TOGETHER WE GROW | TO ACHIEVE A BETTER FUTURE

CAHYA MATA™
SARAWAK

FINANCIAL STATEMENTS 2025

TOGETHER WE GROW

This Financial Statement is available at **www.cahyamata.com**

Cahya Mata moves forward with clarity of purpose bringing together a diverse portfolio of businesses to create strength that is unified, complementary and built to endure.

With a foundation shaped by discipline and resilience, the Group continues to advance by deepening the connections across its businesses transforming diversification into synergy and capability into sustained value creation.

The dandelion on this year's cover captures this idea with quiet precision. Rooted in a single source, it releases its seeds outward with each one carrying the same essence while remaining connected to a shared foundation. In the same way, Cahya Mata extends its presence across sectors and communities, where each business contributes its strengths within a unified direction, reinforcing the collective whole. Together, these contributions form an interconnected and coordinated network of growth that extends the Group's reach while strengthening its core.

In charting our growth, Cahya Mata aligns its businesses through a shared direction of integrating strategy, operations and stewardship to strengthen long-term resilience. This approach reflects a commitment not only to performance, but to responsible progress, where economic value advances alongside environmental care, social contribution and sound governance.

Growth, in this context takes on greater meaning. It strengthens what is built, extends what is possible and sustains what matters over time.

At Cahya Mata, progress moves through alignment, multiplies through synergy and endures through responsibility.

Together, We Grow toward shaping a future that is resilient, inclusive and sustainable.

INSIDE THIS REPORT

OUR PERFORMANCE:

4	Five-Year Financial Highlight
6	Financial Calendar

THE FINANCIALS:

8	Directors' Report
15	Statement by Directors and Statutory Declaration
16	Independent Auditors' Report
23	Statements of Profit or Loss and Other Comprehensive Income
25	Statements of Financial Position
27	Statements of Changes in Equity
30	Statements of Cash Flows
35	Notes to the Financial Statements

2025 KEY HIGHLIGHTS

Financial Highlights

Revenue
RM1,109.4 million
(FY2024: RM1,196.3 million)

Profit Before Tax ("PBT")
RM108.8 million
(FY2024: RM190.1 million)

EBITDA
RM192.5 million
(FY2024: RM296.3 million)

Total equity
RM3,600.0 million
(FY2024: RM3,636.6 million)

Gearings
0.09 times
(FY2024: 0.07 times)

Business Highlights

Cement

Revenue
RM665.1 million
(FY2024: RM646.8 million)

PBT
RM160.6 million
(FY2024: RM149.4 million)

Road Maintenance

Revenue
RM152.5 million
(FY2024: RM142.5 million)

PBT
RM20.5 million
(FY2024: RM33.6 million)

Oiltools

Revenue
RM139.3 million
(FY2024: RM277.4 million)

PBT
RM9.6 million
(FY2024: RM30.5 million)

Property Development

Revenue
RM109.5 million
(FY2024: RM73.1 million)

PBT
RM5.9 million
(FY2024: RM21.6 million)

Construction Materials & Trading

Revenue
RM66.6 million
(FY2024: RM64.3 million)

PBT
RM27.0 million
(FY2024: RM21.8 million)

FIVE-YEAR FINANCIAL HIGHLIGHT

FINANCIAL YEAR ENDED 31 DECEMBER 2025

GROUP FINANCIAL HIGHLIGHTS & SUMMARY

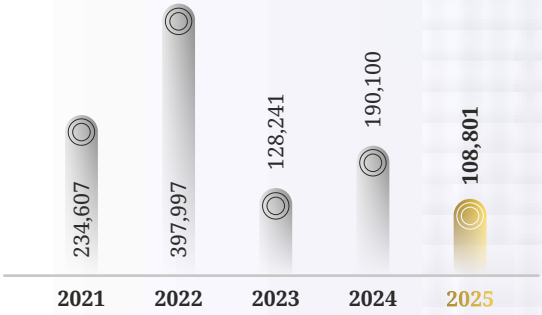
	2025	2024	2023	2022	2021
Revenue (RM'000)	**1,109,418**	1,196,254	1,200,897	1,010,570	814,550
Profit before taxation (RM'000)	**108,801**	190,100	128,241	397,997	234,607
Profit after tax (RM'000)	**39,716**	124,923	81,639	289,926	204,748
EBITDA (RM'000)	**192,477**	296,268	241,352	494,861	334,332
Profit attributable to owners of the Company (RM'000)	**65,688**	128,192	114,443	287,134	204,218
Weighted average no. of shares ('000)	**1,074,689**	1,074,369	1,074,176	1,074,176	1,071,522
Basic earnings per share (sen)	**6.11**	11.93	10.65	26.73	19.06
Gross dividends per share (sen)	**3.00***	3.00	2.00	3.00	2.00
Current assets (RM'000)	**1,386,648**	1,359,983	1,631,410	2,016,308	1,729,867
Current liabilities (RM'000)	**835,203**	713,311	807,441	1,004,387	1,208,382
Total assets (RM'000)	**4,643,602**	4,548,752	4,675,609	4,855,805	4,797,741
Total borrowings (RM'000)	**310,168**	258,329	379,898	587,934	925,339
Total liabilities (RM'000)	**1,043,609**	912,120	1,127,894	1,378,572	1,565,351
Total equity (RM'000)	**3,599,993**	3,636,632	3,547,715	3,477,233	3,232,390
Return on average shareholders' equity (%)	**1.93**	3.83	3.51	9.20	7.04
Return on total assets (after tax) (%)	**1.41**	2.82	2.45	5.91	4.26
Current ratio (times)	**1.66**	1.91	2.02	2.01	1.43
Gearings (times)	**0.09**	0.07	0.11	0.17	0.29
Net tangible assets per share (RM)#	**3.11**	3.11	3.00	2.93	2.75
Net assets per share (RM)#	**3.16**	3.16	3.07	3.00	2.80

* Subject to shareholders' approval at Cahya Mata's forthcoming 51st Annual General Meeting ("AGM")
# attributable to owners of the company

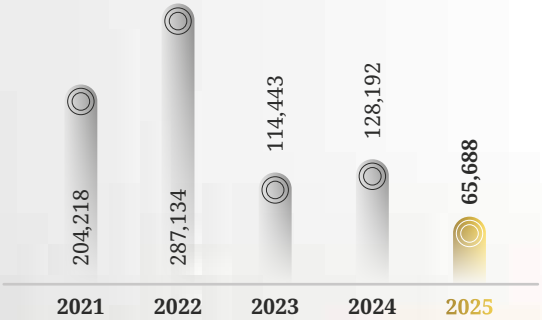
FIVE-YEAR FINANCIAL HIGHLIGHT

Revenue (RM'000)

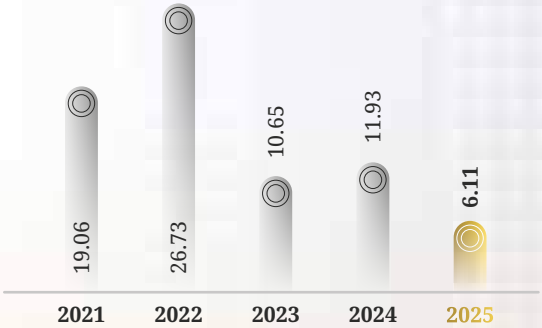
Profit Before Taxation (RM'000)



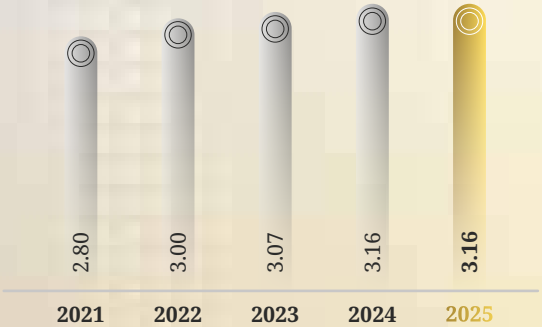
Profit attributable to owners of the Company (RM'000)



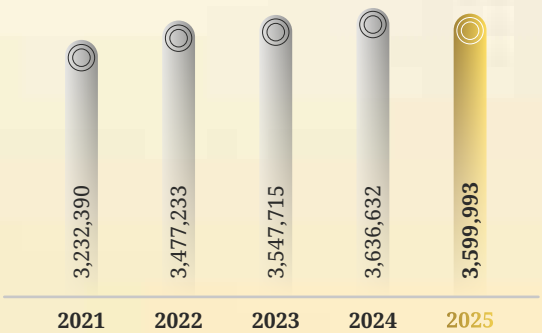
Basic earnings per share (sen)



Net assets per share (RM)



Total equity (RM'000)



FINANCIAL CALENDAR

1ST QUARTER

(Period ended 31 March 2025):
22 May 2025

2ND QUARTER

(Period ended 30 June 2025):
20 Aug 2025

3RD QUARTER

(Period ended 30 September 2025):
24 Nov 2025

4TH QUARTER

(Period ended 31 December 2025):
24 Feb 2026

	FY2025				
RM '000	**Q1**	**Q2**	**Q3**	**Q4**	**2025**
Revenue	246,129	246,923	305,365	311,001	1,109,418
Profit before taxation	26,871	(5,862)	48,139	39,653	108,801
Profit attributable to equity holders	25,336	(11,323)	32,117	19,558	65,688
Earnings per share (sen)	2.36	(1.06)	2.99	1.82	6.11
Dividend per share (sen)	0.0	0.0	0.0	3.0	3.0

51ST ANNUAL GENERAL MEETING

NOTICE OF AGM: 24 APRIL 2026

51ST AGM: 25 MAY 2026

CHAPTER 2 :

THE FINANCIALS

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

Principal activities

The Company is principally an investment holding company. It also provides centralised treasury functions to the Group.

The Group is principally engaged in manufacturing of cement, construction, road maintenance, township, property & infrastructure development and provision of oilfield equipment, supplies and services. The principal activities of the subsidiaries are set out in Note 18 to the financial statements.

Results

	Group RM'000	**Company** RM'000
Profit/(loss) for the year attributable to:		
- Owners of the Company	65,688	(92,283)
- Non-controlling interests	(25,972)	-
	39,716	(92,283)

Reserves and provisions

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

Issue of shares and debentures

During the financial year, the Company's issued share capital was increased by RM402,000 through the issuance of 251,700 ordinary shares pursuant to the exercise of Employees' Share Option Scheme ("ESOS") at an exercise price of RM1.14 and RM1.03 per ordinary share and transfer from ESOS reserves of RM126,000.

Treasury shares

As at 31 December 2025, the number of treasury shares were 200,000 and the outstanding ordinary shares in issue net of treasury shares was 1,074,900,720.

Dividends

Since the end of the previous financial year, the Company had on 26 June 2025, paid a first and final tax exempt (single-tier) dividend of 3.00 sen per ordinary share, totalling RM32,239,471 in respect of the financial year ended 31 December 2024.

At the forthcoming Annual General Meeting, a first and final tax exempt (single-tier) dividend in respect of the financial year ended 31 December 2025, of 3.00 sen per share will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

DIRECTORS' REPORT

Directors

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)	
Dato Sri Mahmud Abu Bekir Taib	
Dato Sri Sulaiman Abdul Rahman b Abdul Taib	
Dato' Maznah binti Abdul Jalil	
Umang Nangku Jabu	
Jeyabalan A/L S.K. Parasingam	
Gee Siew Yoong	
CP (R) Dato' Mohd Azman bin Ahmad Sapri	(Appointed on 1 January 2025)
Dato' Mat Hassan bin Esa	(Appointed on 1 January 2025)
Tan Sri Dato' Sri Haji Syed Zainal Abidin bin Syed Mohamed Tahir*	(Appointed on 3 March 2026)
Dr. Khor Jaw Huei	(Resigned on 26 November 2025)

**Appointed as a director of subsidiaries on 21 February 2025*

Pursuant to Section 253 of the Companies Act 2016, the list of directors of the subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, is as follows:

Ahmad Ullah	
Ailsa binti Hasmi	(Appointed on 2 December 2025)
Al Arrabiy Lacheheb	
Aliff Omar bin Mohamad Omar	(Appointed on 6 January 2025; resigned on 24 March 2025)
Chief Samuel Odu Ezediaro	(Removed on 6 February 2026)
Choong Ju Tang	(Appointed on 17 January 2025)
Clinton Dale anak Juis	(Appointed on 1 April 2025)
Dato' Wan Hazreek Putra Hussain Yusuf	
Datu Haji Abdul Hadi bin Datuk Haji Abdul Kadir	
Datu Haji Muhamad Yakup bin Kari	
Datuk Amar Haji Mohammad Ali Mahmud	
Denny Tanuwijaya	
Derek Chee Huong Xing	
Dr. Yu Tat Loong	(Resigned on 22 October 2025)
Emily Hii San San	
Fariz Salleh bin Mohamad Ali	
Haji Othman bin Abdul Rani	
Haji Zainnurain bin Othman	(Appointed on 1 April 2025; resigned on 9 February 2026)
Hajjah Norhafiza binti Mohd	
Hilal Omar Mohamed Al Siyabi	
Ikenna Kingsley Ezediaro	(Appointed on 30 January 2026)
Iskandar bin Matjani	
Izzam bin Ibrahim	

DIRECTORS' REPORT

Directors (cont'd.)

Pursuant to Section 253 of the Companies Act 2016, the list of directors of the subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, is as follows: (cont'd.)

Kanesan A/L Veluppillai	(Resigned on 26 February 2026)
Koh Eng Pew	
Mandar Shrikrishna Namjoshi	(Resigned on 26 February 2025)
Md Yusoff bin Mohamad Noor	
Mok Chek Wei	
Mohamad Faisal bin Ahmad Zaidin	(Appointed on 9 February 2026)
Mohamed Sirajkumar bin Abdul Razack	(Resigned on 28 February 2025)
Muhammad Farook Thayyil Cherikkallil	
Nelson Raon Kebing	(Resigned on 1 April 2025)
Norhafizal bin Johari	
Parsons, Stephen Cornelius	
Rana Mitra	
Rashad Muhammad Alzubair Alzubair	
Raymond Ugay anak Benjamin	
Ricky Aryaputra Singgih	
Shyawalluddien bin Mahmad	
Stephen Abednigo Oghenekomeh	
Sultan 'Obaid Said Al Ghaithi	
Yeoh Kar Hoe	

Directors' benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might 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 Employees' Share Option Scheme.

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Directors' remuneration) by reason of a contract made by the Company or a related corporation with any 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 Note 39 to the financial statements.

Employees' Share Option Scheme

On 12 November 2020, the shareholders approved the Employees' Share Option Scheme ("ESOS") for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, to eligible executive directors and eligible employees of the Company and/or its eligible subsidiaries. On 27 August 2024, the Board of Directors resolved to extend the ESOS tenure for additional four (4) years until 12 November 2028 in accordance with the terms of the ESOS by-laws.

DIRECTORS' REPORT

Employees' Share Option Scheme (cont'd.)

On 18 February 2025, Board of Directors resolved to disband the ESOS Committee. Following this dissolution, the Nomination and Remuneration Committee ("NRC") will assume the responsibilities of administering the scheme, ensuring continued compliance with regulatory requirements and alignment with the Company's long-term incentive objectives.

The salient features and other terms of the ESOS are disclosed in Note 36 to the financial statements.

The Company granted 60,607,500 and 16,465,000 share options under the ESOS in 2020 and 2023. These options will expire on 12 November 2028 and are exercisable at an exercise price of RM1.14/RM1.03 per share if vesting conditions as detailed in Note 36 to the financial statements are met.

Details of options granted to directors are disclosed in the section on Directors' interests in this report.

Directors' remuneration

Included in the analysis below is remuneration for directors of the Company and its subsidiaries in accordance with the requirements of Companies Act 2016.

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Executive:				
Salaries and other emoluments	6,800	9,598	6,800	9,598
Defined contribution and social security plans	1,021	1,441	1,021	1,441
Total executive director's remuneration (excluding benefits-in-kind)	7,821	11,039	7,821	11,039
Benefits-in-kind	21	31	21	31
Total executive director's remuneration (including benefits-in-kind)	7,842	11,070	7,842	11,070
Non-executive:				
Fees	1,734	1,073	1,486	900
Other emoluments	2,859	1,703	2,411	1,543
Total non-executive directors' remuneration (excluding benefits-in-kind)	4,593	2,776	3,897	2,443
Benefits-in-kind	66	58	66	58
Total non-executive directors' remuneration (including benefits-in-kind)	4,659	2,834	3,963	2,501
Total directors' remuneration	12,501	13,904	11,805	13,571

DIRECTORS' REPORT

Directors' interests

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares and options over ordinary shares in the Company during the financial year were as follows:

	Number of ordinary shares			
	At 1.1.2025	Acquired	Disposed	At 31.12.2025
Direct interests:				
General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)	100,000	100,000	-	200,000
Dato Sri Mahmud Abu Bekir Taib	1,000,000	-	-	1,000,000
Dato Sri Sulaiman Abdul Rahman b Abdul Taib	6,790,400	-	-	6,790,400
Umang Nangku Jabu	200,000	-	-	200,000

	Number of ordinary shares			
	At 1.1.2025	Acquired	Disposed	At 31.12.2025
Indirect interest:				
Dato Sri Mahmud Abu Bekir Taib*	3,407,100	-	-	3,407,100

* Deemed interest pursuant to Section 59(11)(c) of the Companies Act 2016.

	Number of options over ordinary shares			
	At 1.1.2025	Granted	Exercised	At 31.12.2025
Dato Sri Sulaiman Abdul Rahman b Abdul Taib	1,500,000	-	-	1,500,000

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

Indemnification of directors and officers

During the financial year, Cahya Mata Sarawak Berhad and its subsidiaries maintained a directors and officers liability insurance in accordance with Section 289 of the Companies Act 2016, which provide appropriate insurance cover for the directors and officers of the Group. The total insured limit for the directors' and officers' liabilities insurance effected for the directors and officers of the Group is RM50,000,000 in aggregate and the amount of insurance premium paid by the Group was RM180,000. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

DIRECTORS' REPORT

Other statutory information

(a) Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts; and

(ii) 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 which they might be expected so to realise.

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

(i) which would render it necessary to write off any bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

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

(iv) not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(c) As at the date of this report, there does not exist:

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

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT

Other statutory information (cont'd.)

(d) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due; or

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

(iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Subsequent event

Details of the subsequent event are disclosed in Note 45 to the financial statements.

Auditors

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

The auditors' remunerations for the financial year ended 31 December 2025 is as follows:

	Group RM'000	**Company** RM'000
Ernst & Young PLT	1,271	368
Member firm of Ernst & Young Global Limited	32	-
Other firms	607	-
	1,910	368

Signed on behalf of the Board in accordance with a resolution of the directors dated 7 April 2026.

General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)

Dato Sri Sulaiman Abdul Rahman b Abdul Taib

STATEMENT BY DIRECTORS

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

We, **General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)** and **Dato Sri Sulaiman Abdul Rahman b Abdul Taib**, being two of the directors of **Cahya Mata Sarawak Berhad**, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 23 to 162 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and their cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 7 April 2026.

General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)

Dato Sri Sulaiman Abdul Rahman b Abdul Taib

STATUTORY DECLAR ATION

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

I, **Azhar bin Othman**, being the officer primarily responsible for the financial management of **Cahya Mata Sarawak Berhad**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 23 to 162 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 **Azhar bin Othman** at Kuala Lumpur in the Federal Territory on 7 April 2026

Azhar bin Othman
(MIA 39092)
Group Chief Financial Officer

Before me,

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CAHYA MATA SARAWAK BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Cahya Mata Sarawak Berhad**, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and 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 23 to 162.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting 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 audit opinion.

Emphasis of matter

We draw attention to Note 38(a) to the financial statements, which describes the uncertainty related to the future outcome of the arbitration with Syarikat SESCO Berhad in relation to the termination of power purchase agreement for the integrated phosphate complex plant. Due to the significance of the matter and the potential financial effects of the arbitration on the financial position of the Group, it is in our judgment that the matter is of such importance that it is fundamental to users' understanding of the financial statements. Our opinion is not modified in respect of this matter.

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 Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CAHYA MATA SARAWAK BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (cont'd.)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Impairment assessment of property, plant and equipment

As disclosed in Note 13(f) to the financial statements, included in the property, plant and equipment of the Group as at 31 December 2025 is an Integrated Phosphate Complex Project (Phase 1) with a carrying amount of RM759,751,000.

As further disclosed in Note 38(a), the power purchase agreement for the Integrated Phosphate Complex Project (Phase 1) was terminated resulting in a prolonged delay for the plant to achieve commercial production, indicating that the carrying amount of the related property, plant and equipment maybe impaired. Accordingly, the Group estimated the recoverable amount of the property, plant and equipment using value-in-use ("VIU") method. Estimating the VIU involves estimating the future cash inflows and outflows that will be derived from the cash generating unit, and discounting them at an appropriate rate.

We identified this to be an area of audit focus given the significance of property, plant and equipment and the judgement and estimates involved in the estimation of the recoverable amount.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CAHYA MATA SARAWAK BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (cont'd.)

Impairment assessment of property, plant and equipment (cont'd.)

Our procedures include the following:

- Evaluated the key assumptions applied in respect of forecasted sales volume and selling prices, including and where relevant, comparing them against the plant production capacity reports, industry outlook and analyst reports, and market price forecasts prepared by independent market analysts respectively;

- Evaluated the key assumptions applied in respect of raw material prices to quotation obtained from suppliers;

- Assessed whether the discount rate used to determine the present value of the cash flows reflects the return that investors would require if they were to choose an investment that would generate cash flows of amounts, timing and risk profile equivalent to those that the entity expects to derive from the asset; and

- Assessed the adequacy of the disclosures of key assumptions to which the outcome of the impairment test is most sensitive. The disclosures on key assumptions and sensitivities are included in Note 13(f).

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will 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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CAHYA MATA SARAWAK BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (cont'd.)

Information other than the financial statements and auditors' report thereon (cont'd.)

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

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 MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CAHYA MATA SARAWAK BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (cont'd.)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

- 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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CAHYA MATA SARAWAK BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (cont'd.)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

- 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 financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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, is disclosed in Note 18 to the financial statements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF CAHYA MATA SARAWAK BERHAD (INCORPORATED IN MALAYSIA)

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.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ng Yee Yee
No. 03176/05/2027 J
Chartered Accountant

Kuala Lumpur, Malaysia
7 April 2026

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Revenue	4	1,109,418	1,196,254	184,005	118,540
Cost of sales		(799,929)	(863,218)	(19,698)	(19,158)
Gross profit		309,489	333,036	164,307	99,382
Other income	6	32,616	38,109	5,525	3,161
Administrative expenses		(158,640)	(141,047)	(53,708)	(52,171)
Selling expenses		(30,922)	(34,506)	-	-
Other expenses		(108,424)	(73,690)	(200,878)	(42,393)
Share of results of associates		46,696	68,217	-	-
Share of results of joint ventures		24,642	21,386	-	-
Profit/(loss) before interest and tax		115,457	211,505	(84,754)	7,979
Interest income	5	11,086	6,477	-	-
Finance costs	7	(17,742)	(27,882)	(534)	(439)
Profit/(loss) before tax	8	108,801	190,100	(85,288)	7,540
Income tax (expense)/credit	11	(69,085)	(65,177)	(6,995)	3,656
Profit/(loss) for the year		39,716	124,923	(92,283)	11,196
Other comprehensive (loss)/income					
Other comprehensive (loss)/income that may be reclassified subsequently to profit or loss (net of tax):					
Share of other comprehensive (loss)/income of associates		(3,497)	243	-	-
Exchange differences on translation of foreign operations		(9,428)	(23,451)	-	-
Remeasurement of defined benefit liability		-	279	-	-
		(12,925)	(22,929)	-	-
Other comprehensive (loss)/income that will not be reclassified subsequently to profit or loss (net of tax):					
Fair value changes of equity instrument designated at fair value through other comprehensive income		(24,806)	3,618	(24,806)	3,618
Total other comprehensive (loss)/income for the year, net of tax		(37,731)	(19,311)	(24,806)	3,618
Total comprehensive income/(loss) for the year, net of tax		1,985	105,612	(117,089)	14,814

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Profit/(loss) attributable to:					
Owners of the Company		65,688	128,192	(92,283)	11,196
Non-controlling interests		(25,972)	(3,269)	-	-
		39,716	124,923	(92,283)	11,196
Total comprehensive income/(loss) attributable to:					
Owners of the Company		31,117	116,190	(117,089)	14,814
Non-controlling interests		(29,132)	(10,578)	-	-
		1,985	105,612	(117,089)	14,814
Earnings per share attributable to owners of the Company (sen per share):					
Basic	12	6.11	11.93		
Diluted	12	6.09	11.89		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	1,490,644	1,402,178	12,924	15,330
Land held for property development	14(a)	299,265	299,251	-	-
Investment properties	15	44,834	45,854	-	-
Intangible assets	16	759	947	469	608
Goodwill	17	61,709	61,709	-	-
Investments in subsidiaries	18	-	-	1,012,243	1,197,243
Investments in associates	19	883,810	873,363	311,107	311,107
Investments in joint ventures	20	341,119	351,204	68,540	68,540
Deferred tax assets	21	23,421	23,512	-	-
Trade and other receivables	24	4,373	4,399	210,831	36,101
Investment securities	27	107,020	126,352	54,781	79,587
		3,256,954	3,188,769	1,670,895	1,708,516
Current assets					
Property development costs	14(b)	3,250	4,025	-	-
Inventories	22	322,069	380,001	-	-
Trade and other receivables	24	233,405	285,924	514,525	476,779
Other current assets	25	67,735	30,519	-	-
Tax recoverable		8,246	12,058	381	1,289
Cash and bank balances	28	750,836	647,456	407,081	395,438
		1,385,541	1,359,983	921,987	873,506
Asset classified as held for sale	29	1,107	-	-	-
		1,386,648	1,359,983	921,987	873,506
TOTAL ASSETS		4,643,602	4,548,752	2,592,882	2,582,022
EQUITY AND LIABILITIES					
Current liabilities					
Income tax payable		18,638	18,472	-	-
Loans and borrowings	30	143,335	117,426	10,000	-
Lease liabilities	31	26,183	12,359	2,134	1,724
Trade and other payables	32	646,958	565,054	823,547	668,802
Other current liabilities	33	89	-	-	-
		835,203	713,311	835,681	670,526
Net current assets		551,445	646,672	86,306	202,980

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
EQUITY AND LIABILITIES (CONT'D.)					
Non-current liabilities					
Deferred tax liabilities	21	66,586	67,563	5,266	5,750
Loans and borrowings	30	84,369	95,368	-	-
Lease liabilities	31	56,281	33,176	6,389	7,714
Trade and other payables	32	1,170	2,702	-	-
		208,406	198,809	11,655	13,464
TOTAL LIABILITIES		1,043,609	912,120	847,336	683,990
Equity attributable to owners of the Company					
Share capital	34	869,071	868,669	869,071	868,669
Treasury shares	34	(352)	(352)	(352)	(352)
Other reserves	35	(48,210)	(7,962)	163,367	194,006
Retained earnings		2,579,035	2,540,035	713,460	835,709
		3,399,544	3,400,390	1,745,546	1,898,032
Non-controlling interests		200,449	236,242	-	-
TOTAL EQUITY		3,599,993	3,636,632	1,745,546	1,898,032
TOTAL EQUITY AND LIABILITIES		4,643,602	4,548,752	2,592,882	2,582,022

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

			← Attributable to owners of the Company →					
Group	**Note**	**Total equity**	**Total**	**Share capital (Note 34)**	**Treasury shares (Note 34)**	**Other reserves (Note 35)**	**Retained earnings**	**Non-controlling interests**
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025		3,636,632	3,400,390	868,669	(352)	(7,962)	2,540,035	236,242
Profit/(loss) net of tax		39,716	65,688	-	-	-	65,688	(25,972)
Other comprehensive (loss)/income, net of tax		(37,731)	(34,571)	-	-	(34,610)	39	(3,160)
Total comprehensive income/(loss)		1,985	31,117	-	-	(34,610)	65,727	(29,132)
Transactions with owners								
Share-based payments under ESOS		276	276	402	-	(5,833)	5,707	-
Dividends paid to owners of the Company	44(a)	(32,239)	(32,239)	-	-	-	(32,239)	-
Dividends paid to non-controlling interests		(6,661)	-	-	-	-	-	(6,661)
Total transactions with owners		(38,624)	(31,963)	402	-	(5,833)	(26,532)	(6,661)
Share of associates' movement in reserves		-	-	-	-	195	(195)	-
At 31 December 2025		3,599,993	3,399,544	869,071	(352)	(48,210)	2,579,035	200,449

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

			← Attributable to owners of the Company →					
Group (cont'd.)	**Note**	**Total equity** RM'000	**Total** RM'000	**Share capital (Note 34)** RM'000	**Treasury shares (Note 34)** RM'000	**Other reserves (Note 35)** RM'000	**Retained earnings** RM'000	**Non-controlling interests** RM'000
At 1 January 2024		3,547,715	3,300,862	867,902	(352)	1,267	2,432,045	246,853
Profit/(loss) net of tax		124,923	128,192	-	-	-	128,192	(3,269)
Other comprehensive (loss)/income, net of tax		(19,311)	(12,002)	-	-	(12,386)	384	(7,309)
Total comprehensive income/(loss)		105,612	116,190	-	-	(12,386)	128,576	(10,578)
Transactions with owners								
Share-based payments under ESOS		4,822	4,822	767	-	3,029	1,026	-
Dividends paid to owners of the Company	44(a)	(21,484)	(21,484)	-	-	-	(21,484)	-
Dividends paid to non-controlling interests		(33)	-	-	-	-	-	(33)
Total transactions with owners		(16,695)	(16,662)	767	-	3,029	(20,458)	(33)
Share of associates' movement in reserves		-	-	-	-	128	(128)	-
At 31 December 2024		3,636,632	3,400,390	868,669	(352)	(7,962)	2,540,035	236,242

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Company	Note	Total equity RM'000	Share capital (Note 34) RM'000	Treasury shares (Note 34) RM'000	Other reserves (Note 35) RM'000	Retained earnings RM'000
At 1 January 2025		1,898,032	868,669	(352)	194,006	835,709
Loss net of tax		(92,283)	-	-	-	(92,283)
Other comprehensive loss, net of tax		(24,806)	-	-	(24,806)	-
Total comprehensive income/(loss)		(117,089)	-	-	(24,806)	(92,283)
Transactions with owners						
Share-based payments under ESOS		(3,158)	402	-	(5,833)	2,273
Dividends paid to owners of the Company	44(a)	(32,239)	-	-	-	(32,239)
Total transactions with owners		(35,397)	402	-	(5,833)	(29,966)
At 31 December 2025		1,745,546	869,071	(352)	163,367	713,460
At 1 January 2024		1,899,880	867,902	(352)	187,359	844,971
Profit net of tax		11,196	-	-	-	11,196
Other comprehensive income, net of tax		3,618	-	-	3,618	-
Total comprehensive income		14,814	-	-	3,618	11,196
Transactions with owners						
Share-based payments under ESOS		4,822	767	-	3,029	1,026
Dividends paid to owners of the Company	44(a)	(21,484)	-	-	-	(21,484)
Total transactions with owners		(16,662)	767	-	3,029	(20,458)
At 31 December 2024		1,898,032	868,669	(352)	194,006	835,709

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group	Note	2025 RM'000	2024 RM'000
Operating activities			
Profit before tax		108,801	190,100
Adjustments for:			
Amortisation of intangible assets	8	209	115
Depreciation of property, plant and equipment	8	78,989	84,569
Depreciation of investment properties	8	1,103	128
(Gain)/loss on termination of lease contracts	6,8	(40)	443
Dividend income from investments	4	(4,327)	(8,964)
Impairment loss on trade and other receivables	8	14	6,288
Impairment loss on goodwill	8	-	6,776
Impairment loss of intangible asset	8	-	14,048
Interest expense	7	25,122	35,806
Interest income	4,5	(21,747)	(16,625)
Inventories written down	8	15,095	13,843
Net fair value changes in investment securities	8,6	94	(10,274)
Net gain on disposal of property, plant and equipment	6	(60)	(186)
Property, plant and equipment written off	8	-	980
Reversal of impairment loss on trade and other receivables	6	(1,506)	(1,725)
Share options granted under ESOS	9	-	3,257
Share of results of associates		(46,696)	(68,217)
Share of results of joint ventures		(24,642)	(21,386)
Unrealised foreign exchange loss	8	36,469	16,169
Total adjustments		58,077	55,045
Operating cash flows before changes in working capital		166,878	245,145
Changes in working capital			
Decrease/(increase) in property development costs		775	(2,128)
(Increase)/decrease in land held for development		(14)	4,995
Decrease/(increase) in inventories		32,959	(1,037)
(Increase)/decrease in other current assets		(37,216)	1,747
Decrease/(increase) in receivables		31,530	(20,457)
Increase/(decrease) in payables		95,926	(85,268)
Increase/(decrease) in other current liabilities		89	(121)
Total changes in working capital		124,049	(102,269)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group (cont'd.)	Note	2025 RM'000	2024 RM'000
Cash flows from operations		290,927	142,876
Interest received		21,747	16,625
Interest paid		(16,545)	(26,458)
Income taxes paid, net of refund		(67,089)	(78,167)
Net cash flows from operating activities		229,040	54,876
Investing activities			
Acquisition of property, plant and equipment	13(c)	(156,301)	(32,695)
Acquisition of intangible assets	16	(21)	(2,583)
Acquisition of investment properties	15	(83)	-
Additional investments in an associate	19(a)	-	(27,667)
Additional investments in a joint venture		(455)	-
Additional investments in investment securities		(701)	(3,538)
Dividends received from associates		31,645	35,039
Dividends received from investment securities		6,135	8,964
Dividends received from joint ventures		30,315	13,486
Net movement in restricted deposits and deposits with maturity more than 3 months		(28,742)	(9,370)
Proceeds from disposal of investment securities		-	155,729
Proceeds from disposal of property, plant and equipment		1,195	563
Net cash flows (used in)/from investing activities		(117,013)	137,928
Financing activities			
Dividends paid to owners of the Company	44(a)	(32,239)	(21,484)
Dividends paid to non-controlling interests		(6,661)	(33)
Deposit pledged to a licensed bank		-	(2,411)
Drawdown of borrowings		157,189	-
Repayment of borrowings		(133,250)	(104,011)
Repayment of lease liabilities	31	(26,184)	(29,335)
Proceeds from exercise of ESOS		276	539
Proceeds from lease receivables	24(b)(vi)	2,929	2,744
Transaction costs paid		(491)	-
Net cash flows used in financing activities		(38,431)	(153,991)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Group (cont'd.)	Note	2025 RM'000	2024 RM'000
Net increase in cash and cash equivalents		73,596	38,813
Cash and cash equivalents at 1 January		623,628	605,665
Effect of foreign exchange changes on cash and cash equivalents		1,042	(20,850)
Cash and cash equivalents at 31 December	28	698,266	623,628

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Loans and borrowings (Note 30) RM'000	Lease liabilities (Note 31) RM'000	Total RM'000
At 1 January 2024	320,005	59,893	379,898
Cash movements			
Repayment of lease liabilities	-	(29,335)	(29,335)
Repayment of borrowings	(104,011)	-	(104,011)
Non-cash movements			
Acquisition of new leases	-	16,284	16,284
Termination of lease contracts	-	(1,352)	(1,352)
Unrealised foreign exchange loss	(959)	-	(959)
Exchange adjustment	(2,241)	45	(2,196)
At 31 December 2024/1 January 2025	212,794	45,535	258,329
Cash movements			
Drawdown of borrowings	157,189	-	157,189
Repayment of lease liabilities	-	(26,184)	(26,184)
Repayment of borrowings	(133,250)	-	(133,250)
Non-cash movements			
Acquisition of new leases	-	63,529	63,529
Termination of lease contracts	-	(395)	(395)
Unrealised foreign exchange gain	-	-	-
Exchange adjustment	(9,029)	(21)	(9,050)
At 31 December 2025	227,704	82,464	310,168

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Company	Note	2025 RM'000	2024 RM'000
Operating activities			
(Loss)/profit before tax		(85,288)	7,540
Adjustments for:			
Amortisation of intangible asset	8	160	59
Depreciation of property, plant and equipment	8	2,876	2,391
Loss on disposal of property, plant and equipment	8	436	83
Dividend income	4	(137,083)	(78,008)
Gain on termination of rights-of-use assets	6	(29)	-
Interest expense	7	20,232	19,597
Interest income	4	(46,922)	(40,532)
Net impairment loss on amount due from subsidiaries	6,8	13,614	37,978
Impairment loss on investment in a subsidiary	8	185,000	-
Impairment loss on trade and other receivables	8	-	4,330
Net fair value changes in investment securities	6	-	(1,268)
Net unrealised foreign exchange differences	8,6	309	(8)
Share options granted under ESOS	9	237	2,266
Total adjustments		38,830	(53,112)
Operating cash flows before changes in working capital		(46,458)	(45,572)
Changes in working capital			
Increase in receivables		(207,061)	(123,438)
(Decrease)/increase in payables		(4,647)	2,051
Total changes in working capital		(211,708)	(121,387)
Cash flows used in operations		(258,166)	(166,959)
Interest received		10,386	9,221
Interest paid		(451)	(439)
Taxes paid		(6,571)	(10,476)
Net cash flows used in operating activities		(254,802)	(168,653)
Investing activities			
Additional investments in investment securities		-	(3,538)
Acquisition of property, plant and equipment	13(c)	(89)	(3,800)
Acquisition of intangible assets	16	(21)	(324)
Additional investment in an associate	19(a)	-	(27,667)
Dividends received		137,083	78,008
Proceeds from disposal of investment securities		-	155,729
Proceeds from disposal of property, plant and equipment		189	120
Net cash flows from investing activities		137,162	198,528

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Company (cont'd.)	**Note**	**2025** RM'000	**2024** RM'000
Financing activities			
Increase/(decrease) in amounts due to joint ventures under central cash management accounts		52,840	(73,434)
Increase in amounts due to subsidiaries under central cash management accounts		100,608	178,728
Dividends paid to owners of the Company	44(a)	(32,239)	(21,484)
Drawdown of borrowings		20,000	-
Proceeds from exercise of ESOS		276	539
Repayment of borrowings		(10,000)	-
Repayment of lease liabilities	31	(1,893)	(1,979)
Net cash flows from financing activities		129,592	82,370
Net increase in cash and cash equivalents		11,952	112,245
Cash and cash equivalents at 1 January		395,228	282,975
Effect of foreign exchange changes on cash and cash equivalents		(309)	8
Cash and cash equivalents at 31 December	28	406,871	395,228

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Loans and borrowings (Note 30) RM'000	**Lease liabilities (Note 31)** RM'000	**Total** RM'000
At 1 January 2024	-	9,233	9,233
Acquisition of new lease	-	2,184	2,184
Repayment of lease liabilities	-	(1,979)	(1,979)
At 31 December 2024 and 1 January 2025	-	9,438	9,438
Drawdown of borrowings	20,000	-	20,000
Repayment of borrowings	(10,000)	-	(10,000)
Acquisition of new lease	-	1,288	1,288
Repayment of lease liabilities	-	(1,893)	(1,893)
Termination of lease contracts	-	(310)	(310)
At 31 December 2025	10,000	8,523	18,523

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business is located at Level 6, Wisma Mahmud, Jalan Sungai Sarawak, 93100 Kuching, Sarawak. The branch office is located at Level 15, Menara Darussalam, 12, Jalan Pinang, 50450 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.

The Company is principally an investment holding company. It also provides centralised treasury functions to the Group. The Group is principally engaged in manufacturing and trading of cement and construction materials, construction, road maintenance, township, property and infrastructure development and provision of oilfield equipment, supplies and services.

The principal activities of the subsidiaries are set out in Note 18. There have been no significant changes in the nature of the principal activities during the financial year.

2. Material accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have also been prepared on the historical cost basis except as disclosed in the accounting policies below. The accounting policies below are adhered to by the Group and by the Company.

The financial statements of the Group and the Company are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise stated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, except in the current period, the Group and the Company adopted the following amended MFRS mandatory for annual financial periods beginning on or after 1 January 2025:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The adoption of the above amendments to standards did not give rise to significant effect on the financial performance or position of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.3 Standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	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	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of application, except for the following:

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. MFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to MFRS 107 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.3 Standards and interpretations issued but not yet effective (cont'd.)

MFRS 18 Presentation and Disclosure in Financial Statements (cont'd.)

MFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. MFRS 18 will apply retrospectively.

The Group and the Company are currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at and for the year ended 31 December of each year. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

The Company controls an investee if and only if the Company has all the following:

(a) power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);

(b) exposure, or rights, to variable returns from its investment with the investee; and

(c) the ability to use its power over the investee to affect its returns.

Changes in the Group's ownership interests in subsidiaries, without a loss of control, are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other component of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The identifiable assets acquired and the liabilities assumed are measured at their fair values and the amount of any non-controlling interests in the acquiree or proportionate share of the acquiree's identifiable net assets at the acquisition date. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.4 Basis of consolidation (cont'd.)

Business combinations and goodwill (cont'd.)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.5 Subsidiaries

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Investments in associates and joint ventures

The financial statements of associates and joint ventures are prepared for the same reporting period as the Group. The accounting policies of both companies are aligned with those of the Group. Therefore, no adjustments are made when measuring and recognising the Group's share of the profit or loss of the investees after the date of acquisition.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.6 Investments in associates and joint ventures (cont'd.)

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. Impairments and reversals are presented within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company's separate financial statements, investments in associates and joint ventures are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.7 Foreign currency

(a) 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 Company's functional currency.

During the financial year, one of the subsidiary reassessed the primary economic environment in which it operates.

The re-assessment involved the consideration of the following:
- The currency that mainly influences sales prices of goods and services;
- The currency that mainly determines costs of labour, materials, and operating expenses;
- The currency in which operating cash flows are predominantly generated and expended;
- The currency in which funds from financing activities are generated; and
- The currency in which receipts from operating activities are usually retained.

These changes constitute significant changes in facts and circumstances as described in MFRS 121 – The Effects of Changes in Foreign Exchange Rates, requiring the subsidiary to update its functional currency. Upon the reassessment of the functional currency, the subsidiary determined that its functional currency changed from USD to RM with effect from 27 October 2025.

The change in functional currency has been applied prospectively from the date of change in accordance with MFRS 121. On the date the functional currency changed:
- monetary assets and liabilities were remeasured at the closing exchange rate;
- non-monetary items carried at historical cost were translated using their historical exchange rates; and
- resulting foreign exchange differences on monetary items were recognised in profit or loss.

Following the change, all balances were remeasured into the new functional currency using the exchange rates prevailing on the effective date;
- Income and expenses are recorded in the new functional currency from that date onward;
- Comparative figures remain presented in the previous functional currency, consistent with MFRS 121 requirements; and
- Any resulting translation impacts have been accounted for based on the measurement principles outlined in MFRS 121

The change in functional currency did not materially affect the Group's net assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.7 Foreign currency (cont'd.)

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period 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.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rates of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income.

On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.8 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

For the Group's accounting policy on impairment, refer to Note 2.12. The impairment accounting policy for goodwill and intangible assets with indefinite lives similarly applies to other non-financial assets, including property, plant and equipment.

Freehold land has unlimited useful lives and therefore are not amortised. Leasehold land are amortised over their lease terms. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and infrastructure	50 years or over the period of lease whichever is shorter
Plant and machinery	2 years to 50 years
Equipment and others	1 year to 50 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet ready for use.

The Group reviews the estimated residual values and expected useful lives of property, plant and equipment at each financial year end and adjusts prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

A contract which involves the use of an item of property, plant and equipment that meets the definition of a lease is recognised as a right-of-use asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.9 Land held for property development and property development costs

(a) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken other than earthwork, infrastructure work and professional fees incurred to put the land ready for development or where development activities are not expected to be completed within the normal operating cycle. Included in land held for property development consists of leasehold land that meet the definition of right-of-use asset.

Land held for property development is classified as non-current asset and is stated at the lower of cost and net realisable value.

Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

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

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where the development activities can be completed within the Group's normal operating cycle.

(b) Property development costs

Property development costs that meet the definition of inventories are recognised as an asset and are stated at the lower of cost and net realisable value. Such inventory costs are determined based on a specific identification basis.

Property development costs comprise of construction costs, costs of land, direct materials, direct labour, other direct costs, and attributable overheads. Leasehold land that are included in property development costs meets the definition of right-of-use asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.10 Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or both. These include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses consistent with the accounting policies for property, plant and equipment.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. For a transfer from inventories to investment property carried at cost, the Group does not change the carrying amount of the property transferred.

2.11 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.11 Intangible assets (cont'd.)

Amortisation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Computer software	2 years to 8 years
Other intangible assets	8 years to 20 years

Other intangible assets consist of registered patents, technology and development works.

For the Group's accounting policy on impairment for goodwill and intangible assets with indefinite lives, refer to Note 2.12.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

2.12 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at the end of each reporting date to determine whether there is an indication of impairment. If 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. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGU).

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its fair value less costs of disposal and its value in use. 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 assessment of the time value of money and the risks specific to the asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.12 Impairment of non-financial assets (cont'd.)

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.13 Inventories

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

- Raw materials, consumables and spare parts: costs of purchases on a first-in first-out or weighted average cost.

- Finished goods and work-in-progress: costs of raw materials, direct labour, other direct costs and appropriate proportions of manufacturing overheads based on normal operating capacity.

- Completed development units: cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.14 Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than the passage of time, for example, billings require certification by the customer or the architect. Upon receipt of such certification, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of MFRS 9.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

The amounts recognised as revenue for a given period do not necessarily coincide with the amounts billed to the customer. In the case of contracts in which the goods or services transferred to the customer exceed the related amount billed the customer, the difference is recognised as contract asset, whereas in contracts in which the goods or services transferred are lower than the amount billed to the customer (i.e., when a payment is due or a payment is received before the Group transfers the remaining goods or services), the difference is recognised as contract liabilities.

2.15 Financial assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.15 Financial assets (cont'd.)

(a) Initial recognition and measurement (cont'd.)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

(b) Subsequent measurement

For the purpose of subsequent measurement, financial assets of the Group and the Company are classified in the following categories:

(i) Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost includes trade and other receivables, other current assets, cash and bank balances.

(ii) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group and the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

These investments were irrevocably designated at fair value through OCl as the Group and the Company consider these investments to be strategic in nature.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.15 Financial assets (cont'd.)

(b) Subsequent measurement (cont'd.)

(iii) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes unquoted investment securities which the Group and the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; and
- The control of the asset is not retained or substantially all of the risks and rewards of awards of ownership of the financial asset are transferred to another party.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.16 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-month (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.17 Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include loan and borrowings, lease liabilities, trade and other current liabilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.17 Financial liabilities (cont'd.)

(b) Subsequent measurement

For the purposes of subsequent measurement, financial liabilities of the Group and the Company are classified as financial liabilities at amortised cost (loans and borrowings).

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

(c) Derecognition

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

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.18 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; and
- 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 and the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use 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, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities; or

- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2.19 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term highly liquid deposits with a maturity of three months or less, that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.19 Cash and cash equivalents (cont'd.)

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's and the Company's cash management.

2.20 Provisions

Provisions are recognised when the Group and the Company have 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 reporting date 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 a finance cost.

2.21 Borrowing costs

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

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.22 Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) As a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.22 Leases (cont'd.)

(a) As a lessee (cont'd.)

(i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land	1 to 94 years
Buildings	1 to 17 years
Motor vehicles	5 years
Plant and machinery	1 to 3 years

If ownership of the leased asset is transferred to the Group and the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset instead of the lease term. The right-of-use assets are also subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.22 Leases (cont'd.)

(a) As a lessee (cont'd.)

(iii) Short-term leases and leases of low-value assets

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). They also apply the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(b) As a lessor

Leases in which the Group or the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.23 Revenue

Revenue from contracts with customers

The Group's revenue from contracts with customers are described below:

(a) Sale of goods

Revenue from sale of goods is measured based on the consideration specified in a contract with a customer in exchange for transferring goods to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when (or as) it transfers control over a product to customer. An asset is transferred when (or as) the customer obtains control over the asset.

The Group transfers control of a good at a point in time unless one of the following over time criteria is met:

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.23 Revenue (cont'd.)

Revenue from contracts with customers (cont'd.)

The Group's revenue from contracts with customers are described below: (cont'd.)

(b) Construction and road maintenance

The Group is engaged in construction and road maintenance services. The contracts may include multiple promises to the customers and therefore accounted for as separate performance obligations. The fair value of the revenue, which is based on fixed price under the agreement will be allocated based on relative stand-alone selling price of the consideration of each of the separate performance obligations.

Revenue is recognised progressively based on the stage of completion measured using the input method, which is based on the total actual construction cost incurred to date relative to the estimated total contract costs for the respective construction projects.

(c) Sale of lands and completed properties

The Group recognises revenue at a point in time for the sale of lands and completed properties, when the control of the properties has been delivered to the purchasers, being when the properties have been delivered to the purchasers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

Revenue from sale of lands and completed properties is measured at the fixed transaction price agreed under the sale and purchase agreement.

(d) Sale of properties under construction

Revenue from properties under construction is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, by reference to the costs incurred to the satisfaction of a performance obligation relative to the total expected which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.23 Revenue (cont'd.)

Revenue from contracts with customers (cont'd.)

The Group's revenue from contracts with customers are described below: (cont'd.)

(e) Rendering of services

Revenue from rendering of services is recognised when the Group and the Company transfer control upon performance of services over time to customers where the customer simultaneously receives and consumes the benefits provided as the Group and the Company perform.

Revenue from provision of road maintenance service is recognised in the period in which services are rendered in accordance with the concession.

Revenue from rendering of other services is recognised over time when the services are rendered, using an input method to measure the progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

Revenue from other sources

Revenue from other sources are recognised as follows:

(i) Interest income is recognised on an accrual basis using the effective interest method;

(ii) Dividend income is recognised when the Group's and the Company's right to receive payment is established, which is generally when shareholders approve the dividend; and

(iii) Rental income is recognised on a straight-line basis over the tenure of the lease.

2.24 Taxes

(a) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.24 Taxes (cont'd.)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to 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 reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or 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.

2.25 Employee benefits

(a) Short term benefits

Wages, salaries, overtimes, allowances and social security contributions are recognised as an expense in the year in which the associated services are rendered by the employees. Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plan

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group and Company make contributions to the Employees' Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to the defined contribution pension scheme are recognised as expenses in the period in which the related service is performed.

(c) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer to those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.25 Employee benefits (cont'd.)

(d) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Binomial Option Pricing Model. That cost is recognised in employee benefits expense, together with a corresponding increase in equity (other reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

2.26 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 managers report directly to the management of the Group who regularly review the segment 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 43, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.27 Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policies (cont'd.)

2.27 Equity instruments (cont'd.)

(a) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(b) Ordinary shares

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(c) Repurchased, disposal and reissued of share capital (treasury shares)

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in retained earnings.

2.28 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 events not wholly within the control of the Group or the Company.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group and of the Company but discloses its existence in the notes to the financial statements.

3. Significant accounting judgements and estimates

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. Significant accounting judgements and estimates (cont'd.)

Key sources of estimation uncertainty (cont'd.)

Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment when there is an indication that they may be impaired. If any such indication exists, the Group and the Company shall estimate the recoverable amount of cash-generating unit ("CGU") or groups of CGU.

During the year, the Group carried out an impairment assessment on the property, plant and equipment in relation to the Integrated Phosphate Complex Project (Phase 1) as a result of the matter disclosed in Note 38(a). The recoverable amount of the said property, plant and equipment was determined based on value-in-use method. The estimation of future cash flows is subject to changes and highly subjective. Actual results may differ materially from those estimated.

At the reporting date, the methods, assumptions and information used in performing impairment assessment did not incorporate any forward-looking information relating to the effects of the Middle East conflict, as disclosed in Note 45. The conflict is a non-adjusting post balance sheet event. However, there may be significant changes in the carrying amount of property, plant and equipment within the next 12 months. As the conflict continues to evolve, it is challenging to predict the full extent and duration of its impact on business and the economy. The Group continues to closely monitor the development of these events.

The key assumptions used in the value-in-use calculations and sensitivity analysis of changes of key assumptions are disclosed in Note 13(f).

4. Revenue

Revenue comprised the following:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers	1,091,044	1,173,356	-	-
Revenue from other sources:				
- Interest from financial institutions	10,661	10,148	10,661	10,148
- Interest from subsidiaries	-	-	36,261	30,384
- Dividends from investments	4,327	8,964	3,876	7,157
- Dividends from associates	-	-	20,699	25,461
- Dividends from joint ventures	-	-	27,508	11,317
- Dividends from subsidiaries	-	-	85,000	34,073
- Rental income	3,386	3,786	-	-
	18,374	22,898	184,005	118,540
Total revenue	1,109,418	1,196,254	184,005	118,540

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. Revenue (cont'd.)

(a) Disaggregation of revenue from contracts with customers:

Group	Cement	Road maintenance	Property development and related services	Oiltools	Construction, materials and trading	Strategic investments and others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025							
Segment revenue							
- Sale of goods	639,095	-	1,399	35,577	50,291	-	726,362
- Construction and road maintenance	-	151,521	44,498	-	-	-	196,019
- Rendering of services	-	953	19,492	103,685	-	5,312	129,442
- Sale of completed properties	-	-	16,845	-	-	-	16,845
- Sale of properties under construction	-	-	21,106	-	-	-	21,106
- Sale of land	-	-	1,270	-	-	-	1,270
	639,095	152,474	104,610	139,262	50,291	5,312	1,091,044
Geographical revenue							
- Malaysia	639,095	152,474	104,610	15,413	50,291	5,312	967,195
- Outside Malaysia	-	-	-	123,849	-	-	123,849
	639,095	152,474	104,610	139,262	50,291	5,312	1,091,044
Timing of revenue recognition							
- At a point in time	639,095	953	19,514	35,577	50,291	-	745,430
- Over time	-	151,521	85,096	103,685	-	5,312	345,614
	639,095	152,474	104,610	139,262	50,291	5,312	1,091,044

4. Revenue (cont'd.)

(a) Disaggregation of revenue from contracts with customers: (cont'd.)

Group (cont'd.)	Cement	Road maintenance	Property development and related services	Oiltools	Construction, materials and trading	Strategic investments and others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024							
Segment revenue							
- Sale of goods	619,348	-	1,245	74,680	60,526	3	755,802
- Construction and road maintenance	3	140,957	-	-	201	-	141,161
- Rendering of services	-	1,576	17,201	202,684	-	4,992	226,453
- Sale of completed properties	-	-	12,857	-	-	-	12,857
- Sale of properties under construction	-	-	3,798	-	-	-	3,798
- Sale of land	-	-	33,285	-	-	-	33,285
	619,351	142,533	68,386	277,364	60,727	4,995	1,173,356
Geographical revenue							
- Malaysia	619,351	142,533	68,386	15,883	60,727	4,995	911,875
- Outside Malaysia	-	-	-	261,481	-	-	261,481
	619,351	142,533	68,386	277,364	60,727	4,995	1,173,356
Timing of revenue recognition							
- At a point in time	619,348	1,576	47,387	74,680	60,526	3	803,520
- Over time	3	140,957	20,999	202,684	201	4,992	369,836
	619,351	142,533	68,386	277,364	60,727	4,995	1,173,356

Information regarding receivables and contract balances are disclosed in Notes 24 and 26, respectively.

4. Revenue (cont'd.)

(b) Transaction prices allocated to the remaining performance obligations:

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied as at the reporting date.

Group	Road maintenance	Property development and related services	Oiltools	Total
	RM'000	RM'000	RM'000	RM'000
2025				
Within one year				
Construction and road maintenance	114,355	156,319	-	270,674
Rendering of services	-	-	118,061	118,061
Sale of properties under construction	-	6,067	-	6,067
	114,355	162,386	118,061	394,802
Over one year				
Construction and road maintenance	337,235	349,183	-	686,418
Rendering of services	-	-	67,019	67,019
	337,235	349,183	67,019	753,437
	451,590	511,569	185,080	1,148,239
2024				
Within one year				
Construction and road maintenance	111,084	-	-	111,084
Rendering of services	-	-	181,810	181,810
Sale of properties under construction	-	13,695	-	13,695
	111,084	13,695	181,810	306,589
Over one year				
Construction and road maintenance	447,012	-	-	447,012
Rendering of services	-	-	140,700	140,700
	447,012	-	140,700	587,712
	558,096	13,695	322,510	894,301

All consideration from contracts with customers is included in the amounts presented above.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. Revenue (cont'd.)

(c) Significant terms of sale are as follows:

Sale of goods – Advanced payment or credit term with credit period of 30 to 90 (2024: 30 to 90) days from invoicing date.

Construction contracts - Credit period of 30 to 90 (2024: 30 to 90) days from invoicing date. Subject to defect liability period of at least 2 years from handover.

Road maintenance - Credit period of 60 (2024: 60) days from invoicing date.

Rendering of services - Credit period of 30 to 90 (2024: 30 to 90) days from invoicing date.

Sale of completed properties and properties under construction - Based on the milestones as established in contracts, certified by architect where applicable. Subject to defect liability period of at least 3 to 18 months from vacant possession date.

Sale of lands – Based on terms stipulated in sale and purchase agreements. Subject to fulfilment of condition precedents. Included in sales of land is land compensation in respect of compulsory acquisition by the State Government pursuant to Section 46 of the Land Code.

Rental income – Credit period of 30 to 90 (2024: 30 to 90) days from invoicing date.

5. Interest income

	Group	
	2025	**2024**
	RM'000	RM'000
Interest income for financial assets:		
- Trade receivables	158	218
- Short term deposits	10,651	6,010
- Lease receivables (Note 24(b)(vi))	277	249
	11,086	6,477

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. Other income

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Net fair value changes in investment securities	-	10,274	-	1,268
Gain on disposal of property, plant and equipment	60	186	-	-
Gain on termination of lease contracts (Note 31)	40	-	29	-
Insurance settlement	3,026	2,212	-	-
Net foreign exchange gain:				
- Realised	65	7,277	11	-
- Unrealised	-	-	-	8
Rental income	4,714	4,489	-	-
Reversal of impairment loss on:				
- Trade receivables (Note 24(a)(ii))	1,506	1,725	-	-
- Amount due from a subsidiary	-	-	1,548	-
Management fee income	1,656	1,885	1,656	1,885
Write-back of provisions	267	21	-	-
Sales of test products	14,195	1,030	-	-

7. Finance costs

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest expense for financial liabilities:				
- Amounts due to joint ventures under central cash management account	7,380	7,924	7,380	7,924
- Amounts due to subsidiaries under central cash management account	-	-	12,318	11,234
- Amount due to corporate shareholders of subsidiaries	382	497	-	-
- Bank borrowings and bank overdrafts	12,290	22,789	17	-
- Lease liabilities (Note 31)	3,740	3,353	451	439
	23,792	34,563	20,166	19,597
Interest capitalised in property, plant and equipment (Note 13(e))	(81)	-	-	-
	23,711	34,563	20,166	19,597
Other finance costs:				
- Facility and commitment fees	477	316	66	-
- Term loan transaction cost	934	927	-	-
	1,411	1,243	66	-
	25,122	35,806	20,232	19,597
Recognised in profit or loss as:				
- Cost of sales	7,380	7,924	19,698	19,158
- Finance costs	17,742	27,882	534	439
	25,122	35,806	20,232	19,597

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

8. Profit/(loss) before tax

Further to the disclosure in Note 6, the following amounts have been included in arriving at profit before tax:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Amortisation of intangible assets (Note 16)	209	115	160	59
Auditors' remunerations:				
Audit fees				
- Ernst & Young PLT	1,271	1,153	368	358
- Member firm of Ernst & Young Global Limited	32	32	-	-
- Other firms	607	549	-	-
Non-audit service fees				
- Ernst & Young PLT	356	867	39	317
Employee benefits expense (Note 9)	223,084	240,116	24,768	26,754
Depreciation of property, plant and equipment (Note 13)	78,989	84,569	2,876	2,391
Depreciation of investment properties (Note 15)	1,103	128	-	-
Impairment loss on:				
- Amount due from subsidiaries (Note 24(b)(v))	-	-	15,162	37,978
- Goodwill (Note 17)	-	6,776	-	-
- Intangible assets (Note 16)	-	14,048	-	-
- Investment in a subsidiary (Note 18(a))	-	-	185,000	-
- Trade receivables (Note 24(a)(ii))	14	1,958	-	-
- Other receivables (Note 24(b)(v))	-	4,330	-	4,330
Inventories written down (Note 22)	15,095	13,843	-	-
Loss on disposal of property, plant and equipment	-	-	436	83
Loss on termination of lease contracts	-	443	-	-
Net fair value changes in investment securities	94	-	-	-
Net unrealised foreign exchange loss	36,469	16,169	309	-
Expense relating to short-term leases (Note 31)	6,145	6,365	-	-
Expense relating to leases of low-value assets (Note 31)	701	495	10	10
Property, plant and equipment written off	-	980	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. Employee benefits expense

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Salaries, allowances and others	205,516	220,444	21,982	21,912
Contributions to a defined contribution plan	17,388	14,896	2,482	2,524
Contributions to social security plans	1,848	2,609	67	52
Share-based payment	-	3,257	237	2,266
	224,752	241,206	24,768	26,754
Less: Amount capitalised in property development costs	(1,668)	(1,090)	-	-
	223,084	240,116	24,768	26,754
Recognised in profit or loss as:				
- Cost of sales	104,945	136,695	-	-
- Administrative expenses	84,413	75,609	24,768	26,754
- Selling expenses	14,950	17,434	-	-
- Other expenses	18,776	10,378	-	-
	223,084	240,116	24,768	26,754

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration of RM7,842,000 (2024: RM11,070,000) and RM7,842,000 (2024: RM11,070,000) respectively, as further disclosed in Note 10.

10. Directors' remuneration

The remuneration received and receivable by directors of the Group and of the Company is as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Directors of the Company:				
Executive:				
Salaries and other emoluments	6,800	9,598	6,800	9,598
Defined contribution and social security plans	1,021	1,441	1,021	1,441
Total short-term employee benefits	7,821	11,039	7,821	11,039
Benefits-in-kind	21	31	21	31
	7,842	11,070	7,842	11,070

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. Directors' remuneration (cont'd.)

The remuneration received and receivable by directors of the Group and of the Company is as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Non-executive:				
Fees	1,734	1,073	1,486	900
Other emoluments	2,859	1,703	2,411	1,543
	4,593	2,776	3,897	2,443
Benefits-in-kind	66	58	66	58
	4,659	2,834	3,963	2,501
	12,501	13,904	11,805	13,571

The details of remuneration received and receivable by the directors of the Group and the Company are set out below:

Group	**Fees**	**Other emoluments**	**Total**
	RM'000	RM'000	RM'000
2025			
Executive:			
Dato Sri Sulaiman Abdul Rahman b Abdul Taib	-	7,842	7,842
Non-executive:			
General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)	225	686	911
Dato Sri Mahmud Abu Bekir Taib	228	655	883
Dato' Maznah binti Abdul Jalil	201	289	490
Umang Nangku Jabu	169	180	349
Dr. Khor Jaw Huei	163	324	487
Jeyabalan A/L S.K. Parasingam	209	208	417
Gee Siew Yoong	182	196	378
CP (R) Dato' Mohd Azman bin Ahmad Sapri	175	209	384
Dato' Mat Hassan bin Esa	182	178	360
	1,734	2,925	4,659
	1,734	10,767	12,501

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. Directors' remuneration (cont'd.)

The details of remuneration received and receivable by the directors of the Group and the Company are set out below: (cont'd.)

Group (cont'd.)	Fees	Other emoluments	Total
	RM'000	RM'000	RM'000
2024			
Executive:			
Dato Sri Sulaiman Abdul Rahman b Abdul Taib	-	11,070	11,070
Non-executive:			
General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)	150	651	801
Dato Sri Mahmud Abu Bekir Taib	165	636	801
Dato' Maznah binti Abdul Jalil	150	120	270
Umang Nangku Jabu	150	76	226
Dr. Khor Jaw Huei	188	136	324
Jeyabalan A/L S.K. Parasingam	150	128	278
Gee Siew Yoong	120	14	134
	1,073	1,761	2,834
	1,073	12,831	13,904
Company			
2025			
Executive:			
Dato Sri Sulaiman Abdul Rahman b Abdul Taib	-	7,842	7,842
Non-executive:			
General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)	225	686	911
Dato Sri Mahmud Abu Bekir Taib	225	647	872
Dato' Maznah binti Abdul Jalil	150	263	413
Umang Nangku Jabu	150	160	310
Dr. Khor Jaw Huei	136	66	202
Jeyabalan A/L S.K. Parasingam	150	160	310
Gee Siew Yoong	150	168	318
CP (R) Dato' Mohd Azman bin Ahmad Sapri	150	181	331
Dato' Mat Hassan bin Esa	150	146	296
	1,486	2,477	3,963
	1,486	10,319	11,805

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. Directors' remuneration (cont'd.)

The details of remuneration received and receivable by the directors of the Company are set out below: (cont'd.)

Company (cont'd.)	Fees	Other emoluments	Total
	RM'000	RM'000	RM'000
2024			
Executive:			
Dato Sri Sulaiman Abdul Rahman b Abdul Taib	-	11,070	11,070
Non-executive:			
General Dato' Seri DiRaja Tan Sri (Dr.) Mohd Zahidi bin Haji Zainuddin (Retired)	150	651	801
Dato Sri Mahmud Abu Bekir Taib	150	603	753
Dato' Maznah binti Abdul Jalil	120	98	218
Umang Nangku Jabu	120	56	176
Dr. Khor Jaw Huei	120	102	222
Jeyabalan A/L S.K. Parasingam	120	77	197
Gee Siew Yoong	120	14	134
	900	1,601	2,501
	900	12,671	13,571

Other emoluments comprised salaries, allowances, bonuses, defined contribution plan, social security plans, gratuity and benefits-in-kind.

11. Income tax expense/(credit)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- Malaysian income tax	68,333	61,490	7,853	5,465
- Foreign tax	6,234	12,555	-	-
- Withholding tax	730	131	-	-
- (Over)/under provision in respect of prior years	(4,194)	5,538	(374)	(137)
	71,103	79,714	7,479	5,328
Deferred income tax (Note 21):				
- Origination and reversal of temporary differences	(7,045)	(10,749)	(462)	(8,984)
- Under/(over) provision in respect of prior years	5,027	(3,788)	(22)	-
	(2,018)	(14,537)	(484)	(8,984)
Income tax expense/(credit) recognised in profit or loss	69,085	65,177	6,995	(3,656)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

11. Income tax expense/(credit) (cont'd.)

The reconciliation between tax expense/(credit) and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Accounting profit/(loss) before tax	108,801	190,100	(85,288)	7,540
Tax at Malaysian statutory tax rate of 24%	26,112	45,624	(20,469)	1,809
Adjustments:				
Share of results of associates	(11,207)	(16,372)	-	-
Share of results of joint ventures	(5,914)	(5,133)	-	-
Non-deductible expenses	57,486	57,332	61,317	22,273
Income not subject to tax	(1,577)	(11,964)	(33,457)	(19,028)
Effect of different tax rates in other countries	(545)	(1,220)	-	-
Effect of capital gain tax	-	6,124	-	6,124
Effect of exercise of derivative financial assets	-	(14,697)	-	(14,697)
Effect of transfer of property from inventories to investment property	-	265	-	-
Utilisation of previously unrecognised capital allowance, unrecognised tax losses and other temporary differences	(374)	(930)	-	-
Deferred tax assets not recognised	3,541	4,267	-	-
Withholding tax expense	730	131	-	-
(Over)/under provision of current income tax in respect of prior years	(4,194)	5,538	(374)	(137)
Under/(over) provision of deferred income tax in respect of prior years	5,027	(3,788)	(22)	-
Income tax expense/(credit) recognised in profit or loss	69,085	65,177	6,995	(3,656)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12. Earnings per share

Basic earnings per share amounts are calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year after adjustment for the effects of dilutive potential ordinary shares.

	Group	
	2025	**2024**
Profit net of tax attributable to owners of the Company (RM'000)	65,688	128,192
Weighted average number of ordinary shares in issue ('000)	1,074,689	1,074,369
Assumed shares issued from the exercise of ESOS ('000)	3,129	4,072
Adjusted weighted average number of ordinary shares for calculating earnings per ordinary share ('000)	1,077,818	1,078,441
Basic earnings per share (sen) for:	6.11	11.93
Diluted earnings per share (sen) for:	6.09	11.89

The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year.

13. Property, plant and equipment

Group	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Equipment and others RM'000	Construction-in-progress RM'000	Total RM'000
Cost:						
At 1 January 2024	182,666	465,121	961,861	162,059	746,759	2,518,466
Additions	6,059	4,623	13,626	14,461	5,622	44,391
Transferred from land held for property development (Note 14(a))	4,894	-	-	-	-	4,894
Disposals	-	-	-	(977)	-	(977)
Termination/expiry of lease contracts	(1,249)	(6,965)	-	(3,459)	-	(11,673)
Written off	-	(2,910)	-	(1,834)	-	(4,744)
Exchange differences	(1,541)	196	(554)	(1,675)	(18,545)	(22,119)
At 31 December 2024	190,829	460,065	974,933	168,575	733,836	2,528,238
At 1 January 2025	190,829	460,065	974,933	168,575	733,836	2,528,238
Additions	420	5,190	62,588	20,239	128,260	216,697
Transferred from inventories	-	-	3,606	-	-	3,606
Disposals	-	-	(80)	(4,968)	-	(5,048)
Termination/expiry of lease contracts	-	(2,957)	(39,444)	(5,593)	-	(47,994)
Reclassifications	-	740	3,874	34	(4,648)	-
Exchange differences	(3,518)	(2,326)	(1,762)	(4,695)	(41,728)	(54,029)
At 31 December 2025	187,731	460,712	1,003,715	173,592	815,720	2,641,470

13. Property, plant and equipment (cont'd.)

Group (cont'd.)	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Equipment and others RM'000	Construction-in-progress RM'000	Total RM'000
Accumulated depreciation:						
At 1 January 2024	32,862	208,899	704,041	99,574	-	1,045,376
Depreciation charge for the year (Note 8)	3,831	20,102	42,569	18,067	-	84,569
Disposals	-	-	-	(600)	-	(600)
Termination/expiry of lease contracts	(867)	(6,270)	-	(2,741)	-	(9,878)
Written off	-	(2,228)	-	(1,536)	-	(3,764)
Exchange differences	(175)	(67)	(208)	(453)	-	(903)
At 31 December 2024	35,651	220,436	746,402	112,311	-	1,114,800
At 1 January 2025	35,651	220,436	746,402	112,311	-	1,114,800
Depreciation charge for the year (Note 8)	3,885	18,822	43,526	12,756	-	78,989
Disposals	-	-	(64)	(3,849)	-	(3,913)
Termination/expiry of lease contracts	-	(2,602)	(39,444)	(5,593)	-	(47,639)
Exchange differences	(429)	(777)	(612)	(853)	-	(2,671)
At 31 December 2025	39,107	235,879	749,808	114,772	-	1,139,566

13. Property, plant and equipment (cont'd.)

Group (cont'd.)	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Equipment and others RM'000	Construction-in-progress RM'000	Total RM'000
Accumulated impairment losses:						
At 1 January 2024/ 31 December 2024/ 31 December 2025	-	11,212	31	17	-	11,260
Net carrying amount:						
At 31 December 2024	155,178	228,417	228,500	56,247	733,836	1,402,178
At 31 December 2025	148,624	213,621	253,876	58,803	815,720	1,490,644

13. Property, plant and equipment (cont'd.)

Company	Leasehold land RM'000	Buildings RM'000	Motor vehicles RM'000	Equipment and others RM'000	Total RM'000
Cost:					
At 1 January 2024	340	10,877	8,206	3,471	22,894
Additions	-	-	2,184	3,800	5,984
Disposals	-	-	(315)	-	(315)
Written off	-	(1,708)	-	(1,033)	(2,741)
At 31 December 2024 and 1 January 2025	340	9,169	10,075	6,238	25,822
Additions	-	742	546	89	1,377
Disposals	-	-	(2,051)	-	(2,051)
Termination of lease contracts	-	(1,408)	-	-	(1,408)
At 31 December 2025	340	8,503	8,570	6,327	23,740
Accumulated depreciation:					
At 1 January 2024	45	3,057	4,576	3,277	10,955
Depreciation charge for the year (Note 8)	9	1,145	866	371	2,391
Disposals	-	-	(113)	-	(113)
Written off	-	(1,708)	-	(1,033)	(2,741)
At 31 December 2024 and 1 January 2025	54	2,494	5,329	2,615	10,492
Depreciation charge for the year (Note 8)	9	1,233	1,132	502	2,876
Disposals	-	-	(1,426)	-	(1,426)
Termination of lease contracts	-	(1,126)	-	-	(1,126)
At 31 December 2025	63	2,601	5,035	3,117	10,816

13. Property, plant and equipment (cont'd.)

Company (cont'd.)	**Leasehold land** RM'000	**Buildings** RM'000	**Motor vehicles** RM'000	**Equipment and others** RM'000	**Total** RM'000
Net carrying amount:					
At 31 December 2024	286	6,675	4,746	3,623	15,330
At 31 December 2025	277	5,902	3,535	3,210	12,924

(a) Right-of-use assets

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

Group	**Leasehold land** RM'000	**Buildings** RM'000	**Plant and machinery** RM'000	**Equipment and others** RM'000	**Total** RM'000
At 1 January 2024	149,804	25,735	19,600	5,460	200,599
Additions	6,059	3,026	-	2,611	11,696
Transferred from land held for property development (Note 14(a))	4,894	-	-	-	4,894
Depreciation charge for the year (Note 31)	(3,831)	(7,835)	(15,681)	(2,983)	(30,330)
Termination of lease contracts	(382)	(695)	-	(718)	(1,795)
Exchange adjustments	(1,366)	933	-	747	314
At 31 December 2024 and 1 January 2025	155,178	21,164	3,919	5,117	185,378
Additions	420	3,921	46,238	10,909	61,488
Depreciation charge for the year (Note 31)	(3,885)	(6,222)	(15,810)	(1,903)	(27,820)
Termination of lease contracts	-	(355)	-	-	(355)
Exchange adjustments	(3,089)	13	-	(664)	(3,740)
At 31 December 2025	148,624	18,521	34,347	13,459	214,951

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. Property, plant and equipment (cont'd.)

(a) Right-of-use assets (cont'd.)

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows: (cont'd.)

Company	Land	Building	Motor vehicles	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	295	7,820	1,533	9,648
Additions	-	-	2,184	2,184
Depreciation charge for the year (Note 31)	(9)	(1,145)	(640)	(1,794)
At 31 December 2024 and 1 January 2025	286	6,675	3,077	10,038
Additions	-	742	546	1,288
Termination of lease contracts	-	(282)	-	(282)
Depreciation charge for the year (Note 31)	(9)	(1,233)	(957)	(2,199)
At 31 December 2025	277	5,902	2,666	8,845

The Group and the Company have lease contracts for various items of land, buildings, plant and machinery, motor vehicles, equipment and others used in their operations.

(b) Fully depreciated property, plant and equipment

The gross amounts of fully depreciated property, plant and equipment that are still in use at the reporting date were RM474,799,000 (2024: RM470,770,000) and RM4,415,000 (2024: RM5,639,000) for the Group and the Company, respectively.

(c) Reconciliation to the statements of cash flows

Reconciliation to the cash flows for purchase of property, plant and equipment is as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Additions for the financial year	216,697	44,391	1,377	5,984
Less: Interest expense capitalised in assets under construction (Note 13(e))	(81)	-	-	-
Less: Leasing arrangements	(60,315)	(11,696)	(1,288)	(2,184)
Total cash payments during the financial year	156,301	32,695	89	3,800

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. Property, plant and equipment (cont'd.)

(d) Assets charged

Property, plant and equipment with a carrying amount of RM759,751,000 (2024: RM814,870,000) are subject to a fixed charge to secure the bank loan of a subsidiary as disclosed in Note 30(b).

(e) Capitalised borrowing costs

Interest expense capitalised in construction in progress during the current financial year amounted to RM81,000 (2024: RMNil). The capitalisation rate to determine the amount of borrowing cost to be capitalised was 4.09% (2024: Nil).

(f) Impairment assessment

During the current financial year, the Group has carried out an impairment assessment on the property, plant and equipment in relation to the Integrated Phosphate Complex Project (Phase 1), with a carrying amount of RM759,751,000 which is in the process of commissioning. There were indications that the carrying amount of this asset may be impaired as a result of the matter as disclosed in Note 38(a).

Management has determined the recoverable amount of this asset based on value-in-use ("VIU"). The aforementioned impairment review does not give rise to impairment losses of property, plant and equipment as the recoverable amount of the CGU is in excess of its carrying amount.

On 26 August 2025, the Group entered into a commitment agreement with Syarikat Sesco Berhad ("SESCO") relating to the supply of electricity and the temporary connection to the Plant in preparation for the reinstatement of the Plant's operations. Temporary electricity supply to the Plant has been restored since 9 September 2025.

The fundamental assumption in deriving the VIU for the Integrated Phosphate Complex Project (Phase 1) is that the Arbitration proceedings will be resolved amicably. The Group will then focus on reinstatement of full electricity supply so that full commercial operations can commence by end of Quarter 3 2026.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. Property, plant and equipment (cont'd.)

(f) Impairment assessment (cont'd.)

The other key assumptions adopted in estimating the VIU are as follows:

Key assumptions	2025	2024
Number of projection years	20 years	21 years
Post-tax discount rate	11.0%	11.0%
Average price of raw materials - rock phosphate	RM640/MT (USD158/MT equivalent)	USD147/MT
- metallurgical coke	RM1,035/MT (USD255/MT equivalent)	USD320/MT
Sales of Yellow Phosphorus - Annual sales volume – Year 1 - Annual sales volume – Year 2 - Annual sales volume – Year 3 - 20 - Average selling price	 23,315 MT 54,153 MT 48,000 MT RM19,226/MT (USD4,734/MT equivalent)	 3,332 MT 34,238 MT 35,181 MT USD4,246/MT

No impairment loss was required for property, plant and equipment as at 31 December 2025 as the recoverable amount of the CGU exceeded its carrying amount.

The table below provides the sensitivity analysis to the changes of key assumptions:

Key assumptions	Sensitivity analysis
Commencement date of commercial operations date	Assuming all other assumptions remain unchanged, impairment would arise if delay in the full commercial operations date is more than 12 months.
Average price of raw material, i.e. rock phosphate and metallurgical coke	Assuming all other variables held constant, impairment would arise if the purchase price of raw materials (rock phosphate and metallurgical coke) increase by more than 12%.
Average selling price for finished goods, i.e. Yellow Phosphorus	Assuming all other variables held constant, impairment would arise if the selling price of yellow phosphorus decrease by more than 5%.
Average sales volume for finished goods i.e Yellow Phosphorus	Assuming all other variables held constant, impairment would arise if the sales volume of yellow phosphorus decrease by more than 5%.
Discount rate	Assuming all other assumptions remain unchanged, impairment would arise if discount rate increase to 17%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. Property, plant and equipment (cont'd.)

(g) Change in useful life of plant and machinery

During the financial year, in connection with the plant expansion, a subsidiary has reassessed certain plant assets' useful life which resulted in accelerated depreciation.

The revision in estimate had been applied prospectively from 1 November 2025. The effect of the above revision on depreciation expense in current and future periods is as follows:

	2025 RM'000	2026 RM'000	2027 RM'000	2028 RM'000	2029-2035 RM'000
Increase/(decrease) in in depreciation expense	425	2,552	2,552	1,276	(6,805)

(h) Transfer from land held for property development

In previous financial year, following the change in their use, a parcel of leasehold land with a carrying amount of RM4,894,000 was reclassified from land under land held for property development as disclosed in Note 14(a) and was measured at its carrying amount before the reclassification.

14. Land held for property development and property development costs

(a) Land held for property development

Group	**Leasehold land** RM'000	**Development expenditure** RM'000	**Total** RM'000
Cost:			
At 1 January 2024	234,093	72,077	306,170
Additions	-	2,431	2,431
Costs charged to profit or loss	(5,922)	(1,504)	(7,426)
Transferred to property, plant and equipment (Note 13)	(4,894)	-	(4,894)
Transferred from property development costs (Note 14(b)(i))	374	2,578	2,952
Transferred from inventories	18	-	18
At 31 December 2024 and 1 January 2025	223,669	75,582	299,251
Additions	185	412	597
Costs charged to profit or loss	(583)	-	(583)
At 31 December 2025	223,271	75,994	299,265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

14. Land held for property development and property development costs (cont'd.)

(a) Land held for property development (cont'd.)

Certain long-term leasehold land of the Group with a carrying amount of RM22,102,000 (2024: RM22,102,000) are pledged to secure revolving credit facilities granted to the subsidiaries.

The Group has entered into temporary lease arrangements on certain pieces of leasehold land. Rental income recognised during the year amounted to RM466,000 (2024: RM276,000).

(b) Property development costs

Group	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Cumulative property development costs:			
At 1 January 2024	420	4,429	4,849
Costs incurred during the year	-	5,271	5,271
Transferred to land held for property development (Note 14(b)(i))	(374)	(2,578)	(2,952)
At 31 December 2024 and 1 January 2025	46	7,122	7,168
Costs incurred during the year	-	17,567	17,567
Costs charged to profit or loss	-	(266)	(266)
At 31 December 2025	46	24,423	24,469
Cumulative costs recognised in profit or loss:			
At 1 January 2024	-	-	-
Recognised during the year	(10)	(3,133)	(3,143)
At 31 December 2024 and 1 January 2025	(10)	(3,133)	(3,143)
Recognised during the year	(21)	(18,055)	(18,076)
At 31 December 2025	(31)	(21,188)	(21,219)
Property development costs:			
At 31 December 2024	36	3,989	4,025
At 31 December 2025	15	3,235	3,250

(i) Transfer to land held for property development

In the previous financial year, property development costs of the Group of RM2,952,000 which consists of leasehold land of RM374,000 and development expenditure of RM2,578,000 had been transferred to land held for property development as there was no active development activities been carried out.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15. Investment properties

Group	Leasehold land RM'000	Buildings RM'000	Total RM'000
Cost:			
At 1 January 2024	3,177	3,451	6,628
Transfer from inventories (Note (a))	-	40,895	40,895
At 31 December 2024 and 1 January 2025	3,177	44,346	47,523
Additions	83	-	83
At 31 December 2025	3,260	44,346	47,606
Accumulated depreciation:			
At 1 January 2024	501	1,040	1,541
Depreciation charge for the year (Note 8)	39	89	128
At 31 December 2024 and 1 January 2025	540	1,129	1,669
Depreciation charge for the year (Note 8)	39	1,064	1,103
At 31 December 2025	579	2,193	2,772
Net carrying amount:			
At 31 December 2024	2,637	43,217	45,854
At 31 December 2025	2,681	42,153	44,834

(a) Transfer from inventories

In the previous financial year, the Group had reviewed its strategic direction of one of its properties held for sale. The property was previously classified as held for sale in the normal course of business. Following the review, the decision had been made to hold the property to earn rental, with potential expansion plans to enhance its long-term value. Consequently, a property with carrying value of RM40,895,000 had been transferred from inventories to investment property in accordance with MFRS 140.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

15. Investment properties (cont'd.)

(b) Operating lease arrangements

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2025	**2024**
	RM'000	RM'000
Rental income	(3,806)	(205)
Direct operating expenses:		
- income generating investment properties	13	37
- non-income generating investment properties	192	125

(c) Fair value measurements

The fair values for the investment properties are estimated at RM73,270,000 (2024: RM71,704,000) and are categorised under Level 3 of the fair value hierarchy.

The Level 3 fair value of investment properties, determined for disclosures purposes, is generally ascertained by the management valuation by an external independent property valuer, who has appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. For certain investment properties, the Group occasionally reviews and reassesses their fair value based on informal comparison method by reference to similar/comparable properties in markets that are not active, adjusted for differences in key attributes such as property size and areas.

For the determination of the fair value of a hypermarket mall, the investment method is mostly used whereby net rental is capitalised at the appropriate market yield and anticipated occupancy rates achieved. For land, the fair value is determined using the comparison method, whereby adjustments for differences in various factors affecting the value are made.

(d) Highest and best use

The land classified as investment property is currently held under titles for residential, commercial and/or mixed development purpose. As the use of certain land is currently undetermined, it is therefore impractical to estimate its highest and best use.

A major part of the buildings comprise hypermarket malls situated at a prime area, which is the highest and best use of the land on which they were built. Other buildings comprising office lots and commercial retail units are similarly regarded as having been put at their highest and best use.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. Intangible assets

Group	Computer software RM'000	Others RM'000	Total RM'000
Cost:			
At 1 January 2024	22,673	2,648	25,321
Additions	2,583	-	2,583
At 31 December 2024 and 1 January 2025	25,256	2,648	27,904
Additions	21	-	21
At 31 December 2025	25,277	2,648	27,925
Accumulated amortisation:			
At 1 January 2024	10,545	881	11,426
Amortisation charge for the year (Note 8)	58	57	115
At 31 December 2024 and 1 January 2025	10,603	938	11,541
Amortisation charge for the year (Note 8)	153	56	209
At 31 December 2025	10,756	994	11,750
Accumulated impairment losses:			
At 1 January 2024	-	1,368	1,368
Impairment during the year (Note 8)	14,048	-	14,048
At 31 December 2024/1 January 2025/ 31 December 2025	14,048	1,368	15,416
Net carrying amount:			
At 31 December 2024	605	342	947
At 31 December 2025	473	286	759

Company			
Cost:			
At 1 January 2024	-	432	432
Additions	324	-	324
At 31 December 2024 and 1 January 2025	324	432	756
Additions	21	-	21
At 31 December 2025	345	432	777

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. Intangible assets (cont'd.)

Company (cont'd.)	Computer software RM'000	Others RM'000	Total RM'000
Accumulated amortisation:			
At 1 January 2024	-	89	89
Amortisation charge for the year (Note 8)	9	50	59
At 31 December 2024 and 1 January 2025	9	139	148
Amortisation charge for the year (Note 8)	110	50	160
At 31 December 2025	119	189	308
Net carrying amount:			
At 31 December 2024	315	293	608
At 31 December 2025	226	243	469

In the previous financial year, the Group recognised a full impairment loss of RM14,048,000 related to one of its computer software. This impairment was triggered by the incomplete development of the Enterprise Resource Planning system by the external developer, Vienna Advantage GmBH ("VA"), resulting in the project being non-viable and unlikely to generate expected future economic benefits. The arbitration case with VA is disclosed in Note 38(c). The impairment loss had been recognised under other expenses as disclosed in Note 8.

17. Goodwill

	Group	
	2025 RM'000	2024 RM'000
Cost:		
At 1 January/31 December	68,485	68,485
Accumulated impairment losses:		
At 1 January	(6,776)	-
Impairment loss (Notes (a)/8)	-	(6,776)
At 31 December	(6,776)	(6,776)
Net carrying amount:		
At 31 December	61,709	61,709

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17. Goodwill (cont'd.)

The carrying amounts of goodwill arising from business combinations are allocated to the following Group's CGU:

	Group	
	2025	**2024**
	RM'000	RM'000
Manufacturing of cement and clinker	61,709	61,709

(a) In the previous financial year, the Group fully impaired the carrying amount of goodwill, which arose from the acquisition of recycling plastic business, amounted to RM6,776,000 due to the uncertainty on the generation of positive future cash inflows. The impairment loss was recognised under other expenses as disclosed in Note 8.

(b) The recoverable amounts of the manufacturing of cement and clinker CGU is determined using cash flow projections based on financial budgets approved by management covering a five-year period. The cash flows beyond the five-year period were extrapolated based on the growth rate from review of industry research and past historical trend. The key assumptions used for value-in-use calculations are:

	2025	**2024**
Gross margin	30%	27%
Discount rate	11%	11%

(i) Budgeted gross margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margin achieved in the year immediately before the budgeted year and increased for expected efficiency improvements.

(ii) Discount rates

The discount rates used are post-tax and reflect specific risks relating to the CGU.

(iii) Budgeted sales

The cement selling price and sales volume in preparing the cash flow projections were determined based on past business performance and management's expectations on the current market condition.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the manufacturing of cement and clinker CGUs to exceed their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries

	Company	
	2025	**2024**
	RM'000	RM'000
Cost of investment		
Unquoted shares, at cost	1,207,350	1,207,350
Redeemable preference shares, at cost	52,690	52,690
	1,260,040	1,260,040
Accumulated impairment losses:		
At 1 January	(62,797)	(62,797)
Impairment during the year (Note 8)	(185,000)	-
At 31 December	(247,797)	(62,797)
	1,012,243	1,197,243

Details of the subsidiaries are as follows:

Name of subsidiaries	**Place of business/ country of incorporation**	**Principal activities**	**Group's effective interest 2025** %	**2024** %
Direct subsidiaries of the Company				
Cahya Mata Alam Sdn. Bhd. (i)	Malaysia	Recycling plastic into thermasite materials and dealing in goods and articles related to the recycling industry	70.0	70.0
Cahya Mata Capital Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Cahya Mata Cement Properties Sdn. Bhd.	Malaysia	Investment and property holding	100.0	100.0
Cahya Mata Development Sdn. Bhd.	Malaysia	Property holding, property development and management services	100.0	100.0
Cahya Mata Education Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Cahya Mata Intelligent Technologies Sdn. Bhd.	Malaysia	Provision of software and IT support related services	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Place of business/ country of incorporation	Principal activities	Group's effective interest 2025 %	Group's effective interest 2024 %
Direct subsidiaries of the Company (cont'd.)				
Cahya Mata IP Sdn. Bhd. [(i)]	Malaysia	Inactive	100.0	100.0
Cahya Mata Oiltools Sdn. Bhd.	Malaysia	Investment holding and provision of management services	75.0	75.0
Cahya Mata Professionals Sdn. Bhd.	Malaysia	Provision of management services and rental of investment properties	100.0	100.0
Cahya Mata Roads Sdn. Bhd. [(i)]	Malaysia	Investment holding, construction and provision of technical, machinery and motor vehicle rental services	100.0	100.0
Cahya Mata Sabah Sdn. Bhd. [(i)]	Malaysia	Inactive	100.0	100.0
Cahya Mata Trading International Pte. Ltd.	Singapore	Wholesale trade of a variety of goods	100.0	100.0
Cahya Mata Wires Sdn. Bhd.	Malaysia	Manufacture and trading of wire mesh and related products	69.1	69.1
CMS Infra Trading Sdn. Bhd.	Malaysia	General trading and construction of telecommunication towers, products and services	51.0	51.0
Samalaju Industries Sdn. Bhd.	Malaysia	Investment holding	100.0	100.0
Taibah Properties Sdn. Bhd.	Malaysia	Property development and construction works	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Place of business/ country of incorporation	Principal activities	Group's effective interest 2025 %	Group's effective interest 2024 %
Subsidiaries of Cahya Mata Alam Sdn. Bhd.				
Thermasite Technology Sdn. Bhd. (i)	Malaysia	Research and development activities in new composite materials, innovate and introduce new products and services	70.0	70.0
Thermasite IP Pty. Ltd.	Australia	Inactive	70.0	70.0
Subsidiaries of Cahya Mata Cement Properties Sdn. Bhd.				
Cahya Mata Cement Sdn. Bhd.	Malaysia	Manufacturing and trading of cement and cement clinker, manufacturing and supplying of concrete related products	100.0	100.0
CMS Concrete Products Sdn. Bhd.	Malaysia	Manufacture and sale of concrete products, industrial building systems products and construction activities	100.0	100.0
Subsidiaries of Cahya Mata Development Sdn. Bhd.				
Cahya Mata Hotels Sdn. Bhd.	Malaysia	Property holding, property development and construction works	100.0	100.0
CMS Land Sdn. Bhd.	Malaysia	Property holding, property development and construction works	51.0	51.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Place of business/ country of incorporation	Principal activities	Group's effective interest 2025 %	Group's effective interest 2024 %
Subsidiaries of Cahya Mata Development Sdn. Bhd. (cont'd.)				
CMS Property Management Sdn. Bhd.	Malaysia	Property management and consultancy	51.0	51.0
Rivervale Condominium Management Sdn. Bhd. (i)	Malaysia	Inactive	100.0	100.0
Subsidiary of CMS Land Sdn. Bhd.				
Isthmus Raintree Management Sdn. Bhd. (i)	Malaysia	Inactive	51.0	51.0
Subsidiaries of Cahya Mata Roads Sdn. Bhd.				
CMS Roads Sdn. Bhd. (i)	Malaysia	Road assessment, maintenance, management and provision of transport equipment and machinery rental services	100.0	100.0
CMS Pavement Tech Sdn. Bhd. (i)	Malaysia	Road rehabilitation and maintenance	100.0	100.0
Subsidiaries of Samalaju Industries Sdn. Bhd.				
Cahya Mata Phosphates Industries Sdn. Bhd.	Malaysia	Construction and operation of an integrated phosphate complex for the feed and fertiliser phosphate products	80.2	80.2
Samalaju Properties Sdn. Bhd.	Malaysia	Provision and management of temporary accommodation, property and township development	51.0	51.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Place of business/ country of incorporation	Principal activities	Group's effective interest 2025 %	Group's effective interest 2024 %
Subsidiary of Samalaju Properties Sdn. Bhd.				
Samalaju Hotel Management Sdn. Bhd.	Malaysia	Hotel owner and operator	51.0	51.0
Subsidiaries of Cahya Mata Oiltools Sdn. Bhd.				
Oiltools International Sdn. Bhd. (i)	Malaysia	Management services, asset ownership, property owner, rental of property and equipment	75.0	75.0
Cahya Mata Oiltools Services Sdn. Bhd.	Malaysia	Provision of oilfield equipment, supplies and services	39.0	39.0
Cahya Mata Oiltools (Bermuda) Limited (i)	Bermuda	Investment holding	75.0	75.0
Subsidiaries of Cahya Mata Oiltools (Bermuda) Limited				
Cahya Mata Oiltools (Cayman) Ltd.(i)	United Arab Emirates & Saudi Arabia/ Cayman Islands	Provision of oilfield equipment, supplies and services	75.0	75.0
Cahya Mata Oiltools Oman LLC(i)	Oman	Supply of goods and specialised services principally to the oil and gas industry	38.3	38.3
Cahya Mata Oiltools (Africa) Limited(i)	Cayman Islands	Investment holding and provision of oilfield equipment, supplies and services	75.0	75.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Place of business/ country of incorporation	Principal activities	Group's effective interest 2025 %	Group's effective interest 2024 %
Subsidiary of Cahya Mata Oiltools (Bermuda) Limited (cont'd.)				
Cahya Mata Oiltools (Singapore) Pte. Ltd.[(i)]	Singapore	Investment holding	75.0	75.0
Subsidiary of Cahya Mata Oiltools (Africa) Limited				
WASCO Oil Services Company Nigeria Limited [(i)]	Nigeria	Provision of oilfield equipment, supplies and services	45.0	45.0
Subsidiaries of Cahya Mata Oiltools (Singapore) Pte. Ltd.				
KMC Oiltools India Pvt. Ltd.[(i)]	India	Provision of oilfield equipment, supplies and services	75.0	75.0
PT Cahya Mata Oiltools[(i)]	Indonesia	Provision of oilfield equipment, supplies and services	71.3	71.3
Scomi Oiltools (RUS) LLC [(i)]	Russia	Provision of oilfield equipment, supplies and services	75.0	75.0

[(i)] Audited by firms other than Ernst & Young PLT.

(a) Impairment loss on investment in a subsidiary

Management had estimated the recoverable amount of the investments at the higher of fair value less costs of disposal ("FVLCD") or value-in-use ("VIU") and recognised the impairment losses. As at 31 December 2025, a subsidiary within Strategic Investment segment incurred losses which the Company performed an impairment assessment and recognised impairment losses of RM185,000,000 as disclosed in Note 8. The recoverable amount is based on FVLCD, determined from their net assets adjusted for fair value of property, plant and equipment valued by independent professional valuers.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

(b) Non-controlling interests in subsidiaries

Set out below are the summarised financial information for the subsidiaries which have non-controlling interests that are material to the Group. The financial information below is based on amounts before intragroup eliminations.

	Cahya Mata Phosphates Industries Sdn. Bhd. RM'000	CMS Land Sdn. Bhd. RM'000	Cahya Mata Oiltools Sdn. Bhd. Group RM'000
Summarised Statements of Financial Position			
At 31 December 2025			
Non-current assets	789,323	99,838	41,906
Current assets	202,563	98,835	210,868
Total assets	991,886	198,673	252,774
Current liabilities	878,596	40,932	104,914
Non-current liabilities	4,860	5,660	15,352
Total liabilities	883,456	46,592	120,266
Net assets	108,430	152,081	132,508
Equity attributable to owners of the Company	86,950	72,609	81,762
Non-controlling interests	21,480	79,472	50,746
Summarised Statements of Profit or Loss and Other Comprehensive Income			
Year ended 31 December 2025			
Revenue	-	44,498	139,262
(Loss)/profit for the year	(147,191)	5,174	(6,187)
Other comprehensive (loss)/income	(12,571)	-	1,946
Total comprehensive (loss)/income	(159,762)	5,174	(4,241)
Total comprehensive (loss)/income attributable to owners of the Company	(128,113)	2,639	(2,932)
Total comprehensive (loss)/income attributable to non-controlling interests	(31,649)	2,535	(1,309)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

(b) Non-controlling interests in subsidiaries (cont'd.)

Set out below are the summarised financial information for the subsidiaries which have non-controlling interests that are material to the Group. The financial information below is based on amounts before intragroup eliminations. (cont'd.)

	Cahya Mata Phosphates Industries Sdn. Bhd. RM'000	CMS Land Sdn. Bhd. RM'000	Cahya Mata Oiltools Sdn. Bhd. Group RM'000
Summarised Statements of Cash Flow			
Year ended 31 December 2025			
Net cash (used in)/from operating activities	(50,888)	6,711	45,426
Net cash (used in)/from investing activities	(43,766)	89	3,830
Net cash from/(used in) financing activities	103,240	6,406	(2,469)
Net increase in cash and cash equivalents	8,586	13,206	46,787
Cash and cash equivalents at beginning of the year	52,925	45	75,609
Effect of foreign exchange changes	(5,118)	-	7,492
Cash and cash equivalents at end of the year	56,393	13,251	129,888
Dividend paid to non-controlling interest	-	6,661	-
Summarised Statements of Financial Position			
At 31 December 2024			
Non-current assets	833,425	99,726	53,069
Current assets	177,794	71,331	212,112
Total assets	1,011,219	171,057	265,181
Current liabilities	647,659	4,992	122,938
Non-current liabilities	95,368	5,565	5,494
Total liabilities	743,027	10,557	128,432
Net assets	268,192	160,500	136,749
Equity attributable to owners of the Company	215,063	76,902	84,694
Non-controlling interests	53,129	83,598	52,055

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Investments in subsidiaries (cont'd.)

(b) Non-controlling interests in subsidiaries (cont'd.)

Set out below are the summarised financial information for the subsidiaries which have non-controlling interests that are material to the Group. The financial information below is based on amounts before intragroup eliminations. (cont'd.)

	Cahya Mata Phosphates Industries Sdn. Bhd. RM'000	CMS Land Sdn. Bhd. RM'000	Cahya Mata Oiltools Sdn. Bhd. Group RM'000
Summarised Statements of Profit or Loss and Other Comprehensive Income			
Year ended 31 December 2024			
Revenue	-	25,425	277,364
(Loss)/profit for the year	(90,526)	19,433	16,579
Other comprehensive loss	(9,791)	-	(13,579)
Total comprehensive (loss)/income	(100,317)	19,433	3,000
Total comprehensive (loss)/income attributable to owners of the Company	(80,444)	9,911	3,774
Total comprehensive (loss)/income attributable to non-controlling interests	(19,873)	9,522	(774)
Summarised Statements of Cash Flow			
Year ended 31 December 2024			
Net cash (used in)/from operating activities	(33,131)	20	70,390
Net cash used in investing activities	(629)	-	(17,681)
Net cash from/(used in) financing activities	38,065	-	(5,971)
Net increase in cash and cash equivalents	4,305	20	46,738
Cash and cash equivalents at beginning of the year	51,976	25	42,148
Effect of foreign exchange changes	(3,356)	-	(13,277)
Cash and cash equivalents at end of the year	52,925	45	75,609

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. Investments in associates

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Quoted shares in Malaysia, at cost	183,679	183,679	-	-
Unquoted shares, at cost	311,107	313,108	311,107	311,107
	494,786	496,787	311,107	311,107
Share of post-acquisition reserves	389,024	376,576	-	-
	883,810	873,363	311,107	311,107
Fair value of quoted shares				
Level 1	116,984	127,245	-	-

Details of the associates are as follows:

Name of associates	Place of business/ country of incorporation	Principal activities	Group's effective interest 2025 %	Group's effective interest 2024 %
Held by the Company:				
SACOFA Sdn. Bhd.	Malaysia	Telecommunication infrastructure providers	47.4	47.4
Held through subsidiaries:				
Kenanga Investment Bank Berhad ("KIBB")[(i)]	Malaysia	Investment holding, stockbroking and financial services business	18.8	18.8
Scomi Oiltools Gulf W.L.L	Kuwait	Supplying oil drilling materials	-	25.0

(i) The Group exercises its influence over KIBB via appointment of its representative as director of KIBB.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. Investments in associates (cont'd.)

(a) Exercise of warrants and dilution in equity interest of an associate

In the previous financial year, the Group and the Company exercised 18,444,697 warrants in Sacofa Sdn. Bhd. ("SACOFA") at RM1.50 each.

The Group and the Company paid a consideration of RM27,667,000 and converted the warrants to ordinary shares in SACOFA. Following the exercise of SACOFA warrants by all the warrant holders, the Group's and the Company's equity interest in SACOFA had decreased from 50.0% to 47.4%.

The dilution in equity interest in SACOFA resulted in deemed disposals with a gain of RM4,287,000 recognised as part of the share of results of associates.

(b) Reclassification to asset classified as held for sale

During the financial year, the board of directors of a subsidiary approved a plan to dispose its 25% equity interest investment in an associate, Scomi Oiltools Gulf W.L.L. Accordingly, the investment was reclassified from investment in associates to asset classified as held for sale.

Further details of the disposal are disclosed in Note 29. The Group ceased applying the equity method of accounting upon classification of the investment as held for sale.

(c) Reconciliation of net assets to carrying amount and share of results

The summarised information, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in associates are as follows:

	Kenanga Investment Bank Berhad Group RM'000	**SACOFA Sdn. Bhd. Group** RM'000	**Total** RM'000
Reconciliation of net assets to carrying amount			
At 31 December 2025			
Effective interests in associates	18.78%	47.44%	
Group's share of net assets	204,177	563,274	767,451
Goodwill	14,661	101,698	116,359
Group's carrying amount	218,838	664,972	883,810

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. Investments in associates (cont'd.)

(c) Reconciliation of net assets to carrying amount and share of results (cont'd.)

The summarised information, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in associates are as follows: (cont'd.)

	Kenanga Investment Bank Berhad Group	SACOFA Sdn. Bhd. Group	Scomi Oiltools Gulf W.L.L	Total
	RM'000	RM'000	RM'000	RM'000
Reconciliation of net assets to carrying amount (cont'd.)				
At 31 December 2024				
Effective interests in associates	18.76%	47.44%	25.00%	
Group's share of net assets	209,707	546,190	1,107	757,004
Goodwill	14,661	101,698	-	116,359
Group's carrying amount	224,368	647,888	1,107	873,363
Group's share of results				
Year ended 31 December 2025				
Group's share of profit or loss	9,381	37,315	-	46,696
Group's share of other comprehensive (loss)/income	(3,965)	468	-	(3,497)
Group's share of total comprehensive income	5,416	37,783	-	43,199
Year ended 31 December 2024				
Group's share of profit or loss	20,132	47,917	168	68,217
Group's share of other comprehensive income	39	204	-	243
Group's share of total comprehensive income	20,171	48,121	168	68,460

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. Investments in associates (cont'd.)

(d) Summarised financial information for material associates

The following table summarises the financial information in respect the Group's material associates. The summarised financial information represents the amounts in the statutory financial statements of the associates and not the Group's share of those amounts.

	Kenanga Investment Bank Berhad Group	SACOFA Sdn. Bhd. Group
	RM'000	RM'000
At 31 December 2025		
Total assets	7,108,913	1,545,902
Total liabilities	(6,021,707)	(365,295)
Net assets	1,087,206	1,180,607
Non-controlling interests	-	6,732
	1,087,206	1,187,339
Revenue	865,324	245,767
Profit for the year	48,713	75,297
Other comprehensive (loss)/income	(21,109)	1,471
Total comprehensive income	27,604	76,768
Dividends received by the Group during the year	10,946	20,699
At 31 December 2024		
Total assets	7,656,913	1,485,646
Total liabilities	(6,539,071)	(338,172)
Net assets	1,117,842	1,147,474
Non-controlling interests	-	3,853
	1,117,842	1,151,327
Revenue	1,003,797	268,434
Profit for the year	95,755	87,083
Other comprehensive (loss)/income	(98)	643
Total comprehensive income	95,657	87,726
Dividends received by the Group during the year	9,578	25,461

20. Investments in joint ventures

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	316,233	316,233	68,540	68,540
Redeemable preference shares, at cost	-	2,731	-	-
	316,233	318,964	68,540	68,540
Share of post-acquisition reserves	24,886	32,240	-	-
	341,119	351,204	68,540	68,540

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. Investments in joint ventures (cont'd.)

The joint arrangements provide the Group with the rights to the net assets of the entities under the arrangements. Under the contractual arrangements, unanimous consent is required from all parties to the agreements for all key decisions of the relevant activities.

Details of the joint ventures are as follows:

Name of joint ventures	Place of business/ country of incorporation	Principal activities	Group's effective interest 2025 %	Group's effective interest 2024 %
Held by the Company:				
SEDC Resources Sdn. Bhd.	Malaysia	Investment and property holding	49.0	49.0
Held through subsidiaries:				
COPE-KPF Opportunities 1 Sdn. Bhd.	Malaysia	Investment holding	-	26.7
Help Ibraco CMS Sdn. Bhd. ("HICSB")	Malaysia	Education services	15.8	15.8
PPES Works (Sarawak) Sdn. Bhd.	Malaysia	Civil engineering, building works contractor, provision of road maintenance services and landscaping works	49.0	49.0

(a) Additional investment in joint ventures

During the financial year, the Group subscribed for an additional 455,000 (2024: Nil) preference shares in COPE-KPF Opportunities 1 Sdn. Bhd. for a total consideration of RM455,000 (2024: RMNil).

(b) Reclassification to investment securities

As at 31 December 2025, the Group reclassified the investment in joint venture, COPE-KPF Opportunities 1 Sdn. Bhd. with a carrying amount of RM4,867,000 to investment securities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. Investments in joint ventures (cont'd.)

(c) Material joint ventures

The following table summarises the financial information in respect of each of the Group's material joint ventures. The summarised financial information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts.

	PPES Works (Sarawak) Sdn. Bhd. Group RM'000	SEDC Resources Sdn. Bhd. Group RM'000
At 31 December 2025		
Non-current assets	6,153	102,225
Cash and cash equivalents	20,706	13,382
Other current assets	171,709	478,196
Non-current liabilities	(430)	(5,372)
Current liabilities	(162,737)	(230,416)
Net assets	35,401	358,015
Year ended 31 December 2025		
Revenue	256,075	406,844
Depreciation and amortisation	626	15,003
Interest income	1,920	6,306
Interest expense	14	277
Income tax expense	3,914	17,364
(Loss)/profit for the year	(4,097)	56,499
(Loss)/profit attributable to the owners of the company	(4,900)	50,883
Profit attributable to non-controlling interests	803	5,616
At 31 December 2024		
Non-current assets	8,615	115,045
Cash and cash equivalents	68,410	68,284
Other current assets	116,188	366,083
Non-current liabilities	(328)	(7,537)
Current liabilities	(147,058)	(181,459)
Net assets	45,827	360,416

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. Investments in joint ventures (cont'd.)

(c) Material joint ventures (cont'd.)

The following table summarises the financial information in respect of each of the Group's material joint ventures. The summarised financial information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts. (cont'd.)

	PPES Works (Sarawak) Sdn. Bhd. Group	SEDC Resources Sdn. Bhd. Group
	RM'000	RM'000
Year ended 31 December 2024		
Revenue	274,643	308,258
Depreciation and amortisation	705	14,555
Interest income	2,559	6,140
Interest expense	11	133
Income tax (credit)/expense	(556)	12,805
(Loss)/profit for the year	(3,624)	42,462
(Loss)/profit attributable to the owners of the company	(2,645)	35,842
(Loss)/profit attributable to non-controlling interests	(979)	6,620

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interests in joint ventures.

	PPES Works (Sarawak) Sdn. Bhd. Group	SEDC Resources Sdn. Bhd. Group	Total
	RM'000	RM'000	RM'000
Reconciliation of net assets to carrying amount			
At 31 December 2025			
Net assets	35,401	358,015	393,416
Non-controlling interests	(8,687)	(54,492)	(63,179)
	26,714	303,523	330,237
Effective interest in joint ventures	49%	49%	
Group's share of net assets	13,090	148,727	161,817
Company's share of net assets of subsidiaries of SEDCR through its direct interests	-	32,478	32,478
Goodwill	17,976	128,848	146,824
Group's carrying amount	31,066	310,053	341,119

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. Investments in joint ventures (cont'd.)

(c) Material joint ventures (cont'd.)

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interests in joint ventures. (cont'd.)

	PPES Works (Sarawak) Sdn. Bhd. Group RM'000	SEDC Resources Sdn. Bhd. Group RM'000	Joint ventures that are not individually material RM'000	Total RM'000
Reconciliation of net assets to carrying amount (cont'd.)				
At 31 December 2024				
Net assets	45,827	360,416	17,924	424,167
Non-controlling interests	(8,484)	(57,516)	-	(66,000)
	37,343	302,900	17,924	358,167
Effective interest in joint ventures	49.00%	49.00%		
Group's share of net assets	18,298	148,421	4,780	171,499
Company's share of net assets of subsidiaries of SEDCR through its direct interests	-	32,881	-	32,881
Goodwill	17,976	128,848	-	146,824
Group's carrying amount	36,274	310,150	4,780	351,204
Year ended 31 December 2025				
Group's share of total comprehensive (loss)/income	(2,401)	27,411	(368)	24,642
Dividends received by the Group during the year	2,807	27,508	-	30,315
Year ended 31 December 2024				
Group's share of total comprehensive (loss)/income	(1,296)	21,717	965	21,386
Dividends received by the Group during the year	2,157	11,317	12	13,486

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. Deferred tax

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
At 1 January	(44,051)	(58,102)	(5,750)	(14,734)
Recognised in profit or loss (Note 11)	2,018	14,537	484	8,984
Exchange adjustment	(1,132)	(486)	-	-
At 31 December	(43,165)	(44,051)	(5,266)	(5,750)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority. Deferred tax assets and liabilities presented after appropriate offsetting are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Deferred tax assets	23,421	23,512	-	-
Deferred tax liabilities	(66,586)	(67,563)	(5,266)	(5,750)
	(43,165)	(44,051)	(5,266)	(5,750)

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

	Unutilised tax losses and unabsorbed capital allowances	**Property development costs**	**Lease liabilities**	**Other temporary differences***	**Total**
	RM'000	RM'000	RM'000	RM'000	RM'000
Deferred tax assets:					
At 1 January 2024	1,837	3,272	11,372	20,247	36,728
Recognised in profit or loss	(1,654)	(128)	754	3,961	2,933
Exchange adjustment	-	-	-	(486)	(486)
At 31 December 2024/ at 1 January 2025	183	3,144	12,126	23,722	39,175
Recognised in profit or loss	72	(576)	8,722	4,159	12,377
Exchange adjustment	-	-	-	(1,132)	(1,132)
At 31 December 2025	255	2,568	20,848	26,749	50,420

*Other temporary differences mainly relating to provisions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. Deferred tax (cont'd.)

The components and movements in deferred tax assets and liabilities during the financial year prior to offsetting are as follows: (cont'd.)

Group (cont'd.)	Property, plant and equipment RM'000	Property development costs RM'000	Other temporary differences* RM'000	Total RM'000
Deferred tax liabilities:				
At 1 January 2024	(73,953)	(5,727)	(15,151)	(94,831)
Recognised in profit or loss	4,395	152	7,058	11,605
At 31 December 2024/ at 1 January 2025	(69,558)	(5,575)	(8,093)	(83,226)
Recognised in profit or loss	(77)	(4)	(10,278)	(10,359)
At 31 December 2025	(69,635)	(5,579)	(18,371)	(93,585)

*Other temporary differences mainly relating to investments and temporary differences arising from cross border transactions in foreign jurisdictions.

Company	Unabsorbed capital allowances RM'000	Lease liabilities RM'000	Other temporary differences RM'000	Total RM'000
Deferred tax assets:				
At 1 January 2024	-	1,949	232	2,181
Recognised in profit or loss	54	(346)	171	(121)
At 31 December 2024/ at 1 January 2025	54	1,603	403	2,060
Recognised in profit or loss	(16)	(80)	248	152
At 31 December 2025	38	1,523	651	2,212

	Property, plant and equipment RM'000	Investments RM'000	Total RM'000
Deferred tax liabilities:			
At 1 January 2024	(2,218)	(14,697)	(16,915)
Recognised in profit or loss	532	8,573	9,105
At 31 December 2024/ at 1 January 2025	(1,686)	(6,124)	(7,810)
Recognised in profit or loss	332	-	332
At 31 December 2025	(1,354)	(6,124)	(7,478)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

21. Deferred tax (cont'd.)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2025	**2024**
	RM'000	RM'000
Unutilised tax losses	148,495	133,930
Unabsorbed capital allowances	30,763	29,403
Unutilised investment tax allowance	55,504	55,504
Other deductible temporary differences	107	2,836
	234,869	221,673
Deferred tax asset @ 24%, if recognised	56,369	53,202

At the reporting date, the Group has losses and allowances as shown above that are available for offset against future taxable profits of the Group in which the losses and allowances arose, for which no deferred tax asset is recognised due to uncertainty of their recoverability and they may not be used to offset taxable profits elsewhere in the Group.

Effective from year of assessment of 2019 and pursuant to Section 44(5F) of the Income Tax Act, 1967, any unutilised tax losses can only be carried forward for a maximum period of ten (10) years of assessment. The unutilised tax losses can only be carried forward until the following years of assessment:

	Group	
	2025	**2024**
	RM'000	RM'000
Unutilised tax losses to be carried forward until:		
- Year of assessment 2028	53,745	53,745
- Year of assessment 2029	7,655	7,655
- Year of assessment 2030	3,700	3,700
- Year of assessment 2031	7,847	7,847
- Year of assessment 2032	5,395	5,395
- Year of assessment 2033	34,328	35,257
- Year of assessment 2034	21,613	20,331
- Year of assessment 2035	14,212	-
	148,495	133,930

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. Inventories

	Group	
	2025	**2024**
	RM'000	RM'000
Cost		
Raw materials	52,550	56,147
Spare parts	72,162	95,517
Consumables	14,089	13,207
Work-in-progress	138	309
Finished goods	43,099	42,010
Properties held for sale	50,249	62,084
	232,287	269,274
Net realisable value		
Raw materials	49,088	61,763
Spare parts	5,034	-
Work-in-progress	23,016	20,374
Finished goods	12,644	28,590
	89,782	110,727
	322,069	380,001

The Group has entered into operating lease agreements on certain completed properties in inventories. Rental income recognised during the year was RM508,000 (2024: RM4,041,000). Notwithstanding that these properties are under lease arrangements, they are available for sale with the lease arrangements in the normal course of business.

In the previous financial year, the Group transferred a property held for sale with carrying value of RM40,895,000 from inventories to investment property as disclosed in Note 15(a).

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM342,218,000 (2024: RM432,354,000) and amount written down was RM15,095,000 (2024: RM13,843,000) as disclosed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. Financial instruments

Categories of financial instruments

The table below provides an analysis of financial instruments as at the reporting date categorised as follows:

	Carrying amount	Amortised cost	At FVTPL	At FVOCI
	RM'000	RM'000	RM'000	RM'000
Group				
Financial assets				
31 December 2025				
Investment securities	107,020	-	52,239	54,781
Trade and other receivables	228,939	228,939	-	-
Cash and bank balances	750,836	750,836	-	-
	1,086,795	979,775	52,239	54,781
31 December 2024				
Investment securities	126,352	-	46,765	79,587
Trade and other receivables	278,378	278,378	-	-
Cash and bank balances	647,456	647,456	-	-
	1,052,186	925,834	46,765	79,587

	Carrying amount	Amortised cost
	RM'000	RM'000
Financial liabilities		
31 December 2025		
Loans and borrowings	227,704	227,704
Lease liabilities	82,464	82,464
Trade and other payables	624,310	624,310
	934,478	934,478
31 December 2024		
Loans and borrowings	212,794	212,794
Lease liabilities	45,535	45,535
Trade and other payables	543,341	543,341
	801,670	801,670

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. Financial instruments (cont'd.)

Categories of financial instruments (cont'd.)

The table below provides an analysis of financial instruments as at the reporting date categorised as follows: (cont'd.)

	Carrying amount	Amortised cost	At FVOCI
	RM'000	RM'000	RM'000
Company			
Financial assets			
31 December 2025			
Investment securities	54,781	-	54,781
Trade and other receivables	725,356	725,356	-
Cash and bank balances	407,081	407,081	-
	1,187,218	1,132,437	54,781
31 December 2024			
Investment securities	79,587	-	79,587
Trade and other receivables	512,880	512,880	-
Cash and bank balances	395,438	395,438	-
	987,905	908,318	79,587

	Carrying amount	Amortised cost
	RM'000	RM'000
Financial liabilities		
31 December 2025		
Loans and borrowings	10,000	10,000
Lease liabilities	8,523	8,523
Trade and other payables	823,547	823,547
	842,070	842,070
31 December 2024		
Lease liabilities	9,438	9,438
Trade and other payables	668,802	668,802
	678,240	678,240

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Trade and other receivables

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Current				
Trade				
Third parties	144,860	177,277	-	-
Amounts due from joint ventures	48,738	70,579	-	-
Amounts due to an associate	919	919	-	-
	194,517	248,775		
Less: Loss allowance				
- Related parties	(23)	(23)	-	-
- Third parties	(14,046)	(16,132)	-	-
Trade receivables, net	180,448	232,620	-	-
Non-trade				
Other receivables	31,629	28,573	4,902	6,361
Other deposits and advance payment	16,033	20,469	623	601
Amounts due from joint ventures	1,328	1,149	200	285
Amount due from an associate	5,993	4,408	5,993	4,400
Amounts due from subsidiaries under				
- Central cash management accounts	-	-	111,533	127,425
- Current accounts	-	-	8,509	17,477
- Loans	-	-	424,249	356,281
Interest receivable	275	927	275	927
Lease receivables	2,169	2,248	-	-
	57,427	57,774	556,284	513,757
Less: Loss allowance				
- Subsidiary companies	-	-	(37,429)	(32,648)
- Third parties	(4,470)	(4,470)	(4,330)	(4,330)
Other receivables, net	52,957	53,304	514,525	476,779
	233,405	285,924	514,525	476,779
Non-current				
Trade				
Third parties	3,625	3,658	-	-
Less: Loss allowance	(398)	(398)	-	-
	3,227	3,260	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Trade and other receivables (cont'd.)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Non-current (cont'd.)				
Non-trade				
Amounts due from subsidiaries under				
- Central cash management accounts	-	-	92,575	86,826
- Current accounts	-	-	44,036	44,035
- Loans	-	-	183,726	5,913
Advance payment	51,752	51,752	-	-
Lease receivables	1,146	1,139	-	-
	52,898	52,891	320,337	136,774
Less: Loss allowance				
- Subsidiary companies	-	-	(109,506)	(100,673)
- Advance payment	(51,752)	(51,752)	-	-
Other receivables, net	1,146	1,139	210,831	36,101
	4,373	4,399	210,831	36,101
Total trade and other receivables (current and non-current)	237,778	290,323	725,356	512,880

(a) Trade receivables

(i) The Group's average credit period ranges from 30 to 90 days (2024: 30 to 90 days).

No interest is charged on outstanding trade receivables, except for Cement Division which charges late payments interest of 1% (2024: 1%) per month for sales of goods and are assessed on case-by-case basis.

Information about the credit exposures are disclosed in Note 41(a).

(ii) The movements in the allowance for impairment losses in respect of trade receivables during the year are shown below:

Group	**Lifetime ECL** RM'000	**Individually Impaired** RM'000	**Total** RM'000
At 1 January 2024	7,355	9,773	17,128
Impairment loss (Note 8)	1,212	746	1,958
Reversal of impairment loss (Note 6)	(1,323)	(402)	(1,725)
Write off	(535)	(110)	(645)
Exchange adjustments	(163)	-	(163)
At 31 December 2024	6,546	10,007	16,553

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Trade and other receivables (cont'd.)

(a) Trade receivables (cont'd.)

(ii) The movements in the allowance for impairment losses in respect of trade receivables during the year are shown below: (cont'd.)

Group (cont'd)	Lifetime ECL RM'000	Individually impaired RM'000	Total RM'000
At 1 January 2025	6,546	10,007	16,553
Impairment loss (Note 8)	14	-	14
Reversal of impairment loss (Note 6)	-	(1,506)	(1,506)
Exchange adjustments	-	(594)	(594)
At 31 December 2025	6,560	7,907	14,467

(iii) Included in trade receivables are retention sums of RM8,384,000 (2024: RM4,776,000) relating to construction work-in-progress. Retention sums are unsecured, interest free and are expected to be collected in full.

(b) Non-trade receivables

(i) Amounts due from subsidiaries under central cash management accounts

All balances due to the Company are repayable on demand and earn interest at rates of 4.35% to 5.26% (2024: 5.23% to 5.26%) per annum.

(ii) Amounts due from subsidiaries under current accounts

The amounts due from subsidiaries of the Company are unsecured, non-interest bearing and are repayable on demand.

(iii) Amount due from a subsidiary under loans

Amount due from a subsidiary under loans of the Company is unsecured and earns interest at 5.10% to 8.00% (2024: 6.36% to 8.00%) per annum.

(iv) Amounts due from joint ventures and an associate

These amounts are unsecured, non-interest bearing and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Trade and other receivables (cont'd.)

(b) Non-trade receivables (cont'd.)

(v) Other receivables that are impaired

The movement in allowance accounts for impairment losses in respects of the other receivables during the year are shown below:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Current				
At 1 January	4,470	140	36,978	1,569
Impairment loss (Note 8)	-	4,330	6,329	35,409
Reversal of impairment loss (Note 6)	-	-	(1,548)	-
At 31 December	4,470	4,470	41,759	36,978
Non-current (Note (a))				
At 1 January	51,752	51,752	100,673	93,774
Impairment loss (Note 8)	-	-	8,833	6,899
At 31 December	51,752	51,752	109,506	100,673

Since the previous financial years, the Group recognised loss allowance for refundable advance payment made to contractors for the Integrated Phosphate Complex Project (Phase 2) of RM51,752,000 (2024: RM51,752,000).

(vi) Lease receivables

The Group has entered into lease arrangements with third parties on properties which are leased from property purchasers. These leases have terms of 1 to 3 (2024: 1 to 3) years.

Future minimum rental receivables under non-cancellable finance leases as at the reporting date were as follows:

	Group	
	2025	**2024**
	RM'000	RM'000
Receivable within 1 year	2,359	2,515
Receivable between 1 to 5 years	1,293	1,291
	3,652	3,806
Less: unearned interest income	(337)	(419)
	3,315	3,387

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Trade and other receivables (cont'd.)

(b) Non-trade receivables (cont'd.)

(vi) Lease receivables (cont'd.)

The lease receivables are presented as follows:

	Group	
	2025	**2024**
	RM'000	RM'000
Current	2,169	2,248
Non-current	1,146	1,139
	3,315	3,387

The movement of finance lease receivables during the financial year is as follows:

	Group	
	2025	**2024**
	RM'000	RM'000
At 1 January	3,387	1,543
Additions	2,857	4,588
Accretion of interests (Note 5)	277	249
Receipt of lease:		
- principal	(2,929)	(2,744)
- interests	(277)	(249)
At 31 December	3,315	3,387

25. Other current assets

	Group	
	2025	**2024**
	RM'000	RM'000
Prepaid operating expenses	7,976	7,269
Contract costs assets (Note (a))	2,415	-
Contract assets from construction contracts (Note 26)	39,979	13,797
Contract assets from property development (Note 26)	17,365	9,453
	67,735	30,519

	Group	
	2025	**2024**
(a) Contract cost assets	RM'000	RM'000
At 1 January	-	-
Cost incurred during the year	2,814	-
Cost recognised in profit or loss	(399)	-
At 31 December	2,415	-

26. Contract assets/(contract liabilities)

Contract assets

Group	Property Development		Construction Contracts		Total	
	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	9,453	8,256	13,797	11,413	23,250	19,669
Revenue recognised during the year	37,920	17,037	196,015	140,960	233,935	157,997
Progress billings during the year	(30,008)	(15,719)	(169,833)	(138,576)	(199,841)	(154,295)
Reclassification	-	(121)	-	-	-	(121)
At 31 December (Note 25)	17,365	9,453	39,979	13,797	57,344	23,250

Contract assets primarily relate to the Group's rights to consideration for work completed on property development and construction contracts but not yet billed to customers at the reporting date. Typically, the amount will be billed in the manner as established in the contracts with customers. The contract assets are reclassified as trade receivables when the rights to contract consideration become unconditional. No expected credit losses have been recognised in respect of these contracts.

26. Contract assets/(contract liabilities) (cont'd.)

Contract liabilities

Group	Property Development		Construction Contracts		Total	
	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	-	(121)	-	-	-	(121)
Revenue recognised during the year	-	-	4	-	4	-
Progress billing during the year	-	-	(93)	-	(93)	-
Reclassification	-	121	-	-	-	121
At 31 December (Note 33)	-	-	(89)	-	(89)	-

Contract liabilities primarily relate to advance consideration received from customers for construction contracts for which revenue is recognised over time during the construction work. The contract liabilities are expected to be recognised as revenue based on the expected timing of completion of works.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

26. Contract assets/(contract liabilities) (cont'd.)

	Group	
	2025	**2024**
	RM'000	RM'000
Retention sums on construction contracts included in:		
Trade receivables (Note 24(a)(iii))	8,384	4,776
Trade payables (Note 32)	(2,403)	(1,180)

Revenue recognised from amount in contract liabilities

Set out below is the amount of revenue recognised from:

	Group	
	2025	**2024**
	RM'000	RM'000
Amounts included in contract liabilities at the beginning of the year	-	121

The opening balance of trade receivables arising from revenue from contract with customers is RM252,433,000 (2024: RM242,057,000).

27. Investment securities

	2025		2024	
Group	**Carrying amount**	**Market value**	**Carrying amount**	**Market value**
	RM'000	RM'000	RM'000	RM'000
Non-current				
Fair value through profit or loss				
Redeemable preference shares (unquoted)	52,239	52,239	46,765	46,765
Fair value through other comprehensive income				
Equity instrument (quoted)	54,781	54,781	79,587	79,587
Total investment securities	107,020	107,020	126,352	126,352

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

27. Investment securities (cont'd.)

Company	2025 Carrying amount RM'000	2025 Market value RM'000	2024 Carrying amount RM'000	2024 Market value RM'000
Non-current				
Fair value through other comprehensive income				
Equity instrument (quoted)	54,781	54,781	79,587	79,587

(a) As at 31 December 2025, the Group reclassified the investment in preference shares, COPE-KPF Opportunities 1 Sdn. Bhd. amounting to RM4,867,000 as investment securities as disclosed in Note 20(b).

28. Cash and bank balances

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash in hand and at banks	339,942	423,628	48,547	195,228
Short-term deposits with licensed banks	410,894	223,828	358,534	200,210
Total cash and bank balances	750,836	647,456	407,081	395,438

(a) Included in cash in hand and bank balances of the Group and of the Company is overnight placement with a licensed bank of RM79,059,000 (2024: RM219,122,000) and RM48,435,000 (2024: RM195,033,000) respectively. The overnight deposits earned interest of 2.80% to 18.16% (2024: 1.05% to 9.93%) and 2.80% to 3.15% (2024: 3.15%) per annum for the Group and the Company respectively.

(b) Included in cash in hand and bank balances of the Group is cash held under Housing Development Accounts of RM34,637,000 (2024: RM22,928,000). Housing Development Accounts held pursuant to the Sarawak's Housing Development (Control and Licensing) Ordinance, 2013 and Housing Development (Control and Licensing) Regulations, 2014 and therefore, restricted before the completion of housing development project and fulfilment of all relevant obligations to the purchasers such that the cash can only be withdrawn from such Housing Development Accounts for the purpose of completing the particular projects in the manner as defined under the Ordinance.

(c) The Group's and the Company's deposits with licensed banks has an interest rate ranging from 2.35% to 6.82% (2024: 1.80% to 7.25%) and 3.10% to 3.65% (2024: 3.60% to 3.80%) per annum, respectively, and maturity period of 14 days to 24 months for the Group (2024: 1 day to 24 months) and 7 days to 90 days for the Company (2024: 84 days to 90 days).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. Cash and bank balances (cont'd.)

(d) Short-term deposits of the Group and of the Company amounting to RM38,871,000 (2024: RM2,837,000) and RM210,000 (2024: RM210,000), respectively, have been pledged as security for banking facilities granted to the Group and the Company.

(e) A sum of RM45,555,000 (2024: RM43,734,000) is placed in the designated financing payment reserve accounts with a licensed bank as part of the requirements for a term loan facility granted to a subsidiary as disclosed in Note 30 for the purpose of interest and principal payments.

For the purpose of the statements of cash flows, cash and cash equivalents comprised the following at the reporting date:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	750,836	647,456	407,081	395,438
Less: Deposits pledged to licensed banks	(38,871)	(2,837)	(210)	(210)
Less: Deposits with maturity of more than three months	(13,699)	(20,991)	-	-
Cash and cash equivalents	698,266	623,628	406,871	395,228

29. Asset classified as held for sale

	Group	
	2025	**2024**
	RM'000	RM'000
Investment in an associate	1,107	-

The amount relates to the Group's 25% equity interest in investment in an associate, Scomi Oiltools Gulf W.L.L. which was reclassified from investment in associate following a subsidiary's board approval to dispose of the investment as disclosed in Note 19(b).

The Group has identified a potential buyer and is currently in discussions. The expected disposal proceeds of RM2,000,000 is expected to be completed within twelve months from the financial year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. Loans and borrowings

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current				
Secured:				
Revolving credits (Note (a))	20,000	-	-	-
Term loan (Note (b))	84,307	108,353	-	-
	104,307	108,353	-	-
Unsecured:				
Banker's acceptance	19,489	-	-	-
Revolving credits	20,000	10,000	10,000	-
	39,489	10,000	10,000	-
Term loan transaction costs	(461)	(927)	-	-
Total current loans and borrowings	143,335	117,426	10,000	-
Non-current				
Secured:				
Term loan (Note (b))	84,860	95,829	-	-
Term loan transaction costs	(491)	(461)	-	-
Total non-current loans and borrowings	84,369	95,368	-	-
Total loans and borrowings	227,704	212,794	10,000	-

The effective interest rate and maturity profile of the loans and borrowings are as follows:

Group	Effective annual interest rate	Carrying amount	Less than 1 year	1 – 2 years	More than 3 years
		RM'000	RM'000	RM'000	RM'000
2025					
Secured:					
Revolving credit	4.16%	20,000	20,000	-	-
Term loan	4.09% - 8.42%	169,167	84,307	4,860	80,000
		189,167	104,307	4,860	80,000
Unsecured:					
Banker's acceptance	3.32% - 3.60%	19,489	19,489	-	-
Revolving credit	4.00% - 5.23%	20,000	20,000	-	-
		39,489	39,489	-	-
		228,656	143,796	4,860	80,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. Loans and borrowings (cont'd.)

The effective interest rate and maturity profile of the loans and borrowings are as follows: (cont'd.)

Group (cont'd.)	Effective annual interest rate	Carrying amount RM'000	Less than 1 year RM'000	1 – 2 years RM'000	2 – 3 years RM'000
2024					
Secured:					
Term loan	6.24% - 9.15%	204,182	108,353	90,969	4,860
Unsecured:					
Revolving credit	4.95% - 5.05%	10,000	10,000	-	-
		214,182	118,353	90,969	4,860
Company					
2025					
Unsecured:					
Revolving credit	4.00%	10,000	10,000	-	-

(a) The revolving credits of subsidiary are secured by legal charges over leasehold lands (Note 13) of a subsidiary.

(b) Included in the term loan facilities are:

(i) Term loan of RM80,000,000 drawdown during the year for the purpose of financing the construction and development of a new Clinker Line 2 at Mambong Integrated Plant and is secured by a corporate guarantee from the Company. The term loan is to be repayable over 10 years inclusive of 3 years grace period from the date of first drawdown in December 2025.

(ii) Term loan for the purpose of funding the construction and development of the Integrated Phosphate Complex Project (Phase 1) and is secured by a corporate guarantee from the Company, a fixed charge on the subsidiary's property, plant and equipment (Note 13(d)) and a floating charge on certain bank balances of subsidiary (Note 28(d)). The term loan is to be repayable over instalments from April 2022 to January 2027 and the balance outstanding as at financial year end is RM89,167,000 (2024: RM204,182,000).

The term loan is subject to covenant clauses, whereby the subsidiary is required to meet a net debt and financing to equity ratio and a financial payment cover ratio. The first computation of the ratios will be required in the next financial year following the commencement of commercial operations of Integrated Phosphate Complex Project (Phase 1).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

31. Lease liabilities

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current				
Lease liabilities	26,183	12,359	2,134	1,724
Non-current				
Lease liabilities	56,281	33,176	6,389	7,714
Total lease liabilities	82,464	45,535	8,523	9,438

The movement of lease liabilities during the financial year is as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
At 1 January	45,535	59,893	9,438	9,233
Additions	63,529	16,284	1,288	2,184
Termination of lease contracts	(395)	(1,352)	(310)	-
Unwinding of interests (Note 7)	3,740	3,353	451	439
Payment of leases:				
- principal	(26,184)	(29,335)	(1,893)	(1,979)
- interests	(3,740)	(3,353)	(451)	(439)
Exchange adjustment	(21)	45	-	-
At 31 December	82,464	45,535	8,523	9,438

The following are the amounts recognised in the statements of profit or loss:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Depreciation of right-of-use assets (Note 13(a))	27,776	30,330	2,199	1,794
Interest expense on lease liabilities (Note 7)	3,740	3,353	451	439
Expenses relating to short-term leases (Note 8)	6,145	6,365	-	-
Expenses relating to leases of low-value assets (Note 8)	701	495	10	10
Gain arising from termination of leases (Note 6)	(40)	-	(29)	-
Loss arising from termination of leases (Note 8)	-	443	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

31. Lease liabilities (cont'd.)

The Group and the Company had total cash outflows for leases amounted to RM36,770,000 (2024: RM39,548,000) and RM2,354,000 (2024: RM2,428,000), respectively in 2025. As at 31 December 2025, the Group and the Company had non-cash additions to right-of-use assets and lease liabilities of RM60,315,000 (2024: RM16,284,000) and RM1,288,000 (2024: RM2,184,000) respectively.

There were no leases with residual value guarantee or leases not yet commenced to which the Group and the Company are committed.

The following table sets out the maturity analysis of the total undiscounted lease payments to be received for operating lease after the reporting date:

	Group	
	2025	**2024**
	RM'000	RM'000
Within 1 year	4,332	4,085
Between 1 and 3 years	4,563	3,996
Between 2 and 3 years	4,089	3,605
Between 3 and 4 years	3,866	3,506
Between 4 and 5 years	3,866	3,506
More than 5 years	1,611	4,967
	22,327	23,665

32. Trade and other payables

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Current				
Trade				
Trade payables	87,799	77,598	-	-
Deposits payable	3,301	2,855	-	-
Accruals	65,429	62,145	-	-
Retention sums on construction contracts (Note 26)	2,403	1,180	-	-
Amounts due to joint ventures	11,467	3,082	-	-
	170,399	146,860	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. Trade and other payables (cont'd.)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Non-trade				
Sundry payables	56,264	42,821	2,552	4,833
Accruals	47,978	55,385	5,258	4,290
Provisions	16,261	17,084	-	-
Amounts due to joint ventures under central cash management accounts	322,104	269,264	322,104	269,264
Amounts due to subsidiaries under				
- Central cash management accounts	-	-	490,363	389,755
- Current accounts	-	-	2,997	375
Amounts due to joint ventures	277	271	-	-
Amount due to corporate shareholders of subsidiaries	7,005	7,040	-	-
Amount due to related parties	-	3	-	-
Deposits payable	1,290	632	-	17
Service tax payables	7,557	7,331	-	-
Retention monies	17,823	18,363	273	268
	476,559	418,194	823,547	668,802
	646,958	565,054	823,547	668,802
Non-current				
Trade payables				
Third party	977	-	-	-
Other payables				
Sundry payables	-	1,955	-	-
Amount due to corporate shareholder of a subsidiary	193	747	-	-
	193	2,702	-	-
	1,170	2,702	-	-
Total trade and other payables (current and non-current)	648,128	567,756	823,547	668,802

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. Trade and other payables (cont'd.)

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 days to 120 days (2024: 30 days to 120 days).

(b) Non-trade

(i) Sundry payables

Sundry payables are non-interest bearing and are repayable on demand, normally settled within an average term of 180 days (2024: 180 days).

(ii) Provisions

Included in the provisions are the following:

(a) Provision for litigation suit against a subsidiary filed by a vendor of a former related company for a claim of RM6,232,000 (2024: RM6,232,000) relating to the supply of chemicals to the said former related company. The next trial date is fixed on 9 to 10 April 2026 and 6 to 8 May 2026.

(b) Provision for litigation suit against a subsidiary filed by previous employees for a claim of RM826,000 (2024: RM1,093,000) relating to industrial relations employee cases to the said former related company.

During the year, the Group had recognised a write-back of provision of RM267,000 (2024: RM21,000) as disclosed in Note 6 due to withdrawal of claims by former employees.

(c) Provision of litigation of RM9,203,000 (2024: RM8,951,000) in respect of claims filed by Congolese Tax Department against a subsidiary registered in Cayman Island for alleged outstanding tax amount. Subsequent to the filing of case in the Supreme Court of Republic of Congo, no hearing had been fixed for the case.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. Trade and other payables (cont'd.)

(b) Non-trade (cont'd.)

(iii) Amounts due to subsidiaries

Amounts due to subsidiaries under central cash management accounts are unsecured, repayable on demand and bears interest at rate of 3.01% to 3.39% (2024: 3.15%) per annum. The amounts under current accounts are unsecured, repayable on demand and non-interest bearing.

(iv) Amounts due to joint ventures

Amounts due to joint ventures under central cash management accounts are unsecured, repayable on demand and bears interest at rate of 3.01% to 3.39% (2024: 3.15%) per annum.

(v) Amount due to corporate shareholders of subsidiaries

Included in the amount due to corporate shareholders of subsidiaries is a sum of RM6,597,000 (2024: RM6,245,000) bearing interest at a rate of 5.65% (2024: 5.65%) per annum and repayable on demand. The remaining amount is unsecured, non-interest bearing and repayable on demand.

(vi) Retention monies

Included in the retention monies is an amount payable to contractors for the construction of an Integrated Phosphate Complex Project (Phase 1) of RM17,550,000 (2024: RM18,095,000).

33. Other current liabilities

	Group	
	2025	**2024**
	RM'000	RM'000
Contract liabilities from property development (Note 26)	89	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. Share capital

	Group/Company			
	Number of shares		Amount	
	2025	2024	2025	2024
	'000	'000	RM'000	RM'000
Issued and fully paid shares, at no par value:				
Ordinary shares				
At 1 January	1,074,849	1,074,376	868,669	867,902
Issued during financial year:				
- ESOS	252	473	402	767
At 31 December	1,075,101	1,074,849	869,071	868,669
Treasury shares				
At 1 January/31 December	(200)	(200)	(352)	(352)

(a) Ordinary shares

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

(b) Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance. Treasury shares have no rights to voting, dividends and participation in other distribution. The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase scheme can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds and the shares repurchased are being held as treasury shares in accordance with Section 127(4) of the Companies Act 2016.

During current financial year, there was no repurchase and resell of treasury shares.

None of the treasury shares held were cancelled during the financial year. As at 31 December 2025, the number of treasury shares were 200,000 (2024: 200,000) and the outstanding ordinary shares in issue after set-off of treasury shares was therefore 1,074,900,720 (2024: 1,074,649,020).

35. Other reserves

Group	Capital reserve (Note (a))	Translation reserve (Note (b))	Merger deficit	Regulatory reserve (Note (c))	Fair value reserve (Note (d))	Premium paid on acquisition of non-controlling interests (Note (e))	Employees' share option reserve (Note (f))	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	63	(646)	(12,000)	3,154	4,383	(26,338)	23,422	(7,962)
Other comprehensive income/(loss):								
Share of other comprehensive (loss)/income of associates	-	(1,760)	-	-	(1,776)	-	-	(3,536)
Exchange differences on foreign operations	-	(6,268)	-	-	-	-	-	(6,268)
Fair value changes of an equity instrument	-	-	-	-	(24,806)	-	-	(24,806)
	-	(8,028)	-	-	(26,582)	-	-	(34,610)
Share-based payments under ESOS	-	-	-	-	-	-	(5,833)	(5,833)
Share of associates' reserves	-	-	-	195	-	-	-	195
At 31 December 2025	63	(8,674)	(12,000)	3,349	(22,199)	(26,338)	17,589	(48,210)

35. Other reserves (cont'd.)

Group (cont'd.)	Capital reserve (Note (a)) RM'000	Translation reserve (Note (b)) RM'000	Merger deficit RM'000	Regulatory reserve (Note (c)) RM'000	Fair value reserve (Note (d)) RM'000	Premium paid on acquisition of non-controlling interests (Note (e)) RM'000	Employees' share option reserve (Note (f)) RM'000	Total RM'000
At 1 January 2024	63	15,825	(12,000)	2,947	377	(26,338)	20,393	1,267
Other comprehensive income/(loss):								
Share of other comprehensive (loss)/income of associates	-	(408)	-	79	388	-	-	59
Exchange differences on foreign operations	-	(16,063)	-	-	-	-	-	(16,063)
Fair value changes of an equity instrument	-	-	-	-	3,618	-	-	3,618
	-	(16,471)	-	79	4,006	-	-	(12,386)
Share-based payments under ESOS	-	-	-	-	-	-	3,029	3,029
Share of associates' reserves	-	-	-	128	-	-	-	128
At 31 December 2024	63	(646)	(12,000)	3,154	4,383	(26,338)	23,422	(7,962)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

35. Other reserves (cont'd.)

Company	Merger reserve RM'000	Fair value reserve (Note (d)) RM'000	Employees' share option reserve (Note (f)) RM'000	Total RM'000
At 1 January 2024	168,000	(1,034)	20,393	187,359
Other comprehensive income:				
Fair value changes of an equity instrument	-	3,618	-	3,618
Share-based payments under ESOS	-	-	3,029	3,029
At 31 December 2024 and 1 January 2025	168,000	2,584	23,422	194,006
Other comprehensive loss:				
Fair value changes of an equity instrument	-	(24,806)	-	(24,806)
Share-based payments under ESOS	-	-	(5,833)	(5,833)
At 31 December 2025	168,000	(22,222)	17,589	163,367

(a) Capital reserve

Capital reserve of the Group comprises accretion from shares issued by subsidiaries, retained earnings capitalised for bonus issues by subsidiaries.

(b) Translation reserve

Translation reserve of the Group represents foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currency is different from that of the Group's presentation currency.

(c) Regulatory reserve

Relates to the Group's share of regulatory reserve of an associate which is maintained in addition to the impairment allowance for non-impaired credit exposures that has been assessed and recognised in accordance with MFRS in compliance with BNM requirements.

(d) Fair value reserve

The fair value reserve comprises the cumulative net change in fair value of an equity instrument designated at fair value through other comprehensive income until the assets are derecognised.

(e) Premium paid on acquisition of non-controlling interests

This represents the difference between the amount of adjusted non-controlling interest and the fair value of the consideration paid for the changes in the Group's and the Company's ownership interests in subsidiaries that do not result in a loss of control.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

35. Other reserves (cont'd.)

(f) Employees' share option reserve

Employees' share option reserve represents the equity-settled share options granted to employees (Note 36). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

36. Employee benefits

Employees' share option scheme ("ESOS")

The Company implemented an ESOS which came into effect on 13 November 2020. The ESOS is governed by the bylaws which were approved by the shareholders on 12 November 2020.

The salient features of the ESOS are as follows:

(a) the total number of new shares which may be made available under the scheme shall not exceed seven percent (7%) of the total issued and paid-up share capital of the Company at any point of time during the existence of the ESOS;

(b) eligible persons are confirmed employees including full-time executive directors of the Group;

(c) the aggregate number of new shares to be offered to selected employee in accordance with the ESOS shall be determined at the discretion of the Nomination and Remuneration Committee ("NRC"). No option shall be granted for less than 100 shares;

(d) the option price may be at a discount of not more than ten percent (10%) from the five (5) days weighted average market price of the underlying shares preceding the date of offer;

(e) the ESOS shall be in force for a period of four (4) years and extended period shall not in aggregate exceed ten (10) years from the date of the first offer;

(f) the NRC may, at its discretion, at any time before and after an option is granted, limit the maximum number or percentage of exercisable options within the option period; and

(g) the exercise of the options is subjected to vesting conditions being met by respective grantees. These vesting conditions may be affected by, inter-alia, performance targets being achieved before the options can be exercised. The vesting conditions, if any, shall be determined by the NRC whose decision shall be final and binding.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Employee benefits (cont'd.)

Employees' share option scheme ("ESOS") (cont'd.)

The salient features of the ESOS are as follows: (cont'd.)

On 27 August 2024, the ESOS period is extended to another 4 years, expiring on 12 November 2028. As at 31 December 2025, 16,629,000 (2024: 8,470,000) options are vested and exercisable.

Options to subscribe for ordinary shares under the ESOS were granted on the following dates:

Grant date	Exercise price RM	Number of options '000	Lapsed date for exercise
12 November 2020 ("First Offer")	1.14	60,607	12 November 2028
30 August 2023 ("Second Offer")	1.03	16,465	12 November 2028

Movements during the year

The number and weighted average exercise prices ("WAEP") of, and movements in, share options during the financial year are as follows:

	Number of options 2025 '000	Number of options 2024 '000
Outstanding at 1 January	47,906	51,802
- Exercised	(252)	(473)
- Lapsed	(11,769)	(3,423)
Outstanding at 31 December	35,885	47,906
Exercisable at 31 December	16,629	8,470
	RM	RM
WAEP	1.12	1.11

The aggregate maximum allocation of share options to executive directors and senior management of the Group and the Company shall not exceed 50%. The actual allocation of share options to executive directors and senior management as at 31 December 2025 was 10.7% (2024: 8.1%).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. Employee benefits (cont'd.)

Fair value of share options granted

The fair value of the share options granted is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions upon which the instruments were granted.

The following table lists the inputs to the option pricing models:

	First offer	Second offer
Dividend yield (%)	1.64	1.64
Expected volatility (%)	41.24	41.24
Risk-free interest rate (% p.a.)	3.44	3.44
Expected life of option (years)	4.21	4.21
Exercise price (RM)	1.14	1.03
Weighted average share price (RM)	1.30	1.30

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

37. Capital and other commitments

Capital commitments as at the reporting date were as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Approved and contracted for:				
- Property, plant and equipment	649,646	19,116	1,471	-
- Investment in redeemable preference shares in joint ventures	4,170	5,326	-	-
	653,816	24,442	1,471	-
Approved but not contracted for:				
- Property, plant and equipment	510,969	505,430	3,327	6,030
- Intangible assets	13,938	675	53	675
	524,907	506,105	3,380	6,705
Share of capital commitment of joint ventures	15,994	7,922	-	-
Total capital commitments	1,194,717	538,469	4,851	6,705

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. Contingencies

(a) On 15 January 2019, Cahya Mata Phosphates Industries Sdn Bhd ("Cahya Mata Phosphates Industries"), a subsidiary of Cahya Mata Sarawak Berhad, entered into a Power Purchase Agreement ("PPA") with Syarikat SESCO Berhad ("SESCO") in respect of the supply of electric power and energy for the Integrated Phosphate Complex Project (Phase 1) ("the Plant").

Cahya Mata Phosphates Industries and SESCO are currently in legal dispute over SESCO's allegation that it owes them electricity consumption amount on "take-or-pay" rate which is the rate to pay once it commenced commercialisation of the Plant as per the PPA. Cahya Mata Phosphates Industries has not commenced commercialisation of the Plant and maintained that it was only to pay the "take-and-pay" rate being the pre-commercialisation rate, and had done so.

As Cahya Mata Phosphates Industries did not agree with SESCO's alleged interpretation of the PPA, it commenced arbitration proceedings against SESCO on 17 November 2022 under the terms of the PPA.

An interim injunction up to January 2023 was obtained through an emergency arbitrator to prevent unilateral action by any party. Upon the expiry of said injunction, a new request for further restrain was applied for but was denied. SESCO then threatened the termination of electricity supply to the Plant in April 2023.

On 20 April 2023, Cahya Mata Phosphates Industries applied for an injunction to restrain SESCO from terminating the said electricity supply, which was heard in the High Court and also the Court of Appeal. However, Cahya Mata Phosphates Industries was not granted such preservation order. On 10 July 2023, SESCO terminated the electricity supply to the Plant. Cahya Mata Phosphates Industries has filed its statement of claim, whereas SESCO submitted its defence to the claim and made a counterclaim in a sum of RM342,247,000, excluding interest and costs.

The arbitration proceedings are still ongoing. Additional hearing dates initially fixed from 2 to 6 March 2026 has been vacated by the arbitration panel and new dates have yet to be fixed.

The Group, upon consultation with its solicitors, is of the view that the termination of electricity supply by SESCO was unlawful and Cahya Mata Phosphates Industries shall not be liable for "take-or-pay" electricity volume on the basis that it is still at the testing and commissioning stages. The Group also takes the position that the termination of the PPA by SESCO was wrongful and ineffective, and the PPA remains valid and enforceable.

The Group believes that Cahya Mata Phosphates Industries has legitimate grounds on its claim to be heard during the upcoming arbitration and to eventually reinstate the full electricity supply under PPA for its integrated phosphate complex so that the full commercial operation can commence by end of Quarter 3 2026.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. Contingencies (cont'd.)

(a) (cont'd.)

As at 31 December 2025, the carrying amount of the property, plant and equipment related to the integrated phosphate complex amounted to RM759,751,000. The Group is prepared for all eventualities arising from the arbitration process.

(b) On 25 May 2023, Samalaju Industries Sdn. Bhd. ("Samalaju Industries"), a subsidiary of the Company, received Notice of Arbitration that one of the shareholders of Cahya Mata Phosphates Industries, Malaysian Phosphate Venture Sdn. Bhd. ("MPV") sought to commence arbitration proceeding against both Cahya Mata Phosphates Industries and Samalaju Industries. Subsequently, on 13 October 2023, MPV had through its solicitor served its Statement of Claim and its Bundle of Documents to the solicitor acting for and on behalf of Cahya Mata Phosphates Industries and Samalaju Industries.

This is an arbitration arising from a shareholder agreement dispute between the shareholders of Cahya Mata Phosphates Industries, namely MPV and Samalaju Industries. In this arbitration, MPV is alleging minority oppression and claiming for an order that Samalaju Industries purchase MPV's 86,856,800 shares at the price of RM86,856,800 and other damages (to be assessed) against Samalaju Industries and Cahya Mata Phosphates Industries.

On 13 May 2024, Samalaju Industries and Cahya Mata Phosphates Industries filed two applications:

(i) to challenge the decision of the arbitrator that it has jurisdiction to determine this dispute. The High Court has subsequently rejected the jurisdictional challenge. Following the above, Samalaju Industries and Cahya Mata Phosphates Industries appealed to the High Court of Kuala Lumpur against the decision of the Tribunal. On 28 August 2024, the High Court dismissed the Originating Summons against the jurisdiction challenge ("OS application"); and

(ii) to have constitutional questions arising in this dispute to be referred to the Federal Court. On 19 July 2024, the High Court dismissed the application to refer the question of law to the Federal Court ("Reference application").

Samalaju Industries and Cahya Mata Phosphates Industries appealed to the Court of Appeal against both decisions of the High Court for the OS application and Reference application. The case management is fixed on 7 May 2025 for the first appeal and the hearing of appeal is fixed on 30 April 2025 for the second appeal. The appeals were dismissed on 19 June 2025 and the arbitration hearing proceeded on 7 to 11 July 2025.

On 12 March 2026, the Group received an award from the Asian International Arbitration Centre ("AIAC") deciding against Cahya Mata Phosphates Industries and Samalaju Industries. The Group filed an OS on 24 March 2026 to the High Court at Kuala Lumpur to set aside the final award. The Group is also applying for a stay of the recognition and the enforcement of the Award pending the disposal of the OS.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. Contingencies (cont'd.)

(b) (cont'd.)

The Group, upon consultation with its solicitors, still believes that Samalaju Industries and Cahya Mata Phosphates Industries have legitimate grounds to challenge the award given that Samalaju Industries and Cahya Mata Phosphates Industries did not breach the Shareholders' Agreement dated 31 December 2013 and they were acting pursuant to the terms of the Constitution of Cahya Mata Phosphates Industries which allows for issuance of shares in the manners which are governed by the Companies Act 2016.

(c) On 24 July 2019, Cahya Mata Intelligent Technologies Sdn. Bhd. ("Cahya Mata Intelligent Technologies"), a subsidiary of the Company entered into an agreement with Vienna Advantage GmBH ("VA") in respect of the supply and implementation of Enterprise Resource Planning ("ERP"), Customer Relationship Management ("CRM"), Business Intelligence ("BI") and secure Document Management System ("DMS") solutions based on an open-source platform with cloud computing capabilities by VA in various organisations and/or sectors within the Cahya Mata Sarawak Berhad Group of Companies, which included its wholly owned subsidiary, Cahya Mata Intelligent Technologies.

A legal dispute arose between the parties to which VA demanded Cahya Mata Intelligent Technologies on 2 May 2024 to pay USD548,000 in addition to the sum of RM4,299,000 which VA alleged are owed to them for work done. Cahya Mata Intelligent Technologies disputes the demand and is of the view that VA did not fulfil their contractual obligation in accordance with the terms of the agreement and Cahya Mata Intelligent Technologies has suffered losses and damages.

The parties exchanged correspondences which then led to a Notice of Default issued by VA to Cahya Mata Intelligent Technologies on 29 May 2024. Thereafter, a Notice of Termination of the aforesaid agreement was issued by VA on 5 August 2024. The agreement contained an internal remedy clause for the parties to exhaust in an attempt to resolve the aforesaid legal dispute to which the parties were unable to reach a settlement.

On 10 January 2025, Cahya Mata Intelligent Technologies filed a Notice of Arbitration to commence arbitration proceedings against VA at the Asian International Arbitration Centre ("AIAC"). VA has also served a Response to Notice of Arbitration and Counterclaim to Cahya Mata Intelligent Technologies on 7 February 2025.

The arbitration dates are currently fixed on 10 to 21 August 2026. As at the date of this report, the Group is in the process of preparing for the arbitration and the exchange of documents and bundles between lawyers.

The Group believes that Cahya Mata Intelligent Technologies has legitimate grounds on its claim to be heard in the arbitration proceedings and defend its claim.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. Contingencies (cont'd.)

(d) On 29 May 2024, Taibah Properties Sdn. Bhd. ("Taibah"), a subsidiary of the Company, was served with a Writ of Summons by a group of individuals acting on behalf of themselves, their siblings and their families ("Plaintiffs"), claiming against the Superintendent of Land & Survey, Kuching Division and the State Government of Sarawak and Taibah, for native customary rights ("NCR") over an area of approximately 474.049 acres within parcels of land described as Lot 9613 together with Lots 12313 and 12307 (both previously of Parent Lot 8582), all of Block 9, Salak Land District.

On 29 July 2024, Taibah filed a Notice of Application to strike out the Plaintiff's Statement of Claim. After exchanging affidavits, and the decision on the strike-out application was delivered on 17 January 2025, with the High Court dismissing the application.

Concurrently, Taibah filed its defence to the Plaintiff's statement of claim on 2 August 2024. Pleadings and exchange of documents have been done. The matter is now scheduled for trial from 4 to 5 May 2026.

The Group believes that it has a legitimate ground given that the land was alienated by the Sarawak State Government to Taibah on 9 April 1999 for Lot 9613, and on 8 October 2015 for Lots 12313 and 12307, respectively.

39. Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Note 24 and 32.

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
(a) Subsidiaries				
Dividend income from subsidiaries	-	-	(85,000)	(34,073)
Interest income	-	-	(36,261)	(30,384)
Project management services	-	-	-	55
Interest expense	-	-	12,318	11,234
Group services fee expense	-	-	11,319	9,066
(b) Associates				
Dividend income	-	-	(20,699)	(25,461)
Sale of goods	-	(79)	-	-
Management fee income	(1,959)	(1,920)	(1,656)	(1,885)
Construction service income	(52)	(202)	-	-
Purchase of services	320	246	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

39. Significant related party transactions (cont'd.)

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Note 24 and 32. (cont'd.)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
(c) Joint ventures				
Dividend income	-	-	(27,508)	(11,317)
Sale of goods	(269)	(285)	-	-
Group services fee income	(5,314)	(4,955)	-	-
Fleet management income	-	(26)	-	-
Supervision fee/project management fee	-	(299)	-	-
Rental income	(210)	(1,777)	-	-
License fee income	-	(43)	-	-
Construction service income	(147,022)	(127,406)	-	-
Interest expense	7,380	7,924	7,380	7,924
Rental expense	139	205	-	-
Purchase of goods	28,037	31,497	-	-
(d) Related parties				
Payment of services to:				
- R.T. Cargo Sdn. Bhd. [(i)]	4,989	2,244	-	-
- Satria Realty Sdn. Bhd. [(ii)]	2,913	2,355	(569)	481
- Silver Lining Systems Sdn. Bhd. [(iii)]	-	28	-	-
Interest expense:				
- Malaysian Phosphate Ventures Sdn. Bhd. [(iv)]	354	443	-	-

(i) Umang Nangku Jabu is a director of the Company and R.T. Cargo Sdn. Bhd..

(ii) Dato Sri Mahmud Abu Bekir Taib is a director of the Company and Majaharta Sdn. Bhd. which controls Satria Realty Sdn. Bhd..

(iii) Dato Sri Mahmud Abu Bekir Taib is a director and shareholder of Silver Lining Systems Sdn. Bhd..

(iv) Malaysian Phosphate Ventures Sdn. Bhd. is a corporate shareholder of a subsidiary of the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

39. Significant related party transactions (cont'd.)

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Note 24 and 32. (cont'd.)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
(e) Key management personnel				
Directors' remuneration (Note 10)	12,501	13,904	11,805	13,571
Other key management personnel				
- Short-term employee benefits	13,411	10,324	4,308	3,925
- Defined contribution and social security plans	1,419	748	511	363
Total short-term employee benefits	14,830	11,072	4,819	4,288
Benefits-in-kind	226	184	90	96
	15,056	11,256	4,909	4,384
Total key management personnel	27,557	25,160	16,714	17,955

Other key management personnel comprise persons, having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

In 2020, 5,780,000 and 2,737,500 share options were granted to the Group's and the Company's key management personnel under the company's ESOS at an exercise price of RM1.14 each. In 2023, an additional 6,100,000 and 5,100,000 share options were granted to the Group's and the Company's key management personnel under the company's ESOS at an exercise price of RM1.03 each. At the reporting date, the total number of outstanding share options granted by the holding company to the abovementioned key management personnel under the ESOS amounting to 1,500,000 (2024: 1,500,000).

Other than as disclosed above, there were no material contracts entered into since the end of the financial year by the Company or its subsidiaries which involved the interests of substantial shareholders.

All outstanding balances are unsecured and repayable in accordance with agreed terms.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. Fair value measurements

(a) Determination of fair value and the fair value hierarchy

For financial instruments measured at fair value, where available, quoted and observable market prices in an active market or dealer price quotations are used to measure fair value. These include listed equity securities and broker quotes on Bloomberg and Reuters.

Where such quoted and observable market prices are not available, fair values are determined using appropriate valuation techniques, which include the use of mathematical models, such as discounted cash flow models and option pricing models, comparison to similar instruments for which market observable prices exist and other valuation techniques. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date, that would have been determined by market participants acting at arm's length. Valuation techniques used incorporate assumptions regarding discount rates, interest/profit rate yield curves, estimates of future cash flows and other factors, as applicable. Changes in these assumptions could materially affect the fair values derived.

The Group and the Company generally use widely recognised valuation techniques with market observable inputs, if available, for the determination of fair value, which require minimal management judgement and estimation, due to the low complexity of the financial instruments held.

(b) Financial instruments measured at fair value

The following tables provide an analysis of financial instruments and financial assets carried at fair values at the reporting date analysed by the various levels within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Group				
Financial assets				
At 31 December 2025				
Investment securities (Note 27):				
- Equity instrument	54,781	-	-	54,781
- Redeemable preference shares	-	-	52,239	52,239
	54,781	-	52,239	107,020

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. Fair value measurements (cont'd.)

(b) Financial instruments measured at fair value (cont'd.)

The following tables provide an analysis of financial instruments and financial assets carried at fair values at the reporting date analysed by the various levels within the fair value hierarchy: (cont'd.)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group (cont'd.)				
Financial assets (cont'd.)				
At 31 December 2024				
Investment securities (Note 27):				
- Equity instrument	79,587	-	-	79,587
- Redeemable preference shares	-	-	46,765	46,765
	79,587	-	46,765	126,352
Company				
Financial assets				
At 31 December 2025				
Investment securities (Note 27):				
- Equity instrument	54,781	-	-	54,781
At 31 December 2024				
Investment securities (Note 27):				
- Equity instrument	79,587	-	-	79,587

The fair value of the redeemable preference shares is based on the estimated fair value less cost to sell of these shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. Fair value measurements (cont'd.)

(b) Financial instruments measured at fair value (cont'd.)

The Group and the Company recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer. There were no transfers between the levels of the fair value hierarchy during the financial year.

(c) Financial instruments not measured at fair value

The methods and assumptions used to estimate the fair values of the financial instruments not carried at fair value are as follows:

Loans and borrowings

The fair values of fixed rate loans and borrowings with remaining maturity of less than one year and variable rate loans and borrowings are estimated to approximate their carrying amounts. For fixed rate loans and borrowings with remaining maturity of more than one year, the fair values are estimated based on discounted cash flows using prevailing market rates of loans and borrowings of similar credit risks and maturity. The fair values of impaired loans and borrowings are represented by their carrying amounts, net of any collective and individual assessment allowances, being the expected recoverable amount.

The following are other classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values:

	Note
Trade and other receivables	24
Trade and other payables	32
Lease liabilities	31

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or they are already discounted at appropriate discount rates.

For lease receivables and liabilities with remaining maturity of more than one year, the fair values are estimated based on discounted cash flows using a rate based on the current market rate of borrowing of the respective entity at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. Fair value measurements (cont'd.)

(d) Financial guarantees

The Company had provided an irrevocable and unconditional guarantee to a consortium of banks in respect of all Cahya Mata Phosphates Industries obligations and liabilities in a Facility Agreement dated 18 January 2021 entered into for a credit facility of USD80.0 million and RM64.8 million provided that the aggregate does not exceed the facility limit of RM400.0 million granted to Cahya Mata Phosphates Industries to part finance the construction and development cost of its project.

As at the reporting date, no values were placed on the unsecured corporate guarantees provided by the Company as the directors regard the value of the credit enhancement provided by the corporate guarantees to be minimal and the likelihood of default to be low.

41. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The Group's overall risk management strategy seeks to minimise potential adverse effects on the financial performance of the Group. The key financial risks include credit risk, liquidity risk, currency risk and interest rate risk.

Financial risk management policies are reviewed and approved by the Board of Directors and executed by the management of the respective operating units. The Group Risk Committee provides independent oversight on the effectiveness of the risk management process.

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

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. At the reporting date, the Group's exposure to credit risk arises primarily from trade and other receivables. The Company's exposure to credit risk arises principally from amounts due from subsidiaries under central cash management accounts and current accounts.

(i) Trade receivables and contract assets

- **Risk management objectives, policies and process for managing the risk**

  Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over the approved limits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(a) Credit risk (cont'd.)

(i) Trade receivables and contract assets (cont'd.)

- **Risk management objectives, policies and process for managing the risk**

  An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit loss. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., geographical region, product type, customer rating, type of collateral or whether covered by trade credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

  The trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

- **Exposure to credit risk, credit quality and collateral**

  Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their expected recoverable amount. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables.

  The Group receives financial guarantees given by banks, shareholders or directors of customers in managing exposure to credit risks. At the end of the reporting period, financial guarantees received by the Group amounted to RM37,499,000 (2024: RM39,136,000) in respect of RM29,002,000 (2024: RM29,555,000) trade receivables. The remaining balance of trade receivables are not secured by any collateral or supported by any other credit enhancements.

  Information regarding financial assets that are either past due or impaired and ageing analysis is disclosed below. Management believes that no additional credit risk beyond that provided for is inherent in the Group's trade and other receivables.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(a) Credit risk (cont'd.)

(i) Trade receivables and contract assets (cont'd.)

- **Concentration of credit risk**

The Group determines concentrations of credit risk by monitoring the business segments of its trade receivables and contract assets on an ongoing basis. As at 31 December 2025, the Group has a significant concentration of credit risk with a statutory body, which represents 13% of the total trade receivables and contract assets. The Group believes that the credit risk is minimal as the counterparty is a government-linked agency with a strong payment history. The Group defines counter parties as having similar characteristics if they are related entities. Other than as disclosed above, the concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

The credit risk concentration profile of the Group's trade receivables and contract assets at the reporting date by geographical market were as follows:

	Group	
	2025	**2024**
	RM'000	RM'000
Malaysia	206,467	189,514
Outside Malaysia	34,552	69,616
Total	241,019	259,130

- **Recognition and measurement of impairment loss**

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days. The Group's debt recovery process is as follows:

(i) Above 90 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales management team; and

(ii) Above 180 days past due, the Group will commence a legal proceeding against the customer.

The Group uses a provision matrix to calculate ECLs for trade receivables. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(a) Credit risk (cont'd.)

(i) Trade receivables and contract assets (cont'd.)

- **Recognition and measurement of impairment loss (cont'd.)**

For construction contracts, as there are only a few customers, the Group assesses the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

In respect of trade receivables arising from the sale of development properties, the Group mitigates its credit risk by withholding the transfer of registered ownership of the development properties until full settlement by the purchaser of the self-financed portion of the purchase consideration or upon undertaking of end-financing by the purchaser's end-financier.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are of similar risk nature.

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
At 31 December 2025			
Current (not past due)	171,398	(4)	171,394
1 to 30 days past due	32,871	(5)	32,866
31 to 60 days past due	7,134	(10)	7,124
61 to 90 days past due	4,148	(3)	4,145
More than 90 days past due	25,651	(5,632)	20,019
	241,202	(5,654)	235,548
Individually impaired	14,284	(8,813)	5,471
	255,486	(14,467)	241,019
At 31 December 2024			
Current (not past due)	167,853	(23)	167,830
1 to 30 days past due	37,268	(6)	37,262
31 to 60 days past due	24,121	(1)	24,120
61 to 90 days past due	10,048	(4)	10,044
More than 90 days past due	26,386	(6,512)	19,874
	265,676	(6,546)	259,130
Individually impaired	10,007	(10,007)	-
	275,683	(16,553)	259,130

The movements in the allowance for impairment is disclosed in Note 24(a)(ii).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(a) Credit risk (cont'd.)

(ii) Financial guarantees

- **Risk management objectives, policies and process for managing the risk**

  The Company provides unsecured financial guarantees to banks and a third party for banking and other facilities granted to associates. The Company monitors on an ongoing basis the financial performance of the associates and repayments made by the associates.

- **Exposure to credit risk, credit quality and collateral**

  The maximum exposure to credit risk relates to corporate guarantees given to a third party and banks for power supply and banking facilities granted to a subsidiary as disclosed in Note 38(a).

(iii) Cash and cash equivalents

The cash and cash equivalents are held with reputable banks and financial institutions. At the reporting date, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

(iv) Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and equipment rented, and advanced payment. These deposits will be received at the end of each lease terms.

At the reporting date, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position. The movements in the allowance for impairment is disclosed in Note 24(b)(v).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group and the Company adopt a prudent approach to manage their liquidity risk. The Group and the Company always maintain sufficient cash and cash equivalents, and have available funding through a diverse source of committed and uncommitted credit facilities from various banks. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Analysis of financial instruments by remaining contractual maturities

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted repayment obligations.

		Cash Flows			
	Carrying amount	**On demand or within 1 year**	**1 to 5 years**	**Over 5 years**	**Total**
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
Financial liabilities:					
At 31 December 2025					
Loans and borrowings	227,704	151,247	39,980	63,083	254,310
Lease liabilities	82,464	29,010	52,782	16,799	98,591
Trade and other payables	624,310	633,982	977	-	634,959
	934,478	814,239	93,739	79,882	987,860
At 31 December 2024					
Loans and borrowings	212,794	131,364	99,821	-	231,185
Lease liabilities	45,535	17,017	30,015	22,466	69,498
Trade and other payables	543,341	549,603	2,915	-	552,518
	801,670	697,984	132,751	22,466	853,201

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(b) Liquidity risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities (cont'd.)

		Cash flows			
	Carrying amount	On demand or within 1 year	1 to 5 years	Over 5 years	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Company					
Financial liabilities:					
At 31 December 2025					
Loans and borrowings	10,000	10,034	-	-	10,034
Lease liabilities	8,523	2,148	7,113	465	9,726
Trade and other payables	823,547	849,547	-	-	849,547
	842,070	861,729	7,113	465	869,307
At 31 December 2024					
Lease liabilities	9,438	2,137	7,277	1,580	10,994
Trade and other payables	668,802	689,561	-	-	689,561
	678,240	691,698	7,277	1,580	700,555

(c) Market risk

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

(i) Currency risk

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

The Group is exposed to foreign exchange risk when it enters into transactions that are denominated in the respective companies functional currencies and/or when foreign currency monetary assets and liabilities are translated at reporting date. The Group's exposure to currency translation risk arising from its net investments in the overseas operating subsidiary companies is not hedged as currency positions in the respective local currency are considered to be long-term in nature.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(c) Market risk (cont'd.)

(i) Currency risk (cont'd.)

- **Risk management objectives, policies and process for managing the risk**

  It is the Group's policy to hedge this risk where the exposures are certain and cost-efficient. The Group and the Company do not apply hedge accounting and do not issue derivative financial instruments for trading purposes.

- **Exposure to foreign currency risk**

  The currencies giving rise to this risk are primarily United States Dollar ("USD"). Exposure to foreign currency risk is monitored on an ongoing basis to ensure that the exposure is at an acceptable level. At 31 December 2025 and 31 December 2024, the Group and the Company have not entered into any forward foreign currency contracts.

- **Currency risk sensitivity analysis**

  A reasonable possible 5% (2024: 5%) strengthening of the USD at the end of the reporting period would have increased the Group's profit before tax and other comprehensive income for the year by RM5,066,000 (2024: RM26,995,000) and RM10,336,000 (2024: RM23,204,000) respectively, with all other variables held constant at the reporting date.

  A 5% weakening of the above foreign currency against the underlying functional currency at the reporting date would have had the equal but opposite effect on the above currency to the amount shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk

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

- **Risk management objectives, policies and process for managing the risk**

  Interest rate exposure arising from the Group's and the Company's borrowings is managed through the use of fixed and floating rate debts. The Group will consider entering into derivative financial instruments where necessary to achieve an appropriate mix of fixed and floating rate exposure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(c) Market risk (cont'd.)

(ii) Interest rate risk (cont'd.)

- **Exposure to interest rate risk**

As the Group and the Company have no significant interest-bearing financial assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits and money market funds. The Group's borrowings at floating rates are contractually re-priced at monthly intervals (2024: monthly). The interest rate profile of the Group's and the Company's interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Floating rate instruments				
Financial assets				
Amount due from subsidiaries under central cash management system	-	-	204,108	214,251
Short-term deposits	410,894	223,828	358,534	200,210
Loan to a subsidiary	-	-	183,726	5,913
	410,894	223,828	746,368	420,374
Financial liabilities				
Loan and borrowings	228,656	214,182	10,000	-
Amount due to corporate shareholders	6,597	6,245	-	-
Amount due to subsidiaries under central cash management system	-	-	490,363	389,755
Amount due to joint ventures under central cash management system	322,104	269,264	322,104	269,264
	557,357	489,691	822,467	659,019

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

41. Financial risk management objectives and policies (cont'd.)

(c) Market risk (cont'd.)

(ii) Interest rate risk (cont'd.)

- **Interest risk sensitivity analysis**

  At the reporting date, it is estimated that a 50 basis points increase in interest rate, with all other variables held constant, would decrease the Group's and the Company's profit net of tax by approximately RM557,000 (2024: RM1,010,000) and RM289,000 (2024: RM907,000), arising mainly as a result of higher interest expense on net floating borrowing position. A decrease in interest rate would have had the equal but opposite effect on the aforesaid amount, on the basis that all other variables remain constant.

42. Capital management

The primary objective of the Group's and the Company's capital management is to ensure that they maintain healthy capital ratios to support their businesses and maximise shareholder value. No changes were made in the objectives, policies and processes during the years ended 31 December 2025 and 2024.

The Group and the Company review their capital structure and make adjustments to reflect economic conditions, business strategies and future commitments on a continuous basis. In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current financial year.

The Group and the Company monitor capital using a gearing ratio. The gearing ratio is calculated as total borrowings (excluding transaction costs) divided by total equity of the Group and of the Company.

The Group and the Company have complied with all externally imposed capital requirements in respect of their external borrowings for the financial years ended 31 December 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

42. Capital management (cont'd.)

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	RM'000	RM'000	RM'000
Loans and borrowings (Note 30)	228,656	214,182	10,000	-
Lease liabilities (Note 31)	82,464	45,535	8,523	9,438
Total borrowings	311,120	259,717	18,523	9,438
Total equity	3,599,993	3,636,632	1,745,546	1,898,032
Gearing ratio (times)	0.09	0.07	0.01	0.01

43. Segment information

Segmental information is prepared on the basis of the "management approach", which requires presentation of the segments on the basis of internal reports about the components of the entity.

The Group is organised into businesses based on their activities, and has eight reportable operating segments as follows:

(i) Cement - manufacturing of cement, clinker and concrete products;
(ii) Road maintenance - road construction and maintenance;
(iii) Property development - property holding, development, project management, lodges accommodation and hotel operations.
(iv) Phosphates – manufacturing of food, feed and fertiliser phosphate products;
(v) Oiltools – provision of oilfield equipment, supplies and services;
(vi) Constuction materials and trading - quarry operations, production and sale of premix, wires and general trading;
(vii) Strategic investments - education and various investments through the associates and joint ventures; and
(viii) Support services - head office, management services, investment holding and dormant companies.

For each of the divisions, the Group Managing Director reviews the internal management reports on a monthly basis and conducts performance dialogues with the divisions on a regular basis. The Group assesses the performance of the operating segments based on measure of revenue and profit before tax.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

43. Segment information (cont'd.)

	Cement RM'000	Road maintenance RM'000	Property development RM'000	Phosphates RM'000	Oiltools RM'000	Construction materials and trading RM'000	Strategic investments RM'000	Support services RM'000	Adjustments, elimination and corporate expenses RM'000	Notes	Total RM'000
2025											
Revenue:											
External customers	639,095	152,474	107,996	-	139,262	50,291	451	19,849	-		1,109,418
Inter-segment of sales	25,966	-	1,541	-	-	16,314	-	61,202	(105,023)	A	-
Total revenue	665,061	152,474	109,537	-	139,262	66,605	451	81,051	(105,023)		1,109,418
Results:											
Interest income	8,484	1,007	3,347	437	8,919	481	617	114	(12,320)		11,086
Depreciation and amortisation	(54,341)	(3,131)	(4,711)	(2,048)	(10,726)	-	(962)	(4,528)	146		(80,301)
Net fair value loss in investment securities	-	-	-	-	-	-	(94)	-	-		(94)
Other non-cash expenses	(9,610)	-	-	(41,184)	(395)	(69)	(11)	(309)	-	B	(51,578)

43. Segment information (cont'd.)

	Cement RM'000	Road maintenance RM'000	Property development RM'000	Phosphates RM'000	Oiltools RM'000	Construction materials and trading RM'000	Strategic investments RM'000	Support services RM'000	Adjustments, elimination and corporate expenses RM'000	Notes	Total RM'000
2025											
Segment profit/ (loss) before tax:											
Company and subsidiaries	160,568	22,916	5,946	(145,915)	9,595	(456)	4,408	501	(20,100)		37,463
Associates	-	-	-	-	-	-	46,696	-	-		46,696
Joint ventures	-	(2,401)	-	-	-	27,411	(368)	-	-		24,642
	160,568	20,515	5,946	(145,915)	9,595	26,955	50,736	501	(20,100)		108,801
Assets:											
Investments in associates	-	-	-	-	-	-	883,810	-	-		883,810
Investments in joint ventures	-	31,066	-	-	-	310,053	-	-	-		341,119
Additions to non-current assets	187,395	6,873	4,174	7,735	4,034	195	-	7,393	(401)	C	217,398
Segmental assets	1,164,693	162,559	656,037	974,751	248,817	57,086	950,563	1,216,948	(787,852)	D	4,643,602
Segmental liabilities	100,047	53,610	184,257	794,750	99,642	21,932	662,500	880,054	(1,753,183)	E	1,043,609

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. Segment information (cont'd.)

	Cement RM'000	Road maintenance RM'000	Property development RM'000	Phosphates RM'000	Oiltools RM'000	Construction materials and trading RM'000	Strategic investments RM'000	Support services RM'000	Adjustments, elimination and corporate expenses RM'000	Notes	Total RM'000
2024											
Revenue:											
External customers	619,351	142,533	72,172	-	277,364	60,727	1,810	22,297	-		1,196,254
Inter-segment of sales	27,419	-	967	-	-	3,546	-	47,074	(79,006)	A	-
Total revenue	646,770	142,533	73,139	-	277,364	64,273	1,810	69,371	(79,006)		1,196,254
Results:											
Interest income	6,648	1,252	3,307	151	2,752	668	2,835	81	(11,217)		6,477
Depreciation and amortisation	(53,450)	(3,303)	(3,361)	(2,282)	(17,825)	(390)	(690)	(3,572)	61		(84,812)
Net fair value gain in investment securities	-	-	-	-	-	-	9,006	1,268	-		10,274
Other non-cash expenses	(941)	(374)	(1,339)	(19,486)	(6,545)	(11)	(11,869)	(20,796)	-	B	(61,361)

43. Segment information (cont'd.)

	Cement RM'000	Road maintenance RM'000	Property development RM'000	Phosphates RM'000	Oiltools RM'000	Construction materials and trading RM'000	Strategic investments RM'000	Support services RM'000	Adjustments, elimination and corporate expenses RM'000	Notes	Total RM'000
2024											
Segment profit/ (loss) before tax:											
Company and subsidiaries	149,440	34,941	21,576	(96,795)	30,357	86	14,452	(19,732)	(33,828)		100,497
Associates	-	-	-	-	168	-	68,049	-	-		68,217
Joint ventures	-	(1,296)	-	-	-	21,717	965	-	-		21,386
	149,440	33,645	21,576	(96,795)	30,525	21,803	83,466	(19,732)	(33,828)		190,100
Assets:											
Investments in associates	-	-	-	-	1,107	-	872,256	-	-		873,363
Investments in joint ventures	-	36,274	-	-	-	310,150	4,780	-	-		351,204
Additions to non-current assets	18,977	5,399	4,272	629	10,910	-	371	8,847	-	C	49,405
Segmental assets	945,427	158,266	621,995	992,397	260,324	43,947	902,792	1,024,998	(401,394)	D	4,548,752
Segmental liabilities	97,146	35,116	168,056	540,233	113,909	8,109	434,545	718,401	(1,203,395)	E	912,120

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. Segment information (cont'd.)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues are eliminated on consolidation.

B Other material non-cash expenses consist of the following items as presented in the respective notes to the financial statements:

	Note	2025 RM'000	2024 RM'000
Impairment loss on intangible assets	8	-	14,048
Impairment loss on trade and other receivables	8	14	6,288
Impairment loss on goodwill	8	-	6,776
Inventories written down	8	15,095	13,843
Property, plant and equipment written off	8	-	980
Unrealised forex exchange loss	8	36,469	16,169
Share-based payment	9	-	3,257
		51,578	61,361

C Additions to non-current assets consist of:

	2025 RM'000	2024 RM'000
Property, plant and equipment	216,697	44,391
Land held for property development	597	2,431
Intangible assets	21	2,583
Investment properties	83	-
	217,398	49,405

D The following items are added to/(deducted from) segment assets to arrive at total assets reported in the Group's statement of financial position:

	2025 RM'000	2024 RM'000
Investments in associates	883,810	873,363
Investments in joint ventures	341,119	351,204
Deferred tax assets	23,421	23,512
Current tax assets	8,246	12,058
Goodwill	61,709	61,709
Inter-segment assets	(2,106,157)	(1,723,240)
	(787,852)	(401,394)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. Segment information (cont'd.)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd.)

E The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the Group's statement of financial position:

	2025 RM'000	2024 RM'000
Deferred tax liabilities	66,586	67,563
Income tax payable	18,638	18,472
Loans and borrowings	227,704	212,794
Lease liabilities	82,464	45,535
Inter-segment liabilities	(2,148,575)	(1,547,759)
	(1,753,183)	(1,203,395)

Geographical information

	Revenue from contracts with customers RM'000	Total non-current assets RM'000
2025		
Malaysia	967,195	3,220,079
Outside Malaysia	123,849	36,875
	1,091,044	3,256,954
2024		
Malaysia	911,875	3,145,093
Outside Malaysia	261,481	43,676
	1,173,356	3,188,769

44. Dividends

(a) Recognised during the financial year:

	Sen per share	Total amount RM'000
2025		
First and final tax exempt 2024 ordinary (single-tier)	3.00	32,239
2024		
First and final tax exempt 2023 ordinary (single-tier)	2.00	21,484

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

44. Dividends (cont'd.)

(b) Proposed but not recognised as a liability:

The following dividend will be proposed for shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

	Sen per share
First and final tax exempt 2025 ordinary (single-tier)	3.00

45. Subsequent event

On 28 February 2026, a conflict in the Middle East had created a significant global disruption. Although the Group and the Company have no direct exposure to the conflict, the resulting indirect effects, particularly higher energy prices, increased shipping insurance costs and supply chain delays have affected global operating conditions.

As the conflict arose after the reporting date, it is considered a non-adjusting event and does not cast significant doubt on the ability of the Group to continue as a going concern.

As at the date of the financial statements, the Group and the Company have not seen any significant impact of the conflict on their revenue, earnings, cash flow and financial condition. Given the evolving nature of the situation, the full extent and duration of its impact cannot be reasonably estimated at this time. The Group and the Company continue to closely monitor the developments of these events.

46. Authorisation of financial statements for issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 7 April 2026.

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