognised in profit or loss for the year. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, regardless of the currency of the monetary item, are recognised in profit or loss in the Group's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the year except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

The principal closing rates used in translation of foreign currency amounts are as follows:

	2025 RM	2024 RM
1 United States Dollar (USD)	4.2125	4.7195
1 Indonesian Rupiah (IDR)	0.0003	0.0003
1 Singapore Dollar (SGD)	3.3044	3.4783
1 Chinese Yuan (CNY)	0.5879	0.6496

iii Foreign operations

Assets and liabilities of foreign operations (including any goodwill and fair value adjustments arising on acquisition) are translated to the Group's presentation currency at the exchange rates at the end of the reporting year. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.21 Foreign currencies transactions (continued)

iii Foreign operations (continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or partial disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is reattributed to non-controlling interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in a joint arrangement that includes a foreign operation while retaining joint control, the proportionate share of the accumulative exchange differences is reclassified to profit or loss.

In the consolidated financial statements, when the settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

3.22 Impairment of financial assets

At the end of each financial year, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring as at the financial year end with the risk of default since initial recognition.

In determining whether credit risk on a financial asset has increased significantly since initial recognition, the Group uses external credit rating and other supportive information to assess deterioration in credit quality of a financial asset. The Group assesses whether the credit risk on a financial asset has increased significantly on an individual or collective basis. For collective basis evaluation, financial assets are grouped on the basis of similar risk characteristics.

The Group considers past loss experience and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

The amount of impairment loss is measured as the probability-weighted present value of all cash shortfalls over the expected life of the financial asset discounted at its original effective interest rate. The cash shortfall is the difference between all contractual cashflows that are due to the Group and all the cash flows that the Group expects to receive.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.22 Impairment of financial assets (continued)

The Group measures the allowance for impairment loss on trade and other receivables based on the two-step approach as follows:

i 12-months expected credit loss

For a financial asset for which there is no significant increase in credit risk since initial recognition, the Group measures the allowance for impairment loss for that financial asset at an amount based on the probability of default occurring within the next 12 months considering the loss given default of that financial asset.

ii Lifetime expected credit loss

For a financial asset for which there is a significant increase in credit risk since initial recognition, a lifetime expected credit loss for that financial asset is recognised as the allowance for impairment loss by the Group. If, in a subsequent year the significant increase in credit risk since initial recognition is no longer evident, the Group reverts the allowance for impairment loss measurement from lifetime expected credit loss to 12-months expected credit loss.

For trade and other receivables which are financial assets, the Group applies the simplified approach in accordance with MFRS 9: Financial Instruments and measure the allowance for impairment loss based on lifetime expected credit loss from initial recognition.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

3.23 Impairment of non-financial assets

The Group assesses at each financial year end whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

For goodwill, the recoverable amount is estimated at each financial year end or more frequently when indicators of impairment are identified.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. CGUs). In assessing value-in-use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment loss recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment loss is recognised in profit or loss except for assets that were previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment loss is also recognised in other comprehensive income up to the amount of any previous revaluation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.23 Impairment of non-financial assets (continued)

An assessment is made at each financial year end as to whether there is any indication that previously recognised impairment loss may no longer exist or may have decreased. A previously recognised impairment loss for an asset, other than goodwill, is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised, in which case, the carrying amount of the asset is increased to its revised recoverable amount. The increase cannot exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent year.

3.24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants act in their economic best interest when pricing the asset or liability.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the financial year end.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
- Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.25 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment manager reports directly to the Management of the Company who regularly review the segments results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 49, including the factors used to identify the reportable segments and measurement basis of segment information.

3.26 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

- i it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- ii the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

3.27 Earnings per share

i Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

ii Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.28 Share-based payments

Equity-settled share-based payment

The cost of equity-settled share-based payment is determined by the fair value at the date when the grant is made using an appropriate valuation model. Details regarding the determination of the fair value of equity-settled share-based payments are set out in Note 30.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the employee share option reserve.

3.29 Warrants

The Group issued Warrants 2021/2026 at no cost. Each warrant is convertible into one new ordinary share at the adjusted exercise price of RM0.63 per share during the exercise period and will only be recognised as equity instruments upon conversion.

3.30 Derivatives

The Group uses interest swap contracts to hedge the exposure of floating interest rate. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the profit or loss.

3.31 Related parties

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

4. ADOPTION OF NEW AND REVISED MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) AND INTERPRETATIONS (“MFRSS”)

(a) MFRSs that have been issued and effective

The following new and revised MFRSs issued by MASB, have been adopted, and the adoptions do not have any or significant impact to the financial statements:

Title		Effective Date
Amendments to MFRS 7:	Financial Instruments: Disclosure	1 January 2024
Amendments to MFRS 16:	Leases	1 January 2024
Amendments to MFRS 101:	Presentation of Financial Statements	1 January 2024
Amendments to MFRS 107:	Statement of Cash Flows	1 January 2024

The adoption of the above amendments/improvements to MFRSs 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 to the Company's existing accounting policies.

(b) MFRSs that have been issued but only effective for financial year beginning on 1 July 2025 and onwards

The following new and revised MFRSs issued by MASB, have not been adopted, and the adoptions are not expected to have any or significant impact to the financial statements:

Title		Effective Date
Amendments to MFRS 121:	The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to MFRS 1:	First time Adoption of Malaysian Financial Reporting Standards	1 January 2026
Amendments to MFRS 7:	Financial Instruments: Disclosures	1 January 2026
Amendments to MFRS 9:	Financial Instruments	1 January 2026
Amendments to MFRS 10:	Consolidated Financial Statements	1 January 2026
Amendments to MFRS 107:	Statement of Cash Flows	1 January 2026
MFRS 18:	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19:	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19:	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10:	Consolidated Financial Statements	Deferred
Amendments to MFRS 128:	Investments in Associates and Joint Ventures	Deferred

The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. The initial application of the applicable new MFRSs and amendments/improvements to MFRSs is not expected to have material impact to the current and prior periods financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

Key sources of estimation uncertainty

The preparation of financial statements in accordance with MFRSs requires the use of certain accounting estimates and exercise of judgement. Estimates and judgements are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

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

(a) Depreciation of property, plant and equipment

The Group depreciates property, plant and equipment over their estimated useful lives after taking into account their estimated residual values, using the straight-line method. The estimated useful lives applied by the Group as disclosed in Note 3.3 reflect the Directors' estimates of the periods that the Group expects to derive future economic benefits from the use of the Group's property, plant and equipment. Technological advancements could impact the useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Impairment of property, plant and equipment

The Group carries out the impairment test based on a variety of estimation including the value-in-use of the cash-generating unit ("CGU") to which the property, plant and equipment are allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(c) Impairment of investment properties

The Group determines whether an item of its investment properties is impaired evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows.

(d) Impairment of right-of-use assets

The Group determines whether an item of its right of use assets is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subjected to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows.

(e) Lease terms

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (continued)

(f) Discount rates for lease

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

(g) Impairment of goodwill and intangible assets

Goodwill and intangible assets are tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill and intangible assets is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates, inflation rates and gross profit margin. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than the expected.

(h) Impairment of investments in subsidiaries, associates and joint ventures

The investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the accounting policy. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. The Group and the Company carry out the impairment test based on a variety of estimations including value-in-use of the CGUs to which the investment in subsidiaries, associates and joint ventures are allocated to. Estimating the value-in-use requires the Group and the Company to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(i) Write-down of inventories to the lower of cost and net realisable value

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

(j) Impairment of trade receivables and contract assets

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

5. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (continued)

(k) Impairment of non-trade receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default and expected loss rates. It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information.

(l) Revenue recognition for construction contracts

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

(m) Income taxes

Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

(n) Deferred tax assets

Deferred tax assets are recognised for all unabsorbed tax losses and unutilised capital allowances to the extent that it is probable that future taxable profit will be available against which the losses and allowances can be utilised. Significant Management's judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(o) Purchase price allocation

Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value required the Group to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amount assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts the Group's reported assets (including goodwill) and liabilities, future net earnings due to the impact on future depreciation and amortisation expenses and impairment tests.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT

Group	Building RM	Equipment and tools RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Balance carried forward RM
Cost						
At 1 July 2024	10,000,000	30,473,030	383,469	427,486	2,351,346	43,635,331
Additions	-	582,299	20,856	-	162,595	765,750
Reclassifications	-	-	-	-	-	-
Disposals	-	(934,858)	-	-	(7,080)	(941,938)
Deemed disposals of subsidiaries (Note 10(a))	-	(58,189)	-	(75,797)	(256,031)	(390,017)
Write-offs	-	-	(180)	-	-	(180)
Effect of movements in exchange rates	-	-	-	-	(4,341)	(4,341)
At 30 June 2025	10,000,000	30,062,282	404,145	351,689	2,246,489	43,064,605
Accumulated depreciation						
At 1 July 2024	(966,667)	(16,276,773)	(219,644)	(385,070)	(1,955,337)	(19,803,491)
Charge for the financial year	(200,000)	(3,180,824)	(34,250)	(3,790)	(214,488)	(3,633,352)
Disposals	-	768,715	-	-	6,537	775,252
Deemed disposals of subsidiaries (Note 10(a))	-	19,297	-	37,171	138,767	195,235
Write-offs	-	-	180	-	-	180
Effect of movements in exchange rates	-	-	-	-	(2,234)	(2,234)
At 30 June 2025	(1,166,667)	(18,669,585)	(253,714)	(351,689)	(2,026,755)	(22,468,410)
Accumulated impairment loss						
At 1 July 2024/30 June 2025	-	-	-	-	-	-
Carrying amount						
At 30 June 2025	8,833,333	11,392,697	150,431	-	219,734	20,596,195

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Balance brought forward RM	Plant and machineries RM	Portable cabin RM	Portable workshop RM	Renovation RM	Balance carried forward RM
Cost						
At 1 July 2024	43,635,331	505,518	1,462,839	181,400	453,161	46,238,249
Additions	765,750	-	196,000	-	15,000	976,750
Reclassifications	-	-	-	-	-	-
Disposals	(941,938)	-	-	-	-	(941,938)
Deemed disposals of subsidiaries (Note 10(a))	(390,017)	(441,518)	-	-	-	(831,535)
Write-offs	(180)	-	-	-	-	(180)
Effect of movements in exchange rates	(4,341)	-	-	-	-	(4,341)
At 30 June 2025	43,064,605	64,000	1,658,839	181,400	468,161	45,437,005
Accumulated depreciation						
At 1 July 2024	(19,803,491)	(315,800)	(1,015,175)	(179,630)	(254,321)	(21,568,417)
Charge for the financial year	(3,633,352)	(22,075)	(103,301)	(1,770)	(45,656)	(3,806,154)
Disposals	775,252	-	-	-	-	775,252
Deemed disposals of subsidiaries (Note 10(a))	195,235	273,876	-	-	-	469,111
Write-offs	180	-	-	-	-	180
Effect of movements in exchange rates	(2,234)	-	-	-	-	(2,234)
At 30 June 2025	(22,468,410)	(63,999)	(1,118,476)	(181,400)	(299,977)	(24,132,262)
Accumulated impairment loss						
At 1 July 2024/30 June 2025	-	-	-	-	-	-
Carrying amount						
At 30 June 2025	20,596,195	1	540,363	-	168,184	21,304,743

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Balance brought forward RM	Signboard RM	Solar assets RM	Wireline equipment RM	Capital work-in-progress RM	Total RM
Cost						
At 1 July 2024	46,238,249	14,515	9,967,489	22,191,037	41,670,946	120,082,236
Additions	976,750	-	816,765	-	19,976,295	21,769,810
Reclassifications	-	-	37,517,768	-	(37,517,768)	-
Disposals	(941,938)	-	-	-	-	(941,938)
Deemed disposals of subsidiaries (Note 10(a))	(831,535)	-	(1,282,500)	-	(3,757,068)	(5,871,103)
Write-offs	(180)	-	-	-	-	(180)
Effect of movements in exchange rates	(4,341)	-	(3,811,918)	-	-	(3,816,259)
At 30 June 2025	45,437,005	14,515	43,207,604	22,191,037	20,372,405	131,222,566
Accumulated depreciation						
At 1 July 2024	(21,568,417)	(12,466)	(376,844)	(19,284,817)	-	(41,242,544)
Charge for the financial year	(3,806,154)	(611)	(4,389,729)	(217,840)	-	(8,414,334)
Disposals	775,252	-	-	-	-	775,252
Deemed disposals of subsidiaries (Note 10(a))	469,111	-	73,840	-	-	542,951
Write-offs	180	-	-	-	-	180
Effect of movements in exchange rates	(2,234)	-	539,149	-	-	536,915
At 30 June 2025	(24,132,262)	(13,077)	(4,153,584)	(19,502,657)	-	(47,801,580)
Accumulated impairment loss						
At 1 July 2024/30 June 2025	-	-	-	(2,384,357)	-	(2,384,357)
Carrying amount						
At 30 June 2025	21,304,743	1,438	39,054,020	304,023	20,372,405	81,036,629

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Building RM	Equipment and tools RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Balance carried forward RM
Cost						
At 1 July 2023	10,000,000	29,205,235	383,899	427,486	2,034,641	42,051,261
Acquisition of a subsidiary (Note 10(b))	-	-	-	-	-	-
Additions	-	1,268,365	3,500	-	155,769	1,427,634
Reclassifications	-	-	-	-	187,300	187,300
Write-offs	-	(570)	(3,930)	-	(26,364)	(30,864)
At 30 June 2024	10,000,000	30,473,030	383,469	427,486	2,351,346	43,635,331
Accumulated depreciation						
At 1 July 2023	(766,667)	(12,627,421)	(186,705)	(369,911)	(1,676,755)	(15,627,459)
Acquisition of a subsidiary (Note 10(b))	-	-	-	-	-	-
Charge for the financial year	(200,000)	(3,649,922)	(33,791)	(15,159)	(304,944)	(4,203,816)
Write-offs	-	570	852	-	26,362	27,784
At 30 June 2024	(966,667)	(16,276,773)	(219,644)	(385,070)	(1,955,337)	(19,803,491)
Accumulated impairment loss						
At 1 July 2023/30 June 2024	-	-	-	-	-	-
Carrying amount						
At 30 June 2024	9,033,333	14,196,257	163,825	42,416	396,009	23,831,840

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Balance brought forward RM	Plant and machineries RM	Portable cabin RM	Portable workshop RM	Renovation RM	Balance carried forward RM
Cost						
At 1 July 2023	42,051,261	491,136	1,462,839	181,400	492,161	44,678,797
Acquisition of a subsidiary (Note 10(b))	-	-	-	-	-	-
Additions	1,427,634	14,382	-	-	2,500	1,444,516
Reclassifications	187,300	-	-	-	-	187,300
Write-offs	(30,864)	-	-	-	(41,500)	(72,364)
At 30 June 2024	43,635,331	505,518	1,462,839	181,400	453,161	46,238,249
Accumulated depreciation						
At 1 July 2023	(15,627,459)	(227,735)	(911,807)	(177,270)	(213,475)	(17,157,746)
Acquisition of a subsidiary (Note 10(b))	-	-	-	-	-	-
Charge for the financial year	(4,203,816)	(88,065)	(103,368)	(2,360)	(55,638)	(4,453,247)
Write-offs	27,784	-	-	-	14,792	42,576
At 30 June 2024	(19,803,491)	(315,800)	(1,015,175)	(179,630)	(254,321)	(21,568,417)
Accumulated impairment loss						
At 1 July 2023/30 June 2024	-	-	-	-	-	-
Carrying amount						
At 30 June 2024	23,831,840	189,718	447,664	1,770	198,840	24,669,832

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Balance brought forward RM	Signboard RM	Solar assets RM	Wireline equipment RM	Capital work-in-progress RM	Total RM
Cost						
At 1 July 2023	44,678,797	20,765	879,479	22,619,260	5,648,787	73,847,088
Acquisition of a subsidiary (Note 10(b))	-	250	6,326,266	-	-	6,326,516
Additions	1,444,516	680	835,690	92,674	38,135,513	40,509,073
Reclassifications	187,300	-	1,926,054	-	(2,113,354)	-
Write-offs	(72,364)	(7,180)	-	(520,897)	-	(600,441)
At 30 June 2024	46,238,249	14,515	9,967,489	22,191,037	41,670,946	120,082,236
Accumulated depreciation						
At 1 July 2023	(17,157,746)	(13,839)	(13,446)	(19,567,148)	-	(36,752,179)
Acquisition of a subsidiary (Note 10(b))	-	(46)	(160,095)	-	-	(160,141)
Charge for the financial year	(4,453,247)	(2,769)	(203,303)	(238,564)	-	(4,897,883)
Write-offs	42,576	4,188	-	520,895	-	567,659
At 30 June 2024	(21,568,417)	(12,466)	(376,844)	(19,284,817)	-	(41,242,544)
Accumulated impairment loss						
At 1 July 2023/30 June 2024	-	-	-	(2,384,357)	-	(2,384,357)
Carrying amount						
At 30 June 2024	24,669,832	2,049	9,590,645	521,863	41,670,946	76,455,335

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Office equipment RM	Capital work-in- progress RM	Total RM
Cost			
At 1 July 2024	410,610	-	410,610
Additions	72,352	-	72,352
Disposals	(5,420)	-	(5,420)
At 30 June 2025	477,542	-	477,542
Accumulated depreciation			
At 1 July 2024	(243,895)	-	(243,895)
Charge for the financial year	(127,014)	-	(127,014)
Disposals	4,878	-	4,878
At 30 June 2025	(366,031)	-	(366,031)
Carrying amount			
At 30 June 2025	111,511	-	111,511
Cost			
At 1 July 2023	203,441	187,300	390,741
Additions	41,545	-	41,545
Reclassifications	187,300	(187,300)	-
Write-offs	(21,676)	-	(21,676)
At 30 June 2024	410,610	-	410,610
Accumulated depreciation			
At 1 July 2023	(135,921)	-	(135,921)
Charge for the financial year	(129,648)	-	(129,648)
Write-offs	21,674	-	21,674
At 30 June 2024	(243,895)	-	(243,895)
Carrying amount			
At 30 June 2024	166,715	-	166,715

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Included in the carrying amount of Group's solar assets as at the financial year end are right-of-use assets are as follows:

	Group	
	2025 RM	2024 RM
Solar assets	2,337,779	1,572,039

- (b) The building of the Group with a carrying amount of RM8,833,333 (2024: RM9,033,333) has been pledged to a licensed bank as security for banking facilities granted to the Group, as disclosed in Note 32.

7. INVESTMENT PROPERTIES

Group	Buildings RM	Total RM
Cost		
At 1 July 2024/30 June 2025	5,837,120	5,837,120
Accumulated depreciation		
At 1 July 2024	(1,079,867)	(1,079,867)
Charge for the financial year	(116,743)	(116,743)
At 30 June 2025	(1,196,610)	(1,196,610)
Cost		
At 1 July 2023/30 June 2024	5,837,120	5,837,120
Accumulated depreciation		
At 1 July 2023	(963,125)	(963,125)
Charge for the financial year	(116,742)	(116,742)
At 30 June 2024	(1,079,867)	(1,079,867)
Carrying amount		
At 30 June 2025	4,640,510	4,640,510
At 30 June 2024	4,757,253	4,757,253

	Group	
	2025 RM	2024 RM
Fair value	5,000,000	5,000,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

7. INVESTMENT PROPERTIES (CONTINUED)

- (a) The building has been pledged to licensed banks as security for banking facilities granted to the Group, as disclosed in Note 32.
- (b) The fair value of the investment properties categorised under Level 2 of the fair value hierarchy, was estimated at RM5,000,000 based on the valuation on 9 August 2023 by Hartamas Valuation & Consultancy Sdn. Bhd. (Registration Number: V-1008), an independent and professionally qualified valuer. Valuations were based on open market basis by making references to observable prices in an active market or recent market transactions on arm's length terms. Based on the Management's assessment, there were no indication of impairment identified during the current financial year. The Directors agreed that the investment properties need not be revalued as at the end of the financial year as there is no indication of significant impairment loss, which is in accordance with the Group's policy. Accordingly, the carrying amount of the investment property is maintained, subject to annual depreciation only.
- (c) Direct operating expenses arising from investment properties of the Group were RM59,493 (2024: RM49,715). Rental income arising from investment properties of the Group was RM256,092 (2024: RM160,092).

8. RIGHT-OF-USE ASSETS

Group	Buildings RM	Laboratory RM	Warehouse RM	Total RM
Cost				
At 1 July 2024	1,387,879	211,340	-	1,599,219
Additions	67,606	-	522,680	590,286
At 30 June 2025	1,455,485	211,340	522,680	2,189,505
Accumulated depreciation				
At 1 July 2024	(1,298,805)	(118,483)	-	(1,417,288)
Charge for the financial year	(66,538)	(37,280)	(10,889)	(114,707)
At 30 June 2025	(1,365,343)	(155,763)	(10,889)	(1,531,995)
Carrying amount				
At 30 June 2025	90,142	55,577	511,791	657,510
Cost				
At 1 July 2023	1,605,287	99,500	-	1,704,787
Additions	67,606	111,840	-	179,446
Derecognition due to early termination	(285,014)	-	-	(285,014)
At 30 June 2024	1,387,879	211,340	-	1,599,219

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

8. RIGHT-OF-USE ASSETS (CONTINUED)

Group	Buildings RM	Laboratory RM	Warehouse RM	Total RM
Accumulated depreciation				
At 1 July 2023	(1,217,464)	(82,917)	-	(1,300,381)
Charge for the financial year	(223,849)	(35,566)	-	(259,415)
Derecognition due to early termination	142,508	-	-	142,508
At 30 June 2024	(1,298,805)	(118,483)	-	(1,417,288)

Carrying amount

At 30 June 2024	89,074	92,857	-	181,931
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Company	Buildings RM	Total RM
Cost		
At 1 July 2024	741,325	741,325
Additions	187,794	187,794
At 30 June 2025	929,119	929,119
Accumulated depreciation		
At 1 July 2024	(459,634)	(459,634)
Charge for the financial year	(187,794)	(187,794)
At 30 June 2025	(647,428)	(647,428)
Carrying amount		
At 30 June 2025	281,691	281,691

Cost

At 1 July 2023	553,531	553,531
Additions	187,794	187,794
At 30 June 2024	741,325	741,325

Accumulated depreciation

At 1 July 2023	(274,303)	(274,303)
Charge for the financial year	(185,331)	(185,331)
At 30 June 2024	(459,634)	(459,634)

Carrying amount

At 30 June 2024	281,691	281,691
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

8. RIGHT-OF-USE ASSETS (CONTINUED)

The Group and the Company lease various office buildings, laboratory and warehouse, and the leasing activities are summarised below:

- (a) Office buildings: The Group and the Company leased buildings for 1 (2024: 1) year, with an option to renew the lease of 2 (2024: 2) years after that date. Lease payments are contracts for buildings used in its operations with lease terms of 3 (2024: 2 to 3) years.
- (b) Laboratory: The Group has leased laboratory for 2 (2024: 2) years, with an option to renew the lease of 1 (2024: 1) year after that date. Lease payments are contracts for laboratory used in its operations with lease terms of 3 (2024: 3) years.
- (c) Warehouse: The Group has leased warehouse for 2 (2024: Nil) years, with an option to renew the lease of 2 (2024: Nil) years after that date. Lease payments are contracts for warehouse used in its operations with lease terms of 4 (2024: Nil) years.

9. INTANGIBLE ASSETS

	Group	
	2025 RM	2024 RM
Cost		
At beginning of the year	3,281,430	-
Acquisition of a subsidiary (Note 10(b))	-	3,281,430
Additions	110,839	-
At end of the year	3,392,269	3,281,430
Accumulated amortisation		
At beginning of the year	(54,691)	-
Amortisation charged	(179,630)	(54,691)
At end of the year	(234,321)	(54,691)
Carrying amount		
At end of the year	3,157,948	3,226,739

The intangible assets were identified and recognised in the previous financial year as part of the business combination of SAG Renewables Sdn. Bhd. ("SAGR") and is subject to amortisation over their useful lives. The amortisation is calculated on a straight-line basis, reflecting the expected pattern of benefits derived from the assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 RM	2024 RM
Unquoted shares, at cost		
At beginning of the year	39,605,106	39,414,226
Additions	3,805,480	190,880
Transferred from investment in joint ventures (Note 12)	76,160	-
Deemed disposal of subsidiaries (Note a)	(15,297,402)	-
At end of the year	28,189,344	39,605,106
Less: Accumulated impairment loss		
At beginning of the year	(1,209,520)	(209,520)
Impairment loss charged	(650,000)	(1,000,000)
Reversal of impairment loss	833,230	-
At end of the year	(1,026,290)	(1,209,520)
Carrying amount	27,163,054	38,395,586

During the previous financial year, the Group implemented an Employee Share Option Scheme ("ESOS") that grants eligible employees the option to subscribe to shares in the Company. As part of the scheme, the Company's subsidiaries are also involved in facilitating the share-based payments to their employees. The share options of RMNil (2024: RM190,880) has been allocated to subsidiaries and recorded as additional investment in subsidiaries.

The details of subsidiaries are as follows:

Name of company	Principal place of business/ country of incorporation	Equity interest held		Principal activities
		2025	2024	
<i>Subsidiaries of the Company</i>				
Reservoir Link Sdn. Bhd. ^	Malaysia	100%	100%	Business dealing with products and services in relation to oil and gas field services industry
Amsito Oilwell Services (Malaysia) Sdn. Bhd. ^	Malaysia	100%	100%	Trading in petroleum drilling equipment and the provision of related engineering services
Reservoir Link (Labuan) Ltd. ®	Labuan, Malaysia	100%	100%	Provision of well perforation and well leak repair services
Reservoir Link Solutions Sdn. Bhd. ^	Malaysia	60%	60%	Developing and providing oil and gas production enhancement services and sand management solutions

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of company	Principal place of business/ country of incorporation	Equity interest held		Principal activities
		2025	2024	
<i>Subsidiaries of the Company (continued)</i>				
Reservoir Link Renewable Sdn. Bhd. ^	Malaysia	100%	100%	Investment holding and renewable energy activities
RL Bina Sdn. Bhd. ^	Malaysia	100%	100%	Dormant
RL Protec Sdn. Bhd. ^	Malaysia	52%	52%	Oil and gas extraction service activities provided on a fee or contract basis
Founder Group Limited (“FGL”) @#	British Virgin Islands	-	51%	Investment holding
Solacycle Sdn. Bhd. (Formerly known as RL ADS Power Sdn. Bhd.) ^	Malaysia	100%	-	Dormant
<i>Subsidiaries of Reservoir Link Sdn. Bhd.</i>				
Agensi Pekerjaan RL Sdn. Bhd. ^	Malaysia	100%	100%	Dormant
<i>Subsidiaries of Reservoir Link Renewable Sdn. Bhd.</i>				
RL Hydro Assets Sdn. Bhd. ^	Malaysia	100%	100%	Dormant
RL Sigma Engineering Sdn. Bhd. ^	Malaysia	100%	100%	Investment holding
SAG Renewables Sdn. Bhd. ^	Malaysia	100%	100%	Installer of non-electric solar energy collectors
RL Venture Pte. Ltd. *	Singapore	100%	100%	Dormant
<i>Subsidiaries of FGL</i>				
Founder Energy Sdn. Bhd. *	Malaysia	100%	100%	Providing renewable energy activities and related business and investment holding
<i>Subsidiaries of Founder Energy Sdn. Bhd.</i>				
Founder Energy (Singapore) Pte. Ltd. *	Singapore	100%	100%	Dormant
Founder Assets Sdn. Bhd. *	Malaysia	100%	100%	Operates generation facilities that produce electricity energy and related services

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of company	Principal place of business/ country of incorporation	Equity interest held		Principal activities
		2025	2024	
<i>Subsidiaries of RL Sigma Engineering Sdn. Bhd.</i>				
PT EnviroTech Akva Indonesia [®]	Indonesia	85%	85%	Providing wastewater treatment
<i>Subsidiaries of RL Venture Pte. Ltd.</i>				
Renewa Ventures Pte. Ltd. [*]	Singapore	-	100%	Dormant

[^] Audited by Nexia SSY PLT, a member of Nexia International.

[®] Audited by other firms of chartered accountants.

[#] Last audited report on 31 December 2024.

^{*} Dormant and statutory audit is not required in its jurisdiction where it was incorporated.

⁺ Subsidiaries have changed their financial year end to 31 December 2025, with the last audited financial statements for the year ended 30 June 2024. The auditors of these subsidiaries have since resigned and no replacements have been appointed.

During the current and previous financial years, the changes in the Group and in the Company are as follows:

- (i) On 18 August 2023, the Company's subsidiary, Reservoir Link Renewable Sdn. Bhd. ("RLR") acquired 1,000 ordinary shares in RL Venture Pte. Ltd. (formerly known as RL Renewable Pte. Ltd. and ABV Merchant Pte. Ltd.) ("RLV") from a key management personnel of RLR, representing 100% shareholdings for a total cash consideration of SGD1 equivalent to RM3. The transaction was completed on 18 August 2023. RLV became a subsidiary of RLR. RLV is dormant and accordingly, no disclosures were made on the effect of acquisition as the financial impact does not form part a material part of the consolidated financial statements.
- (ii) On 16 October 2023, RLR's subsidiary, RLV incorporated Renewa Ventures Pte. Ltd. as a wholly-owned subsidiary with an issued and paid-up share capital of SGD1 equivalent to RM3 comprising 1 ordinary share.
- (iii) On 14 November 2023, RLR entered into a Share Sale Agreement with SAG Green Tech Sdn. Bhd. to acquire 1,000,000 ordinary shares in SAG Renewables Sdn. Bhd. ("SAGR"), representing 100% shareholdings for a total cash consideration of RM4,000,000. The transaction was completed on 8 March 2024. SAGR became a subsidiary of RLR. The effect of acquisition is disclosed in Note 10(b).
- (iv) On 16 July 2024, RLR's subsidiary, RL Sigma Engineering Sdn. Bhd. subscribed to an additional 33,575 ordinary shares in its subsidiary, PT EnviroTech Akva Indonesia ("PTEAI") for a total cash consideration of IDR33,575,000,000 equivalent to RM9,703,175. The percentage of shareholdings remains the same.
- (v) On 23 October 2024, the Company's subsidiary, FGL, was listed on National Association of Securities Dealers Automated Quotations ("NASDAQ") following the Initial Public Offering ("IPO") exercise. This listing resulted in a dilution of the Group's interest in FGL and consequently a loss of control. Following the loss of control, the Group deconsolidated FGL to recognise the investment as a financial instrument and measured at fair value (Level 1) based on the quoted market price. Subsequently, the investment was reclassified to a non-financial instrument due to significant influence, as disclosed in Note 11(c). The effect of disposal is disclosed in Note 10(a).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

During the current and previous financial years, the changes in the Group and in the Company are as follows (continued):

- (vi) On 28 October 2024, the Company acquired the remaining 49,000 ordinary shares in its joint venture, Solacycle Sdn. Bhd. (formerly known as RL ADS Power Sdn. Bhd.) ("Solacycle"), representing 49% equity interest, for a total cash consideration of RM25,160. Following the acquisition, Solacycle became a wholly owned subsidiary of the Company with 100% equity interest and was reclassified from a joint venture to a wholly owned subsidiary. With the increased in equity interest from the acquisition, the total investment value stood at RM76,160, comprising the initial 51% interest of RM51,000 and the additional 49% interest of RM25,160, as disclosed in Note 12(b). Solacycle is dormant and accordingly, no disclosures were made on the effects of acquisition as the financial impact does not form a material part of the consolidated financial statements.
- (vii) On 31 December 2024, the Company subscribed to an additional 3,000,000 ordinary shares in its subsidiary, RLR, for a total cash consideration of RM3,000,000. The percentage of shareholdings remains the same.
- (viii) On 28 February 2025, the Company subscribed to an additional 155,480 ordinary shares in its subsidiary, RL Protec Sdn. Bhd. ("RL Protec"), for a total cash consideration of RM155,480. The percentage of shareholdings remains the same.
- (ix) On 18 May 2025, RLR's subsidiary, RLV subscribed to an additional 399 ordinary shares in its subsidiary, Renewa Ventures Pte. Ltd. ("RenV") for a total cash consideration of RM399. Following the subscription, RenV became an associate of RLR with 40% equity interest and was reclassified from a subsidiary to an associate. With the increased in subscription, the total carrying amount stood at RM400, as disclosed in Note 11(d). The subsidiary was dormant and accordingly, no disclosures were made on the effects of derecognition as the financial impact does not form a material part of the consolidated financial statements.
- (x) On 17 June 2025, the Company subscribed to an additional 650,000 ordinary shares in its subsidiary, RL Bina Sdn. Bhd. ("RLB"), amounting to RM650,000. The consideration was satisfied via a combination of cash amounting to RM1,905 and debt capitalisation amounting to RM648,095. The percentage of shareholdings remains the same.

(a) Disposal of subsidiaries

On 23 October 2024, FGL completed its listing on the NASDAQ. As a result of this Initial Public Offering ("IPO"), the Group's equity interest in FGL diluted from 51.00% to 45.21%. This dilution led to the deemed disposal of FGL, resulting in its deconsolidation from the Group's financial statements during the year. Thereafter, the investment in FGL was reclassified to that of associates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Disposal of subsidiaries (continued)

(i) Financial effect arising from disposal

The disposal had the following effects on the Group's assets and liabilities on the disposal date:

	Group 2025 RM	Company 2025 RM
Fair value of identifiable net assets at disposal date on 23 October 2024:		
Investment in subsidiaries	-	15,297,402
Property, plant and equipment (Note 6)	5,328,152	-
Deferred tax assets (Note 13)	74,000	-
Inventories	1,620,260	-
Trade receivables	13,813,807	-
Contract assets (Note 16)	25,368,195	-
Other receivables, deposits and prepayments	23,336,322	-
Amount owing by related companies	390,000	-
Amount owing by related parties	473,290	-
Fixed deposits with licensed banks	7,208,448	-
Cash and bank balances	1,104,786	-
Current tax assets	368,773	-
Trade payables	(23,797,836)	-
Other payables and accruals	(7,193,036)	-
Amount owing to a director	(264,500)	-
Amount owing to related companies	(258,804)	-
Amount owing to ultimate holding company	(3,230,031)	-
Borrowings	(31,207,228)	-
Net assets carried forward	13,134,598	15,297,402
Non-controlling interest	(6,620,386)	-
Goodwill arising from FGL as subsidiaries (Note 14)	13,972,961	-
Net assets attributable to the Group and the Company to be derecognised upon the deemed disposal	20,487,173	15,297,402
Retained equity interest at fair value and reclassified to investment in associates (Note 11)	(105,187,500)	(105,187,500)
Gain on deemed disposals of subsidiaries	(84,700,327)	(89,890,098)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Disposal of subsidiaries (continued)

(ii) Cash flow arising from disposal

	Group 2025 RM	Company 2025 RM
Cash inflow arising on disposal:		
Cash consideration	-	-
Less: Cash and cash equivalents disposed		
Bank overdraft	1,367,227	-
Fixed deposits with licensed banks	(7,208,448)	-
Cash and bank balances	(1,104,786)	-
	(6,946,007)	-
Add: Fixed deposits pledged with licensed banks	7,208,448	-
Net cash inflow from deemed disposal of subsidiaries	262,441	-

(b) Acquisition of a subsidiary

On 14 November 2023, the Company's subsidiary, Reservoir Link Renewable Sdn. Bhd. ("RLR"), entered into a Share Sale Agreement ("SSA") with SAG Green Tech Sdn. Bhd. ("SGT") for the acquisition of 1,000,000 ordinary shares representing 100% equity interest in SAG Renewables Sdn. Bhd. ("SAGR"), for a total purchase consideration of RM4,500,000. The Company is required to provide a corporate guarantee of RM6,000,000 upon the successful transfer of the Sale Shares from SGT to RLR in accordance with the terms of the SSA, as disclosed in Note 31(b).

Subject to the terms and conditions of the SSA, the purchase consideration shall be satisfied by RLR (the "Purchaser") to SGT (the "Vendor") by way of cheque, inter-bank transfer, telegraphic transfer to the SGT's designated bank account, or any other means agreed upon by the Parties, at the following times and in the following manner:

- (i) Within three (3) Business Days upon execution of this Agreement, the Purchaser shall pay the Vendor the sum of Ringgit Malaysia RM1,000,000, being the refundable earnest deposit ("Refundable Earnest Deposit"). The Refundable Earnest Deposit shall form part payment of the Purchase Consideration upon Completion ("1st Tranche Purchase Consideration");
- (ii) The sum of Ringgit Malaysia RM2,500,000 shall be paid by the Purchaser to the Vendor within three (3) Business Days from the Unconditional Date and upon the successful transfer of the Sale Shares from the Vendor to the Purchaser free from any Security Interest ("2nd Tranche Purchase Consideration");
- (iii) The sum of RM500,000 shall be paid by the Purchaser to the Vendor ("3rd Tranche Purchase Consideration"), subject to the achievement of the Performance Guarantee by the SAGR within the first three months of the Guarantee Period ("1st Guarantee Period"), to the satisfaction of the Purchaser. The 3rd Tranche Purchase Consideration shall be payable within fourteen (14) days from the date the Purchaser certifies that the Performance Guarantee for the 1st Guarantee Period has been met; and

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Acquisition of a subsidiary (continued)

- (iv) The remaining balance of RM500,000 shall be paid by the Purchaser to the Vendor ("4th Tranche Purchase Consideration"), subject to the achievement of the Performance Guarantee by SAGR within the final three months of the Guarantee Period ("2nd Guarantee Period"), to the satisfaction of the Purchaser. The 4th Tranche Purchase Consideration shall be payable within fourteen (14) days from the date the Purchaser certifies that the Performance Guarantee for the 2nd Guarantee Period has been met.

The payment terms outlined in (iii) have not been fulfilled as the Performance Guarantee was not met. As a result, the total fair value of the purchase consideration is reduced to RM4,000,000, which comprise the aggregate amounts of items (i), (ii) and (iv) above.

On 30 January 2024, RLR agreed to extend the expiration of the extended cut-off date from 30 January 2024 to 29 February 2024, allowing SGT additional time to meet the obligations under the Conditions Precedent.

The acquisition was completed on 8 March 2024.

As at end of the previous financial year, the total consideration paid amounted to RM3,500,000, with the remaining RM500,000 treated as contingent consideration, as disclosed in Note 31(b).

As per discharge letter dated 7 August 2024, SAGR has failed to meet the Performance Guarantee for the 2nd Guarantee Period, therefore, RLR is fully discharged from any obligation to make payment of the balance purchase consideration of RM500,000. As such, the contingent consideration has been reversed during the financial year.

The fair value of purchase consideration and identifiable assets and liabilities assumed are as follows:

	2024 RM
Property, plant and equipment (Note 6)	6,166,375
Other receivables	10,935
Cash and bank balances	33,945
Trade payables	(5,483,268)
Other payables	(9,417)
Net identifiable assets acquired	718,570
Intangible assets (Note 9)	3,281,430
	4,000,000
 Total purchase consideration	 4,000,000
Less:	
Contingent consideration (Note 31(b))	(500,000)
Cash and bank balances of the subsidiary acquired	(33,945)
Net cash outflow from the acquisition of a subsidiary	3,466,055

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Non-controlling interests

The Group's non-controlling interests at the end of the reporting year comprise the following:

Name of subsidiary	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests		Total equity/(capital deficiency) of non-controlling interests	
	2025 %	2024 %	2025 RM	2024 RM	2025 RM	2024 RM
Reservoir Link Solutions Sdn. Bhd.	40	40	351,970	35,170	913,386	561,416
RL Protec Sdn. Bhd.	48	48	688,281	(44,872)	691,843	(139,958)
Founder Group Limited and its subsidiaries	-	49	(551,038)	1,744,021	-	7,171,424
PT EnviroTech Akva Indonesia	15	15	(276,494)	(179,787)	1,743,670	308,109
			212,719	1,554,532	3,348,899	7,900,991

The summarised financial information (before intra group elimination) for the significant subsidiaries that has non-controlling interests that are material to the Group is as follows:

	Reservoir Link Solutions Sdn. Bhd.	
	2025 RM	2024 RM
<u>At 30 June</u>		
Non-current assets	2,594,749	2,949,033
Current assets	2,976,223	5,108,923
Non-current liabilities	(1,289,625)	(1,051,893)
Current liabilities	(1,971,319)	(5,602,525)
Net assets	2,310,028	1,403,538
Equity attributable to:		
Owners of the Company	1,396,642	842,122
Non-controlling interest	913,386	561,416
	2,310,028	1,403,538

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Non-controlling interests (continued)

The summarised financial information (before intra group elimination) for the significant subsidiaries that has non-controlling interests that are material to the Group is as follows (continued):

	Reservoir Link Solutions Sdn. Bhd.	
	2025 RM	2024 RM
<u>For the financial year ended 30 June</u>		
Revenue	15,837,357	10,107,123
Profit for the financial year	879,926	87,923
Total comprehensive income for the financial year	879,926	87,923
Profit attributable to:		
Owners of the Company	527,956	52,753
Non-controlling interest	351,970	35,170
	879,926	87,923
Net cash flows generated from operating activities	157,532	1,835,982
Net cash flows used in investing activities	(12,348)	(820,535)
Net cash flows generated from/(used in) financing activities	371,038	(416,808)
	RL Protec Sdn. Bhd.	
	2025 RM	2024 RM
<u>At 30 June</u>		
Non-current assets	57,074	69,679
Current assets	3,124,750	4,510,688
Non-current liabilities	(2,114)	-
Current liabilities	(1,724,431)	(4,871,947)
Net assets/(liabilities)	1,455,279	(291,580)
Equity/(capital deficiency) attributable to:		
Owners of the Company	763,436	(151,622)
Non-controlling interest	691,843	(139,958)
	1,455,279	(291,580)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Non-controlling interests (continued)

The summarised financial information (before intra group elimination) for the significant subsidiaries that has non-controlling interests that are material to the Group is as follows (continued):

	RL Protec Sdn. Bhd.	
	2025 RM	2024 RM
<u>For the financial year ended 30 June</u>		
Revenue	9,151,984	3,917,402
Profit/(loss) for the financial year	1,433,919	(93,484)
Total comprehensive income/(expenses) for the financial year	1,433,919	(93,484)
Profit/(loss) attributable to:		
Owners of the Company	745,638	(48,612)
Non-controlling interest	688,281	(44,872)
	1,433,919	(93,484)
Net cash flows generated from/(used in) operating activities	1,826,339	(1,662,920)
Net cash flows used in investing activities	(14,130)	(51,668)
Net cash flows (used in)/generated from financing activities	(1,571,052)	1,870,052
	Founder Group Limited and its subsidiaries	
	2025 RM	2024 RM
<u>At 30 June</u>		
Non-current assets	-	5,452,990
Current assets	-	70,913,938
Non-current liabilities	-	(2,017,876)
Current liabilities	-	(59,713,926)
Net assets	-	14,635,126
Equity attributable to:		
Owners of the Company	-	7,463,702
Non-controlling interest	-	7,171,424
	-	14,635,126

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Non-controlling interests (continued)

The summarised financial information (before intra group elimination) for the significant subsidiaries that has non-controlling interests that are material to the Group is as follows (continued):

	Founder Group Limited and its subsidiaries	
	2025 RM	2024 RM
<u>For the financial period up to date of deemed disposal, 23 October 2024</u>		
Revenue	25,430,559	110,488,119
(Loss)/profit for the financial year	(1,184,375)	3,557,198
Total comprehensive (expenses)/income for the financial year	(1,184,375)	3,559,234
(Loss)/profit attributable to:		
Owners of the Company	(633,337)	1,815,213
Non-controlling interest	(551,038)	1,744,021
	(1,184,375)	3,559,234
<u>At 30 June</u>		
Net cash flows used in operating activities	-	(7,773,711)
Net cash flows used in investing activities	-	(6,589,060)
Net cash flows generated from financing activities	-	18,051,883
	PT EnviroTech Akva Indonesia	
	2025 RM	2024 RM
<u>At 30 June</u>		
Non-current assets	30,845,726	37,942,200
Current assets	7,927,389	5,718,710
Non-current liabilities	(20,353,623)	(26,086,068)
Current liabilities	(6,806,276)	(15,520,783)
Net assets	11,613,216	2,054,059
Equity attributable to:		
Owners of the Company	9,869,546	1,745,950
Non-controlling interest	1,743,670	308,109
	11,613,216	2,054,059

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Non-controlling interests (continued)

The summarised financial information (before intra group elimination) for the significant subsidiaries that has non-controlling interests that are material to the Group is as follows (continued):

	PT EnviroTech Akva Indonesia	
	2025 RM	2024 RM
<u>For the financial year ended 30 June</u>		
Revenue	12,545,634	2,295,214
Loss for the financial year	(1,845,073)	(1,010,355)
Total comprehensive expenses for the financial year	(1,845,073)	(1,198,582)
Loss attributable to:		
Owners of the Company	(1,568,579)	(1,018,795)
Non-controlling interest	(276,494)	(179,787)
	(1,845,073)	(1,198,582)
Net cash flows (used in)/generated from operating activities	(5,791,849)	5,316,876
Net cash flows generated from/(used in) investing activities	1,313,868	(33,806,318)
Net cash flows generated from financing activities	5,960,550	29,084,807

11. INVESTMENT IN ASSOCIATES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cost				
At beginning of the year	290,000	-	-	-
Additions	7,709,000	290,000	-	-
Additions resulted from deemed disposal of subsidiaries (Note 10(a)(i))	105,187,500	-	105,187,500	-
Transferred from investment in subsidiaries (Note 10(ix))	400	-	-	-
Transferred from investment in joint ventures (Note 12)	1	-	-	-
At end of the year	113,186,901	290,000	105,187,500	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. INVESTMENT IN ASSOCIATES (CONTINUED)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Less: Share of post-acquisition losses				
At beginning of the year	-	-	-	-
Share of post-acquisition losses	(2,713,671)	-	-	-
At end of the year	(2,713,671)	-	-	-
Less: Accumulated impairment loss				
At beginning of the year	-	-	-	-
Impairment losses charged - net	(50,203,970)	-	(51,587,418)	-
At end of the year	(50,203,970)	-	(51,587,418)	-
Carrying amount				
- Quoted shares	53,600,082	-	53,600,082	-
- Unquoted shares	6,669,178	290,000	-	-
	60,269,260	290,000	53,600,082	-
Investment measured at fair value:				
Shares quoted in NASDAQ	24,394,798	-	24,394,798	-

The fair value of quoted equity investments are measured based on the year end quoted prices in active markets.

Details of associates are as follows:

Name of company	Principal place of business/ country of incorporation	Equity interest held		Principal activities
		2025	2024	
<i>Associate of the Company</i>				
Founder Group Limited (“FGL”) ^{©#}	British Virgin Island	38%	-	Investment holding
<i>Associate of Reservoir Link Renewable Sdn. Bhd</i>				
SRM Utama Selambau Sdn. Bhd. (“SUS”) [©]	Malaysia	29%	29%	Dormant

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. INVESTMENT IN ASSOCIATES (CONTINUED)

Name of company	Principal place of business/ country of incorporation	Equity interest held		Principal activities
		2025	2024	
<u>Associate of RL Bina Sdn. Bhd.</u>				
RL IDC Sdn. Bhd. ("RLIDC") ®	Malaysia	50%	-	Investment holding and renewable energy activities
<u>Associate of RL Venture Pte. Ltd.</u>				
Renewa Ventures Pte. Ltd. ("RVPL") *	Singapore	40%	-	Dormant
<u>Associate of Reservoir Link Sdn. Bhd.</u>				
Propel Maxflo Sdn.Bhd. ("PMSB") ®	Malaysia	30%	-	Providing products and services for exploration, drilling and well intervention, EOR/IOR and production technologies

© Audited by other firms of chartered accountants.

Last audited report on 31 December 2024.

* Dormant and statutory audit is not required in its jurisdiction where it was incorporated.

During the current and previous financial years, the changes in the Group and in the Company are as follows:

- On 20 March 2024, the Company's wholly owned subsidiary, Reservoir Link Renewable Sdn. Bhd. ("RLR") entered into a Shareholders' Agreement with Sumitomo Corporation, MAQO Engineering Sdn. Bhd. and SRM Utama Selambau Sdn. Bhd. ("SUS") for the purpose of SUS to develop, implement, own and operate a 29.99MWac ground-mounted solar photovoltaic project in Kedah, Malaysia.
- On 1 July 2024, the Company's subsidiary, RL Bina Sdn. Bhd., reclassified its investment in joint venture, RLIDC of 1 ordinary share of RM1, representing a 50% equity interest to investment in associate due to the non-execution of the joint venture agreement, as disclosed in Note 12(a).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. INVESTMENT IN ASSOCIATES (CONTINUED)

During the current and previous financial years, the changes in the Group and in the Company are as follows (continued):

- (c) On 23 October 2024, the Group's subsidiary, FGL, was listed on NASDAQ following the IPO exercise. This listing resulted in a dilution of the Group's interest in FGL and consequently a loss of control. Following the loss of control, the Group deconsolidated FGL to recognise the investment as a financial instrument and measured at fair value (Level 1) based on the quoted market price. Subsequently, the investment was reclassified to a non-financial instrument due to significant influence, as disclosed in Note 10(v). The effect of disposal is disclosed in Note 10(a).

During the year, Management contended that the quoted market price no longer represents the most appropriate measure of fair value as it is abnormally low, and believes that amongst the possible factors are the post-IPO lock-up restrictions and share price volatility. Based on these and the strategic long-term nature of the investment, Management opted for Level 3 valuation method which uses the Discounted Cash Flow ("DCF") model to determine the true value for reporting purposes.

Management also noted that although the requirements of the accounting standard for investment in associates are accounted for using the equity method, this will not give a true reflection of the value of the investment. In view of the intention to hold the investment on a long-term basis coupled with the advantage as a significant investor holding a block of shares of approximately 38% equity interest, the DCF will be the best method for impairment testing when there are indicators of impairment. Recoverable amount will be determined using the value-in-use (DCF), as permitted under the accounting standards.

The change in valuation method was considered appropriate given the specific characteristics of the investment, which provide a more reliable measure of value. Based on the Level 3 valuation, an impairment loss of RM48,447,915 and RM51,587,418 at the Group level and at the Company level respectively, were recognised during the financial year.

- (d) On 18 May 2025, RLR's subsidiary, RLV subscribed to an additional 399 ordinary shares in its subsidiary, Renewa Ventures Pte. Ltd. ("RenV") for a total cash consideration of RM399. Following the subscription, RenV became an associate of RLR with 40% equity interest and was reclassified from a subsidiary to an associate. With the increased in subscription, the total carrying amount stood at RM400, as disclosed in Note 10(ix).
- (e) On 19 May 2025, the Company's subsidiary, Reservoir Link Sdn. Bhd., acquired 545,044 ordinary shares in Propel Maxflo Sdn. Bhd. ("PMSB"), representing a 30% equity interest, for a total cash consideration of RM7,390,000. PMSB became an associate of the Company.
- (f) On 6 June 2025, the Company's subsidiary, RLR subscribed to an additional 319,000 ordinary shares in SUS, for a total cash consideration of RM319,000. The percentage of shareholdings remains the same.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. INVESTMENT IN ASSOCIATES (CONTINUED)

The summarised financial information of the associates is as follows:

Group	FGL RM	SRM RM	RLIDC RM	RVPL RM	PMSB RM	Total RM
2025						
Non-current assets	27,561,016	577,998	-	-	1,471,963	29,610,977
Current assets	96,361,935	1,477,032	2	3,777	20,820,552	118,663,298
Non-current liabilities	(18,771,960)	-	-	(7,917)	(182,191)	(18,962,068)
Current liabilities	(88,503,789)	(3,310)	(150,919)	-	(3,245,398)	(91,903,416)
Net assets/(liabilities)	16,647,202	2,051,720	(150,917)	(4,140)	18,864,926	37,408,791
For the financial year ended 30 June 2025						
Revenue	88,444,216	-	-	-	6,711,705	95,155,921
Depreciation of plant and equipment	(1,807,742)	-	-	-	(26,390)	(1,834,132)
(Loss)/profit for the financial year	(6,579,833)	(48,280)	(7,143)	(7,632)	1,488,191	(5,154,697)
Total comprehensive (expenses)/income	(6,579,833)	(48,280)	(7,143)	(7,632)	1,488,191	(5,154,697)
Group's share of (loss)/profit for the financial year	(3,139,503)	(14,001)	(1)	(400)	440,234	(2,713,671)
Reconciliation of Net Assets to Carrying Amount						
Group's share of net assets	6,272,666	594,999	-	-	5,659,478	12,527,143
Adjustment for potential future profit	-	-	-	-	414,701	414,701
Fair value gain on deemed disposal adjusted for impairment loss	47,327,416	-	-	-	-	47,327,416
Carrying amount of the Group's interests in these associates	53,600,082	594,999	-	-	6,074,179	60,269,260

In the previous financial year, the summarised financial information of the associate has not been presented as the financial effect was not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

12. INVESTMENT IN JOINT VENTURES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unquoted shares, at cost				
At beginning of the year	1,326,001	1,326,000	51,000	51,000
Additions	25,160	1	25,160	-
Transferred to investment in subsidiary (Note 10)	(76,160)	-	(76,160)	-
Transferred to investment in associates (Note 11)	(1)	-	-	-
At end of the year	1,275,000	1,326,001	-	51,000
Less: Share of post-acquisition losses				
At beginning of the year	(191,808)	(165,730)	-	-
Share of post-acquisition losses	(117,669)	(26,078)	-	-
At end of the year	(309,477)	(191,808)	-	-
Carrying amount				
At end of the year	965,523	1,134,193	-	51,000

The details of the joint ventures are as follows:

Name of company	Principal place of business/ country of incorporation	Equity interest held		Principal activities
		2025	2024	
<u>Joint venture of the Company</u>				
Solacyle Sdn. Bhd. (Formerly known as RL ADS Power Sdn. Bhd.) ("Solacyle") ^	Malaysia	-	51%	Dormant
<u>Joint venture of Reservoir Link Renewable Sdn. Bhd.</u>				
RL Sunseap Energy Sdn. Bhd. ("RLSE") ^*	Malaysia	51%	51%	Renewable energy business
<u>Joint venture of RL Bina Sdn. Bhd</u>				
RL IDC Sdn. Bhd. ("RLIDC") @	Malaysia	-	50%	Dormant

^ Audited by Nexia SSY PLT, a member of Nexia International.

@ Audited by other firms of chartered accountants.

* Although the Group holds more than 50% of the voting power in RLSE (and Solacyle in the previous financial year), the Group determined that it does not have sole control over the investee considering that strategic and financial decisions of the relevant activities of the investee require unanimous consent by shareholders.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

12. INVESTMENT IN JOINT VENTURES (CONTINUED)

During the current and previous financial years, the changes in the Group and in the Company are as follows:

- (a) On 15 January 2024, the Company's subsidiary, RL Bina Sdn. Bhd. ("RLB") incorporated RL IDC Sdn. Bhd. with an issued and paid-up share capital of RM2 comprising 2 shares with the primary intention to transfer 50% equity interest to a third party for a joint venture purpose. On 31 May 2024, RLB transferred its 50% shares to Excellent Gain Worldwide Holdings Pte. Ltd. for a total consideration of RM1. On 1 July 2024, RLB reclassified its investment in joint venture to investment in associate due to the non-execution of the joint venture agreement, as disclosed in Note 11(b).
- (b) On 28 October 2024, the Company acquired the remaining 49,000 ordinary shares in its joint venture, Solacycle Sdn. Bhd. (formerly known as RL ADS Power Sdn. Bhd.) ("Solacycle"), representing 49% equity interest, for a total cash consideration of RM25,160. Following the acquisition, Solacycle became a wholly owned subsidiary of the Company with 100% equity interest and was reclassified from a joint venture to a wholly owned subsidiary, as disclosed in Note 10(vi).

The Group's involvement in joint arrangements is structured through separate vehicles which provide the Group rights to the net assets of the entities. Accordingly, the Group has classified these investments as joint ventures.

The summarised financial information of the joint ventures is as follows:

Group	Solacycle RM	RLSE RM	Total RM
2025			
Non-current assets	-	10,038,079	10,038,079
Current assets	-	1,563,110	1,563,110
Non-current liabilities	-	(8,601,501)	(8,601,501)
Current liabilities	-	(922,963)	(922,963)
Net assets	-	2,076,725	2,076,725
<u>For the financial year ended 30 June 2025</u>			
Revenue	-	848,599	848,599
Depreciation of plant and equipment	-	(202,755)	(202,755)
Loss for the financial year	(1,210)	(229,513)	(230,723)
Total comprehensive expenses	(1,210)	(229,513)	(230,723)
Group's share of loss for the financial year	(617)	(117,052)	(117,669)
Carrying amount of the Group's interests in these joint ventures	-	965,523	965,523

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

12. INVESTMENT IN JOINT VENTURES (CONTINUED)

The summarised financial information of the joint ventures is as follows (continued):

Group	Solacycle RM	RLSE RM	RLIDC RM	Total RM
2024				
Non-current assets	-	6,424,763	-	6,424,763
Current assets	57,533	1,605,498	2	1,663,033
Non-current liabilities	-	(4,640,018)	-	(4,640,018)
Current liabilities	(6,185)	(1,084,004)	(143,775)	(1,233,964)
Net assets/(liabilities)	51,348	2,306,239	(143,773)	2,213,814
For the financial year ended 30 June 2024				
Revenue	-	862,388	-	862,388
Depreciation of plant and equipment	-	(196,775)	-	(196,775)
(Loss)/profit for the financial year	(8,748)	98,572	(143,775)	(53,951)
Total comprehensive (expenses)/profit	(8,748)	98,572	(143,775)	(53,951)
Group's share of (loss)/profit for the financial year	(4,462)	50,272	(71,888)	(26,078)
Carrying amount of the Group's interest in these joint ventures	29,898	1,176,182	(71,887)	1,134,193

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

13. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2025 RM	2024 RM
At beginning of the year	542,274	1,099,138
Deemed disposal of subsidiaries (Note 10(a))	(74,000)	-
Recognised in the statements of profit or loss and other comprehensive income (Note 43)	(1,033,296)	(556,864)
At end of the year	(565,022)	542,274
Presented after appropriate offsetting as follows:		
Deferred tax assets	931,985	1,316,897
Deferred tax liabilities	(1,497,007)	(774,623)
	(565,022)	542,274

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

Deferred tax assets

	Unabsorbed tax losses RM	Unutilised capital allowances RM	Other deductible temporary differences RM	Total RM
Group				
At 1 July 2024	634,999	604,232	77,666	1,316,897
Deemed disposal of subsidiaries (Note 10(a))	-	-	(74,000)	(74,000)
Recognised in the statements of profit or loss and other comprehensive income	(67,200)	(413,916)	170,204	(310,912)
At 30 June 2025	567,799	190,316	173,870	931,985
At 1 July 2023	572,684	677,961	19,933	1,270,578
Recognised in the statements of profit or loss and other comprehensive income	62,315	(73,729)	57,733	46,319
At 30 June 2024	634,999	604,232	77,666	1,316,897

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

13. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Deferred tax liabilities

	Property, plant and equipment RM	Total RM
Group		
At 1 July 2024	(774,623)	(774,623)
Recognised in the statements of profit or loss and other comprehensive income	(722,384)	(722,384)
At 30 June 2025	(1,497,007)	(1,497,007)
At 1 July 2023	(171,440)	(171,440)
Recognised in the statements of profit or loss and other comprehensive income	(603,183)	(603,183)
At 30 June 2024	(774,623)	(774,623)

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

	Group	
	2025 RM	2024 RM
Unabsorbed tax losses	5,086,324	6,700,955
Unutilised capital allowances	3,401,372	3,386,752
Other temporary differences	356,392	602,227
Total temporary differences	8,844,088	10,689,934
Deferred tax assets arising in respect of the above temporary difference	2,122,581	2,565,584
Deferred tax assets recognised	(931,985)	(1,316,897)
Deferred tax assets not recognised due to uncertainties of realisation of profit	1,190,596	1,248,687
Unabsorbed tax losses which will expire in the following year of assessment:		
- YA 2029	2,386,183	2,386,183
- YA 2032	47,481	47,481
- YA 2033	919,944	1,078,663
- YA 2034	952,282	952,282
- YA 2035	719,921	2,236,346
- YA 2036	60,513	-
	5,086,324	6,700,955

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

13. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Based on the current legislation, the unabsorbed tax losses are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment, whereas, the unutilised capital allowances are allowed to be carried forward indefinitely.

14. GOODWILL

	Group	
	2025 RM	2024 RM
Cost		
At beginning of the year	13,972,961	13,972,961
Deemed disposal of subsidiaries (Note 10(a))	(13,972,961)	-
At end of the year	-	13,972,961

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

	2025	2024
(i) Budgeted average gross margin	-	9%
(ii) Growth factor	-	5%
(iii) Discount rate (pre-tax)	-	11%

The Group believes that any reasonable possible change in the above key assumptions applied is not likely to materially cause the recoverable amount to be lower than its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

15. INVENTORIES

	Group	
	2025 RM	2024 RM
Oilfield chemicals	83,160	83,160
Perforating explosives	4,201,598	3,734,254
Perforating hardware	3,312,798	3,296,669
Raw materials - chemicals	110,087	174,654
Trading goods	-	1,797,252
	7,707,643	9,085,989
Less: Allowance for obsolete inventories	(201,919)	(265,111)
	7,505,724	8,820,878
Recognised in profit or loss:-		
Inventories recognised as cost of sales	6,904,946	38,337,090
Reversal of obsolete inventories	(159,467)	-
Allowance for obsolete inventories	96,275	265,111
Inventories written off	153,894	-

16. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2025 RM	Restated 2024 RM
At beginning of the year	45,513,808	41,671,321
Performance obligation performed	19,928,876	84,896,262
Transfer to trade receivables	(30,297,035)	(81,064,562)
Reversal of impairment losses	-	10,787
Deemed disposal of subsidiaries (Note 10(a))	(25,368,195)	-
At end of the year	9,777,454	45,513,808

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

16. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

	Group	
	2025 RM	Restated 2024 RM
Represented by:-		
Construction of solar photovoltaic power plant and related services	-	31,072,883
Oil and gas well services and related work	9,533,317	14,230,865
Supply of renewable energy and related activities	244,137	210,060
	9,777,454	45,513,808
Analysed as:		
Contract assets		
Gross amount	13,398,016	48,115,640
Less: Accumulated impairment losses	-	(285,989)
	13,398,016	47,829,651
Contract liabilities	(3,620,562)	(2,315,843)
	9,777,454	45,513,808

The contract assets relate to the Group's rights to consideration for work performed but not yet billed as at the reporting date for construction of solar photovoltaic power plant, supply of renewable energy and related services. The contract assets will be transferred to trade receivables when the rights become unconditional.

The contract liabilities relate to the advance consideration received from customers for construction contract, where revenue is recognised over time during the construction activities.

17. TRADE RECEIVABLES

	Group	
	2025 RM	Restated 2024 RM
Third parties	11,709,986	25,486,088
Retention sum	-	3,610,093
	11,709,986	29,096,181
Less: Accumulated impairment losses	(939,493)	(1,398,028)
	10,770,493	27,698,153

The Group's normal trade credit terms range from 30 to 90 (2024: 30 to 90) days. Other credit terms are assessed and approved on case-by-case basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables	304,143	1,712,790	239,853	435,791
Deposits	8,558,763	7,202,791	2,800	2,800
Prepayments	6,041,402	9,530,912	51,987	95,820
	14,904,308	18,446,493	294,640	534,411

Included in other receivables is a Central Depository System account opened for short-term investment of trust funds being used as a reserve account for margin facility to offset finance charges arising from margin facility amounted to RM239,853 (2024: RM435,791).

On 31 January 2023, the Group's subsidiary, RLHydro Assets Sdn. Bhd. entered into a Term Sheet with PT Sumpratama Juru Engineering for the acquisition of PT Eco Power Engineering ("EPE") representing 90% equity in EPE for a total cash consideration of USD3,000,000. As of 2 June 2023, USD150,000 equivalent to RM687,450 was paid, bringing it to RM4,428,700 deposits paid as of previous financial year. The subsidiary is planning to submit tenders for hydro asset projects expected to open in November 2025.

19. AMOUNT OWING BY/(TO) SUBSIDIARIES

	Company	
	2025 RM	2024 RM
Amount owing by subsidiaries		
Non-trade balances	16,428,259	13,409,238
Less: Accumulated impairment losses	(691,418)	(652,690)
	15,736,841	12,756,548
Amount owing to subsidiaries		
Non-trade balances	(298,369)	(180,092)

The amounts owing by/(to) subsidiaries are unsecured, bore/(charged) interest at 1.50% above the Base Lending Rate ("BLR") (2024: 1.50% above the BLR) per annum and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

20. AMOUNT OWING BY/(TO) ASSOCIATES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Amount owing by associates				
Non-trade balances	866,443	45,898	437,545	-
Less: Accumulated impairment losses	(138,170)	-	-	-
	728,273	45,898	437,545	-
Amount owing to associates				
Non-trade balances	(4,058,449)	-	(217,995)	-

The amounts owing by/(to) associates are unsecured, interest free and are repayable on demand.

21. AMOUNT OWING BY/(TO) JOINT VENTURES

	Group	
	2025 RM	2024 RM
Amount owing by joint ventures		
Non-trade balances	304,418	869,056
Amount owing to joint ventures		
Non-trade balances	-	(1)

The non-trade amounts owing by/(to) joint ventures are unsecured, bore/(charged) interest at 1.30% above the Base Lending Rate ("BLR") (2024: 1.30% above the BLR) per annum and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

22. AMOUNT OWING BY/(TO) RELATED PARTIES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Amount owing by related parties				
Non-trade balances	-	392,696	138,170	138,170
Less: Accumulated impairment losses	-	-	(138,170)	-
	-	392,696	-	138,170
Amount owing to related parties				
Non-trade balances	-	(1,172,135)	-	-

The amounts owing by/(to) related parties are unsecured, interest free and are repayable on demand. The related party is a company in which one of the directors of the subsidiary has significant influence.

23. SHORT-TERM INVESTMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At fair value				
At beginning of the year	1,020,970	693,230	1,020,970	686,375
Additions	878,560	703,229	878,560	710,084
Disposals	(267,917)	(174,900)	(267,917)	(174,900)
Fair value adjustments	(578,898)	(200,589)	(578,898)	(200,589)
At end of the year	1,052,715	1,020,970	1,052,715	1,020,970
Investments measured at market value:				
Unit trust funds in Malaysia	1,052,715	1,020,970	1,052,715	1,020,970

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

24. DERIVATIVE FINANCIAL ASSETS

	Group	
	2025 RM	2024 RM
Non-hedging derivatives:		
<u>Forward currency contract</u>		
Fair value	-	383,764
Contract amount	-	(380,199)
Fair value gain arising from derivative	-	3,565

The Group uses forward currency contracts to manage some of the transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

In the previous financial year, forward currency contracts are used to hedge the Group's purchases denominated in USD for which firm commitments existed at the reporting date, extending to September 2024.

25. FIXED DEPOSITS WITH LICENSED BANKS

	Group	
	2025 RM	2024 RM
Fixed deposits with licensed banks	4,912,341	9,676,772

(a) The fixed deposits with licensed banks of the Group at the end of the reporting year bore effective interest rates ranging from 2.00% to 3.25% (2024: 2.00% to 3.25%) per annum. The fixed deposits have maturity periods ranging from 1 to 12 (2024: 1 to 12) months.

(b) The fixed deposits with licensed banks of the Group at the end of the reporting year has been pledged to licensed banks as security for banking facilities granted to the Group, as disclosed in Note 32.

26. CASH AND BANK BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash in hand	20,569	145,673	100	100
Cash at bank	11,113,786	13,336,934	1,280,247	242,528
Cash and bank balances	11,134,355	13,482,607	1,280,347	242,628

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

27. SHARE CAPITAL

	Group and Company			
	2025 Unit	2024 Unit	2025 RM	2024 RM
Issued and fully paid ordinary shares				
At beginning of the year	316,823,000	290,445,000	55,763,117	47,967,910
Issuance of shares:				
- via private placement	32,790,000	26,378,000	10,275,550	7,913,400
- transferred from contingent consideration (Note 31(a))	12,705,000	-	3,910,119	-
- share options exercised	105,000	-	36,257	-
- share issue expenses	-	-	-	(118,193)
	45,600,000	26,378,000	14,221,926	7,795,207
At end of the year	362,423,000	316,823,000	69,985,043	55,763,117

During the financial year, the Company increased its total number of issued and paid-up share capital from 316,823,000 ordinary shares amounting to RM55,763,117 to 362,423,000 ordinary shares amounting to RM69,985,043, by way of:

- issuance of 5,330,000 new ordinary shares through private placement exercise at an issue price of RM0.3050 per ordinary share on 25 July 2024;
- issuance of 12,705,000 new ordinary shares at an issue price of RM0.70 per ordinary share on 9 August 2024, for the settlement of the contingent consideration of RM3,910,119 being the balance of the purchase consideration for the acquisition of Founder Energy Sdn. Bhd;
- issuance of 50,000 new ordinary shares through ESOS at an issue price of RM0.2756 per ordinary share on 4 March 2025;
- issuance of 14,500,000 new ordinary shares through private placement exercise at an issue price of RM0.3150 per ordinary share on 16 April 2025;
- issuance of 11,460,000 new ordinary shares through private placement exercise at an issue price of RM0.3150 per ordinary share on 28 April 2025;
- issuance of 55,000 new ordinary shares through ESOS at an issue price of RM0.2756 per ordinary share on 2 May 2025; and
- issuance of 1,500,000 new ordinary shares through private placement exercise at an issue price of RM0.3150 per ordinary share on 19 May 2025.

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

28. TREASURY SHARES

	Group and Company			
	2025 Unit	2024 Unit	2025 RM	2024 RM
At beginning/end of the year	1,400,000	1,400,000	504,964	504,964

As at 30 June 2025, the Company held a total of 1,400,000 of its 362,423,000 issued and paid-up ordinary shares. The treasury shares are held at a carrying amount of RM504,964.

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

29. RESERVES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Merger deficit (Note a)	(15,779,300)	(15,779,300)	-	-
Foreign exchange translation reserve (Note b)	(159,775)	889,101	-	-
Retained earnings/(accumulated losses)	68,149,735	40,681,461	27,314,954	(7,762,974)
	52,210,660	25,791,262	27,314,954	(7,762,974)

(a) Merger deficit

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

(b) Foreign exchange translation reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

30. EMPLOYEE SHARE OPTION RESERVE

Employee share option scheme ("ESOS") involves the granting of options to subscribe to new Company's shares to the eligible employees, who meet the criteria of eligibility for participation in the ESOS as set out in the By-Laws. The grant of the ESOS to the eligible employees shall be subject to such participation in the ESOS not contravening any foreign laws, regulatory requirements, and/or administrative constraints in the respective countries where the Group operates.

The ESOS is governed by the By-Laws.

The salient features of the ESOS are as follows:

(a) Maximum number of new Company's shares available under the ESOS

Subject to By-Law 3.2, the maximum number of new Company's shares which may be allotted and issued pursuant to the exercise of the ESOS Options shall not in aggregate exceed fifteen percent (15%) of the total issued shares of the Company (excluding treasury shares, if any) at any one time during the duration of the scheme as set out in point (d).

(b) Maximum allowable allocation and basis of allotment

The aggregate maximum number of new Company's shares that may be offered under the ESOS and allotted and issued to an eligible employee shall be determined at the sole and absolute discretion of the ESOS Committee after taking into consideration, among other factors, the eligible employee's length of service, position, seniority and performance in the Group and such other factors as the ESOS Committee deems fit subject to the following:

- (i) the Executive Directors, Non-Executive Directors and senior management of the Group do not participate in the deliberation or discussion of their own allocation of ESOS Options or allocation to persons connected them of the ESOS Options;
- (ii) not more than 10% of the total new Company's Shares available under the ESOS are allocated to any individual eligible employee who, either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued Shares of the Company (excluding treasury shares, if any). The term "persons connected" shall have the same meaning as that in the Listing Requirements; and
- (iii) more than seventy percent (70%) of the total number of new Company's shares available under the ESOS are allocated in aggregate to the Directors and/or senior management of the Group who are eligible employees, provided always that such allocation is in accordance with any prevailing guidelines issued by Bursa Securities, the Listing Requirements or any other relevant authorities as amended from time to time.

(c) Eligibility

Subject to the discretion of the ESOS Committee, only eligible employees who meet the following criteria are eligible to participate in the ESOS:

- (i) full time employee, Executive Director or Non-Executive Director, has attained the age of 18 years and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
- (ii) full time employee or Executive Director of RLEB Group (excluding dormant subsidiaries) and his employment has been confirmed;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

30. EMPLOYEE SHARE OPTION RESERVE (CONTINUED)

The salient features of the ESOS are as follows (continued):

(c) Eligibility (continued)

- (iii) full time employee, if he is employed by a company which is acquired by RLEB Group during the duration of the ESOS and becomes a subsidiary of the RLEB Group upon such acquisition, must have his employment confirmed following the date such company becomes or is deemed to be a subsidiary; and
- (iv) the fulfilment of any other eligibility criteria as may be set by the Board/ESOS Committee at any time and from time to time at its absolute discretion.

(d) Duration

The ESOS was first implemented on 28 July 2021 and will be in force for a period of 5 years from the date of implementation, expiring on 27 July 2026.

On or before the expiry of the ESOS Period, the ESOS Committee shall have the absolute discretion to extend in writing the ESOS Period (as the ESOS Committee may deem fit) for up to a maximum of 5 years immediately from the expiry of the original 5-year period provided always that the total duration of the ESOS shall not in aggregate exceed 10 years from the Effective Date. Such extension, if any shall not be subject to the approval of the shareholders.

(e) Basis of determining the ESOS Exercise Price

Subject to any adjustments made under the By-Laws and pursuant to the Listing Requirements, the exercise price shall be based on the 5D-VWAMP of the Company's Shares immediately preceding the date on which an Offer is made ("Date of Offer"). The exercise price shall not be at a discount of more than 10% to the 5D-VWAMP of the Company's shares preceding the Date of Offer, or such other percentage of discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time during the duration of the ESOS.

(f) Ranking of new Company's shares to be issued arising from the exercise of ESOS Options pursuant to the ESOS

Eligible Employees who have accepted an Offer ("Participant(s)") will not be entitled to any voting right or participation in any form of distribution and/or offer of further securities in the Company until and unless such Participants exercise their ESOS Options into new Company's Shares.

The new Company's Shares to be issued arising from the exercise of the ESOS Options shall, upon allotment and issuance, rank equally in all respects with the existing Company's Shares, except that the new Company's Shares will not be entitled to any dividends, rights, allotment and/or other forms of distribution that may be declared, made or paid to shareholders, the entitlement date of which is prior to the date of allotment and issuance of the new Company's shares.

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For the financial year ended 30 June 2025

30. EMPLOYEE SHARE OPTION RESERVE (CONTINUED)

The salient features of the ESOS are as follows (continued):

(g) Variation to the ESOS

Subject to the compliance with the Listing Requirements and any other relevant authorities, the ESOS Committee may at any time and from time to time recommend to the Board any additions, amendments and/or modifications to and/or deletions of the By-Laws ("Variations") as it shall in its discretion think fit and the Board shall have the power at any time and from time to time by resolution to add to, amend, modify and/or delete all or any part of the By-Laws upon such recommendation provided that no additions, modifications or amendments to or deletions of the By-Laws shall be made which will:

- (i) prejudice any rights then accrued to any Participant without the prior consent or sanction of that Participant; or
- (ii) prejudice any rights of the shareholders of the Company without the prior approval of the Company's shareholders in a meeting of members; or
- (iii) alter to the advantage to the Participant, the provisions of the By-Laws of the ESOS without the prior approval of the Company's shareholders in meeting of members, unless otherwise allowed by the provisions of the Listing Requirements.

Where a Variations is made to the By-Laws, RLEB shall submit to Bursa Securities, the Variations to the By-Laws and a confirmation letter that the Variations complies with the provisions of the guidelines on employee share scheme stipulated under the Listing Requirements no later than 5 market days from the effective date of the said Variations.

(h) Alteration of share capital

In the event of any alteration in the capital structure of the Company during the ESOS Period, whether by way of rights issue, bonus issue or other capitalisation issues, subdivision or consolidation of the Company's shares or reduction of capital or otherwise howsoever, the Company shall cause such adjustment to be made to:

- (i) the exercise price of the ESOS Options; and/or
- (ii) the number of ESOS Options granted to each Participant (excluding ESOS Options already exercised); as shall be necessary to give the Participants, the same proportion of the issued capital of the Company as that to which he/she was entitled prior to the event giving rise to such adjustment (i.e. not taking into account ESOS Options already exercise).

(i) Retention period

The shares allotted and issued or transferred pursuant to the exercise of ESOS Options may be subject to such retention period or restriction on transfer as may be imposed by the ESOS Committee at its discretion, save as otherwise provided in the Constitution of the Company, the Listing Requirements or unless the ESOS Committee stipulates otherwise in the Offer.

A Participant who is a Non-Executive Director of the Group must not sell, transfer or assign any new Company's shares obtained through the exercise of the ESOS Options offered to him within 1 year from the Date of Offer.

(j) Listing and quotation of shares

Bursa Securities had on 3 March 2021 approved the listing of and quotation for the new Company's shares to be issued arising from the exercise of ESOS Options on the Main Market of Bursa Securities.

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For the financial year ended 30 June 2025

30. EMPLOYEE SHARE OPTION RESERVE (CONTINUED)

The salient features of the ESOS are as follows (continued):

(k) Termination of the ESOS

Subject to compliance with the requirements of Bursa Securities and any other relevant authorities, the ESOS may be terminated at any time by the Company during the ESOS Period or during any extension or renewal period, as the case may be, without obtaining the approvals from the Participants or the shareholders provided that the Company makes an announcement immediately to Bursa Securities, and whereupon any ESOS Options which have yet to be vested, accepted and/or exercised (whether fully or partially) shall be deemed to have been automatically lapse or terminated (as the case may be) and be null and void on the date specified in the notice.

Movements of the Company's ESOS granted during the financial year are as follows:

	Number of options granted over ordinary shares				At 30.6.2025	Expiry date
	At 1.7.2024	Granted	Exercised	Forfeited		
ESOS	4,783,500	-	(105,000)	(343,100)	4,335,400	27 July 2026

Fair value of share options granted

The fair values of the share options granted under the ESOS was determined using the Trinomial Option Pricing model. The fair value is RM0.0697 per ESOS option based on valuation on 19 April 2024 by an independent financial adviser. The valuation results have to be read together with the basis and assumptions used in measuring the fair value of ESOS Options and the sensitivity analysis conducted on the input of key data.

The key inputs to the model were as follows:

	2025	2024
Share price at grant date (RM)	0.3200 - 0.3400	0.3200 - 0.3400
Share price volatility (%)	26.0000 - 36.0000	26.0000 - 36.0000
Annual risk-free interest rate (%)	3.4480	3.4480
Exercise price (RM)	0.2756	0.2756
Exercise period (years)	5	5

31. CONTINGENT CONSIDERATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of the year	4,410,119	3,910,119	3,910,119	3,910,119
Additions (Note b)	-	500,000	-	-
Transferred to share capital (Note a), (Note 27)	(3,910,119)	-	(3,910,119)	-
Reversals (Note b)	(500,000)	-	-	-
At end of the year	-	4,410,119	-	3,910,119

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

31. CONTINGENT CONSIDERATION (CONTINUED)

- (a) On 11 June 2021, the Company entered into a Share Sale Agreement ("SSA") to acquire 51% equity interest in Founder Energy Sdn. Bhd. ("FESB") from Lee Seng Chi ("the Vendor") for a purchase consideration of RM21,169,080 which is to be satisfied by a combination of cash amounting to RM8,464,080 and issuance of 18,150,000 new ordinary shares of the Company at an issue price of RM0.70 per share to the Vendor. As of 30 June 2023, 5,445,000 new ordinary shares have been issued to the Vendor on 25 August 2021.

The issuance of the remaining 12,705,000 ordinary shares is contingent on FESB meeting a minimum profit-after-tax ("PAT") of RM13,836,000 over 2 years from the acquisition date ("Profit Guarantee Period"). If FESB is not able to achieve the minimum PAT over the profit guarantee period, any shortfall shall be reimbursed in cash by the Vendor.

The Group provided for a contingent consideration of ordinary shares to be issued to the Vendor. The valuation of the contingent consideration is measured at RM0.53 per share concurrent with the Group's market share price discounted to its present value at a 13.5% discount rate.

The Group had on 30 August 2023 announced revisions to the terms of the SSA where the Vendor guarantees that FESB shall achieve a PAT of RM14,989,000 for the 26 months ended 31 October 2023 ("First Extended Profit Guarantee"). In the event the First Extended Profit Guarantee is met, then the profit guarantee shall be deemed to be fulfilled. However, if the First Extended Profit Guarantee is not fulfilled, the vendor shall be granted a further extended period up to 31 December 2023 to meet an aggregate PAT of RM16,142,000 for the 28 months ended 31 December 2023 ("Second Extended Profit Guarantee").

Save for the above Proposed Profit Guarantee Extension ("PGE"), all other terms and conditions contained in the SSA remain unchanged and shall continue to be in full force and effect. The PGE was approved by the Company's shareholders in the Extraordinary General Meeting on 24 July 2024.

On 9 July 2024, the Group has confirmed that the First Extended Profit Guarantee has been achieved. As such, the amount of RM3,910,119 included in the contingent consideration has been reversed and paid out via the issuance of the shares during the financial year ended 30 June 2025.

- (b) On 14 November 2023, the Company's subsidiary, Reservoir Link Renewable Sdn. Bhd. ("RLR") entered into a Share Sale Agreement ("SSA") with SAG Green Tech Sdn. Bhd. ("SGT") for the acquisition of 1,000,000 ordinary shares representing 100% equity interest in SAG Renewables Sdn. Bhd. ("SAGR"), for a total purchase consideration of RM4,500,000. The Company is required to provide a corporate guarantee of RM6,000,000 upon the successful transfer of the Sale Shares from SGT to RLR in accordance with the terms of the SSA, as disclosed Note 10(b).

The contingent consideration of RM500,000 shall be paid by RLR to SGT, subject to the achievement of the Performance Guarantee by SAGR within the final three months of the Guarantee Period ("2nd Guarantee Period"), to the satisfaction of the RLR. The contingent consideration shall be payable within fourteen (14) days from the date the RLR certifies that the Performance Guarantee for the 2nd Guarantee Period has been met.

As per discharge letter dated 7 August 2024, SAGR has failed to meet the Performance Guarantee for the 2nd Guarantee Period, therefore, RLR is fully discharged from any obligation to make payment of the balance purchase consideration of RM500,000. As such, the contingent consideration has been reversed during the financial year.

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For the financial year ended 30 June 2025

32. BORROWINGS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-current				
Term loans	39,255,658	37,444,198	-	-
Current				
Bankers' acceptance	-	8,358,591	-	-
Bank overdrafts	4,235,801	5,928,701	-	-
Credit card	41,863	45,255	-	-
Factoring payables	-	2,523,108	-	-
Invoice financing	-	17,192,796	-	-
Margin financing facility	853,224	1,050,336	853,224	1,050,336
Revolving credit	3,253,000	2,057,000	-	-
Term loans	16,910,306	6,281,107	-	-
	25,294,194	43,436,894	853,224	1,050,336
	64,549,852	80,881,092	853,224	1,050,336
Total borrowings				
Bankers' acceptance ^(b)	-	8,358,591	-	-
Bank overdrafts ^(c)	4,235,801	5,928,701	-	-
Credit card ^(d)	41,863	45,255	-	-
Factoring payables ^(e)	-	2,523,108	-	-
Invoice financing ^(f)	-	17,192,796	-	-
Margin financing facility ^(g)	853,224	1,050,336	853,224	1,050,336
Revolving credit ^(h)	3,253,000	2,057,000	-	-
Term loans ⁽ⁱ⁾	56,165,964	43,725,305	-	-
	64,549,852	80,881,092	853,224	1,050,336

(a) The bank borrowings of the Group and of the Company are secured by:-

- (i) corporate guarantee provided by the Company and a related party;
- (ii) legal charge over the commercial buildings of the Group, as disclosed in Notes 6 and 7;
- (iii) pledge of fixed deposits of the Group, as disclosed in Note 25;
- (iv) assignment over contract of bank guarantees and fixed or floating charge over equipment financed by the Bank;
- (v) assignment over contract proceeds of specific customers; and
- (vi) securities quoted on the Bursa Malaysia Securities Berhad ("BMSB").

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

32. BORROWINGS (CONTINUED)

- (b) The bankers' acceptances of the Group at the end of the reporting year bore an effective interest rate ranging from 1.50% to 5.46% (2024: 1.50% to 5.46%) per annum.
- (c) The bank overdrafts of the Group at the end of the reporting year bore an effective interest rate at 7.22% (2024: 7.22%) per annum.
- (d) The credit card of the Group at the end of the reporting year bore an effective interest rate at 18.00% (2024: 18.00%) per annum.
- (e) The factoring payables of the Group at the end of the reporting year bore an effective interest rate at 6.70% (2024: 6.45%) per annum.
- (f) The invoice financing of the Group at the end of the reporting year bore an effective interest rate ranging from 5.62% to 6.70% (2024: 5.62% to 6.70%) per annum.
- (g) The margin financing facility of the Group and the Company at the end of the reporting year bore an effective interest rate at 6.75% (2024: 6.75%) per annum.
- (h) The revolving credit of the Group at the end of the reporting year bore an effective interest rate at 5.75% to 5.82% (2024: 5.82%) per annum.
- (i) The interest rates and repayment terms of the term loan are as follows:-

Term loan 1 at BFR - 2.30% per annum	Repayable by 240 monthly instalments of RM13,343, revised to RM14,116 starting from April 2023 until full payment.
Term loan 2 at BFR + 1.25% per annum	Repayable by 60 monthly instalments of RM8,160, revised to RM8,226 starting from June 2023 until full payment.
Term loan 3 at COF + 1.25% per annum	Repayable by 120 monthly instalments of RM63,230 until full payment, effective from October 2019.
Term loan 4 at BFR + 0.50% per annum	Repayable by 60 monthly instalments of RM79,838 until full payment, effective from February 2023.
Term loan 5 at COF + 2.75% per annum	Repayable by 66 monthly instalments of RM29,519 until full payment, effective from December 2022.
Term loan 6 at BFR + 1.00% per annum	Repayable by 120 monthly instalments of RM5,474 until full payment, effective from November 2022.
Term loan 7 at BFR + 1.00% per annum	Repayable by 28 monthly instalments of RM5,476 until full payment, effective from September 2023.
Term loan 8 at BFR + 1.75% per annum	Repayable by 90 monthly instalments of USD94,408 (equivalent to approximately RM397,694) until full payment, effective from October 2023.
Term loan 9 at BFR + 1.75% per annum	Repayable by 120 monthly instalments of RM2,117 until full payment, effective from May 2024.
Term loan 10 at BFR + 1.75% per annum	Repayable by 132 monthly instalments of RM93,478 until full payment, effective from May 2024.
Term loan 11 at COF + 1.50% per annum	Repayable by 144 monthly instalments of RM13,889 until full payment, effective from May 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

32. BORROWINGS (CONTINUED)

(i) The interest rates and repayment terms of the term loan are as follows (continued):-

Term loan 12 at COF + 1.50% per annum	Repayable by 144 monthly instalments of RM19,581 until full payment, effective from July 2024.
Term loan 13 at COF + 1.90% per annum	Repayable by 144 monthly instalments of RM49,913 until full payment, effective from June 2025.
Term loan 14 at COF + 1.90% per annum	Repayable by 168 monthly instalments of RM42,007 until full payment, effective from June 2025.

The term loan of the Group at the end of the reporting year bore an effective interest rate ranging from 4.65% to 9.11% (2024: 4.56% to 8.70%).

The purpose, approved facility limits and actual drawdowns of term loans 9 to 14 are as follows:

Term loan 9 - 12

Project	Scheme	Allocated limit RM	Actual drawdown RM
1	Solar photovoltaic projects	8,199,000	4,987,500
2	Acquisition cost of SAG Renewables Sdn. Bhd.	2,000,000	2,000,000
3	Balances are earmarked for future projects	4,120,000	Yet to be disbursed
		14,319,000	

Term loan 13 and 14

Project	Scheme	Allocated limit RM	Actual drawdown RM
1	Rooftop solar PV system under Supply Agreement – Renewable Energy ("SARE")	12,750,000	7,148,656

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

33. LEASE LIABILITIES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of the year	1,815,021	409,798	282,956	282,956
Additions	1,337,397	1,929,584	187,794	187,794
Derecognition due to early termination	-	(145,694)	-	-
Interest expense recognised in profit or loss	96,582	52,792	5,538	5,538
Repayment of principal	(495,847)	(378,667)	(187,794)	(187,794)
Repayment of interest	(96,582)	(52,792)	(5,538)	(5,538)
At end of the year	2,656,571	1,815,021	282,956	282,956
Analysed by:				
Non-current liabilities	2,042,673	1,502,815	95,162	95,162
Current liabilities	613,898	312,206	187,794	187,794
	2,656,571	1,815,021	282,956	282,956

34. TRADE PAYABLES

	Group	
	2025 RM	2024 RM
Trade payables	8,245,041	40,011,068
Retention sum	-	1,607,668
	8,245,041	41,618,736

The normal trade credit terms granted to the Group ranged from 30 to 60 (2024: 30 to 60) days. Other credit terms may be negotiated with suppliers on a case-by-case basis.

The retention sums are payable to contractors upon the expiry of the defect liability period stated in respective contracts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

35. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables	2,656,185	4,285,793	61,768	98,214
Sales tax payable	16,501	25,081	-	-
Accruals	3,921,319	3,432,812	1,214,937	587,540
Deposits received	57,923	66,430	-	-
	6,651,928	7,810,116	1,276,705	685,754

36. AMOUNT OWING TO DIRECTORS OF SUBSIDIARIES

The amount owing to directors of subsidiaries is unsecured, interest free and is repayable on demand.

37. REVENUE

Revenue consists of the followings:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers				
<u>Recognised over time</u>				
Supply of renewable energy and related activities	19,928,876	84,896,262	-	-
<u>Recognised at a point in time</u>				
Supply of renewable energy equipment and related activities	6,368,169	25,290,593	-	-
Oil and gas well services and related work	86,554,153	73,720,730	-	-
Supply of wastewater treatment and related activities	12,545,634	2,295,214	-	-
Management fee income	-	-	3,554,154	3,501,834
	125,396,832	186,202,799	3,554,154	3,501,834

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

38. OTHER INCOME

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Commission received	-	1,033,076	-	-
Dividend income	8,050	-	8,050	-
Fair value gain on derivatives	-	3,565	-	-
Fair value gain on short-term investments	-	34,833	-	34,833
Fixed deposits interest income	69,918	101,600	-	-
Gain on disposals of property, plant and equipment	149,876	-	208	-
Gain on disposals of short-term investments	1,652	1,179	1,652	1,179
Gain on lease liabilities written off due to early termination	-	3,188	-	-
Lease income	256,092	160,092	-	-
Other interest income	167,839	149,759	1,062,434	1,040,721
Other income	123,633	125,523	2,903	-
Realised foreign exchange gain	1,557,861	49,003	-	-
Unrealised foreign exchange gain	57,383	39,987	-	1,188
	2,392,304	1,701,805	1,075,247	1,077,921

39. FINANCE COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Bank guarantee commission	143,973	219,072	-	-
Bank overdrafts interest	259,334	399,434	-	-
Bankers' acceptance interest	44,519	514,239	-	-
Commitment fees	27,952	15,540	-	-
Factoring charges	45,012	207,366	-	-
Interest expenses	90,241	4,653	36,734	58,353
Invoice financing interest	169,919	796,182	-	-
Lease liabilities interest	96,582	52,792	5,538	5,538
Letter of credit commission	23,689	14,191	-	-
Revolving credit interest	118,518	185,720	-	-
Term loans interest	3,507,282	1,218,758	-	-
	4,527,021	3,627,947	42,272	63,891

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

40. ALLOWANCE FOR/(REVERSAL OF) IMPAIRMENT LOSS ON FINANCIAL ASSETS AND CONTRACT ASSETS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Allowance for impairment loss on financial assets and contract assets				
- trade receivables	12,743	1,033,076	-	-
- amount owing by subsidiaries	-	-	576,397	-
- amount owing by associates	138,170	-	-	-
- amount owing by related parties	-	-	138,170	-
	150,913	1,033,076	714,567	-
Reversal of impairment loss on financial assets and contract assets				
- trade receivables	-	(263,051)	-	-
- contract assets	-	(10,787)	-	-
- amount owing by subsidiaries	-	-	(537,669)	(95,700)
	-	(273,838)	(537,669)	(95,700)
	150,913	759,238	176,898	(95,700)

41. PROFIT/(LOSS) BEFORE TAXATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(loss) before taxation is arrived at after charging:				
Allowance for obsolete inventories	96,275	265,111	-	-
Amortisation of intangible assets	179,630	54,691	-	-
Auditors' remuneration:				
(a) Auditors of the Company				
(i) Statutory				
- current year	336,650	280,000	195,000	80,000
- underprovision in prior years	-	52,005	-	20,103
(b) Other auditors				
(i) Statutory				
- current year	83,317	25,359	-	-
- underprovision in prior years	3,570	11,273	-	-
Bad debts written-off	2,172,225	3,450	-	-
Depreciation of property, plant and equipment	8,414,334	4,897,883	127,014	129,648
Depreciation of investment properties	116,743	116,742	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

41. PROFIT/(LOSS) BEFORE TAXATION (CONTINUED)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(loss) before taxation is arrived at after charging (continued):				
Depreciation of right-of-use assets	114,707	259,415	187,794	185,331
Directors' remuneration (Note 42)	1,917,411	1,680,440	1,917,411	1,680,440
Fair value loss on short-term investments	578,898	235,422	578,898	235,422
Gain on deemed disposal of subsidiaries	(84,700,327)	-	(89,890,098)	-
Impairment losses on investment in subsidiaries	-	-	650,000	1,000,000
Impairment losses on investment in associates	50,203,970	-	51,587,418	-
Inventories written-off	153,894	-	-	-
Loss on disposal of property, plant and equipment	136,124	-	-	-
Property, plant and equipment written-off	-	32,782	-	2
Realised foreign exchange loss	1,120,376	793,452	1,187	3,901
Reversal of impairment losses on investment in subsidiaries	-	-	(833,230)	-
Reversal of obsolete inventories	(159,467)	-	-	-
Share of loss of equity accounted for associates	2,713,671	-	-	-
Share of loss of equity accounted for joint ventures	117,669	26,078	-	-
Short-term lease expenses	3,483,495	5,381,125	-	-
Staff costs (Note 42)	16,643,731	19,741,095	3,284,753	2,968,096
Unrealised foreign exchange loss	128,981	1,624,669	47,863	-

* Refer to Note 38 for the other credit entries made in arriving at profit/(loss) before taxation.

42. STAFF COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Short-term employee benefits	14,668,085	17,102,170	2,913,521	2,534,467
Employees Provident Fund	1,718,179	1,901,448	322,109	273,618
Social security contributions	129,109	150,117	24,075	21,707
Employment Insurance System	14,617	16,962	2,614	2,362
HRDF contribution	94,574	122,714	21,868	21,237
Staff welfare	19,167	170,034	566	55
ESOS expenses	-	277,650	-	114,650
Total staff costs	16,643,731	19,741,095	3,284,753	2,968,096

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

42. STAFF COSTS (CONTINUED)

The remuneration of key management personnel included in staff costs during the year are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Key management personnel				
Short-term employee benefits:				
- salaries, bonuses and other benefits	1,127,292	952,160	811,660	661,970
Defined contribution benefits	131,615	125,173	94,798	90,267
ESOS expenses	-	48,790	-	48,790
Total remuneration	1,258,907	1,126,123	906,458	801,027

The remuneration of Directors during the year is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company				
Short-term employee benefits:				
- salaries, bonuses and other benefits	1,492,193	1,267,135	1,492,193	1,267,135
- fees	265,467	264,000	265,467	264,000
Defined contribution benefits	159,751	135,365	159,751	135,365
ESOS expenses	-	13,940	-	13,940
Total remuneration	1,917,411	1,680,440	1,917,411	1,680,440

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

43. TAXATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Malaysian income tax</u>				
- current year	2,607,541	2,673,115	-	-
- underprovision in prior years	235,309	125,943	-	-
	2,842,850	2,799,058	-	-
<u>Deferred tax (Note 13)</u>				
- relating to origination and reversal of temporary differences	26,463	556,864	-	-
- underprovision in prior years	1,006,833	-	-	-
	1,033,296	556,864	-	-
	3,876,146	3,355,922	-	-

The reconciliations of income tax expense applicable to the results of the Group and of the Company at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(loss) before taxation	31,715,508	4,092,895	35,067,954	(3,334,074)
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	7,611,722	982,295	8,416,309	(800,178)
Tax effects of:				
- expenses not deductible for tax purposes	3,359,499	1,817,726	776,384	800,178
- income not subject to tax	(8,279,126)	(580,115)	(9,192,693)	-
- deferred tax assets not recognised during the financial year	-	1,010,073	-	-
- utilisation of deferred tax assets previously not recognised	(58,091)	-	-	-
Underprovision of income tax in prior years	235,309	125,943	-	-
Underprovision of deferred tax liabilities in prior years	1,006,833	-	-	-
Tax expense for the year	3,876,146	3,355,922	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

44. EARNINGS/(LOSSES) PER SHARE

- (a) The basic earnings/(losses) per share is arrived at by dividing the Group's earnings/(losses) attributable to owners of the Company by the weighted average number of ordinary shares issued and calculated as follows:

	Group	
	2025 RM	2024 RM
Earnings/(losses) attributable to owners of the Company	27,458,300	(844,798)
	Unit	Unit
Weighted average number of ordinary shares in issue:		
Issued ordinary shares at beginning of the year (net of treasury shares)	315,423,000	289,045,000
Issuance of ordinary shares	21,557,533	21,900,516
Weighted average number of ordinary shares at end of the year	336,980,533	310,945,516
Basic earnings/(losses) per share (sen)	8.15	(0.27)

- (b) The diluted earnings/(losses) per share is arrived at by dividing the Group's losses attributable to owners of the Company by the weighted average number of ordinary shares issued adjusted for dilutive effect of ESOS and calculated as follows:

	Group	
	2025 RM	2024 RM
Earnings/(losses) attributable to owners of the Company	27,458,300	(844,798)
	Unit	Unit
Weighted average number of ordinary shares in issue, adjusted as follows:		
Weighted average number of ordinary shares at end of the year	336,980,671	310,945,516
Potential shares to be issued pursuant to ESOS	*-	4,783,500
Adjusted weighted average number of ordinary shares	336,980,671	315,729,016
Diluted earnings/(losses) per share (sen)	8.15	(0.27)

- * Potential shares to be issued pursuant to ESOS are anti-dilutive and therefore have been excluded from the computation of diluted earnings per share.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

45. CASH FLOWS INFORMATION

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

Group	Bankers' acceptances	Credit card	Factoring payables	Invoice financing	Lease liabilities	Margin financing	Revolving credits	Term loans	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM
2025									
At beginning of the year	8,358,591	45,255	2,523,108	17,192,796	1,815,021	1,050,336	2,057,000	43,725,305	76,767,412
<u>Changes in financing cash flows</u>									
Proceeds from drawdown	-	-	-	7,701,717	-	305,592	2,000,000	20,723,542	30,730,851
Repayment of principal	(6,384,432)	(3,392)	(1,639,908)	-	(495,847)	(502,704)	(804,000)	(6,194,754)	(16,025,037)
Repayment of interest	(44,519)	-	(45,012)	(169,919)	(96,582)	-	(118,518)	(3,507,282)	(3,981,832)
	(6,428,951)	(3,392)	(1,684,920)	(7,531,798)	(592,429)	(197,112)	1,077,482	11,021,506	10,723,982
<u>Other changes</u>									
Acquisition of new leases	-	-	-	-	1,337,397	-	-	-	1,337,397
Deemed disposal of subsidiaries (Note 10(a))	(1,974,159)	-	(883,200)	(24,894,513)	-	-	-	(2,088,129)	(29,840,001)
Interest expense recognised in profit or loss	44,519	-	45,012	169,919	96,582	-	118,518	3,507,282	3,981,832
	(1,929,640)	-	(838,188)	(24,724,594)	1,433,979	-	118,518	1,419,153	(24,520,772)
At end of the year	-	41,863	-	-	2,656,571	853,224	3,253,000	56,165,964	62,970,622

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

45. CASH FLOWS INFORMATION (CONTINUED)

(a) The reconciliations of liabilities arising from financing activities are as follows (continued) :

Group	Bankers' acceptances	Credit card	Factoring payables	Invoice financing	Lease liabilities	Margin financing	Revolving credits	Term loans	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM
2024									
At beginning of the year	982,500	-	3,239,065	5,434,658	409,798	4,964	2,928,000	11,499,060	24,498,045
<u>Changes in financing cash flows</u>									
Proceeds from drawdown	23,428,648	45,255	20,933,551	46,658,957	-	1,045,372	-	37,252,860	129,364,643
Repayment of principal	(16,052,557)	-	(21,649,508)	(34,900,819)	(378,667)	-	(871,000)	(5,026,615)	(78,879,166)
Repayment of interest	(514,239)	-	(207,366)	(796,182)	(52,792)	-	(185,720)	(1,218,758)	(2,975,057)
	6,861,852	45,255	(923,323)	10,961,956	(431,459)	1,045,372	(1,056,720)	31,007,487	47,510,420
<u>Other changes</u>									
Acquisition of new leases	-	-	-	-	1,929,584	-	-	-	1,929,584
Derecognition due to lease modification	-	-	-	-	(145,694)	-	-	-	(145,694)
Interest expense recognised in profit or loss	514,239	-	207,366	796,182	52,792	-	185,720	1,218,758	2,975,057
	514,239	-	207,366	796,182	1,836,682	-	185,720	1,218,758	4,758,947
At end of the year	8,358,591	45,255	2,523,108	17,192,796	1,815,021	1,050,336	2,057,000	43,725,305	76,767,412

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

45. CASH FLOWS INFORMATION (CONTINUED)

(a) The reconciliations of liabilities arising from financing activities are as follows (continued):

Company	Lease liabilities RM	Margin financing RM	Total RM
2025			
At beginning of the year	282,956	1,050,336	1,333,292
<u>Changes in financing cash flows</u>			
Proceeds from drawdown	-	305,592	305,592
Repayment of principal	(187,794)	(502,704)	(690,498)
Repayment of interest	(5,538)	-	(5,538)
	(193,332)	(197,112)	(390,444)
<u>Other changes</u>			
Acquisition of new leases	187,794	-	187,794
Interest expense recognised in profit or loss	5,538	-	5,538
	193,332	-	193,332
At end of the year	282,956	853,224	1,136,180
2024			
At beginning of the year	282,956	4,964	287,920
<u>Changes in financing cash flows</u>			
Proceeds from drawdown	-	1,045,372	1,045,372
Repayment of principal	(187,794)	-	(187,794)
Repayment of interest	(5,538)	-	(5,538)
	(193,332)	1,045,372	852,040
<u>Other changes</u>			
Acquisition of new leases	187,794	-	187,794
Interest expense recognised in profit or loss	5,538	-	5,538
	193,332	-	193,332
At end of the year	282,956	1,050,336	1,333,292

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

45. CASH FLOWS INFORMATION (CONTINUED)

- (b) The cash disbursed for the purchase of property, plant and equipment and the additions of right-of-use assets is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Property, plant and equipment				
Cash purchase	21,022,699	38,758,935	72,352	41,545
Hire purchase arrangement under lease liabilities	747,111	1,750,138	-	-
Cost of property, plant and equipment purchased	21,769,810	40,509,073	72,352	41,545
Right-of-use assets				
Cost of right-of-use assets acquired	590,286	179,446	187,794	187,794
Less: Addition of new lease	(590,286)	(179,446)	(187,794)	(187,794)
	-	-	-	-

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Payment of short-term leases	3,483,495	5,381,125	-	-
Interest paid on lease liabilities	96,582	52,792	5,538	5,538
Payment of lease liabilities	495,847	378,667	187,794	187,794
	4,075,924	5,812,584	193,332	193,332

46. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identities of related parties

Parties are considered to be related to the Group if the Group or to the Company has the ability, directly or indirectly, to control or jointly control the party or exercises significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

Related parties of the Group include Company's holding company, entities having significant influence over the Group, subsidiaries, associates, joint ventures, entities in which Directors have substantial financial interest and key management personnel of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

46. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties

Transactions arising from significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Management fee received or receivable from subsidiaries	-	-	(3,554,154)	(3,501,834)
Lease expenses paid or payable to:				
- subsidiaries	-	-	193,332	193,332
- a director of a subsidiary	12,500	150,000	-	-
- a related party	-	87,599	-	-
Revenue received or receivable from:				
- a joint venture	(2,458,246)	(985,040)	-	-
- a related party	-	(460,601)	-	-
- a joint venture partner	(1,689,350)	(49,436)	-	-
Subcontract income received or receivable from a joint venture	-	(138,070)	-	-
Interest income received or receivable from subsidiaries	-	-	(1,040,359)	(1,030,542)
Interest expenses paid to a subsidiary	-	-	1,940	18,752

The related party transactions described above were entered into in the normal course of business carried out based on negotiated terms and conditions and are mutually agreed with respective parties. The outstanding balances of the related parties, if any together with their terms and conditions are disclosed in the respective notes to the financial statements.

(c) Compensation of key management personnel

The key management personnel include Directors and certain members of senior management of the Group.

The key management personnel compensation during the financial year are disclosed in Note 42.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

47. CAPITAL COMMITMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Approved and contracted for:				
Investment in a company	8,982,000	9,439,000	-	-
Purchase of property, plant and equipment	14,486,048	994,962	-	-
	23,468,048	10,433,962	-	-

Included is an aggregate of RM4,428,700 (2024: RM4,428,700) which has been recognised in other receivables, deposits and prepayments, as disclosed in Note 18.

48. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:

	Group	
	2025 RM	2024 RM
Performance and other guarantees extended by subsidiaries to third parties	10,602,686	9,054,288

49. SEGMENT REPORTING

Primary segment reporting - business

Operating segments are prepared in a manner consistent with the internal reporting provided to the Board of Directors as its chief operating decision makers in order to allocate resources to segments and to assess their performance on a period basis. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 4 main reportable segments as follows:

Business segments	Business activities
Investment holding	Investment holding
Oil and gas related and other activities segments	Developing and providing oil and gas production, enhancement services and sand management solutions
Renewable energy and related activities segment	Providing renewable energy activities and related business
Wastewater treatment and related activities	Build, own, operate, and maintenance of wastewater treatment plant

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

49. SEGMENT REPORTING (CONTINUED)

Primary segment reporting - business (continued)

For the purpose of making decisions about resource allocation, the Board of Directors assesses the performance of the operating segments based on operating profits or losses which is measured differently from those disclosed in the financial statements.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items.

The Executive Directors are of the opinion that all inter-segment transactions are entered into in the normal course of business and are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

	Investment holding RM	Oil and gas related activities RM	Renewable energy and related activities RM	Wastewater treatment and related activities RM	Consolidation adjustments and elimination RM	Group RM
2025						
Revenue						
External revenue	-	86,554,153	26,297,045	12,545,634	-	125,396,832
Internal revenue	3,554,154	11,995,623	1,083,061	-	(16,632,838)	-
Total revenue	3,554,154	98,549,776	27,380,106	12,545,634	(16,632,838)	125,396,832
Results						
Segment results	35,110,226	11,286,046	(1,529,564)	(5,288,673)	(504,166)	39,073,869
Finance costs	(42,272)	(1,632,535)	(1,384,301)	(4,432,762)	2,964,849	(4,527,021)
Share of loss of equity accounted for associates	-	-	-	-	(2,713,671)	(2,713,671)
Share of loss of equity accounted for joint ventures	-	-	-	-	(117,669)	(117,669)
Consolidated profit/(loss) before taxation	35,067,954	9,653,511	(2,913,865)	(9,721,435)	(370,657)	31,715,508

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

49. SEGMENT REPORTING (CONTINUED)

Primary segment reporting - business (continued)

	Investment holding RM	Oil and gas related activities RM	Renewable energy and related activities RM	Wastewater treatment and related activities RM	Consolidation adjustments and elimination RM	Group RM
2025						
Other information						
Allowance for obsolete inventories	-	96,275	-	-	-	96,275
Allowance for impairment loss on financial assets	176,898	-	-	12,743	(38,728)	150,913
Amortisation of intangible assets	-	-	-	-	179,630	179,630
Bad debts written-off	-	-	-	2,172,225	-	2,172,225
Depreciation of investment properties	-	116,743	-	-	-	116,743
Depreciation of property, plant and equipment	127,014	3,838,802	488,336	3,960,182	-	8,414,334
Depreciation of right-of-use assets	187,794	167,288	-	-	(240,375)	114,707
Fair value loss on short-term investments - net	578,898	-	-	-	-	578,898
Gain on deemed disposal of subsidiaries	(89,890,098)	-	-	-	5,189,771	(84,700,327)
Inventories written off	-	153,894	-	-	-	153,894
Impairment losses on investment in associates	51,587,418	1,756,055	-	-	(3,139,503)	50,203,970
Loss/(gain) on realised foreign exchange - net	1,187	104,874	(582,097)	38,551	-	(437,485)
Loss/(gain) on unrealised foreign exchange - net	47,863	(19,263)	59,375	(16,377)	-	71,598
Reversal of obsolete inventories	-	(159,467)	-	-	-	(159,467)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

49. SEGMENT REPORTING (CONTINUED)

Primary segment reporting - business (continued)

	Investment holding RM	Oil and gas related and other activities RM	Renewable energy and related activities RM	Wastewater treatment and related activities RM	Consolidation adjustments and elimination RM	Group RM
2025						
Assets						
Segment assets	100,026,459	105,274,223	48,817,719	51,402,285	(86,746,389)	218,774,297
Consolidated assets						<u>218,774,297</u>
Liabilities						
Segment liabilities	2,929,249	43,119,979	49,406,183	50,048,754	(52,071,683)	93,432,482
Consolidated liabilities						<u>93,432,482</u>
Additions to non-current assets other than financial instruments are:						
Property, plant and equipment	72,352	957,748	20,730,336	-	9,374	21,769,810
Right-of-use assets	187,794	687,943	-	-	(285,451)	590,286
Intangible assets	-	-	-	-	110,839	110,839

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

49. SEGMENT REPORTING (CONTINUED)

Primary segment reporting - business (continued)

	Investment holding RM	Oil and gas related and other activities RM	Renewable energy and related activities RM	Wastewater treatment and related activities RM	Consolidation adjustments and elimination RM	Group RM
2024						
Revenue						
External revenue	-	73,720,730	110,186,855	2,295,214	-	186,202,799
Internal revenue	3,501,834	7,410,243	1,070,546	-	(11,982,623)	-
Total revenue	3,501,834	81,130,973	111,257,401	2,295,214	(11,982,623)	186,202,799
Results						
Segment results	(3,270,183)	8,491,281	5,075,345	(960,405)	(1,589,118)	7,746,920
Finance costs	(63,891)	(1,756,736)	(3,195,288)	(49,950)	1,437,918	(3,627,947)
Share of loss of equity accounted for joint ventures	-	-	-	-	(26,078)	(26,078)
Consolidated (loss)/profit before taxation	(3,334,074)	6,734,545	1,880,057	(1,010,355)	(177,278)	4,092,895

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

49. SEGMENT REPORTING (CONTINUED)

Primary segment reporting - business (continued)

	Investment holding RM	Oil and gas related and other activities RM	Renewable energy and related activities RM	Wastewater treatment and related activities RM	Consolidation adjustments and elimination RM	Group RM
2024						
Other information						
Allowance for obsolete inventories	-	265,111	-	-	-	265,111
(Reversal of)/allowance for impairment loss on financial assets and contract assets	(95,700)	821,363	(62,125)	-	95,700	759,238
Amortisation of intangible assets	-	-	-	-	54,691	54,691
Bad debts written-off	-	-	3,450	-	-	3,450
Depreciation of investment properties	-	116,742	-	-	-	116,742
Depreciation of property, plant and equipment	129,648	4,367,724	389,718	10,793	-	4,897,883
Depreciation of right-of-use assets	185,331	191,501	142,507	-	(259,924)	259,415
Fair value loss on short-term investments - net	200,589	-	-	-	-	200,589
Loss/(gain) on realised foreign exchange - net	3,901	86,730	1,098,748	(444,930)	-	744,449
(Gain)/loss on unrealised foreign exchange - net	(1,188)	7,204	1,103,023	475,643	-	1,584,682
Property, plant and equipment written - off	2	2	32,778	-	-	32,782

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

49. SEGMENT REPORTING (CONTINUED)

Primary segment reporting - business (continued)

	Investment holding RM	Oil and gas related and other activities RM	Renewable energy and related activities RM	Wastewater treatment and related activities RM	Consolidation adjustments and elimination RM	Group RM
2024						
Assets						
Segment assets	53,923,906	102,453,840	114,711,926	43,660,910	(83,037,034)	231,713,548
Consolidated assets						<u>231,713,548</u>
Liabilities						
Segment liabilities	2,199,138	45,885,972	103,628,891	41,606,851	(55,287,299)	138,033,553
Consolidated liabilities						<u>138,033,553</u>
Additions to non-current assets other than financial instruments are:						
Property, plant and equipment	41,545	1,397,130	5,584,084	33,819,725	(333,411)	40,509,073
Right-of-use assets	187,794	186,953	-	-	(195,301)	179,446
Intangible assets	-	-	-	-	3,281,430	3,281,430

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

49. SEGMENT REPORTING (CONTINUED)

Primary segment reporting - business (continued)

Information about major customer

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:

	Revenue		Segment
	2025 RM	2024 RM	
Customer A	36,878,058	38,771,761	Oil and gas
Customer B	12,545,634	-	Wastewater treatment
Customer C	-	28,462,371	Renewable energy

Information about geographical

Revenue of the Group is based on the countries in which the customers are located.

Group	2025 RM	2024 RM
Malaysia	111,212,645	183,045,319
Indonesia	12,545,634	2,295,214
Turkmenistan	1,055,471	264,057
Brunei	551,117	479,930
Vietnam	-	104,919
Others	31,965	13,360
	125,396,832	186,202,799

The information on the disaggregation of revenue based on geographical region is summarised below:-

	At a point in time		Over time		Group	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	91,283,769	98,149,057	19,928,876	84,896,262	111,212,645	183,045,319
Indonesia	12,545,634	2,295,214	-	-	12,545,634	2,295,214
Turkmenistan	1,055,471	264,057	-	-	1,055,471	264,057
Brunei	551,117	479,930	-	-	551,117	479,930
Vietnam	-	104,919	-	-	-	104,919
Others	31,965	13,360	-	-	31,965	13,360
	105,467,956	101,306,537	19,928,876	84,896,262	125,396,832	186,202,799

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

50. CATEGORIES OF FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as follows:

- (a) Amortised cost ["AC"]
- (b) Fair value through profit or loss ["FVTPL"]

Group	Carrying amount RM	AC RM	FVTPL RM
2025			
Non-derivative financial assets			
Trade receivables	10,770,493	10,770,493	-
Other receivables and deposits	8,862,906	8,862,906	-
Amount owing by associates	728,273	728,273	-
Amount owing by joint ventures	304,418	304,418	-
Short-term investments	1,052,715	-	1,052,715
Fixed deposits with licensed banks	4,912,341	4,912,341	-
Cash and bank balances	11,134,355	11,134,355	-
	37,765,501	36,712,786	1,052,715
Non-derivative financial liabilities			
Trade payables	8,245,041	8,245,041	-
Other payables and accruals	6,577,504	6,577,504	-
Amount owing to associates	4,058,449	4,058,449	-
Borrowings	64,549,852	64,549,852	-
Lease liabilities	2,656,571	2,656,571	-
	86,087,417	86,087,417	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

50. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Group	Carrying amount RM	AC RM	FVTPL RM
2024 (restated)			
Non-derivative financial assets			
Trade receivables	27,698,153	27,698,153	-
Other receivables and deposits	8,915,581	8,915,581	-
Amount owing by associates	45,898	45,898	-
Amount owing by joint ventures	869,056	869,056	-
Amount owing by related parties	392,696	392,696	-
Short-term investments	1,020,970	-	1,020,970
Fixed deposits with licensed banks	9,676,772	9,676,772	-
Cash and bank balances	13,482,607	13,482,607	-
	62,101,733	61,080,763	1,020,970
Derivative financial assets			
Derivative financial assets	3,565	-	3,565
Non-derivative financial liabilities			
Trade payables	41,618,736	41,618,736	-
Other payables and accruals	7,718,605	7,718,605	-
Amount owing to directors of subsidiaries	502,000	502,000	-
Amount owing to joint ventures	1	1	-
Amount owing to related parties	1,172,135	1,172,135	-
Borrowings	80,881,092	80,881,092	-
Lease liabilities	1,815,021	1,815,021	-
	133,707,590	133,707,590	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

50. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Company	Carrying amount RM	AC RM	FVTPL RM
2025			
Non-derivative financial assets			
Other receivables and deposits	242,653	242,653	-
Amount owing by subsidiaries	15,736,841	15,736,841	-
Amount owing by associates	437,545	437,545	-
Short-term investments	1,052,715	-	1,052,715
Cash and bank balances	1,280,347	1,280,347	-
	18,750,101	17,697,386	1,052,715
Non-derivative financial liabilities			
Other payables and accruals	1,276,705	1,276,705	-
Amount owing to subsidiaries	298,369	298,369	-
Amount owing to associates	217,995	217,995	-
Borrowings	853,224	853,224	-
Lease liabilities	282,956	282,956	-
	2,929,249	2,929,249	-
2024			
Non-derivative financial assets			
Other receivables and deposits	438,591	438,591	-
Amount due from subsidiaries	12,756,548	12,756,548	-
Amount owing by related parties	138,170	138,170	-
Short-term investments	1,020,970	-	1,020,970
Cash and bank balances	242,628	242,628	-
	14,596,907	13,575,937	1,020,970
Non-derivative financial liabilities			
Other payables and accruals	685,754	685,754	-
Amount due to subsidiaries	180,092	180,092	-
Borrowings	1,050,336	1,050,336	-
Lease liabilities	282,956	282,956	-
	2,199,138	2,199,138	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

50. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Gain or losses arising from financial instruments

Group	Carrying amount RM	AC RM	FVTPL RM
2025			
Non-derivative financial assets			
Net gains recognised in profit or loss	237,757	237,757	-
Net losses recognised in profit or loss	(720,109)	(150,913)	(569,196)
	(482,352)	86,844	(569,196)
Non-derivative financial liabilities			
Net losses recognised in profit or loss	(4,527,021)	(4,527,021)	-
2024			
Non-derivative financial assets			
Net gains recognised in profit or loss	251,359	251,359	-
Net losses recognised in profit or loss	(958,648)	(759,238)	(199,410)
	(707,289)	(507,879)	(199,410)
Non-derivative financial liabilities			
Net losses recognised in profit or loss	(3,627,947)	(3,627,947)	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

50. CATEGORIES OF FINANCIAL INSTRUMENTS (CONTINUED)

Gain or losses arising from financial instruments (continued)

Company	Carrying amount RM	AC RM	FVTPL RM
2025			
Non-derivative financial assets			
Net gains recognised in profit or loss	-	-	-
Net losses recognised in profit or loss	(746,094)	(176,898)	(569,196)
	(746,094)	(176,898)	(569,196)
Non-derivative financial liabilities			
Net losses recognised in profit or loss	(42,272)	(42,272)	-
2024			
Non-derivative financial assets			
Net gains recognised in profit or loss	95,700	95,700	-
Net losses recognised in profit or loss	(199,410)	-	(199,410)
	(103,710)	95,700	(199,410)
Non-derivative financial liabilities			
Net losses recognised in profit or loss	(63,891)	(63,891)	-

51. FAIR VALUES

(a) Financial instruments that are measured at fair value

Investment in quoted shares and short-term investments are measured at fair value at different measurement hierarchies (i.e. Levels 1, 2, 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

- (i) Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
- (ii) Level 2: Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3: Inputs are unobservable inputs for the asset or liability.

The Group and the Company do not have any financial instruments measured at Level 1 and Level 3 of fair value, in current and previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

51. FAIR VALUES (CONTINUED)

(a) Financial instruments that are measured at fair value (continued)

Group	Note	Level 2 RM	Total RM
2025			
Short-term investments	23	1,052,715	1,052,715
2024			
Short-term investments	23	1,020,970	1,020,970
Derivative financial assets	24	3,565	3,565
		1,024,535	1,024,535
Company			
2025			
Short-term investments	23	1,052,715	1,052,715
2024			
Short-term investments	23	1,020,970	1,020,970

(b) Financial instruments that are not measured at fair value

The carrying amount of the financial instruments measured at amortised cost are reasonable approximation of their fair values due to their short-term nature.

	Note
Trade receivables	17
Other receivables which are financial assets	18
Amount owing by/(to) subsidiaries	19
Amount owing by/(to) associates	20
Amount owing by/(to) joint ventures	21
Amount owing by/(to) related parties	22
Fixed deposits with licensed banks	25
Cash and bank balances	26
Borrowings (current)	32
Lease liabilities (current)	33
Trade payables	34
Other payables and accruals	35
Amount owing to directors of subsidiaries	36

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its risks. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available.

The Group's fixed deposits with licensed banks are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting year is disclosed in Note 32.

Interest rate sensitivity analysis

If the interest rates have been higher or lower and all other variables were held constant, the Group's and the Company's results would decrease or increase accordingly. This is mainly attributable to the Group's and to the Company's exposure to interest rates on its floating rate borrowings which are not hedged. The Group's and Company's floating rate borrowings of RM64,507,989 and RM853,224 (2024: 52,761,342 and RM1,050,336), respectively are exposed to variability in future interest payments. If the Bank's Base Lending Rate ("BLR") was to increase/decrease by 1%, it would impact the Group's and the Company's profit by RM490,261 and RM6,485 (2024: RM400,986 and RM7,983), respectively.

The fixed deposits with licensed banks as at 30 June 2025 have maturity periods of 1 to 12 (2024: 1 to 12) months, and bear interest at rates ranging from 2.00% to 3.25% (2024: 2.00% to 3.25%) per annum.

(b) Equity price risk

Any reasonably possible change in the prices of quoted investments at the end of the reporting year does not have a material impact on the profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

(c) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short-term funding so as to achieve overall cost effectiveness.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(c) Liquidity risk (continued)

The maturity profiles of the Group and the Company's liabilities at the financial year end based on contractual undiscounted repayment obligations are as follows:

Group	Effective interest rate %	Carrying amount RM	Contractual undiscounted cash flow RM	Maturity		
				Less than 1 year RM	Between 1 and 5 years RM	More than 5 years RM
2025						
Trade payables	-	8,245,041	8,245,041	8,245,041	-	-
Other payables and accruals	-	6,577,504	6,577,504	6,577,504	-	-
Amount owing to associates	-	4,058,449	4,058,449	4,058,449	-	-
Borrowings	1.50 - 18.00	64,549,852	84,504,063	16,829,229	50,101,003	17,573,831
Lease liabilities	3.85 - 5.40	2,656,571	3,560,407	1,011,515	2,290,147	258,745
		86,087,417	106,945,464	36,721,738	52,391,150	17,832,576
2024						
Trade payables	-	41,618,736	41,618,736	41,618,736	-	-
Other payables and accruals	-	7,718,605	7,718,605	7,718,605	-	-
Amount owing to directors of subsidiaries	-	502,000	502,000	502,000	-	-
Amount owing to joint ventures	-	1	1	1	-	-
Amount owing to related parties	-	1,172,135	1,172,135	1,172,135	-	-
Borrowings	1.50 - 18.00	80,881,092	91,512,923	46,249,176	28,480,299	16,783,448
Lease liabilities	3.85 - 5.40	1,815,021	2,522,732	712,949	1,592,183	217,600
		133,707,590	145,047,132	97,973,602	30,072,482	17,001,048

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(c) Liquidity risk (continued)

Company	Effective interest rate %	Carrying amount RM	Contractual undiscounted cash flow RM	Maturity	
				Less than 1 year RM	Between 1 and 5 years RM
2025					
Other payables and accruals	-	1,276,705	1,276,705	1,276,705	-
Amount owing to subsidiaries	1.50	298,369	302,844	302,844	-
Amount owing to associates	-	217,995	217,995	217,995	-
Borrowings	6.75	853,224	910,817	910,817	-
Lease liabilities	5.40	282,956	289,998	193,332	96,666
Financial guarantee contracts *	-	-	49,461,894	49,461,894	-
		2,929,249	52,460,253	52,363,587	96,666
2024					
Other payables and accruals	-	685,754	685,754	685,754	-
Amount owing to subsidiaries	1.50	180,092	182,793	182,793	-
Borrowings	6.75	1,050,336	1,050,336	1,050,336	-
Lease liabilities	5.40	282,956	289,998	193,332	96,666
Financial guarantee contracts *	-	-	68,781,283	68,781,283	-
		2,199,138	70,990,164	70,893,498	96,666

* Being financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries.

(d) Credit risk

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

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

(i) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 2 (2024: 2) customers which constituted approximately 78% (2024 (restated): 55%) of its trade receivables at the end of the reporting period.

In addition, the Group also determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile for trade receivables at the end of the reporting year is as follows:-

	2025 RM	2024 RM
Malaysia	4,044,573	15,128,304
Indonesia	4,315,321	-
	8,359,894	15,128,304

(ii) Maximum exposure to credit risk

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

(iii) Assessment of impairment losses

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

(iii) Assessment of impairment losses (continued)

Trade receivables and contract assets

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

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

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

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

The expected loss rates are based on the payment profiles of sales over 12 (2024: 12) months before the reporting date and the corresponding historical credit losses experienced within this year. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the unemployment rate and inflation rate as the key macroeconomic factors of the forward-looking information.

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

Other receivables, amounts owing by associates, joint ventures and related parties

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables and amounts owing by associates, joint ventures and related parties.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delays in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

Category	Definition of category	Loss allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows.	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk.	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 180 days past due.	Lifetime expected credit losses

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

(iii) Assessment of impairment losses (continued)

Other receivables, amounts owing by associates, joint ventures and related parties (continued)

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

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

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

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

Fixed deposits with licensed banks, cash and bank balances

The Group considers the banks and financial institutions to have low credit risks. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount owing by subsidiaries

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable overtime' or a fire sale of less liquid assets by the subsidiary.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

(iii) Assessment of impairment losses (continued)

Financial guarantee contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-months expected credit losses.

The ageing analysis of the Group and the Company's gross trade receivables, contract assets, other receivables which are financial assets, amounts owing by associates, joint ventures and related parties (before deducting allowance for impairment loss) are as follows:

Group	Gross amount RM	Credit impaired RM	Lifetime ECL allowance RM	Carrying amount RM
2025				
Current (not past due)	6,760,291	-	-	6,760,291
1 to 30 days past due	3,722,879	-	-	3,722,879
31 to 60 days past due	53,154	-	-	53,154
61 to 90 days past due	93,000	-	-	93,000
91 to 120 days due	153,912	(12,743)	-	141,169
> 120 days past due	926,750	(926,750)	-	-
Trade receivables	11,709,986	(939,493)	-	10,770,493
Other receivables and deposits	8,862,906	-	-	8,862,906
Contract assets	13,398,016	-	-	13,398,016
Amount owing by associates	866,443	(138,170)	-	728,273
Amount owing by joint ventures	304,418	-	-	304,418
	35,141,769	(1,077,663)	-	34,064,106

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

(iii) Assessment of impairment losses (continued)

Group	Gross amount RM	Credit impaired RM	Lifetime ECL allowance RM	Carrying amount RM
2024 (restated)				
Current (not past due)	19,784,465	-	(46,597)	19,737,868
1 to 30 days past due	2,038,005	-	(26,868)	2,011,137
31 to 60 days past due	1,050,900	-	(18,139)	1,032,761
61 to 90 days past due	2,994,516	-	(35,431)	2,959,085
91 to 120 days due	34,989	-	(53)	34,936
> 120 days past due	3,193,306	(1,243,091)	(27,849)	1,922,366
Trade receivables	29,096,181	(1,243,091)	(154,937)	27,698,153
Other receivables and deposits	8,915,581	-	-	8,915,581
Contract assets	48,115,640	-	(285,989)	47,829,651
Amount owing by associates	45,898	-	-	45,898
Amount owing by joint ventures	869,056	-	-	869,056
Amount owing by related parties	392,696	-	-	392,696
	87,435,052	(1,243,091)	(440,926)	85,751,035
Company	Gross amount RM	Credit impaired RM	Lifetime ECL allowance RM	Carrying amount RM
2025				
Other receivables and deposits	242,653	-	-	242,653
Amount owing by subsidiaries	16,428,259	(691,418)	-	15,736,841
Amount owing by associates	437,545	-	-	437,545
Amount owing by related parties	138,170	(138,170)	-	-
	17,246,627	(829,588)	-	16,417,039
2024				
Other receivables and deposits	438,591	-	-	438,591
Amount owing by subsidiaries	13,409,238	(652,690)	-	12,756,548
Amount owing by related parties	138,170	-	-	138,170
	13,985,999	(652,690)	-	13,333,309

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

(iii) Assessment of impairment losses (continued)

Receivables that are neither past due nor credit impaired are creditworthy debtors with good payment records with the Group. The Group's trade receivables credit term ranges from 30 to 90 (2024: 30 to 90) days. Certain receivables' credit terms are assessed and approved on a case-by-case basis.

Other receivables which are financial assets include sundry receivables and amounts owing by subsidiaries, associates, joint ventures and related parties.

None of the Group's receivables that are neither past due nor credit impaired have been renegotiated during the current and previous financial years. Receivables are not secured by any collaterals or credit enhancements.

Impairment on receivables

The Group and the Company apply the simplified approach whereby allowance for impairment are measured at lifetime ECL. The movement of the allowance for impairment loss on receivables is as follows:

Group	Trade receivables			Contract assets		
	Lifetime ECL allowance	Credit impaired (Note i)	Total allowance	Lifetime ECL allowance	Credit impaired (Note i)	Total allowance
	RM	RM	RM	RM	RM	RM
At 1 July 2024	154,937	1,243,091	1,398,028	285,989	-	285,989
Charge during the year (Note ii)	-	12,743	12,743	-	-	-
Deemed disposal of subsidiaries	(154,937)	(316,341)	(471,278)	(285,989)	-	(285,989)
At 30 June 2025	-	939,493	939,493	-	-	-
At 1 July 2023	154,937	467,852	622,789	296,776	-	296,776
Charge/(reversal) during the year (Note ii)	-	770,025	770,025	(10,787)	-	(10,787)
Foreign translation differences	-	5,214	5,214	-	-	-
At 30 June 2024	154,937	1,243,091	1,398,028	285,989	-	285,989

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

Impairment on receivables (continued)

The Group and the Company apply the simplified approach whereby allowance for impairment are measured at lifetime ECL. The movement of the allowance for impairment loss on receivables is as follows (continued):

Group	Other receivables which are financial assets			Amounts owing by associates, joint ventures and related parties		
	Lifetime ECL allowance RM	Credit impaired (Note i) RM	Total allowance RM	Lifetime ECL allowance RM	Credit impaired (Note i) RM	Total allowance RM
At 1 July 2024	-	-	-	-	-	-
Charge during the year (Note ii)	-	-	-	-	138,170	138,170
At 30 June 2025	-	-	-	-	138,170	138,170
At 1 July 2023	-	-	-	-	-	-
Charge during the year (Note ii)	-	-	-	-	-	-
At 30 June 2024	-	-	-	-	-	-

i Receivables that are individually determined to be credit impaired at the financial year end relate to debtors who are in significant financial difficulties and have defaulted on payments.

ii The Group's allowance for impairment loss on trade receivables, contract assets, other receivables which are financial assets, amounts owing by associates, joint ventures and related parties during the current financial year increased by RM150,913 (2024: increased by RM759,238) is mainly due to the provision for higher (2024: higher) impaired on trade receivables, contract assets, other receivables which are financial assets, amounts owing by associates, joint ventures and related parties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(d) Credit risk (continued)

Impairment on receivables (continued)

Company	Amount due from subsidiaries			Other receivables which are financial assets and amount owing by related parties		
	Lifetime ECL allowance RM	Credit impaired (Note i) RM	Total allowance RM	Lifetime ECL allowance RM	Credit impaired (Note i) RM	Total allowance RM
At 1 July 2024	-	652,690	652,690	-	-	-
Charge/ (reversal) during the year (Note ii)	-	38,728	38,728	-	138,170	138,170
At 30 June 2025	-	691,418	691,418	-	138,170	138,170
At 1 July 2023	-	748,390	748,390	-	-	-
Reversal during the year (Note ii)	-	(95,700)	(95,700)	-	-	-
At 30 June 2024	-	652,690	652,690	-	-	-

i Receivables that are individually determined to be credit impaired at the financial year end relate to debtors who are in significant financial difficulties and have defaulted on payments.

ii The Company's allowance for impairment loss on other receivables which are financial assets, amounts owing by related parties and subsidiaries during the current financial year increased by RM176,898 (2024: decreased by RM95,700) is mainly due to the provision for higher (2024: lower) impaired other receivables which are financial assets, amounts owing by related parties and subsidiaries.

(e) Foreign currency risk

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Indonesian Rupiah ("IDR"), Singapore Dollar ("SGD") and Chinese Yuan ("CNY"). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level. Material foreign currency transaction exposures are hedged, mainly with derivative financial instruments such as forward foreign exchange contracts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(e) Foreign currency risk (continued)

Group	Note	USD RM	IDR RM	SGD RM	CNY RM	MYR RM	Total RM
2025							
Financial assets							
Trade receivables	17	1,779,354	4,316,566	-	-	4,674,573	10,770,493
Other receivables and deposits	18	-	2,627,717	-	-	6,235,189	8,862,906
Amount owing by associates	20	-	-	8,077	-	720,196	728,273
Amount owing by joint ventures	21	-	-	-	-	304,418	304,418
Short-term investments	23	-	-	-	-	1,052,715	1,052,715
Fixed deposits with licensed banks	25	-	-	-	-	4,912,341	4,912,341
Cash and bank balances	26	1,497,433	70,927	1,034	5,881	9,559,080	11,134,355
		3,276,787	7,015,210	9,111	5,881	27,458,512	37,765,501
Financial liabilities							
Borrowings	32	-	23,489,332	-	-	41,060,520	64,549,852
Lease liabilities	33	-	-	-	-	2,656,571	2,656,571
Trade payables	34	2,108,404	-	-	-	6,136,637	8,245,041
Other payables and accruals	35	27,455	2,354,875	-	-	4,195,174	6,577,504
Amount owing to associates	20	-	-	3	-	4,058,446	4,058,449
		2,135,859	25,844,207	3	-	58,107,348	86,087,417
Net financial assets/(liabilities)		1,140,928	(18,828,997)	9,108	5,881	(30,648,836)	(48,321,916)
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies		(487,993)	18,828,997	(9,108)	-	30,648,836	48,980,732
Currency exposure		652,935	-	-	5,881	-	658,816

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(e) Foreign currency risk (continued)

Group	Note	USD RM	IDR RM	SGD RM	CNY RM	MYR RM	Total RM
2024 (restated)							
Financial assets							
Trade receivables	17	8,706,473	2,434,763	-	-	16,556,917	27,698,153
Other receivables and deposits	18	-	2,754,945	-	-	6,160,636	8,915,581
Amount owing by associates	20	-	-	-	-	45,898	45,898
Amount owing by joint ventures	21	-	-	-	-	869,056	869,056
Amount owing by related parties	22	-	-	-	-	392,696	392,696
Short-term investments	23	-	-	-	-	1,020,970	1,020,970
Fixed deposits with licensed banks	25	-	-	-	-	9,676,772	9,676,772
Cash and bank balances	26	456,994	117,257	54,242	-	12,854,114	13,482,607
		9,163,467	5,306,965	54,242	-	47,577,059	62,101,733
Financial liabilities							
Borrowings	32	-	29,084,808	-	-	51,796,284	80,881,092
Lease liabilities	33	-	-	-	-	1,815,021	1,815,021
Trade payables	34	8,690,382	-	-	7,020,103	25,908,251	41,618,736
Other payables and accruals	35	14,674	249,363	4	-	7,454,564	7,718,605
Amount owing to directors of subsidiaries	36	-	-	-	-	502,000	502,000
Amount owing to joint ventures	21	-	-	-	-	1	1
Amount owing to related parties	22	-	1,171,340	-	-	795	1,172,135
		8,705,056	30,505,511	4	7,020,103	87,476,916	133,707,590
Net financial assets/(liabilities)		458,411	(25,198,546)	54,238	(7,020,103)	(39,899,857)	(71,605,857)
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies		(69,919)	25,198,546	(54,238)	-	39,899,857	64,974,246
Currency exposure		388,492	-	-	(7,020,103)	-	(6,631,611)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

52. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

(e) Foreign currency risk (continued)

Company

The Company does not have any significant transactions or balances denominated in foreign currencies and hence is not disclosed.

Sensitivity analysis

The following table demonstrates the sensitivity of the Group's results to a reasonable possible change in the exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	Group	
	2025 RM	2024 RM
Effects on profit/(loss) after taxation:		
USD/RM – strengthened/(weakened) 10%	49,623	29,525
CNY/RM – strengthened/(weakened) 10%	447	(533,528)

(f) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The gearing ratios at 30 June 2025 and 30 June 2024 were as follows:

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Borrowings	32	64,549,852	80,881,092	853,224	1,050,336
Lease liabilities	33	2,656,571	1,815,021	282,956	282,956
		67,206,423	82,696,113	1,136,180	1,333,292
Less:					
Fixed deposits with licensed banks	25	(4,912,341)	(9,676,772)	-	-
Cash and bank balances	26	(11,134,355)	(13,482,607)	(1,280,347)	(242,628)
		(16,046,696)	(23,159,379)	(1,280,347)	(242,628)
Net debt/(cash)		51,159,727	59,536,734	(144,167)	1,090,664
Total equity attributable to owners of the Company		121,992,916	85,779,004	97,097,210	51,724,768
Debt-to-equity ratio		0.419	0.694	Not applicable	0.021

There were no changes in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

53. SIGNIFICANT AND SUBSEQUENT EVENTS

(a) Disposal of Subsidiaries Due to Dilution After Initial Public Offering ("IPO")

On 23 October 2024, the Company's subsidiary, Founder Group Limited ("FGL") was listed on the National Association of Securities Dealers Automated Quotations ("NASDAQ"). This listing resulted in the dilution of the Group's interest in FGL. As a result of this IPO, the Group's equity interest in FGL was diluted from 51.00% to 45.21%, which resulted in a loss of control. Following the loss of control, but with significant influence retained, the Group's and the Company's deemed disposal of the subsidiary lead to the deconsolidation and reclassified the investment to that of an associate. The gain on deemed disposal of the subsidiary amounted to RM84.7 million was recognised in profit or loss, as disclosed in Note 10(a).

(b) Secured a Letter of Award worth RM60.2 million

On 27 August 2025, the Company's subsidiary, RL Sigma Engineering Sdn. Bhd. had secured a RM60.2 million turnkey Engineering, Procurement, Construction, and Commissioning ("EPCC") contract from Sage Promaster Sdn. Bhd. for the development of a waste recovery facility to produce renewable energy. The contract, scheduled for completion by 26 February 2026, covers the full cycle of engineering, procurement, construction, and commissioning.

(c) Proposed take over

On 8 October 2025, the Company's wholly owned subsidiary, Reservoir Link Sdn. Bhd., had entered into a conditional Share Sale Agreement with Propel Oilfield Services Sdn. Bhd., to acquire the remaining 70% equity in Propel Maxflo Sdn. Bhd. from Propel Oilfield Services Sdn. Bhd. for a total purchase consideration of RM17.2 million. The consideration will to be satisfied via a combination of cash amounting to RM13.8 million and the issuance of new ordinary shares of the Company valued at RM3.4 million.

The acquisition is expected to be completed by the end of 2025.

54. COMPARATIVE FIGURES

The comparative figures have been reclassified to conform with the presentation of the current financial year.

Statement of financial position as at 30 June 2024

Group	As previously stated RM	Reclassifications RM	As restated RM
Contract assets	33,388,726	14,440,925	47,829,651
Trade receivables	42,139,078	(14,440,925)	27,698,153

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Thien Chiet Chai and Dato' Wan Hassan Bin Mohd Jamil, being two of the Directors of Reservoir Link Energy Bhd., do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 116 to 244 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 30 June 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 17 October 2025.

Thien Chiet Chai
Executive Deputy Chairman

Dato' Wan Hassan Bin Mohd Jamil
Managing Director

STATUTORY DECLARATION

Pursuant to Section 251(1) (b) of the Companies Act 2016

I, Bong Leong Sung, MIA Membership Number: 19682, being the officer primarily responsible for the financial management of Reservoir Link Energy Bhd., do solemnly and sincerely declare that the accompanying financial statements set out on pages 116 to 244 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
the abovenamed Bong Leong Sung
at Petaling Jaya in the state of Selangor
on 17 October 2025.

Bong Leong Sung
Group Chief Financial Officer

Before me,

INDEPENDENT AUDITORS' REPORT

To the Members of Reservoir Link Energy Bhd.

Registration No: 201401044508 (1120690-K) (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Reservoir Link Energy Bhd., which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 116 to 244.

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 30 June 2025 and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current 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.

INDEPENDENT AUDITORS' REPORT

To the Members of Reservoir Link Energy Bhd.

Registration No: 201401044508 (1120690-K) (Incorporated in Malaysia)

Key Audit Matters (continued)

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

1. Impairment of property, plant and equipment

The carrying amount of as at 30 June 2025: RM81,036,629

We refer to the consolidated financial statements: Notes 3.3, 3.23, 5(a) and (b) and 6

Key audit matter	Our response
On an annual basis, Management assesses whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the assets recoverable amount. Where the carrying of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. We determine this to be a key audit matter as property, plant and equipment represent a significant amount of the Group's statement of financial position, and involves significant estimation of the value-in-use of the cash-generating unit ("CGU") to which the property, plant and equipment are allocated, and the expected future cash flows from the CGU. In estimating the expected future cash flows, significant judgement is required in determining a suitable discount rate as well as the expected future market and economic conditions.	Our audit procedures included, among others: - Examined the relevant cash flow forecasts which support Management's impairment assessment. We evaluated the evidence supporting the underlying assumptions in those forecasts, by comparing and considering historical data with current and future information such as prior budget accuracy and expected growth rates to relevant market expectations; and - Reviewed the adequacy of the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive.

2. Investment in associates

The carrying amount of as at 30 June 2025: RM60,269,260

We refer to the consolidated financial statements: Notes 3.8, 3.23, 5(h) and 11

Key audit matter	Our response
The Group holds a significant investment in an associate involved in renewable energy projects. The recoverable amount of this investment is sensitive to key assumptions such as projected energy generation capacity, tariff rates, expected future cash flows from power purchase agreements ("PPAs"), and the discount rate applied.	Our audit procedures included, among others: - Evaluated Management's assessment of indicators of impairment for the investment; - Assessed the reasonableness of the key assumptions used in the value-in-use model, including projected revenue, operating margins, and discount rates;

INDEPENDENT AUDITORS' REPORT

To the Members of Reservoir Link Energy Bhd.

Registration No: 201401044508 (1120690-K) (Incorporated in Malaysia)

Key Audit Matters (continued)

2. Investment in associates (continued)

Key audit matter	Our response
Given the long-term nature of renewable energy projects and the estimation uncertainty associated with these assumptions, assessing whether the carrying amount of the investment is recoverable involves significant Management judgement. We determined this to be a key audit matter as the investment in associates represent a significant amount of the Group's statement of financial position, and Management's assessment of the recoverable amount of the investment in the associate involves significant judgement, particularly in estimating the associate's probability of default, future cash flow projections, and incorporating appropriate forward-looking information reflecting industry and market conditions in the renewable energy sector.	Our audit procedures included, among others (continued): • Compared assumptions such as tariff rates and project timelines against the terms of the PPAs and relevant regulatory approvals; • Tested the accuracy of the underlying calculations in the impairment model; • Performed sensitivity analyses on key assumptions to evaluate the impact of changes in these assumptions on the recoverable amount; and • Assessed the adequacy of disclosures related to the investment and impairment assessment in the financial statements.

3. Recoverability of trade receivables and contract assets

The carrying amount of recoverability of trade receivables and contract assets as at 30 June 2025: RM10,770,493 and RM13,398,016

We refer to the consolidated financial statements: Notes 3.2, 3.12, 3.22, 5(j), 16 and 17

Key audit matter	Our response
The trade receivables and contract assets of the Group amounted to RM10,770,493 and RM13,398,016 representing 5% and 6%, respectively of the Group's total assets as at 30 June 2025. The Group recognises loss allowance for expected credit losses ("ECL") on trade receivables and contract assets based on specific known facts or circumstances or the abilities of customers to pay.	Our audit procedures included, among others: • Evaluated the reasonableness of Management's key judgements and estimates made in determining the ECL, including the assessment in the selection of methods, assumptions, and data sources for measurement decisions; • Reviewed the recoverability of major receivables and contract assets including but not limited to subsequent collection;

INDEPENDENT AUDITORS' REPORT

To the Members of Reservoir Link Energy Bhd.

Registration No: 201401044508 (1120690-K) (Incorporated in Malaysia)

Key Audit Matters (continued)

3. Recoverability of trade receivables and contract assets (continued)

Key audit matter	Our response
We determine these as key audit matter because they require Management to exercise significant judgements in determining the probability of default and appropriate forward-looking information.	Our audit procedures included, among others (continued): - Reviewed receivables' turnover period; - Evaluated the effectiveness of credit control process; - Evaluated the compliance with payment schedules; - Discussed with Management with regards to the payment trends, collectability of debts and existence of any collateral assets of the debts; - Evaluated the adequacy of impairment; and - Ensured compliance with the requirements of MFRS 9.

4. Revenue

The carrying amount of revenue as at 30 June 2025: RM125,396,832.

We refer to the consolidated financial statements: Notes 3.20, 5(l) and 37

Key audit matter	Our response
For the financial year ended 30 June 2025, the Group recorded revenue of RM125,396,832 primarily derived from the provision of oil and gas well services, renewable energy services and wastewater treatment. The timing and quantum of revenue recognised for oil and gas well services and wastewater treatment are dependent on the nature and the different contractual terms as set out in the agreements with the respective customers.	Our audit procedures included, among others: - Tested the occurrence and accuracy of revenue transactions to supporting evidence such as customers' contracts, invoices, and relevant supporting documents; - Assessed the effectiveness of internal controls by performing tests of controls and walkthrough tests;

INDEPENDENT AUDITORS' REPORT

To the Members of Reservoir Link Energy Bhd.

Registration No: 201401044508 (1120690-K) (Incorporated in Malaysia)

Key Audit Matters (continued)

4. Revenue (continued)

Key audit matter	Our response
The amount of revenue from renewable energy services is recognised over the period of the contract with reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of the performance obligation is determined with reference to the proportion of costs incurred for work performed to date over the estimated total costs. We determined this to be a key audit matter because significant estimates and judgements are required.	Our audit procedures included, among others (continued): • Evaluated and assessed the reasonableness of estimates and judgements used in recognising revenue; • Verified the assessment on the potential deduction to revenue such as delays resulting in liquidated and ascertained damages against the contractual handover date, and estimated handover dates; • Checked subsequent documentation to identify if there are any deferments in the completion of contracts; • Reviewed the accrued revenue recognised and assessed the appropriateness of the accrued revenue by checking subsequent billed invoices; and • Assessed the completeness and appropriateness of disclosures in accordance with MFRS 15.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information included in the 2025 Annual Report. The other information comprises the Directors' Report and Statement on Risk Management and Internal Control which were obtained prior to the date of this auditors' report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. The other sections of the other information included in the 2025 Annual Report are expected to be made available to us subsequently.

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 Reservoir Link Energy Bhd.

Registration No: 201401044508 (1120690-K) (Incorporated in Malaysia)

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

To the Members of Reservoir Link Energy Bhd.

Registration No: 201401044508 (1120690-K) (Incorporated in Malaysia)

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 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, related safeguards.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 10 to the financial statements.

OTHER MATTERS

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

Nexia SSY PLT

201906000679 (LLP0019490-LCA) & AF 002009
Chartered Accountants

Michelle Yong Voon Sze

No. 02864/07/2026 J
Chartered Accountant

Shah Alam
17 October 2025

LIST OF PROPERTIES

Registered Owner/ Beneficial Owner	Title Identification/ Postal Address	Description/ Existing Use	Date of Certificate of Completion and Compliance		Express Conditions	Floor Area	Tenure	Encumbrances	Audited NBV as at 30.06.2025 (RM'000)
1.	RLSB <u>Title:</u> Parcel No. E-33-A1, E-33-A4, E-33-A5, E-33-A8, E-33-B2, E-33-B3, E-33-B6 and E-33-B7, held under Master Title PN 51531, Lot 480578, Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur (formerly known as H.S.(D) 118779, PT 9114, Mukim and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur). <u>Postal Address:</u> E-33-01, E-33-02, E-33-03, E-33- 3A, E-33-05, E-33-06, E-33-07 and E-33-08, Menara SUEZCAP 2, KL Gateway, No. 2, Jalan Kerinchi, Gerbang Kerinchi Lestari, 59200 Kuala Lumpur.	<u>Description:</u> Eight (8) office units on the thirty third (33 rd) floor of an office building. <u>Existing Use:</u> Office.	30.11.2017	This land is to be used for trade buildings for the purpose of service apartments, offices and shopping complexes only.	(i) 1,200 sq ft for each Parcel No. E-33-A1, E-33-A4, E-33-A5 and E-33-A8. (ii) 1,700 sq ft for each Parcel No. E-33-B2, E-33-B3, E-33-B6 and E-33-B7.	99 years expiring on 11 April 2111.	Charged to United Overseas Bank (Malaysia) Bhd	8,833	
2.	RLSB <u>Title:</u> No. Geran 70251, No. Lot 60493, No. Bangunan M2-A, No. Tingkat 30, No. Petak 419, Mukim Batu, Negeri Wilayah Persekutuan Kuala Lumpur. <u>Postal Address:</u> Unit 29-1, Level 29, Menara 1 Mont Kiara, Kompleks 1 Mont Kiara, No. 1, Jalan Kiara, Mont Kiara, 50480 Wilayah Persekutuan, Kuala Lumpur.	<u>Description:</u> One (1) office unit on the twenty ninth (29 th) floor of an office building. <u>Existing Use:</u> Office. RLSB (landlord) has rented out this office unit to Messrs Lee & Koh (tenant).	25.11.2010	This land is to be used for trade buildings, for the purpose of shopping complexes, office towers and service apartments with recreational facilities and parking lots only.	775 sq m	Freehold	Charged to Public Islamic Bank Berhad	4,641	

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

Issued share capital : 362,423,000 ordinary shares
Class of shares : Ordinary Shares
Voting rights : One (1) vote per ordinary share

Distribution of Shareholdings

Holdings	No. of Holders	%	No. of Shares	%
1 – 99 shares	7	0.184	191	0.000
100 – 1,000 shares	374	9.839	199,800	0.055
1,001 – 10,000 shares	1,592	41.884	9,898,300	2.731
10,001 – 100,000 shares	1,495	39.332	52,832,005	14.577
100,001 – 14,522,249 shares (*)	331	8.708	241,709,201	66.693
14,522,250 AND ABOVE (**)	2	0.053	57,783,503	15.944
Total	3,801	100.000	362,423,000	100.000

* LESS THAN 5% OF ISSUED SHARES

** 5% AND ABOVE OF ISSUED SHARES

Thirty Largest Shareholders (Based on Record of Depositors)

No.	Account Holders	Shareholdings	% of Issued Capital
1.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Pansar Berhad	29,323,503	8.091
2.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Propel Global Berhad (M18)	28,460,000	7.853
3.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Reservoir Link Holdings Sdn Bhd	14,135,200	3.900
4.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lee Seng Chi (3010205)	14,005,000	3.864
5.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Reservoir Link Holdings Sdn Bhd	11,750,000	3.242
6.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Reservoir Link Holdings Sdn Bhd (MY4334)	7,736,500	2.135
7.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Propel Global Berhad (7005767)	7,000,000	1.931
8.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Thien Chiet Chai	6,996,035	1.930
9.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Thien Chiet Chai	5,900,000	1.628
10.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Gan Boon Tian (6000077)	5,700,000	1.573
11.	RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Gan Boon Tian	5,684,300	1.568

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

No.	Account Holders	Shareholdings	% of Issued Capital
12.	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Low Keng Siong	5,600,000	1.545
13.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Jason Koh Jian Hui (MY4488)	4,859,300	1.341
14.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lee Seng Chi	4,745,000	1.309
15.	RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lee Sze Yeen	4,000,000	1.104
16.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Thien Chiet Chai (MY2529)	3,960,800	1.093
17.	TA Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Jason Koh Jian Hui	3,900,000	1.076
18.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Yap Chee Kheng (8055840)	3,500,000	0.966
19.	Koh Heok Teo	2,823,500	0.779
20.	M & A Nominee (Tempatan) Sdn Bhd - Pledged Securities Account for Jason Koh Jian Hui (M&A)	2,682,000	0.740
21.	Alvin Wong Yu Chuan	2,522,300	0.696
22.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Thien Chiet Chai	2,470,000	0.682
23.	Cartaban Nominees (Asing) Sdn Bhd - Exempt An for Barclays Capital Securities Ltd (SBL/PB)	2,351,100	0.649
24.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Daniel Ilham Khong	2,125,000	0.586
25.	Norlita Binti Mohd Tahir	2,125,000	0.586
26.	Toh Chin Siang	2,000,000	0.552
27.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Gan Boon Tian (7011280)	1,981,000	0.547
28.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Thien Chiet Chai (7000571)	1,910,000	0.527
29.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Wan Hassan Bin Mohd Jamil	1,784,300	0.492
30.	Mad Haimi Bin Abu Hassan	1,766,335	0.487
Total		193,796,173	53.472

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

Substantial Shareholders (Based on Register of Substantial Shareholders)

		Direct	No. of Ordinary Shares % of Issued Capital	Indirect	% of Issued Capital
1.	Reservoir Link Holdings Sdn Bhd	33,621,700	9.277	-	-
2.	Dato' Wan Hassan Bin Mohd Jamil	2,454,505	0.677	33,621,700 ^(a)	9.277
3.	Mad Haimi Bin Abu Hassan	2,626,335	0.725	33,621,700 ^(a)	9.277
4.	Thien Chiet Chai	23,860,035	6.583	33,621,700 ^(a)	9.277
5.	Pansar Berhad	29,323,503	8.091	-	-
6.	Pan Sarawak Holdings Sdn Bhd	-	-	29,323,503 ^(b)	8.091
7.	Tai Sing Chii & Sons Sdn Bhd	-	-	29,323,503 ^(b)	8.091
8.	Inplaced Capital Sdn Bhd	-	-	29,323,503 ^(b)	8.091
9.	Puan Sri Datin Sri Ling Lah Kiong	-	-	29,323,503 ^(b)	8.091
10.	Dato' James Tai Cheong @ Tai Chong	-	-	29,323,503 ^(b)	8.091
11.	Datuk Tai Hee	500,000	0.138	29,333,503 ^(c)	8.094
12.	David Tai Wei	-	-	29,323,503 ^(b)	8.091
13.	Lee Seng Chi	18,750,000	5.174	-	-
14.	Propel Global Berhad	35,460,000	9.784	-	-
15.	Kong Teck Fong	-	-	35,460,000 ^(d)	9.784

Notes:

- (a) Deemed interested by virtue of his substantial shareholding in Reservoir Link Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.
- (b) Deemed interested by virtue of its/his/her indirect substantial shareholding in Pansar Berhad.
- (c) Deemed interested by virtue of his indirect substantial shareholding in Pansar Berhad and his spouse's shareholding.
- (d) Deemed interested by virtue of his indirect substantial shareholding in Propel Global Berhad.

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

Directors' Interest In Shares (Based on Register of Directors' Shareholdings)

		Direct	No. of Ordinary Shares % of Issued Capital	Indirect	% of Issued Capital
1.	Dato' Wan Hassan Bin Mohd Jamil	2,454,505	0.677	33,621,700 ⁽ⁱ⁾	9.277
2.	Datuk Tai Hee	500,000	0.138	29,333,503 ⁽ⁱⁱ⁾	8.094
3.	Elain Binti Lockman	-	-	-	-
4.	Dato' Ahmad Rizal Bin Abdul Rahman	-	-	-	-
5.	Siti Zurina Binti Sabarudin	-	-	-	-
6.	Thien Chiet Chai	23,860,035	6.583	33,621,700 ⁽ⁱ⁾	9.277
7.	Rewi Hamid Bugo	-	-	-	-

Notes:

- (i) Deemed interested by virtue of his substantial shareholding in Reservoir Link Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.
- (ii) Deemed interested by virtue of his indirect substantial shareholding in Pansar Berhad and his spouse's shareholding.

ANALYSIS OF WARRANT HOLDINGS

As at 30 September 2025

Total number of warrants issued : 71,249,995
Total number of outstanding warrants : 71,249,995

Distribution of Warrant Holdings

Holdings	No. of Holders	%	No. of Warrants	%
1 – 99 shares	476	27.123	22,549	0.032
100 – 1,000 shares	340	19.373	157,493	0.221
1,001 – 10,000 shares	501	28.547	1,996,125	2.802
10,001 – 100,000 shares	327	18.632	11,816,828	16.585
100,001 – 3,562,499 (*)	109	6.211	41,374,415	58.069
3,562,500 AND ABOVE (**)	2	0.114	15,882,675	22.291
Total	1,755	100.000	71,249,995	100.000

* LESS THAN 5% OF ISSUED WARRANTS

** 5% AND ABOVE OF ISSUED WARRANTS

Thirty Largest Warrant Holders (Based on Record of Depositors)

No.	Account Holders	Warrant Holdings	Percentage (%)
1.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Kong Kok Choy (8092812)	8,551,800	12.003
2.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Pansar Berhad	7,330,875	10.289
3.	Lee Wei Yi	2,463,000	3.457
4.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Yi-Lai Industry Berhad	2,460,000	3.453
5.	Kong Kok Choy	2,448,200	3.436
6.	Muhammad Amirun Nazreen Bin Samsul	2,266,600	3.181
7.	Yap Eng Tiong	1,240,000	1.740
8.	Nurazlina Binti Zainal	1,120,000	1.572
9.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Yee Kan (A KE-CL)	1,071,900	1.504
10.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account - Ambank (M) Berhad for Honsin Apparel Sdn. Bhd. (SMART)	1,000,000	1.404
11.	Muhammad Addyn Bin Majnon	945,300	1.327
12.	Johnny Tan Jin Hor	833,200	1.169
13.	Yap Eng Tiong	806,000	1.131
14.	Mohammad Faizal Fais Bin Zahri	737,400	1.035
15.	Mad Haimi Bin Abu Hassan	654,083	0.918

ANALYSIS OF WARRANT HOLDINGS

As at 30 September 2025

No.	Account Holders	Warrant Holdings	Percentage (%)
16.	Koh Chee Choong	600,000	0.842
17.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Muhammad Taufiq Bin Abdul Latif	600,000	0.842
18.	Nor Zihan Binti Othman	600,000	0.842
19.	RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Rabi'ah Binti Abu Bakar Seddek	526,600	0.739
20.	Halimah Binti Abd Manap	520,000	0.730
21.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account for Mohd Zulkefli Bin Mohd Abdah (MY1571)	500,000	0.702
22.	Kash Assets Sdn Bhd	500,000	0.702
23.	Koh Eng Hong	500,000	0.702
24.	Lee Siew Ching	500,000	0.702
25.	Leo Lee Cheng	500,000	0.702
26.	Lim Kok Leang	500,000	0.702
27.	Ang Kar Heng	480,600	0.675
28.	Muhammad Ammar Faris Bin Hasim	427,300	0.600
29.	Lee Hsian Min	403,500	0.566
30.	Ha Kee Wong	355,500	0.499
Total		41,441,858	58.164

Substantial Shareholders (Based on Register of Substantial Shareholders)

	Direct	No. of Warrants Percentage (%)	Indirect	Percentage (%)
1. Pansar Berhad	7,330,875	10.289	-	-
2. Pan Sarawak Holdings Sdn Bhd	-	-	7,330,875 ^(a)	10.289
3. Tai Sing Chii & Sons Sdn Bhd	-	-	7,330,875 ^(a)	10.289
4. Inplaced Capital Sdn Bhd	-	-	7,330,875 ^(a)	10.289
5. Puan Sri Datin Sri Ling Lah Kiong	-	-	7,330,875 ^(a)	10.289
6. Dato' James Tai Cheong @ Tai Chong	-	-	7,330,875 ^(a)	10.289
7. Datuk Tai Hee	125,000	0.175	7,333,375 ^(b)	10.292
8. David Tai Wei	-	-	7,330,875 ^(a)	10.289
9. Kong Kok Choy	11,000,000	15.439	-	-

Notes:

(a) Deemed interested by virtue of its/his/her indirect substantial shareholding in Pansar Berhad.

(b) Deemed interested by virtue of his indirect substantial shareholding in Pansar Berhad and his spouse's shareholding.

ANALYSIS OF WARRANT HOLDINGS

As at 30 September 2025

Directors' Interest In Warrants (Based on Register of Directors' Warrant Holdings)

		No. of Warrants		Indirect	Percentage (%)
		Direct	Percentage (%)		
1.	Dato' Wan Hassan Bin Mohd Jamil	15,000	0.021	-	-
2.	Datuk Tai Hee	125,000	0.175	7,333,375 ⁽ⁱ⁾	10.292
3.	Elain Binti Lockman	-	-	-	-
4.	Dato' Ahmad Rizal Bin Abdul Rahman	-	-	-	-
5.	Siti Zurina Binti Sabarudin	-	-	-	-
6.	Thien Chiet Chai	200,058	0.281	-	-
7.	Rewi Hamid Bugo	-	-	-	-

Note:

(i) Deemed interested by virtue of his indirect substantial shareholding in Pansar Berhad and his spouse's shareholding.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Tenth (10th) Annual General Meeting (“**AGM**”) of Reservoir Link Energy Bhd (“**RLEB**” or “**the Company**”) will be held at South Wing Hall, Old Court House, No 7, Jalan Tun Abang Haji Openg, 93000 Kuching, Sarawak on Thursday, 20 November 2025 at 2.00 p.m., to transact the following business:-

AGENDA

ORDINARY BUSINESS:

- | | |
|---|--|
| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and the Auditors thereon. | <i>Please refer to
Explanatory Note 1</i> |
| 2. To approve the payment of Directors' fees up to an amount of RM314,000 for the financial year ended 30 June 2025. | <i>Ordinary Resolution 1
Please refer to
Explanatory Note 2</i> |
| 3. To approve the payment of Directors' benefits from the date of the passing of this Ordinary Resolution until the next AGM of the Company. | <i>Ordinary Resolution 2
Please refer to
Explanatory Note 2</i> |
| 4. To re-elect Datuk Tai Hee who retires by rotation pursuant to Clause 91 of the Company's Constitution and being eligible, offers himself for re-election. | <i>Ordinary Resolution 3
Explanatory Note 3</i> |
| <p>Puan Siti Zurina Binti Sabarudin who also retires by rotation in accordance with Clause 91 of the Company's Constitution, has expressed her intention not to seek for re-election. Hence, she will retain office until the conclusion of the 10th AGM of the Company.</p> | |
| 5. To re-elect Mr. Rewi Hamid Bugo who retires in accordance with Clause 90 of the Company's Constitution and being eligible, offers himself for re-election. | <i>Ordinary Resolution 4
Explanatory Note 3</i> |
| 6. To appoint Messrs. Crowe Malaysia PLT as Auditors of the Company in place of the retiring Auditors, Messrs. Nexia SSY PLT and to authorise the Directors to fix their remuneration. | <i>Ordinary Resolution 5
Explanatory Note 4</i> |

SPECIAL BUSINESS:

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

- | | |
|---|---|
| <p>7. AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES IN THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016</p> <p>“THAT subject always to the Companies Act 2016 (“Act”), Company's Constitution, Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of the issued shares of the Company for the time being. AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.</p> | <p><i>Ordinary Resolution 6
Please refer to
Explanatory Note 5</i></p> |
|---|---|

NOTICE OF ANNUAL GENERAL MEETING

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company, or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting."

8. **PROPOSED AUTHORITY TO PURCHASE ITS OWN SHARES BY THE COMPANY ("PROPOSED SHARE BUY-BACK")**

Ordinary Resolution 7
Please refer to
Explanatory Note 6

"THAT subject always to the Companies Act, 2016, the Company's Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and any other relevant regulatory authorities, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares through Bursa Malaysia and to do all acts and to take all such steps as they may deem necessary, to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time, subject further to the following:-

- i) the aggregate number of shares to be purchased shall not exceed ten per cent (10%) of the issued share capital of the Company provided that the Company continues to maintain a shareholding spread that complies with the requirements of the listing requirements after the share purchase;
- ii) the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the retained profits of the Company for the time being;
- iii) the Directors of the Company may decide in their discretion to retain the shares purchased as treasury shares and/or to cancel them and/or to resell them and/or to distribute them as share dividends; and
- iv) the authority conferred by this resolution shall commence immediately and shall continue to be in force until the conclusion of the next AGM of the Company following the passing of this Ordinary Resolution unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting."

AND THAT the Directors be and are hereby authorised to do all such acts, deeds and things as they may consider expedient or necessary in the best interests of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company."

NOTICE OF ANNUAL GENERAL MEETING

ANY OTHER BUSINESS:

9. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

BY ORDER OF THE BOARD

WONG YOUN KIM (MAICSA 7018778)
(SSM Practicing Certificate No. 201908000410)

Company Secretary

Selangor

Dated: 22 October 2025

NOTES:

1. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 13 November 2025 (AGM Record of Depositors) shall be eligible to attend, participate, speak and vote at the meeting or appoint proxy(ies) to attend, participate, speak and vote on his (her) behalf.*
2. *A member [other than an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991] entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak, and vote on his (her) behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak, and vote at the meeting of the Company shall have the same rights as the members to speak at the meeting.*
3. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.*
4. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it is entitled to appoint not more than two (2) proxies in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the AGM, the proportion of shareholdings to be represented by each proxy must be specified in the proxy form, failing which, the appointment shall be invalid.*

NOTICE OF ANNUAL GENERAL MEETING

6. *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM at which the person named in the appointment proposes to vote:*
 - i. *In hard copy form*
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar of the Company at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.
 - ii. *By electronic form*
In the case of an appointment made by electronic means, the proxy form can be deposited through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Please follow the procedure as set out in the Administrative Guide of the 10th AGM for the electronic deposit of proxy form.
7. *Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.*
8. *Last date and time for lodging the proxy form is Tuesday, 18 November 2025 at 2.00 p.m.*
9. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of the AGM will be put to vote by poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.*

EXPLANATORY NOTES:

1. Audited Financial Statements

This item of the Agenda is meant for discussion only. Pursuant to Section 340(1) of the Companies Act 2016, the audited financial statements together with the Reports of the Directors and Auditors thereon are to be laid before the Company at its AGM. As such, this item of the Agenda does not require a resolution to be put to vote by shareholders.

2. Ordinary Resolution 1 and 2 – Payment of Directors’ Fees and Directors’ Benefits

Section 230(1) of the Companies Act 2016 requires that the Directors’ fees and any benefits payable to the Directors of a listed Company and its subsidiaries must be approved at a general meeting. Accordingly, shareholders’ approval is sought for the payment of the Directors’ fee for the financial year ended 30 June 2025, up to an amount of RM314,000.

The Proposed Directors’ benefits payable comprises of meeting allowance and other benefits. The estimated amount of Directors’ benefit is based on the size of the Board and Board Committees as well as the number of scheduled Board and Board Committee meetings for the period from the 10th AGM until the next AGM of the Company.

The payment of the Directors’ meeting attendance allowance and any other benefits will be as follows:

- a) Board of Directors meeting allowance of RM1,000 per meeting;
- b) Board Committee meeting allowance of RM1,000 per meeting; and
- c) General meeting (AGM/EGM) attendance allowance of RM1,000 per meeting.

NOTICE OF ANNUAL GENERAL MEETING

3. Ordinary Resolution 3 and 4 – Re-election of Director

In accordance with Clause 91 of the Company's Constitution, Datuk Tai Hee and Ms. Siti Zurina Binti Sabarudin are due to retire as Directors of the Company at this AGM. Both are eligible for re-election.

Datuk Tai Hee has offered himself for re-election, however Ms. Siti Zurina Binti Sabarudin has informed the Company that she does not wish to seek for re-election and will therefore retire at the close of the 10th AGM.

In accordance with Clause 90 of the Company's Constitution, any new Director appointed during the year shall retire at the AGM. Therefore, Mr. Rewi Hamid Bugo, who was appointed on 20 June 2025, is due for retirement and eligible for re-election.

Upon the recommendation and assessment of the Remuneration and Nomination Committee, the Board supports the re-election of Datuk Tai Hee and Mr. Rewi Hamid Bugo.

The Board also wishes to record its appreciation to Ms. Siti Zurina Binti Sabarudin for her contributions to the Company during her tenure as an Independent Non-Executive Director.

4. Ordinary Resolution 5 – Appointment of Auditors

Messrs. Nexia SSYPLT, the retiring Auditors, have expressed their decision not to seek re-appointment as Auditors of the Company at the forthcoming 10th AGM.

The Audit Committee had, on 14 October 2025 conducted an assessment of the suitability and independence of potential firms and subsequently recommended the appointment of Messrs. Crowe Malaysia PLT as the Auditors of the Company in place of the retiring Auditors, for the financial year ending 30 June 2026.

The Board concurred with the Audit Committee's recommendation and recommends the same for shareholders' approval at the forthcoming 10th AGM. Messrs. Crowe Malaysia PLT have consented to act as the Auditors of the Company.

5. Ordinary Resolution 6 – Authority to Issue and Allot Shares

The Ordinary Resolution 6 is proposed to seek a renewal of general mandate for authority to issue shares pursuant to Sections 75 and 76 of the Act. If the resolution was passed, it will give the Directors of the Company from the date of the above meeting, authority to issue and allot shares for such purposes as the Directors consider would be in the interests of the Company. The authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM.

During the period under the existing mandate granted at the 9th AGM held on 3 December 2024, the Company had issued shares pursuant to Sections 75 and 76 of the Companies Act, 2016 under the general authority and which will lapse at the conclusion of the 10th AGM to be held on 20 November 2025.

The general mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares for purpose of funding investment(s), working capital and/or acquisitions, at any time to such persons in their absolute discretion without convening a general meeting as it would be both costs and time consuming to organise a general meeting.

6. Ordinary Resolution 7 – Proposed Share Buy-Back

This Ordinary Resolution, if passed will empower the Directors of the Company from the date of this AGM, the authority to purchase up to ten per cent (10%) of the total issued share capital of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the next AGM of the Company.

Please refer to the Circular to Shareholders dated 22 October 2025 for further details.

NOTICE OF ANNUAL GENERAL MEETING

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Company's AGM and/or any adjournment thereof, a member of the Company:-

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF 10TH AGM

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. The Directors seeking for re-election/re-appointment at the 10th AGM of the Company are as follows:

- (a) Datuk Tai Hee
- (b) Rewi Hamid Bugo

The Profile of the Directors seeking for re-election and retention are set out on pages 12 and 18 of this Annual Report.

The details of the Directors' interest in the securities of the Company are stated on page 113 of this Annual Report.

2. The details of attendance of the Directors of the Company at Board of Directors' and Board's committee meetings held during the financial year ended 30 June 2025 are disclosed in the Corporate Governance Overview Statement set out on page 91 of this Annual Report.
3. The details of the 10th AGM are as follows:

Date of Meeting	Time of Meeting	Venue
Thursday, 20 November 2025	2.00 p.m.	South Wing Hall, Old Court House, No 7, Jalan Tun Abang Haji Openg, 93000 Kuching, Sarawak

ADMINISTRATIVE GUIDE FOR TENTH (10TH) ANNUAL GENERAL MEETING (“AGM”)

Day and Date	Thursday, 20 November 2025
Time	2.00 p.m.
Venue	South Wing Hall, Old Court House, No 7, Jalan Tun Abang Haji Openg, 93000 Kuching, Sarawak (the “ Venue ”)

(1) REGISTRATION

- a. Registration will start at 12.30 p.m. at the Venue and will end at a time directed by the Chairman of the AGM.
- b. Please produce your original MyKad/Passport (for foreigners) at the registration counter for verification and registration. Please ensure to collect your MyKad/Passport thereafter.
- c. Please note that no person will be allowed to register on behalf of another person even with the original MyKad/Passport of that person.
- d. Upon completion of the registration process, you will be given:
 - (i) A special QR coded wristband will be generated for you to scan and access to the e-polling system via polling stations located at the meeting Venue; and
 - (ii) Attendance will be recorded and identification wristband will be provided to enter the meeting hall.
- e. Please be reminded that there will be no replacement in the event that you lose or misplace the barcode wristband.
- f. Please vacate the registration area immediately after registration and proceed to the meeting hall.
- g. Please note that you will not be allowed to enter the meeting hall without wearing the barcode wristband.
- h. The registration counter will handle only verification of identity and registration. If you have any enquiries, please proceed to the Help Desk.

(2) HELP DESK

- a. Please proceed to the Help Desk located at the Venue for any clarification or enquiries.
- b. The Help Desk will also handle revocation of proxy appointments.

(3) ENTITLEMENT TO PARTICIPATE AND VOTE AT THE 10TH AGM

In respect of deposited securities, only members whose names appear in the Record of Depositors as at 13 November 2025 shall be entitled to attend, participate, speak (in the form of real time submission of typed texts) and vote in the meeting or appoint proxy(ies) to attend, participate, speak (in the form of real time submission of typed texts) and vote on his/her behalf.

(4) CORPORATE MEMBERS

Corporate members who wish to appoint corporate representatives instead of a proxy, must deposit their original or duly certified certificate of appointment of corporate representative to Boardroom Share Registrars Sdn Bhd (“BSR”) on or before the 10th AGM.

Attorneys appointed by power of attorney are required to deposit their power of attorney with Boardroom not later than Tuesday, 18 November 2025 at 2.00 p.m. to attend and vote at the 10th AGM.

ADMINISTRATIVE GUIDE FOR TENTH (10TH) ANNUAL GENERAL MEETING (“AGM”)

(5) PROXY FORM

If you are unable to attend the 10th AGM, you are encouraged to appoint a proxy or the Chairman as your proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

Please ensure that the original Proxy Form is deposited with BSR not less than Tuesday, 18 November 2025 at 2.00 p.m., 48 hours before the time appointed for holding the meeting. Details of BSR can be found in the enquiry section of this document.

Alternatively, you may deposit your Proxy Form by electronic means through the Boardroom Smart Investor Portal (“BSIP”) at <https://investor.boardroomlimited.com>.

Table – Proxy Appointment via BSIP:

Step 1 – Register Online with BSIP (for first time registration only)
<i>Note: If you have already signed up with BSIP, you are not required to register again. You may proceed to Step 2.</i> • Access the website at https://investor.boardroomlimited.com. • Click “Register” to sign up as a user. • Complete registration with all the required information. Upload and attach a softcopy of your Identity Card (NRIC) (front and back) or Passport. Click “Register”. • You will receive an email from BSIP Online for email address verification. Click on “Verify Email Address” from the email received to continue with the registration. • For corporate shareholder, kindly upload the authorisation letter as well. Click “Sign up”. • Once your email address is verified, you will be re-directed to BSIP Online for verification of mobile number. • Click on “Request OTP Code” and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click “Enter” to complete the process. • Once your mobile number is verified, registration of your new BSIP account will be pending for final verification. • An email will be sent to you to inform the approval of your BSIP account within one (1) business day. • Subsequently, you can login at https://investor.boardroomlimited.com with the email address and password filled up by you during the registration to proceed.
Step 2 – Appointment of Proxy
Individual and Corporate Shareholder • Log in to https://investor.boardroomlimited.com using your user ID and password from Step 1 above. • Select [RESERVOIR LINK ENERGY BHD TENTH ANNUAL GENERAL MEETING] from the list of Meeting Event and click “Enter”. • Click “Submit eProxy form”. • Read and accept the General Terms and Conditions and enter your CDS account number. • Enter your CDS account number and the number of shares held. • Select your proxy – either the Chairman of the meeting or individual named proxy(ies) and enter the required particulars of your proxy(ies). • Indicate your voting instructions – FOR or AGAINST or ABSTAIN. If you wish to have your proxy(ies) to act upon his/her discretion, please indicate DISCRETIONARY. • Review and confirm your proxy(ies) appointment. Click “Apply”. Download or print the eProxy form as acknowledgement.

ADMINISTRATIVE GUIDE FOR TENTH (10TH) ANNUAL GENERAL MEETING (“AGM”)

Authorised Nominee and Exempt Authorised Nominee

Via BSIP

- Login to <https://investor.boardroomlimited.com> using your user ID and password from Step 1 above.
- Select [RESERVOIR LINK ENERGY BHD TENTH ANNUAL GENERAL MEETING] from the list of Meeting Event and click “Enter”.
- Click on “Submit eProxy Form”.
- Select the company you would like to represent.
- Proceed to download the file format for “Submission of Proxy Form” from the investor portal.
- Prepare the file for the appointment of proxy(ies) by inserting the required data.
- Proceed to upload the duly completed proxy(ies) appointment file.
- Review and confirm your proxy(ies) appointment and click “Submit”.
- Download or print the eProxy Form as acknowledgement.

If you wish to attend the AGM yourself, please do not submit any proxy form. You will not be allowed to attend the 10th AGM together with a proxy appointed by you.

(6) REVOCATION OF PROXY

If you have submitted your Proxy Form and subsequently decide to appoint another person or wish to attend, participate, speak (in the form of real time submission of typed texts) and vote at the 10th AGM yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy 48 hours before the 10th AGM.

(7) VOTING PROCEDURES

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at the 10th AGM will be conducted by poll. The Company has appointed BSR as the Poll Administrators to conduct the poll by way of electronic voting (e-Voting) and Sky Corporate Services Sdn Bhd as the Independent Scrutineers to verify the poll results.

(8) NO DISTRIBUTION OF GIFTS/VOUCHERS

There will be no distribution of door gifts for shareholders/proxies who join or participate in the 10th AGM.

(9) REFRESHMENTS

Refreshment Pack will be served at the 10th AGM.

(10) PARKING

The Venue provides parking facilities for visitors within its premises. Designated areas, namely Carpark A and Carpark B, are available free of charge to accommodate guests. Availability of parking may, however, be subject to capacity constraints during peak periods or special events.

(11) NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 10th AGM proceedings is allowed without the prior written permission of the Company.

ADMINISTRATIVE GUIDE FOR TENTH (10TH) ANNUAL GENERAL MEETING (“AGM”)

(12) ENQUIRY

If you have any enquiries prior to the 10th AGM, please contact the following during office hours from Monday to Friday (8.30 a.m. to 5.30 p.m.):

Boardroom Share Registrars Sdn Bhd

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

General line: 603-7890 4700

Fax number : 603-7890 4670

Email : bsr.helpdesk@boardroomlimited.com

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak (in the form of real time submission of typed texts) and vote at the 10th AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 10th AGM and the preparation and compilation of the attendance lists, minutes and other documents relating to the 10th AGM, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

**RESERVOIR LINK ENERGY BHD**

(Registration No. 201401044508 (1120690-K))
(Incorporated in Malaysia)

Number of Shares**CDS Account No.****FORM OF PROXY**

I/We, _____ NRIC/Passport/Company No. _____
(FULL NAME)

of _____ being a Member/Members
(FULL ADDRESS)

of **Reservoir Link Energy Bhd (the "Company")** hereby appoint _____
(FULL NAME)

NRIC/Passport No. _____ Tel No. _____ Email address _____

of _____ or/and,
(FULL ADDRESS)

_____ NRIC/Passport No. _____ Tel No. _____
(FULL NAME)

Email address _____ of _____
(FULL ADDRESS)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Tenth Annual General Meeting of the Company will be at South Wing Hall, Old Court House, No 7, Jalan Tun Abang Haji Openg, 93000 Kuching, Sarawak on Thursday, 20 November 2025 at 2.00 p.m. and any adjournment thereof in respect of my/our shareholding in the manner indicated below:

RESOLUTION NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
Ordinary Resolution 1	To approve the payment of Directors' fees amounting to RM314,000 for the financial year ended 30 June 2025.		
Ordinary Resolution 2	To approve the payment of Directors' benefits from the date of the passing of this Ordinary Resolution until the next AGM of the Company.		
Ordinary Resolution 3	To re-elect Datuk Tai Hee.		
Ordinary Resolution 4	To re-elect Mr. Rewi Hamid Bugo.		
Ordinary Resolution 5	To appoint Messrs. Crowe Malaysia PLT as Auditors of the Company in place of the retiring Auditors, Messrs. Nexia SSY PLT and to authorise the Directors to fix their remuneration.		
	SPECIAL BUSINESS		
Ordinary Resolution 6	Authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		
Ordinary Resolution 7	Proposed authority to purchase its own shares by the Company ("Proposed Share Buy-Back").		

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given, the proxy will vote or abstain at his(her) discretion.]

Dated this _____ day of _____ 2025

Signature of Member/Common Seal

For appointment of two proxies, percentage of shareholdings to be represented by proxies:

	No. of Shares	Percentage
1 st proxy		
2 nd proxy		
Total		100%

NOTES:

1. In respect of deposited securities, only members whose names appear on the Record of Depositors on 13 November 2025 (AGM Record of Depositors) shall be eligible to attend, participate, speak and vote at the meeting or appoint proxy(ies) to attend, participate, speak and vote on his (her) behalf.
2. A member [other than an Exempt Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991] entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak, and vote on his (her) behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak, and vote at the meeting of the Company shall have the same rights as the members to speak at the meeting.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
4. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991, it is entitled to appoint not more than two (2) proxies in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the AGM, the proportion of shareholdings to be represented by each proxy must be specified in the proxy form, failing which, the appointment shall be invalid.

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**AFFIX
STAMP**

THE SHARE REGISTRAR OF
RESERVOIR LINK ENERGY BHD
(Registration No. 201401044508 (1120690-K))
(Incorporated in Malaysia)

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

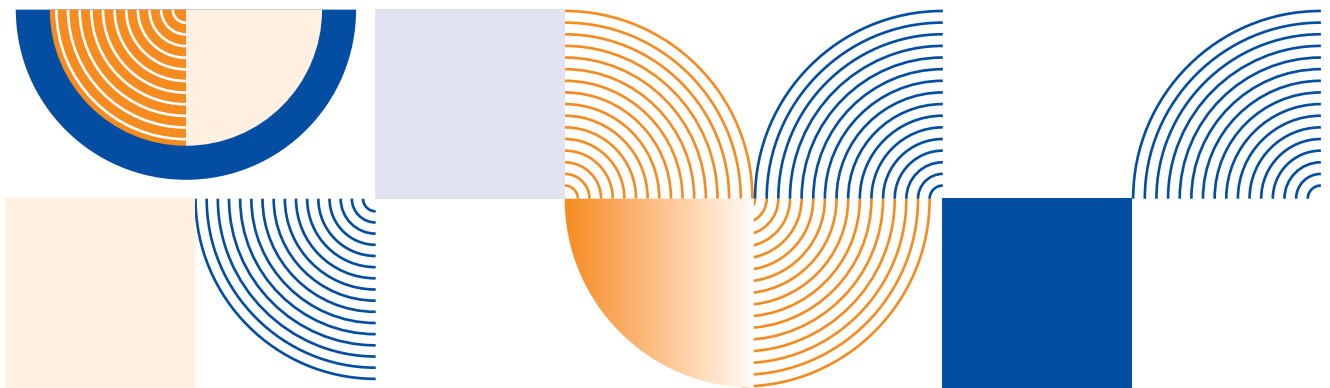
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6. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting at which the person named in the appointment proposes to vote:
 - i. In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar of the Company at Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.
 - ii. By electronic form
In the case of an appointment made by electronic means, the proxy form can be deposited through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Please follow the procedure as set out in the Administrative Guide of the 10th AGM for the electronic deposit of proxy form.
7. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
8. Last date and time for lodging the proxy form is Tuesday, 18 November 2025 at 2.00 p.m.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of the AGM will be put to vote by poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

PERSONAL DATA PRIVACY :

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Company's AGM and/or any adjournment thereof, a member of the Company accepts and agrees to the personal data privacy terms as set out in the Notice of Annual General Meeting dated 22 October 2025.

www.reservoirlink.com



E-33-01, Menara SUEZCAP 2, KL Gateway, No. 2, Jalan Kerinchi, Gerbang Kerinchi Lestari,
59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia

Tel : +603 2711 2128 | **Fax :** +603 2711 2120 | **Email :** investor.relation@reservoirlink.com

