



**KUMPULAN
KITACON BERHAD**
(Registration No. 202201006838 (1452535-V))

ANNUAL REPORT 2024

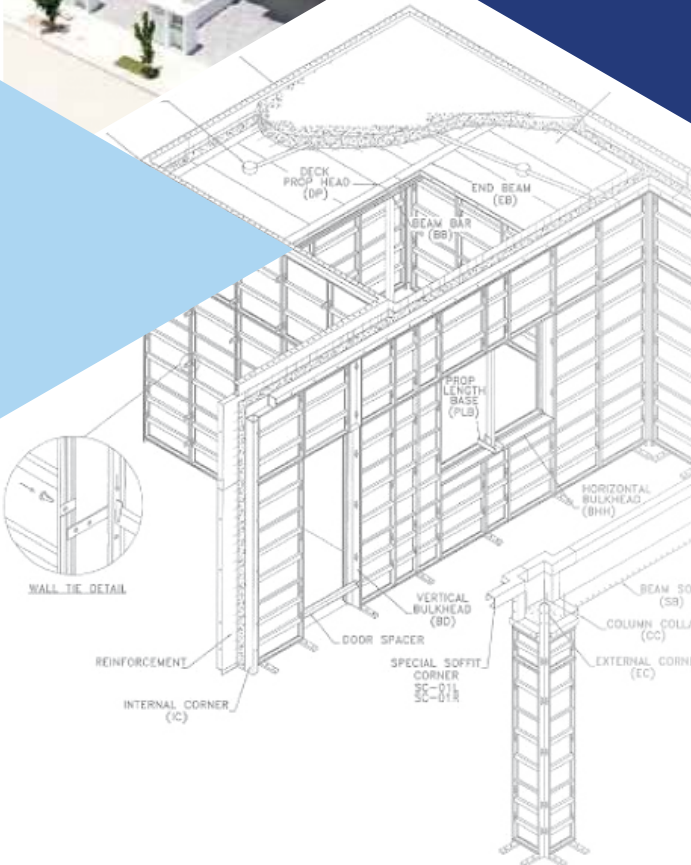




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CORPORATE INFORMATION

Board of DIRECTORS

Qua Mu Im

Independent
Non-Executive Chairperson

Tan Ah Kee

Managing Director

Teow Choo Hing

Non-Independent
Non-Executive Director

Gam Boon Tin

Executive Director /
Chief Operating Officer

Goh Yin Huat

Executive Director /
Chief Financial Officer

Low Chin Ann @ Han Chin Ann

Independent
Non-Executive Director

Chang Sua Yean

Independent
Non-Executive Director

Nooriah Binti Hassan

Independent
Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Low Chin Ann @ Han Chin Ann
(Chairperson)
Chang Sua Yean
Nooriah Binti Hassan

NOMINATION COMMITTEE

Nooriah Binti Hassan (Chairperson)
Teow Choo Hing
Chang Sua Yean

REMUNERATION COMMITTEE

Chang Sua Yean (Chairperson)
Low Chin Ann @ Han Chin Ann
Teow Choo Hing

ESOS COMMITTEE

Chang Sua Yean (Chairperson)
Tan Ah Kee
Gam Boon Tin
Goh Yin Huat

COMPANY SECRETARIES

Ng Hao Ern
(MAICSA 7072518)
SSM PC NO.: 201908003771

Yew Ing Chuo
(MAICSA 7003806)
SSM PC NO.: 201908003659

REGISTERED OFFICE

52A, Lebuhr Enggang, 41150 Klang
Selangor Darul Ehsan, Malaysia
Tel : (03) 3343 7145

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : (03) 7890 4700
Fax : (03) 7890 4670

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
AmBank (M) Berhad
CIMB Bank Berhad
Hong Leong Bank Berhad
HSBC Amanah Malaysia Berhad
RHB Bank Berhad
Standard Chartered Bank Malaysia
Berhad
United Overseas Bank (Malaysia) Bhd

EXTERNAL AUDITORS

Crowe Malaysia PLT
Suite 50-3, Setia Avenue
No. 2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan, Malaysia
Tel : (03) 3343 0730
Fax : (03) 3344 3036

HEAD OFFICE

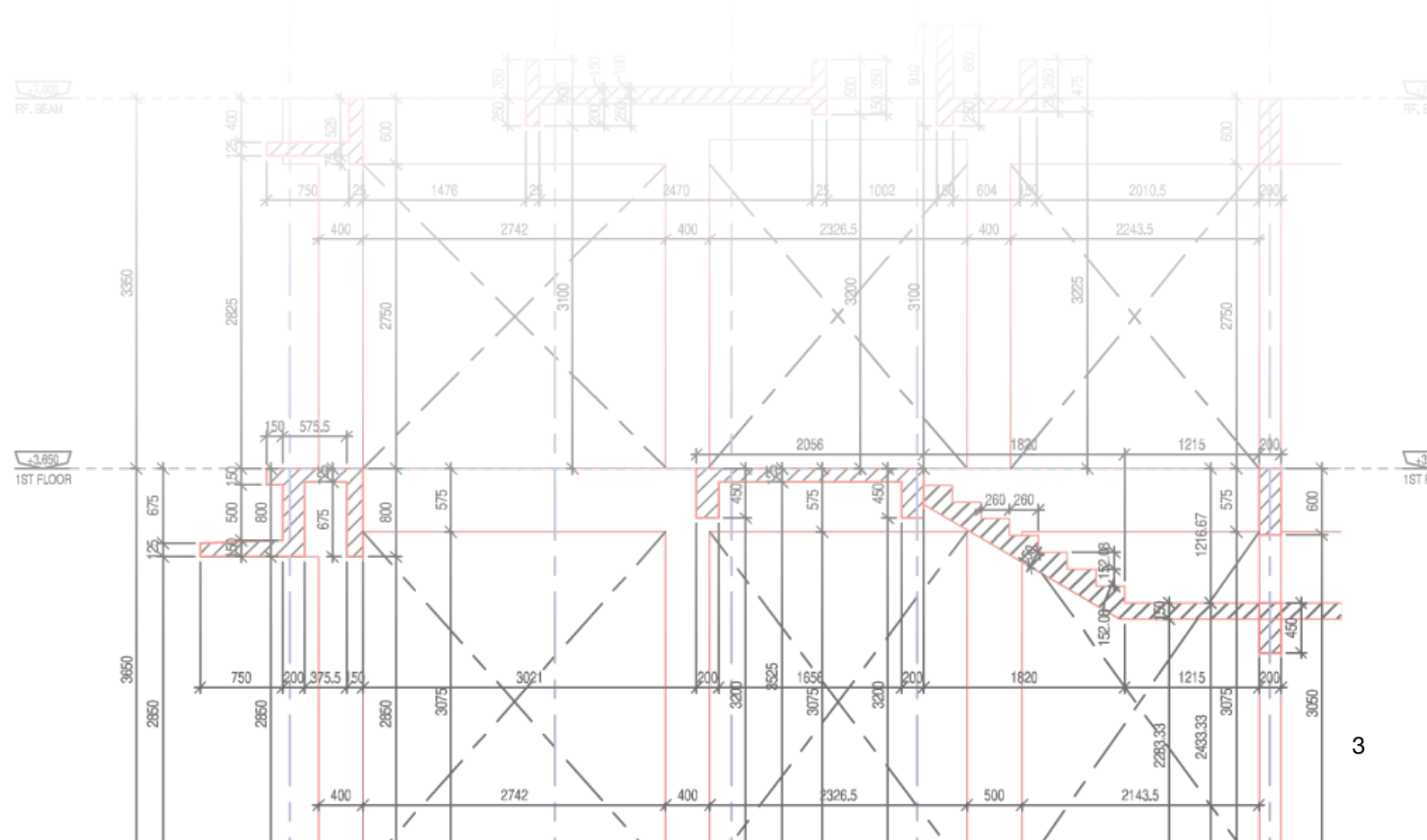
No. 24, Jalan Rengas
Taman Selatan
41200 Klang
Selangor Darul Ehsan, Malaysia
Tel : (03) 3372 4162
Fax : (03) 3372 4342

STOCK EXCHANGE LISTING

Main Market of
Bursa Malaysia Securities Berhad
Stock Name : KITACON
Stock Code : 5310
Listed on 17 January 2023

WEBSITE:

www.kitacon.com.my





PROFILE OF BOARD OF DIRECTORS



Qua Mu Im

Independent Non-Executive Chairperson

Nationality	Gender	Age
		74
Date of Appointment: 26 June 2024		
Length of Tenure as director: 9 months (as at 31 March 2025)		
Membership of Board Committee: None		

Ms. Qua Mu Im, a Malaysian aged 74, is our Independent Non-Executive Chairperson. She was appointed to our Board on 26 June 2024.

Ms. Qua brings extensive leadership and organizational development experience from both corporate and non-profit sectors. She began her career as a Marketing Researcher at Jebson & Jessen (M) Sdn Bhd, rising to General Manager of its subsidiary, Tiga Ikan (M) Sdn. Bhd., over a decade. She then transitioned to the Insurance and Financial Services industry, where she spent 24 years, including 18 years in Life Insurance, becoming the first woman in the country to gain Life Membership of the Million Dollar Round Table (MDRT). She was instrumental in setting up the High Net Worth division for AIA in Hong Kong and served as COO of OSK Wealth Planners Sdn Bhd until her retirement in 2007.

Ms. Qua holds certifications as an MII-Fellow, Chartered Life Underwriter, and Chartered Financial Consultant. After retiring from financial services, she served as Executive Secretary and later Private Education Director for The Methodist Church in Malaysia, overseeing strategic development and expansion projects, including the commissioning of new schools.

Her community service includes serving as the First Lady President of the Kiwanis Club, Subang, and as President of AFS Malaysia (Antara Budaya Malaysia). She has held various roles on boards, including the Methodist Boys' School, Kuala Lumpur, and currently, the Vocational Training Opportunity Centre (VTOC) of Young Womens' Christian Association (YWCA) since 2023.

Ms. Qua a member of the Institute of Corporate Directors Malaysia since June 2024.



Profile of Board of Directors (Cont'd)



TAN AH KEE

Managing Director

Nationality



Gender



Age

64

Date of Appointment:

24 February 2022

Length of Tenure as director:

3 years 1 month (as at 31 March 2025)

Membership of Board Committee:

A member of ESOS Committee

Mr. Tan Ah Kee, a Malaysian aged 64, is our Substantial Shareholder and Managing Director. He is our co-founder and was appointed to our Board on 24 February 2022. He is also a member of our ESOS Committee.

He graduated with a Diploma in Technology (Building) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 1984 and has been a member of the Chartered Institute of Building since 2005.

He started his career with Chi Liung Realty (M) Sdn Bhd, a construction company, in 1984 as a Technical Assistant, where he was involved in site monitoring as well as managing the tender process and housing projects. He left the company in 1988. However, between 1988 and 1990, he continued to work with Chi Liung Realty (M) Sdn Bhd on a part-time basis to assist the company in completing its remaining projects which were previously under his purview.

In October 1990, he co-founded Kitacon Sdn Bhd ("KSB") together with Teow Choo Hing, both of whom are directors and shareholders of KSB. Throughout the years, Tan Ah Kee is responsible for the day-to-day management and business operations and providing guidance and direction to our management team. Together with Teow Choo Hing, he is also responsible for the formulation of overall business expansion strategies and direction of our Group.

He has approximately 40 years of experience in the construction industry and has undertaken construction work for many township development projects including Eco Granduer, Eco Majestic and Eco Forest under Eco World Development Group, City of Elmina under Sime Darby Property Group, Tropicana Aman under Tropicana Corporation Berhad, as well as Setia Eco Glades, Setia Safiro and Setia Eco Park under S P Setia Group.

As the Managing Director, he is responsible for the overall management and business operations of our Group as well as the strategic planning, formulation, and implementation of our Group's strategies.

Profile of Board of Directors (Cont'd)



TEOW CHOO HING

Non-Independent Non-Executive Director

Nationality



Gender



Age

65

Date of Appointment:

12 May 2022

Length of Tenure as director:

2 years 10 months (as at 31 March 2025)

Membership of Board Committee:

Nomination and Remuneration Committees

Mr. Teow Choo Hing, a Malaysian aged 65, is our Substantial Shareholder and Non-Independent Non-Executive Director. He was appointed to our Board on 12 May 2022. He is also a member of our Nomination and Remuneration Committees.

He obtained a Bachelor of Science in Civil Engineering and a Master of Science in Civil Engineering from the University of Oklahoma, USA in 1984 and 1985, respectively. While he was in the USA, he worked as Project Engineer in LaForge & Budd Construction Company Inc, USA, and was involved in an interstate highway project in Oklahoma.

Currently, he is the Chief Executive Officer of CJ Century Logistics Holdings Berhad. He is responsible for the overall management and business operations of the company.

In October 1990, Teow Choo Hing co-founded KSB together with Tan Ah Kee, both of whom are directors and shareholders of KSB, to venture into the construction business. Since the inception of KSB, Teow Choo Hing has left the day-to-day management of the company to Tan Ah Kee. However, in fulfilling his oversight responsibility, he participates in board matters in a non-executive role such as the formulation of overall business expansion strategies and direction of our Group together with Tan Ah Kee. Apart from attending meetings of the board of directors, he is not involved in the day-to-day operations of KSB.



Profile of Board of Directors (Cont'd)



GAM BOON TIN

Executive Director /
Chief Operating Officer ("COO")

Nationality



Gender



Age

53

Date of Appointment:

25 May 2022

Length of Tenure as director:

2 years 10 months (as at 31 March 2025)

Membership of Board Committee:

A member of ESOS Committee

Mr. Gam Boon Tin, a Malaysian aged 53, is our Executive Director/COO. He was appointed to our Board on 25 May 2022. He is also a member of our ESOS Committee.

He graduated with a Diploma in Technology (Building) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 1995.

He started his career with KSB as Assistant Quantity Surveyor in 1995, where he was involved in general quantity surveyor work, such as providing estimation on quantities, costs and time scales for materials and labour, and drawing up budget reports. He was promoted to Contract Executive in 1997 and was subsequently promoted to Contract Manager in 1997, where he was entrusted to monitor and control overall project cost, operational activities of our construction projects and oversee the tender process as well as contract management.

He was promoted to Senior Manager (Tender, Budget and Cost Control Department) in 2002, GM (Contract and Implementation) in 2005, Senior GM in 2016 and COO in 2022. Throughout his career with KSB, he was responsible for the overall project management and daily operations, including overseeing the tender process, contract management and implementation of projects, as well as administration and procurement. As COO, he also oversees the entire Contracts Department of our Group.

In his capacity as our Executive Director, Gam Boon Tin plays a vital role in assisting our Managing Director in ensuring that the strategic planning, formulation and strategies of our Group are successfully and viably implemented.

Profile of Board of Directors (Cont'd)



GOH YIN HUAT

Executive Director /
Chief Financial Officer ("CFO")

Nationality



Gender



Age

44

Date of Appointment:

25 May 2022

Length of Tenure as director:

2 years 10 months (as at 31 March 2025)

Membership of Board Committee:

A member of ESOS Committee

Mr. Goh Yin Huat, a Malaysian aged 44, is our Executive Director/ CFO. He was appointed to our Board on 25 May 2022. He is also a member of our ESOS Committee.

He graduated with a degree in Bachelor of Arts in Accounting from the University of Hertfordshire, United Kingdom in 2002. He has been a member of the Malaysian Institute of Accountants since 2008 and a Fellow member of the ACCA since 2012.

He started his career with Thiang & Co, an audit firm, as Audit Assistant in 2002, where he was involved in the audit of various private limited companies, mainly responsible for audit planning, resolving audit issues and review of statutory accounts. He subsequently left the firm as Audit Senior in 2005.

He joined Crowe Horwath (now known as Crowe Malaysia PLT) in 2005 as Audit Senior and was promoted to Audit Manager in 2010. During his tenure with the firm, he was responsible for managing the audit of both public and private limited companies and conducting financial due diligence in relation to business acquisition.

He left the audit firm to join Gabungan AQRS Berhad, a construction and property development company listed on the Main Market of Bursa Securities, as Finance Manager in 2012. He was subsequently promoted to Senior Finance Manager in 2015 and Deputy Group Financial Controller in 2018. During his tenure with the company, he was responsible for accounting and financial matters including, among others, planning of the yearly audit, preparing quarterly reports, annual cash flow budget and profit forecast, updating risk register and risk presentation at board meetings and compilation of the annual report. He also oversees tax matter and funding needs.

In 2019, he left Gabungan AQRS Berhad and joined KSB as CFO. He heads the Accounts and Finance Department where he is responsible for overseeing all aspects of accounting functions of KSB, including financial reporting, budgeting, taxation and cash flow management.

In his capacity as our Executive Director, Goh Yin Huat plays a vital role in assisting our Managing Director in ensuring that the strategic planning, formulation and strategies of our Group are successfully and viably implemented.



Profile of Board of Directors (Cont'd)



**LOW CHIN ANN @
HAN CHIN ANN**

Independent Non-Executive Director

Nationality



Gender



Age

44

Date of Appointment:

25 May 2022

Length of Tenure as director:

2 years 10 months (as at 31 March 2025)

Membership of Board Committee:

Chairperson of Audit and Risk Management Committee and a member of Remuneration Committee

Mr. Low Chin Ann @ Han Chin Ann, a Malaysian aged 44, is our Independent Non-Executive Director. He was appointed to our Board on 25 May 2022. He is also the Chairperson of our Audit and Risk Management Committee and a member of our Remuneration Committee.

He graduated with a Diploma in Computer Science from Institute Latihan FTMS-ICL (now known as FTMS College) and completed the Certified Accounting Technician programme in 1999. He has been a member and Fellow member of the ACCA since 2005 and 2010 respectively, and a member of the Malaysian Institute of Accountants since 2021. In 2024, he was admitted as a Chartered Member of the Institute of Logistics and Transport Malaysia (CMILT) and in 2025, he attained his ACCA Professional Diploma in Sustainability.

He started his career with RKT Tax Consultants Sdn Bhd, a tax consultancy firm, as Tax Executive in 2001. He left the firm in 2001 and joined KLC Centre for Higher Studies in 2002 as Lecturer prior to him leaving the institute in 2002. Between 2003 and 2006, he joined Kasturi College International (now known as Malvern International Academy) as Course Director for the Certified Accounting Technician programme where he was responsible for conducting lectures and managing the said programme. He left the college in 2006 and joined both FTMS Consultants (M) Sdn Bhd and FTMS Global (Singapore) Ltd as Lecturer in 2007. He left the companies in 2007.

Mr. Low sat on the Board of Analabs Resources Berhad, a company listed on the Main Market of Bursa Securities, as Independent Non-Executive Director, a position he had held since 2012, prior to his redesignation as Senior Independent Non-Executive Director in 2015 and his retirement in October 2022.

Since 2023, Mr. Low was appointed as a study text and workshop manuals reviewer for the Audit & Assurance and Advanced Taxation papers of the Malaysian Institute of Accountants' qualifying examinations, contributing his expertise to uphold the standards of the accountancy profession in Malaysia.

Mr. Low currently serves as the Director of Trinity Genesis Origo Development Sdn Bhd (Genesis Origo), where he leads the provision of accountancy-related training and oversees the conduct of professional accountancy courses tailored for working adults. Additionally, he holds the position of Director at Malaysian Pest Control Sdn Bhd.

Profile of Board of Directors (Cont'd)



CHANG SUA YEAN

Independent Non-Executive Director

Nationality



Gender



Age

40

Date of Appointment:

25 May 2022

Length of Tenure as director:

2 years 10 months (as at 31 March 2025)

Membership of Board Committee:

Chairperson of Remuneration and ESOS Committees and a member of Nomination and Audit and Risk Management Committees.

Ms. Chang Sua Yean, a Malaysian aged 40, is our Independent Non-Executive Director. She was appointed to our Board on 25 May 2022. She is also the Chairperson of our Remuneration and ESOS Committees and a member of our Nomination and Audit and Risk Management Committees.

She graduated with a Bachelor of Laws degree from the University of Malaya in 2008 and was admitted to the High Court of Malaya as Advocate and Solicitor in 2009.

She began her legal career in 2009 as Legal Assistant with Abraham Ooi & Partners, where her main area of practice was conveyancing. She left the firm in 2012 and joined Armyi Rais as Legal Assistant before she rejoined Abraham Ooi & Partners in the same year. She left the firm in 2013 to join Amir Faezal Norzela & Chong as Legal Assistant and was subsequently promoted to Partner in 2014 to head the Real Estate and Property Practice Group. She has gained extensive experience in real estate matters including property acquisition and divestment, development projects, commercial leasing, property financing, commercial and retail banking.

She left the law firm and joined Chuah & Yong as Partner in 2015, where her main area of practice was conveyancing and banking. Apart from her vast experience in real estate matters, she has also been advising and representing banks on legal documentation in banking transactions including refinancing and financing purchase of property.



Profile of Board of Directors (Cont'd)



NOORIAH BINTI HASSAN

Independent Non-Executive Director

Nationality



Gender



Age

61

Date of Appointment:

25 May 2022

Length of Tenure as director:

2 years 10 months (as at 31 March 2025))

Membership of Board Committee:

Chairperson of Nomination Committee and a member of Audit and Risk Management Committee.

Puan Nooriah Binti Hassan, a Malaysian aged 61, is our Independent Non-Executive Director. She was appointed to our Board on 25 May 2022. She is also the Chairperson of our Nomination Committee and a member of our Audit and Risk Management Committee.

She graduated with a Bachelor of Architecture from The University of New South Wales, Australia in 1989. She has been a member of the Malaysian Institute of Architects and has been registered with the Board of Architects Malaysia since 2012. She is also a certified Project Management Professional with the Project Management Institute, USA since 2017 and a member of the Institute of Corporate Directors Malaysia since September 2022.

She started her career with Arkitek Kawasan Sekutu as Design Architect in 1989, where she was responsible for designing and assisted in various commercial and housing development projects. She left the firm and joined Arkitek Sama in 1991 as Project Architect until her departure in 1995. In 1995, she joined Arkitek N. Kang as Project Architect, where she was responsible for project management. She left the firm in 2007 and took a break thereafter.

In 2009, she joined Palm Grove Development Sdn Bhd as Project Architect / Master Planner, where she was the key personnel for the overall development of Bandar Nusaputra. She left the firm in 2012 and joined UEM Group Berhad group of companies as Senior Manager, Development, where she was in charge of the projects in the southern region of Malaysia. Subsequently, she was responsible for the management and development of the Serene Heights, Bangi township. She held the position of Project Team Leader prior to her retirement in 2021.

In 2014, she set up and registered Noori Hassan Architect with the Board of Architects Malaysia to provide architectural consultancy services.

PROFILE OF KEY SENIOR MANAGEMENT

GAM BOON TIN

Executive Director / Chief
Operating Officer ("COO")

Age : 53 years old
Nationality : Malaysian
Gender : Male

Please refer to his profile on page 7 of the Profile of Board of Directors.

GOH YIN HUAT

Executive Director / Chief
Financial Officer ("CFO")

Age : 44 years old
Nationality : Malaysian
Gender : Male

Please refer to his profile on page 8 of the Profile of Board of Directors.

CHOOI KUEN WAH

Deputy Project Chief
Operating Officer

Age : 54 years old
Nationality : Malaysian
Gender : Male

Mr. Chooi Kuen Wah, a Malaysian aged 54, is our Deputy Project Chief Operating Officer. He is responsible for our Group's project management in terms of construction progress, quality, safety and environmental management, and contract administrative works.

Mr Chooi graduated with a Certificate in Technology (Architecture) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 1991 and he started his career with Low Yat Construction Co. Sdn Bhd as Trainee Draughtsman in the same year, where he was involved in the preparation of drawings.

He left the company in 1991 to join Comtrac Sdn Bhd as Assistant Quantity Surveyor in the same year and was involved in contract administration. In 1994, he was promoted to Quantity Surveyor, where his main responsibilities involved subcontractor management and preparing claims and bills to the clients and subcontractors.

In 1995, he joined KSB as Contract Executive and was involved in contract administration. He was subsequently promoted to Assistant Project Manager in the same year, where he was primarily involved in project tracking and monitoring and overseeing construction projects at the sites, ensuring that the work carried out was in accordance with the drawings. In 1997, he was promoted to Project Manager.

Thereafter in 2002, he was promoted to Senior Manager (Project Implementation Department) and was responsible for expanding the Project Department, providing training to the team members, and liaising with clients, consultants and authorities. He was promoted to GM (Operation 1) in 2016 to lead the Projects and Construction Department.

In March 2025, Mr. Chooi was promoted to Deputy Project Chief Operating Officer.



Profile of Key Senior Management (Cont'd)

TAN YOKE HUAY

General Manager ("GM")
(Purchasing and Human Resource)

Age : 66 years old
Nationality : Malaysian
Gender : Female

Ms Tan Yoke Huay, a Malaysian aged 66, is our GM (Purchasing and Human Resource). She is responsible for the overall purchasing and procurement, human resource and administrative matters of our Group.

She attended her secondary education at Sekolah Menengah Kebangsaan (Perempuan) Bukit Kuda in Klang, Selangor. She began her career with Lim Eng Chuan OPEL Company in 1977 as Admin Clerk where she was involved in general administrative works. She left the company to join Federal Auto Cars Sdn Bhd in 1984 as Admin and Accounts Clerk, where she was involved in general administrative and accounting works. She left the company and joined KSB in 1994 as Administration Executive, where she was responsible for general administrative works such as preparation of documents for purchasing and payroll administration.

In 2002, she was promoted to Purchasing and Administration Manager, where her main responsibilities included overseeing the Purchasing and Procurement Department and the Human Resource Department, the overall purchasing and procurement matters, human resource matters and administrative matters such as liaising with suppliers to obtain quotes, sourcing for materials and handling suppliers' accounts with KSB and reviewing of purchase orders. In 2022, she was redesignated to assume her present role.

NG TEOK KIEAN

Senior Account Manager

Age : 60 years old
Nationality : Malaysian
Gender : Female

Ms Ng Teok Kiean, a Malaysian aged 60, is our Senior Account Manager. She is responsible for the overall finance and accounting matters which includes overseeing the Accounts and Finance Department.

She obtained her Unified Examination Certificate from Sekolah Menengah Hin Hua in Klang, Selangor in 1982. Upon her graduation, she assisted in her family-owned business which is involved in palm trees and orchards. She began her career with Eetak Brick Factory Sdn Bhd, a brick manufacturer, as General Accountant in 1984, where she was responsible for the preparation of the company's accounts. She left the company in 1990.

She joined KSB as Accounts Clerk in 1991, where she was responsible for the preparation of the company's accounts. She was promoted to Accounts Executive in 1993 and Accounts Manager in 2002, where she was responsible for the day-to-day operations of our Group's finance and accounting functions including timely preparation of financial statements, submission of tax filing and monitoring of credit control. She was promoted to Senior Account Manager in 2022.

Profile of Key Senior Management (Cont'd)

LIW FEI JY

Senior Contract Manager
(Pre-Contract)

Age : 42 years old
Nationality : Malaysian
Gender : Female

Ms Liw Fei Jy, a Malaysian aged 42, is our Senior Contract Manager (Pre-Contract). She is responsible for leading the pre-contract team in preparing tender bids for submission.

Ms Liw graduated with a Diploma in Technology (Quantity Surveying) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 2003. She began her career with L'Grande Development Sdn Bhd, a construction and civil engineering company, in 2003 as Junior Contract Executive, where she assisted her superior on quantity surveying works. She left the firm in 2004 and joined Dayatera Engineering Sdn Bhd, a subcontractor of roof trusses, in 2005 as Estimator, where she was responsible for preparing estimation of quantity for production purposes, providing quotation to clients and handling progress claim. She left the company in the same year.

In 2005, she joined KSB as Contract Executive, where she was responsible for post-contract works and quantity surveying works. In 2011, she left KSB and joined Kimly Construction Pte Ltd, a construction company based in Singapore, as Contract Executive, where she worked for 3 years and was responsible for post-contract works and quantity surveying works.

Upon returning to Malaysia, she re-joined KSB in 2014 as Senior Contract Executive (Pre-Tender) and was subsequently promoted to Assistant Contract Manager in 2015, where she was responsible for analysing project requirement and specification of products and materials, obtaining quotations from subcontractors to prepare tender bids, submitting tender bids to developers, conducting interviews and meetings with clients, maintaining vendor database and submitting financial capabilities to clients.

She was promoted to Contract Manager in 2018 and to Senior Contract Manager (Pre-Contract) in 2022 with additional responsibility that includes planning and scheduling the efficient use of aluminium formwork.

TAN WEI KHIM

Senior Contract Manager
(Post-Contract)

Age : 45 years old
Nationality : Malaysian
Gender : Female

Ms Tan Wei Khim, a Malaysian aged 45, is our Senior Contract Manager (Post-Contract). She is responsible for leading the post-contract team in handling the supply of materials.

She graduated with a Diploma in Technology (Building) from Tunku Abdul Rahman College (now known as Tunku Abdul Rahman University of Management and Technology) in 2000 and began her career in 2001 as Estimator in Kampat Engineering Sdn Bhd, a company involved in the fabrication and installation of roof truss, where she was involved in the measurement and costing of roof trusses for construction works.

She left Kampat Engineering Sdn Bhd and joined KSB in 2003 as Assistant Quantity Surveyor, where she was responsible for assisting in quantity surveyor routine works, preparing budget and quotation, handling subcontractor claims and taking measurements at project sites. In 2008, she was promoted to Contract Executive, where she was primarily involved in quantity surveying works which includes drawing measurements, submission of progress claims, preparing variation orders and final accounts, and preparing subcontractor claims.

In 2013, she was promoted to Assistant Contract Manager, where she was responsible for the negotiation of material prices, monitoring contract executives on the submission of progress claims, preparation of variation orders and the final accounts. She was subsequently promoted to Contract Manager in 2015 and to Senior Contract Manager (Post-Contract) in 2022 and assumes her present role and responsibilities.



FINANCIAL HIGHLIGHTS

	FYE 2024 RM'000	FYE 2023 RM'000	FYE 2022 RM'000	FYE 2021 ⁽¹⁾ RM'000	FYE 2020 ⁽¹⁾ RM'000
FINANCIAL RESULTS					
Revenue	949,623	780,875	487,761	455,502	489,645
Profit Before taxation	70,194	48,074	53,298	52,336	52,762
Profit After taxation	52,777	36,369	40,306	41,833	39,201
FINANCIAL POSITION					
Total Assets	676,720	565,098	408,868	451,214	498,382
Total Liabilities	341,893	268,048	194,161	266,813	236,313
Net Assets	334,827	297,050	214,707	184,401	262,069
FINANCIAL RATIOS					
Net Assets per share ⁽²⁾ (sen)	67.0	59.4	42.9	36.9	52.4
Basic Earnings per share ⁽³⁾ (sen)	10.6	7.3	8.1	8.4	7.8
Net Gearing ⁽⁴⁾ (Times)	Net Cash	Net Cash	Net Cash	Net Cash	Net Cash

Notes:

- (1) Kumpulan Kitecon Berhad (the "Company") was incorporated on 24 February 2022 and was listed on the Main Market of Bursa Malaysia Securities Berhad on 17 January 2023. The Company completed the acquisition of its wholly-owned subsidiary, Kitecon Sdn Bhd on 21 October 2022. The comparative figures for FYE2020 to FYE2021 shown above are presented as if the acquisition had occurred at the beginning of the earliest comparative period presented.
- (2) Net Assets per share is calculated based on Net Assets divided by the enlarged issued share capital of 500,000,000 ordinary shares upon listing on 17 January 2023.
- (3) Basic Earnings per share is calculated based on Profit After Tax divided by the enlarged issued share capital of 500,000,000 ordinary shares upon listing on 17 January 2023.
- (4) Total Borrowings minus Cash and Cash Equivalents, divided by Shareholders' Equity.

CHAIRPERSON'S STATEMENT

Dear Respected Shareholders,

On behalf of the Board of Directors, it is with great pride that I present our third Annual Report and Audited Financial Statements of Kumpulan Kitacon Berhad (“Kitacon” or “the Group”) for the financial year ended 31 December 2024 (FYE 2024).

Qua Mu Im

(Independent
Non-Executive Chairperson)





Chairperson's Statement (Cont'd)

The Group has achieved a remarkable annual revenue of RM949.62 million, reflecting a steady growth of 21.6% compared to the previous year. Our net profit increased by 45.1%, reaching RM52.78 million. Despite the geopolitical uncertainties, economic fluctuations, and supply chain challenges, the Group has demonstrated adaptability and resilience. This achievement reflects our accumulated experience, valuable insights, and strategic approach to risk management, which navigating these challenges.

As a result, the Group has emerged stronger from these challenges and is now well-positioned to pursue sustainable growth. Our financial position remains solid supported by strong cash flow and a healthy outstanding order book of RM1.19 billion for FYE 2024.

OVERVIEW OF FINANCIAL PERFORMANCE

FYE 2024 was a defining year for Kitecon, marked by record revenue, double-digit profit growth, and strategic expansion. We are pleased to report a notable increase in revenue, which surged by 21.6% to RM949.62 million, compared to RM780.88 million in the previous financial year.



The improvement in revenue was primarily driven by the increased construction activities from ongoing projects, as well as the successful commencement of new projects throughout the year. The continuous progress of our existing projects contributed to a steady stream of income, while the initiation of new projects further enhanced our overall performance. These factors, combined with our efficient project execution and management, played a significant role in driving the revenue growth.

FYE 2024 the Group reported a profit before tax ("PBT") of RM70.19 million and a profit after tax ("PAT") of RM52.78 million. The healthy PBT and PAT underline the Group's ability to maintain profitability, even amidst a challenging business environment, showcasing our commitment to creating value for stakeholders.

REVIEW OF OPERATIONAL RESULTS

Notwithstanding the Group's solid performance for FYE 2024, the Group continues to prioritise the optimisation of its operational efficiency. One of the measures includes optimising the use of construction equipment such as aluminium formwork systems, scaffoldings and cabins to support its construction projects. Usage of the aluminium formwork systems will improve our productivity and therefore enables delivery of our projects within the given timeframe, as well as reducing cost and upholding our high-quality standards.

In addition to improving our operational efficiency, we have maintained good relationships with our suppliers and subcontractors, enabling us to negotiate competitive pricing. Our construction materials were procured in a staggered manner, aligned with the various phases of the construction activities.

We are pleased to announce that for FYE 2024, the Group has successfully secured 13 new residential projects and 5 non-residential projects, with a combined total contract value of RM877.9 million and RM177.3 million, respectively. This marks another record-breaking achievement, setting the highest number of contracts wins in the Group's history.

As of 31 December 2024, Kitecon is managing 42 ongoing building construction projects, with an impressive outstanding order book of RM1.19 billion. This strong portfolio provides the Group with earnings visibility for the next two years, reinforcing Kitecon's position within the construction industry.

Chairperson's Statement (Cont'd)

COMMITMENT TO SUSTAINABILITY

At Kitacon, we are committed to our vision of balancing our environmental, social and corporate governance elements within our business practices. From the environmental perspective, we have been accredited with ISO 14001:2015 certification since 2008, which exemplifies our ability in managing environmental responsibilities. As part of our continuous efforts to minimize our environmental footprint, we have progressively adopted aluminium formwork systems in place of traditional timber formwork. This shift helps reduce waste generation during construction projects, while also ensuring the safe and proper disposal of scheduled waste containing hazardous materials.

The Group also places importance on maintaining the employees' wellbeing, where regulatory requirements are adhered strictly and employees are provided with the resources to carry out their work safely. Since 2008, Kitacon has been accredited with ISO 45001:2018 certification, a framework to manage risks and improve occupational health and safety performance. To-date the Group has 47 health, safety and environmental personnel who are responsible for minimising occupational hazards, maintaining safety compliances within project sites, as well as preventing damages to the surrounding environment.

In terms of corporate governance, Kitacon remains committed to upholding the highest standards of integrity and ethical conduct, in line with the principles and best practices outlined in the Malaysian Code on Corporate Governance.



DIVIDEND CAPABILITY

Our robust financial performance has enabled us to continue rewarding shareholders.

On 27 August 2024, the Board of Directors had declared a first interim dividend of 1.0 sen per ordinary share, amounting to RM5 million in respect of FYE 2024. The dividend was paid on 11 October 2024.

On 26 November 2024, the Board of Directors had declared a second interim dividend of 1.0 sen per ordinary share, also amounting to RM5 million. This was paid on 24 December 2024.

On 20 February 2025, the Board of Directors further declared a third interim dividend of 1.0 sen per ordinary share, totaling RM5 million, which was paid on 27 March 2025.

The total dividend payout for FYE 2024 amounted to 3.0 sen per share or RM15.0 million, representing 28.4% of the Group's PAT.

Looking forward, we aim to grow our businesses by actively exploring value-accretive opportunities and pursuing strategic initiatives. It is our commitment to maximise our shareholders' value, as we aim to distribute at least 25% of our audited annual after-tax profit as dividends.





Chairperson's Statement (Cont'd)

FUTURE PROSPECTS

As we enter the new financial year, the Company remains optimistic about its outlook despite prevailing economic uncertainties.

The construction sector is showing signs of recovery, and while this is encouraging, several policy measures announced under Budget 2025 may impact the industry's operating landscape. These include the implementation of the Multi-Tier Levy Mechanism (MTLM), an increase in the minimum wage, new EPF contribution requirements for foreign workers, the mid-2025 rationalisation of the RON95 fuel subsidy, and a potential electricity tariff hike. Collectively, these developments are expected to influence the Group's cost structures and operating environment in the coming months.

Nonetheless, barring any unforeseen circumstances, including sharp fluctuations in building material prices, the Board remains cautiously optimistic about the Group's performance in 2025. We will continue to monitor market conditions closely and adapt our strategies accordingly to sustain our operational performance and deliver long-term value to shareholders.

The Group will maintain a vigilant approach in the procurement of building materials and adopt a prudent stance in tendering for new projects. We are committed to delivering high-quality projects within stipulated timelines, while actively expanding our order book to ensure sustainable earnings visibility.

Leveraging on our proven track record and solid financial footing, the Group is well-positioned to pursue value-accretive opportunities and scale our business in a sustainable manner. We will continue to prioritise strategic expansion, disciplined project selection, and capitalise on emerging opportunities to drive long-term shareholder value.

Looking ahead, Kitacon remains steadfast in its commitment to deliver projects with excellence and timeliness. As we accelerate construction activities, we will remain cautious of material cost volatility and adopt a strategic, disciplined approach in our bidding processes. Our focus remains on upholding quality, expanding our order book, and building a resilient foundation for future growth.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to extend our heartfelt appreciation goes out to our esteemed shareholders for your unwavering support and trust in Kitacon. We also wish to express our sincere gratitude to our business associates, clients, suppliers, and other stakeholders for their continued support and to our dedicated employees for their hard work and invaluable contributions to the Group. We look forward to delivering continued value and sustainable growth for all our stakeholders in the years ahead.

Qua Mu Im

Independent Non-Executive Chairperson



MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONS OVERVIEW

Kumpulan Kitacon Berhad is an investment holding company listed on the Main Market of Bursa Malaysia Securities Berhad. The Group primarily provides construction services, specialising in the construction of residential and non-residential buildings.

Residential buildings include various options such as terrace, semi-detached, detached, cluster, and townhouses, while non-residential buildings include commercial, industrial, purpose-built, and institutional buildings. The Group also provides other related services such as earthworks, roadworks, hoarding works, rectification works, piling works, and infrastructure works.



FINANCIAL REVIEW

The Group recorded a strong financial performance in FYE 2024. It remained committed to a cautious approach in managing the Group's financial position, despite the challenges posed by the regional uncertainties.

In FYE 2024, the Group generated revenue of RM949.6 million, representing a 21.6% increase compared to RM780.9 million in FYE 2023. The increase in revenue for the financial year was mainly due to the higher construction activities from on-going projects and the commencement of new projects.

During FYE 2024, the Group's gross profit increased by RM27.1 million or approximately 28.9% to RM121.1 million compared to RM94.0 million in FYE 2023. The rise in gross profit for the FYE 2024 was primarily due to increased revenue and improved margin as compared to previous year.

The Group's profit before tax ("PBT") in FYE 2024 increased by RM22.1 million, or 46.0%, compared to FYE 2023, reaching RM70.2 million (compared to RM48.1 million in FYE 2023).



Management Discussion and Analysis (Cont'd)

FINANCIAL REVIEW (CONT'D)

The Group's profit after tax ("PAT") increased to RM52.8 million in FYE 2024. This represents a 45.1% increase compared to the previous year's RM36.4 million.

Despite the challenges faced by Kitacon, the Group continued to ensure that it has a strong financial position by having adequate cashflow while carrying out construction works for the on-going projects. In FYE 2024, the Group's total assets increased by 19.8% to RM676.7 million as compared to RM565.1 million previously, mainly on higher trade receivables, contract assets and short-term investments.

The Group's total liabilities in FYE 2024 increased by 27.5% to RM341.9 million as compared to RM268.0 million previously, mainly on higher trade payables.

The Group's shareholders' equity increased by 12.7% to RM334.8 million as compared to RM297.0 million previously, mainly on increased in retained earnings arising from the Group's PAT in FYE 2024.

The Group's prudent approach enabled the Group to sustain its financial position with a net cash position of RM170.4 million as at 31 December 2024.

Our efficient project implementation and operational effectiveness has led to encouraging financial results for FYE 2024. Top-quality township and residential projects have been a critical driver of our growth by meeting customer needs and capitalising on strong demand. Our growth has been significantly driven by reputable township and residential projects, which have successfully met customer needs and capitalised on robust demand.

Our prudent financial management is reflected in our net cash position, demonstrating our commitment to maintaining a strong financial position.



Management Discussion and Analysis (Cont'd)

RISKS AND UNCERTAINTIES

The Group faces several risks and uncertainties that could impact its future financial conditions and operations. These risks include the following:

i) **Unforeseen Delays in Completing Projects**

The Group's ability to complete projects on time may be impacted by factors beyond the Group's control, such as delays in obtaining regulatory approvals, poor performance by subcontractors, and difficulty in securing a consistent supply of foreign labour.

These delays could adversely affect the Group's revenue recognition, billing, and overall financial performance, resulting in cost overruns and liquidated damages imposed by the Group's customers. Furthermore, such delays could harm the Group's reputation and hinder the Group's ability to pursue future business opportunities.

ii) **Maintaining a Stable Order Book**

The Group's financial performance is closely tied to its ability to secure new projects and maintain a consistent order book. If the Group fails to secure new projects on an ongoing basis or if the projects that the Group secures are not commercially viable, the Group's business growth and financial performance will be negatively impacted. Additionally, unexpected cancellations, delays, or postponements of projects could decrease the value of the Group's order book and harm the Group's prospects and financial performance.

iii) **Price Volatility of Construction Materials**

The prices of construction materials, such as steel and concrete, are subject to fluctuations in commodity markets, which may result in increased costs that could negatively impact the Group's financial performance.

Such price volatility could affect the profitability of the Group's projects and put pressure on the Group's margins, which could further impede the Group's ability to generate sustainable revenue. Therefore, we must remain vigilant of these market trends and manage the Group's costs effectively to mitigate the potential adverse effects on the Group's financial performance.

CAPITAL MANAGEMENT

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to shareholders and benefits to other stakeholders. In order to meet this objective, the Group always strive to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group considers its total equity and total interest-bearing debts to be the key components of its capital structure and may, from time to time, adjust the dividend payments to shareholders or issue new shares, where necessary, to maintain an optimal capital structure.

The aforementioned capital management objective, policies and processes have remained unchanged during the financial year ended 31 December 2024.



Management Discussion and Analysis (Cont'd)

PROSPECTS FOR GROWTH

The global economy for year 2025 is anticipated to be sustained by positive labour market conditions, moderating inflation and less restrictive monetary policy. However, the positive outlook is subject to considerable uncertainties surrounding tariff and other policies from major economies and geopolitical developments which could lead to greater volatility in the global financial markets.

Due to the challenging global economy, Malaysia's Gross Domestic Product ("GDP") growth forecast for 2025, currently projected at between 4.5% and 5.5%, may be subjected to further downside revision, particularly from the probable impact of the US tariffs policy. Inflation is anticipated to remain manageable with the easing global cost conditions and the absence of excessive domestic demand pressures.

Construction activities in Malaysia have managed to sustain its momentum in 2024. The industry is projected to achieve stellar performance in 2025.

Despite general improvement in overall construction sector outlook in 2025, the Group continues to stay prudent by managing risks due to inflation and increase in certain material prices with measures to improve financial performance.

We continue to recognise the importance of staying ahead of the curve by prioritising expertise as our primary growth driver. With our expertise in building construction, particularly in township development, we have a crucial edge that provides relevant reference sites and experience to bid for future development phases. We have established long-term business relationships with our customers, highlighting a promising outlook for the future.

With Kitacon's vigilant cost control and sensitivity to the market evolvement from time to time, the Group aims to achieve optimum outcome out of the uncertainties. The Group presently has an impressive unbilled orderbook of approximately RM1.19 billion as at 31 December 2024, which will contribute positively to the Group's next two years earnings. Barring any unforeseen circumstances, the Groups is cautiously optimistic that it will perform satisfactorily in year 2025.

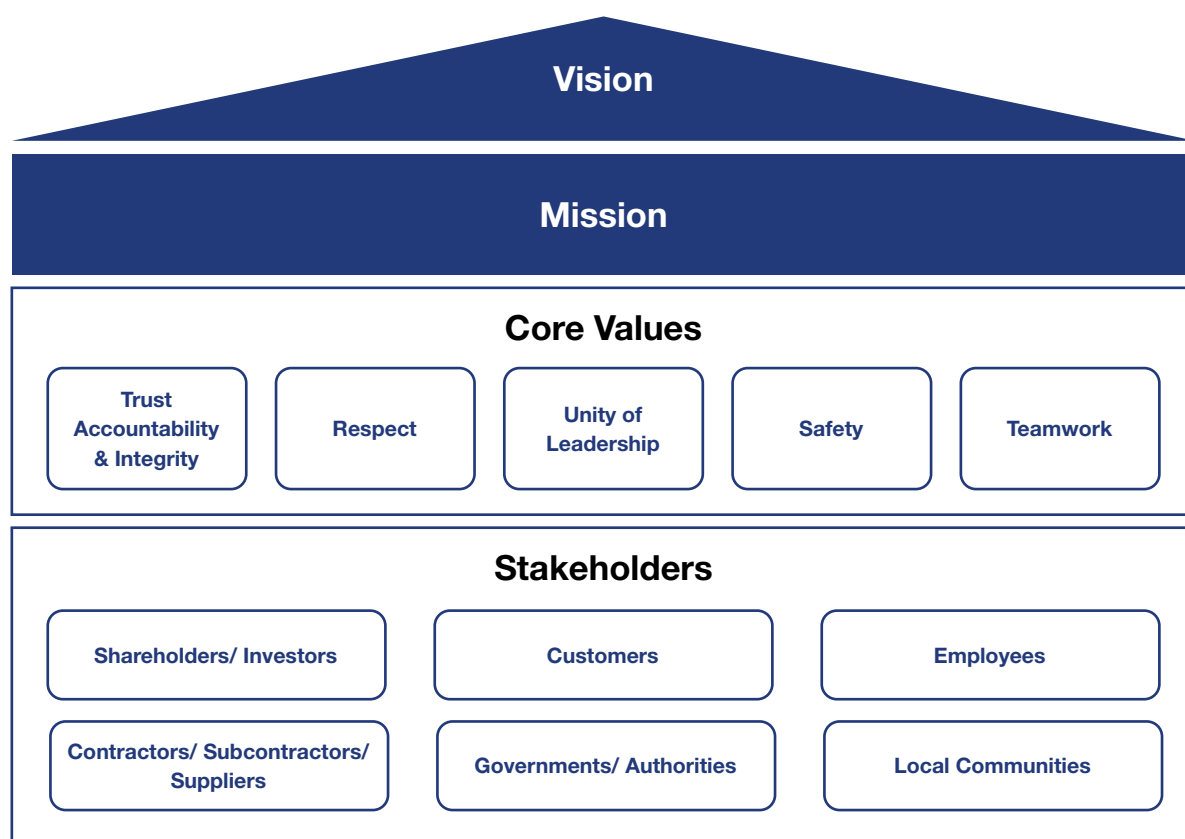
SUSTAINABILITY STATEMENT

1.0 INTRODUCTION

Kumpulan Kitacon Berhad (“Kitacon”) and its subsidiary (“the Group”, “Kitacon Group”, “us” and “we”) recognise the importance of sustainability and have implemented various initiatives related to sustainability efforts particularly in our construction activities. This section outlines our sustainability governance structure including roles and responsibilities, our stakeholders and material sustainability matters, and highlights our sustainability tasks and activities carried out by Kitacon Group.

In line with our Group’s mission, we aim to build long-lasting relationships with our stakeholders and expand our business in a responsible manner by providing value-added and more sustainable services and solutions. With the vision of promising high quality construction services, maintaining transparency to gain trust and confidence of our stakeholders, supporting innovation and creativity of our staff, protecting the environment and our natural resources and contributing to the growth of our community, Kitacon integrates its core values T.R.U.S.T (Trust, Accountability & Integrity, Respect, Unity of Leadership, Safety, Teamwork) into our daily operations to achieve long-term sustainability for all stakeholders.

Our sustainability framework incorporates guidance from Bursa Malaysia and internationally recognised frameworks based on Global Reporting Initiative (“GRI”). We are implementing this framework in stages demonstrating our commitment towards making our business more sustainable.





Sustainability Statement (Cont'd)

1.0 INTRODUCTION (CONT'D)

1.1 Reporting Framework and Scope

This Sustainability Statement is prepared based on the following frameworks and guidelines:

- Bursa Malaysia's Sustainability Reporting Guide 3rd Edition;
- Global Reporting Initiative ("GRI");
- Malaysia's Code on Corporate Governance ("MCCG"); and

This Statement includes Kumpulan Kitacon Berhad ("Kitacon") and its subsidiary and covers financial year 2024 ("FYE 2024") for the period from 1 January 2024 to 31 December 2024.

1.2 Assurance

The information and data provided in this statement have not been subjected to an assurance process. Looking ahead, we will actively consider incorporating an assurance process for our future reports to increase transparency and credibility.

1.3 Membership in Associations

Kitacon is a member of the following professional bodies and industry associations:

- Construction Industry Development Board ("CIDB")
- Master Builders Association Malaysia ("MBAM")

1.4 Feedback

We welcome feedback on our Report and any of the issues discussed herein from all stakeholders. Queries, comments, and suggestions regarding the content of this Report may be emailed to ir@kitacon.com.my.

1.5 Key Sustainability Performance Achievement

Kitacon recognises the importance of measuring our performance in the areas of governance, economy, environment and social in order to manage and improve our initiatives in sustainability. Our achievements on the key performance areas are summarised in the table below.

Theme	Material Matters	Key Performance Areas	FYE2024 Performance Highlights
Governance	Corporate Governance	Anti-bribery and corruption ("ABAC")	1. Nil (0) ABAC case 2. One (1) ABAC training for employees
		Whistleblowing	1. Nil (0) whistleblowing complaints
Economy	Procurement Practices	Local suppliers	Sourced from 100% local suppliers

Sustainability Statement (Cont'd)

1.0 INTRODUCTION (CONT'D)

1.5 Key Sustainability Performance Achievement (Cont'd)

Theme	Material Matters	Key Performance Areas	FYE2024 Performance Highlights
Environment	Environmental Compliance	Compliance to environmental laws and regulations	<ol style="list-style-type: none"> 1. Nil (0) environmental incidents 2. 100% compliance to Environmental, Safety and Health (“ESH”) legal requirements / compliance obligations 3. Nil (0) complaints from authority, client or public
		ISO 14001 Environmental Management System	Maintained ISO 14001 certification
Social	Occupational Safety and Health (“OSH”)	Compliance with OSH laws and Regulations	100% compliance to OSH legal requirements / compliance obligations
		ISO 45001 Occupational Health & Safety Management System	Maintained ISO 45001 certification
		Create a safe and healthy workplace	<ol style="list-style-type: none"> 1. Nil (0) case of incident and Nil (0) of fatality accident 2. Nil (0) high risk identified

1.6 Certification and Awards

Product & Service and Quality Management System (“QMS”)

Kitacon aims to ensure that customers' business needs are met with best quality of construction products and services. Since 2007, we have been accredited with ISO 9001:2015 Quality Management System, providing our customers with confidence in the quality of our services. We highly value our relationships with customers and ensure that our organisation consistently delivers construction work that meets both customer expectations and applicable statutory and regulatory requirements.





Sustainability Statement (Cont'd)

1.0 INTRODUCTION (CONT'D)

1.6 Certification and Awards (Cont'd)

QLASSIC Awards and Certificates

Quality Assessment System in Construction ("QLASSIC") is a system or method to measure and evaluate the workmanship quality of a building construction work based on Construction Industry Standard (CIS 7:2006). Kitacon places significant emphasis on the quality of construction work and this commitment is demonstrated via the QLASSIC award and seven (7) QLASSIC certificates were awarded by Construction Industry Development Board Malaysia ("CIDB") in FYE 2024.

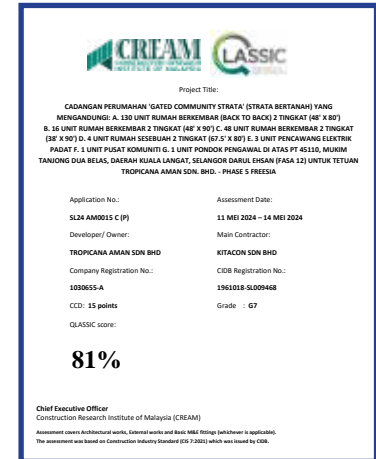
We aim to score 80% and above for all QLASSIC assessments. In FYE 2024, we achieved three (3) out of the seven (7) projects being assessed and we are determined to continually improve the performance of upcoming projects. For the complete list of QLASSIC awards and certificates received, kindly refer to our company website, under the Awards & Certificates section.

Our achievements on the QLASSIC certificates are summarised in the table below.

QLASSIC Certificates	FYE 2022	FYE 2023	FYE 2024
	No. of projects		
Number of QLASSIC certificates awarded by CIDB	7	10	7
Number of QLASSIC assessment with score 80% and above	3	8	3

SHASSIC Awards and Certificates

Safety and Health Assessment System in Construction ("SHASSIC") is an independent method used to assess safety and health at worksites for construction projects. As a responsible contractor and employer, ensuring that construction work is conducted in a safe and healthy manner is our utmost priority. Our commitment to quality construction and a safe working environment is underscored by the SHASSIC awards and certificates bestowed upon the Group. In the financial year 2024, we submitted one project for SHASSIC assessment, in accordance with the specifications of the contract conditions of which the project was awarded a 5-star rating, further proving our dedication to maintaining high standards. For a complete list of SHASSIC awards and certificates received, kindly refer to the Awards & Certificates section on our company website.



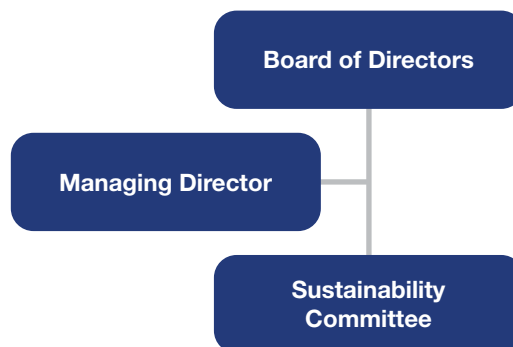
Sustainability Statement (Cont'd)

1.0 INTRODUCTION (CONT'D)

1.7 Sustainability Governance Structure

A good governance is essential to ensure the effectiveness of sustainability strategies and timely achievement of sustainability objectives. The Board of Directors ("the Board") holds primarily responsible for the Group's sustainability practices and performance, with the support from the management team.

The Managing Director supports the sustainability aspiration of the Group by integrating sustainability elements into decision-making process. The Sustainability Committee is chaired by Chief Financial Officer and its members consist of a Sustainability Coordinator and Heads of Departments across the Group.



This structure enables the Group to oversee its strategies, policies, initiatives, targets, and performance effectively to ensure that the Group's business is run in a sustainable manner. The key sustainability matters are monitored, reviewed and discussed in the Sustainability Committee.

1.8 Stakeholder Engagement

We believe in transparency and maintain open communication with our stakeholders across all our business operations. Kitaccon engages with its stakeholders through various channels. We identified our key stakeholders through material matters that have a significant impact on the Group's operations and a large number of stakeholders. This identification process follows the GRI's AA1000 Stakeholder Engagement Standard.

In our engagement with stakeholders, we employ various approaches to help them understand our business operations and gather their feedback and input on a variety of matters that are important to them, as outlined in the table below:

Stakeholder	Stakeholder's Concern	Engagement Approach	Frequency
Shareholders / Investors	<ul style="list-style-type: none"> Short and long-term business goals and performance Return on Investment (ROI) Corporate governance 	<ul style="list-style-type: none"> Annual general meetings and other shareholders' meetings Corporate websites Briefings 	<ul style="list-style-type: none"> Ad-hoc Ongoing Quarterly Annually
Customers	<ul style="list-style-type: none"> Reliable and quality construction work Timely delivery Health, safety and environment 	<ul style="list-style-type: none"> Feedback Progress report Project meeting 	<ul style="list-style-type: none"> Ongoing
Employees (both local staffs and foreign workers)	<ul style="list-style-type: none"> Career plan and development Employees' welfare Occupational safety and health for employees Rewards and recognition 	<ul style="list-style-type: none"> Annual appraisal and feedback from Heads of Departments Training programmes 	<ul style="list-style-type: none"> Ongoing Quarterly Annually



Sustainability Statement (Cont'd)

1.0 INTRODUCTION (CONT'D)

1.8 Stakeholder Engagement (Cont'd)

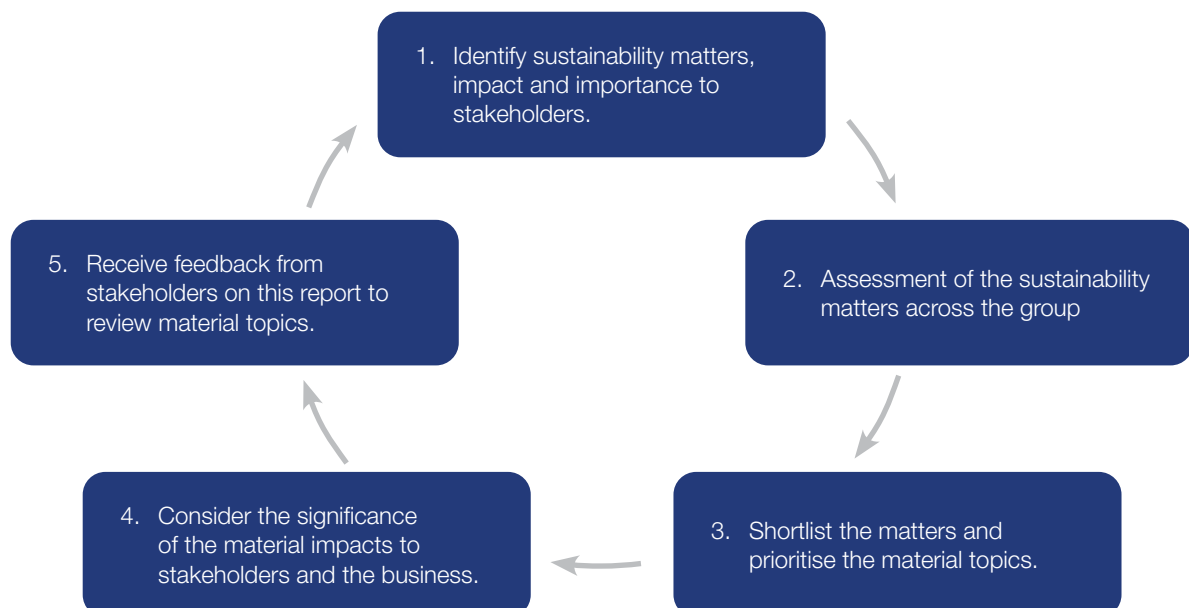
Stakeholder	Stakeholder's Concern	Engagement Approach	Frequency
Contractors/ Subcontractors/ Suppliers	<ul style="list-style-type: none"> • Payment schedule • Project bidding • Project completion date 	<ul style="list-style-type: none"> • Code of Ethics • Tenders • Supplier performance assessment 	<ul style="list-style-type: none"> • Ongoing • Quarterly • Annually
Governments / Authorities	<ul style="list-style-type: none"> • Acts, regulatory and legal compliance • Local authorities communication 	<ul style="list-style-type: none"> • Compliance with acts and regulatory requirements • Site inspections and visits • Regular reporting 	<ul style="list-style-type: none"> • Ongoing • Quarterly • Annually
Local Community	<ul style="list-style-type: none"> • Community welfare and social development • Environmental impact from operation 	<ul style="list-style-type: none"> • Charitable donations • Collaboration for charity event • Corporate website 	<ul style="list-style-type: none"> • Ad-hoc • Ongoing • Annually

1.9 Materiality Assessment

Based on the discussions amongst committee members, it was unanimously agreed that the prioritisation in the materiality matrix from last year remains unchanged. This is due to no significant alterations to laws, policies or compliance requirements that would cause major shifts within the industry.

Material sustainability matters were identified through a series of discussions among a selected group of Heads of Departments and key management personnel, who reviewed and evaluated the applicability and relevance of these matters.

The materiality assessment process covers an assessment on the impact, to both Kitacon Group and stakeholders and prioritised based on its importance to both the Group and stakeholders as summarised below:



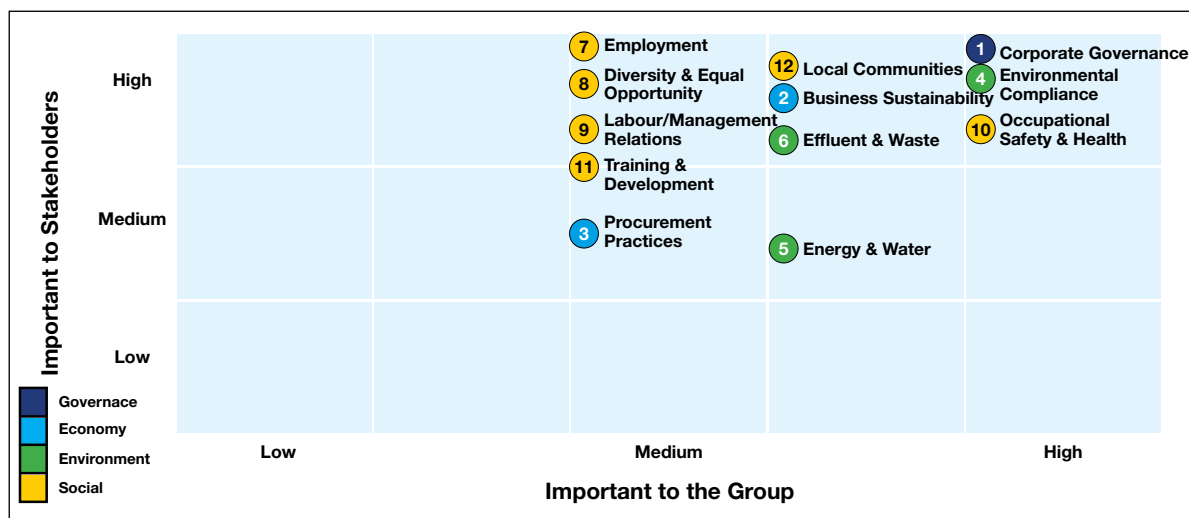
Sustainability Statement (Cont'd)

1.0 INTRODUCTION (CONT'D)

1.9 Materiality Assessment (Cont'd)

Key sustainability matters were classified into four main themes: governance, economic, environmental, and social. Twelve (12) key sustainability matters were identified and evaluated based on their impact to our stakeholders and the Group.

The sustainability matters were then prioritised based on its significance to stakeholders and the Kitacon Group. This prioritisation was depicted in a materiality matrix or profile as summarised in the graph.



2.0 GOVERNANCE

To achieve long-term success and sustainable business growth and to instil trust among shareholders and investors, we are committed to transparency and conducting our business in an ethical and principled manner. Our corporate governance initiatives include policies and guidelines on anti-bribery and anti-corruption, whistleblowing, risk management, as well as quality, health, safety and environment practices.

2.1 Corporate Governance

Why is it important?

We are committed to achieving and maintaining the highest standards of corporate governance and ethical conduct in line with the principles and practices outlined in the MCCG. We believe that strong corporate governance is essential for our Group in fulfilling its responsibilities to protect and enhance our shareholders' value and financial performance, while ensuring accountability, transparency and integrity in all our actions.

Our Approach

In compliance with the relevant laws and regulations in Malaysia, as well as with the principles and practices of corporate governance outlined in the MCCG, we have established Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy, Proper Conduct and Discipline and Code of Conduct. These policies reflect our beliefs and behaviour, outlining the expected conduct of both our employees and third parties when dealing with us. These guidelines and codes are summarised as follows:

Sustainability Statement (Cont'd)

2.0 GOVERNANCE (CONT'D)

2.1 Corporate Governance (Cont'd)

Our Performance

Anti-Bribery and Anti-Corruption Policy

In June 2020, we established Anti-Bribery and Anti-Corruption ("ABAC") framework and principles, which were approved and implemented to provide guidance on the expected standard of behaviour for both our staff and external parties which have business dealings with us. This initiative aims to instil a strong anti-bribery and anti-corruption culture across Kitacon Group.

We have zero tolerance on any form of bribery or corruption. Kitacon promotes an organisational culture of integrity and emphasises the importance of a zero-tolerance approach to bribery and corruption in our actions and decisions, both internally and externally.



In FYE 2024, there were zero confirmed incidents of corruption. Total 112 employees across the Group attended the training on ABAC Policy in FYE 2024 as disclosed in below table. Training on ABAC Policy will be conducted to all new employees during the induction training by the Human Resources Department.

Employee Categories	FYE 2022	FYE 2023	FYE 2024
	Number of participants / (%)		
Management	3 (33%)	2 (25%)	3 (38%)
Executive	76 (36%)	63 (25%)	80 (32%)
Non-executive	32 (10%)	19 (2%)	29 (3%)
Total	111	84	112

Description	FYE 2022	FYE 2023	FYE 2024
Percentage of operations assessed for corruption-related risks	Nil	Nil	29%
Number of confirmed incidents of corruption	Nil	Nil	Nil

Whistle Blowing Policy

Employees and third parties who suspect wrongdoing or misconduct are encouraged to report it using the established reporting mechanism outlined in the Whistleblowing Policy & Guidelines, which can be done by writing and emailing whistleblowing@kitacon.com.my. During the financial year, no reports of suspected corruption or unethical behaviour were received.



Description	FYE 2022	FYE 2023	FYE 2024
Number of complaints of suspected corrupt or unethical behaviour reported to us.	Nil	Nil	Nil

Customer Privacy and Security

We abide by the Malaysian Personal Data Protection Act 2010 ("PDPA") and all other laws protecting the private data of our customers, partners and other stakeholders. We have built a strong foundation of privacy and security control and protect our customers by adopting a rigorous set of security measures.

Description	FYE 2022	FYE 2023	FYE 2024
Number of reported incidents of breaches of customer privacy	Nil	Nil	Nil

Sustainability Statement (Cont'd)

2.0 GOVERNANCE (CONT'D)

2.1 Corporate Governance (Cont'd)

Our Performance (Cont'd)

Proper Conduct and Discipline

Employees are guided by the Proper Conduct and Discipline and the Code of Ethics.



Description	FYE 2022	FYE 2023	FYE 2024
Number of misconduct cases reported*	Nil	Nil	Nil

* - Misconduct cases that are significant to the Group

Code of Ethics

The Code of Ethics sets out an Kitacon's ethical guidelines and best practices to follow for honesty, integrity, and professionalism.



3.0 ECONOMY

Kitacon Group believes that the economic value we generate and distribute is vital for sustaining our business growth, enhancing the nation's economic performance, and improving the quality of life for our employees and communities. It is our responsibility to manage cash flow, capital, and operating costs effectively, safeguard shareholder wealth, reward our employees, and invest in the community to build sustainable relationships with both our internal and external stakeholders. Kitacon also upholds strong procurement practices to manage our supply chain in a sustainable way.

3.1 Business Sustainability

Why is it important?

Kitacon prioritises the balance of governance, economic, environmental and social performance to safeguard the long-term success of the business. Strong financial performance is essential for sustaining our business over the long term.

Our Approach

Kitacon focuses on sustaining the financial resilience has been evident in our prudent fiscal management practices throughout the past fiscal year in which we have implemented cost-effective measures to enhance profitability and mitigate potential risks.

Our Performance

	Description	FYE 2022 RM'000	FYE 2023 RM'000	FYE 2024 RM'000
Economic Value Generated (i.e. revenue and other income)	Economic Value	497,477	784,142	953,986
Economic Value Distributed	Operating costs	412,284	700,131	843,890
	Economic value distributed to employees	31,712	35,489	39,421
	Payment to capital providers	10,131	5,360	15,354
	Payment to government	12,992	11,705	17,417
	Investment in community	52	88	127
Economic Value Retained	Economic Value Generated less Economic Value Distributed	30,306	31,369	37,777



Sustainability Statement (Cont'd)

3.0 ECONOMY (CONT'D)

3.1 Business Sustainability (Cont'd)

Our Performance (Cont'd)

A detailed briefing is described in the Management Discussion and Analysis section of this Annual Report, from pages 20 to 23.

3.2 Procurement Practices

Why is it important?

The construction industry operates within a localized business ecosystem. Since all our projects are based in Malaysia, our procurement activities involve only local vendors, ranging from construction material suppliers to professional consultant service providers. This approach also contributes to local job creation and supports the economy.

Effective procurement practices are crucial to Kitecon as they not only ensure the smooth running of our business operations but also help save money, time, and resources. Properly managing procurement activities is essential to ensure that all products and services are acquired correctly, allowing projects and processes to run efficiently and successfully.

Our Approach

The procurement practices in Kitecon are guided by a series of operating procedures, which include New Supplier Assessment Procedure; Appointment of Supplier Procedure; Supplier Performance Assessment Procedure; and Supplier Claims and Payment Procedure.

Appointment of the new and existing suppliers are guided by the New Supplier Assessment and Suppliers Performance Assessment Procedures respectively. They outline the procedures by which new and existing suppliers are appointed to supply materials and to ensure compliance to meet Quality, Environmental, Safety and Health ("QESH") requirements. All approved suppliers and subcontractors are subject to annual review.

Our Performance

The table below shows the number of local suppliers we sourced and procured construction material, office supplies, subcontractors and other products and services.

Procurement Practices	FYE 2022	FYE 2023	FYE 2024
% of spending on local suppliers	100	100	100
Total number of local suppliers	716	765	808

4.0 ENVIRONMENT

Kitecon acknowledges that our business activities can impact the environment, and we are committed to conducting our operations in a way that minimises this impact. We are dedicated to environmental stewardship and conduct comprehensive environmental monitoring to ensure that the sustainability of the environment is preserved, despite the nature of our construction site activities.

Climate change is regarded as one of the greatest threats the world faces. Kitecon understands the importance of mitigating and adapting to climate change, as its effects will impact the survival of all businesses. We prioritise enhancing the efficiency of our operations and reducing the environmental and climate change-related impacts on our business.

Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.1 Environmental Compliance

Why is it important?

As a responsible corporate citizen, it is our utmost duty to prevent environmental pollution from happening because of our business activities.

Our Approach

Kitacon has been accredited with the ISO 14001:2015 Environmental Management System certification since 2008. This accreditation reflects our commitment to implementing effective environmental management practices that are integrated with other management system requirements to protect the environment. It also demonstrates our capability in managing our environmental responsibilities.



We monitor the air, noise and water quality of each project site in adherence to the Environmental Quality Act 1974 (Act 127) to minimise adverse impact of our construction works on the environment as well as neighbouring properties and occupants.

We continuously ensure that air humidity, temperature and water discharged from our construction sites are within the recommended air quality guidelines and complies with the Environmental Quality Regulations (Industrial Effluents) 2009. All discharged water samples were tested in a regulated external laboratory and the parameters were proved to be within the acceptance range. Additionally, we closely monitor the operation and maintenance of machinery and equipment at our construction sites to ensure the noise level stay within the permitted limits.

Kitacon's Total Quality Management ("TQM") Department has set objectives and targets in relation to Environmental Compliance (see table below). We work diligently to ensure that our business operations adhere to the environmental compliance standards.



Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.1 Environmental Compliance (Cont'd)

Our Performance

No.	Objectives	Target	FYE 2022	FYE 2023	FYE 2024
1	To prevent environmental pollution	Zero Environmental Incidents	√	√	√
2	To comply ESG legal requirements/ compliance obligations	100% Compliance	√	√	√
3	To avoid complaint from Authority, Client or Public*	Zero Complaint	√	√	√

√ - Kitacon achieved the target and fully complied

* - Complaint cases which resulted in significant fines or penalties

4.2 Energy and Water

Energy and water are crucial resources in the construction industry. Contractors rely on energy sources like diesel and electricity to power heavy machinery and equipment, while water is used for tasks such as concrete batching, worker hydration and hygiene, dust suppression, and filling ponds, among others. Kitacon recognizes that energy and water are finite resources, and we are committed to managing them sustainably.

4.2.1 Energy

Why is it important?

Effective and efficient energy management is a critical aspect of environmental sustainability and the protection of our natural environment and ecosystems. In this regard, Kitacon considers energy to be one of the key resources in our business operations, and we are committed to managing energy consumption effectively to ensure its availability for future generations.

Our Approach

As an effort to reduce energy consumption intensity and conserve natural resources, we continue to monitor and reduce the consumption of diesel and electricity.

The financial year ended 31 December 2022 ("FYE 2022") was our baseline year and we will identify activities and efforts to reduce our electricity consumption in the coming years. Our target focuses on consumption intensity reduction as we anticipate that electricity consumption will increase in line with increased business operation.

Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.2 Energy and Water (Cont'd)

4.2.1 Energy

Our Performance

The table below shows the diesel, petrol and electricity consumption of Kitacon.

	Energy	FYE 2022	FYE 2023	FYE 2024
Diesel	Total diesel consumption (MWh)	4,658	5,103	4,924
Petrol	Total petrol consumption (MWh)	242	266	260
Electricity	Total electricity consumption (MWh)	431	1,557	2,072
	Total energy consumption (MWh)	5,331	6,926	7,256
	Consumption intensity (MWh/Revenue in RM'000)	0.011	0.009	0.008

Emissions

Why is it important?

We recognise the impact our Group has on the environment and are committed to playing our part in addressing climate change, aligning with the Malaysian government's goal to significantly reduce the country's carbon emissions. Reducing greenhouse gas (GHG) emissions and prioritising energy efficiency are not only environmental objectives but also strategic imperatives that positively influence our bottom line, enhance our corporate reputation, and contribute to a sustainable future for all.

Our Approach

Kitacon started to track and monitor both its Scope 1 and Scope 2 greenhouse gas ("GHG") emissions in FYE 2022 and limited Scope 3 GHG emission in FYE 2024 in accordance with the world's most widely used greenhouse gas accounting standards, GHG Protocol. We are committed to establish Kitacon's GHG emissions inventory in a systematic manner and eventually set emissions reduction targets, as an effort to support Malaysia's ambition to achieve net zero GHG emissions by 2050.

Our Performance

The table below shows our Scope 1, Scope 2 and Scope 3 carbon dioxide equivalent ("CO₂-eq") emissions of Kitacon.

		CO ₂ -eq Emissions (Quantity in metric tonnes)		
		FYE 2022	FYE 2023	FYE 2024
Scope 1	Diesel	3,194	3,461	3,269
	Fleet vehicle	584	671	729
	Sub Total	3,778	4,132	3,998
Scope 2	Purchased Electricity	277	1,001	1,333
Scope 3*	Employee Commuting	N/A	N/A	464
Total (Scope 1, 2 and 3)		4,055	5,133	5,795
Intensity (Metric Tonnes/Revenue in RM'000)		0.0083	0.0066	0.0061

* - Started to track and monitor in FYE 2024

N/A - Not available



Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.2 Energy and Water (Cont'd)

4.2.1 Energy (Cont'd)

Aluminium Formwork System

Why is it important?

Kitacon offers aluminium formwork system as a construction material when tendering for a project depending on the parameters such as number of buildings to be constructed as well as the design of the buildings. Application of aluminium formwork is beneficial in terms of overall project efficiency and cost effectiveness, as well as better quality finishes, higher standards of accuracy and lesser environmental impacts.

Our goal is using renewable and recyclable materials when building new structures, as well as reducing energy consumption and waste.

Our Approach

Since 2017, we have been using sustainable materials, such as aluminium alloy formwork, in our construction projects. The aluminium panels are removable, reusable with minimal maintenance, and can be recycled once disposed of, contributing to sustainable construction practices. Typically, the aluminium formwork has a lifespan of up to 10 years and can be used for around 300 cycles, provided proper repair and maintenance are carried out after each use. In contrast, conventional timber formwork can only be used for up to 5 cycles. This advantage helps reduce the consumption of natural resources and minimises waste. Additionally, the aluminium formwork system reduces site labour requirements, as it needs fewer workers for assembly and dismantling.

Since the adoption of the aluminium formwork system in 2017, we have reduced the use of mixed hardwood timber and waterproofed plywood by an average of 77% (in terms of quantity). We will continue to explore and implement construction techniques and systems that enhance productivity, meet project time, cost, and quality standards, and, at the same time, minimise environmental impacts.

Our Performance

The table below shows the number of projects secured from FYE 2019 to FYE 2024 using aluminium formwork and conventional timber formwork. There was progressive increase in the percentage of projects secured using aluminium formwork and we aim to utilise this formwork system in future construction projects, whichever is feasible.

	Aluminium formwork		Conventional timber formwork		Total	
	No. of projects secured	%	No. of projects secured	%	No. of projects secured	%
FYE 2019	5	26.3	14	73.7	19	100.0
FYE 2020	6	42.9	8	57.1	14	100.0
FYE 2021	5	45.5	6	54.5	11	100.0
FYE 2022	9	60.0	6	40.0	15	100.0
FYE 2023	12	70.6	5	29.4	17	100.0
FYE 2024	13	86.7	2	13.3	15	100.0

As at 31 December 2024, we had a total of 52,743 sq. m of aluminium formwork systems.

Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.2 Energy and Water (Cont'd)

4.2.1 Energy (Cont'd)

Aluminium Formwork System (Cont'd)



Our Performance (Cont'd)

As of 31 December 2024, we have fully utilized the RM18.0 million allocated from our IPO proceeds to purchase approximately 28,000 sq. m of aluminium formwork systems since January 2023. This investment supports the expansion of our construction work using aluminium formwork systems and replaces our existing formwork systems that were damaged due to wear and tear.

We will continue with the implementation of aluminium formwork system because it is fast, simple, high durability, adaptable, time effective, cost effective, conserve natural resources, reduce environmental impacts and produces total quality of work which requires minimum maintenance.

4.2.2 Water Management

Why is it important?

Water is a shared and finite resource, and access to sufficient clean water is essential for human health and well-being. With water scarcity becoming a global issue, Kitacon is mindful of the impact of our water consumption. Water is primarily used in our operations for construction activities and the daily needs of our employees.

Our Approach

We consistently encourage our employees to use water responsibly and minimize waste. The Group is committed to improving the monitoring and management of our water consumption through future water-saving initiatives.

Our Performance

The table below shows the municipal water consumption of Kitacon.

Water		FYE 2022	FYE 2023	FYE 2024
Municipal water	Total consumption (megalitres)	138	243	282
	Intensity (megalitres/Revenue in RM'000)	0.0003	0.0003	0.0003

Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.3 Effluent and Waste

Why is it important?

At Kitacon, we are adopting a comprehensive waste management approach. We are committed to reducing waste generated at our construction sites by increasing the use of aluminium formwork systems in our projects and decreasing our reliance on conventional timber formwork. In addition to minimising waste from timber debris, the use of aluminium formwork has provided benefits such as reduced site labour, improved quality, a cleaner environment, and a safer workplace.

Our Approach

We are committed to managing waste generated from both our office and construction sites in a controlled and regulated manner. We consistently monitor and track the type, quantity, and quality of waste and effluent produced to ensure compliance with relevant environmental laws and regulations. We believe that everyone has a responsibility to protect our environment from irreversible pollution.

3Rs of Sustainability

The 3Rs of sustainability which stands for Reduce, Reuse and Recycle is to prevent and reduce excess waste and conserve natural resources. Kitacon is dedicated to exploring new practices that will help protect and conserve natural resources and materials.

4.3.1 Scheduled Waste

Scheduled waste refers to waste that contains hazardous elements and has the potential to negatively impact public health and the environment. At Kitacon, scheduled waste generated from our project sites is segregated according to its type and collected by regulated waste management facilities for proper treatment before disposal. This process ensures that hazardous waste does not harm public health or the surrounding environment.

Our Performance

In FYE 2024, Kitacon conducted a series of Scheduled Waste Trainings for the construction workers to improve the workers' understanding on storage and handling of scheduled waste.



Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.3 Effluent and Waste (Cont'd)

4.3.1 Scheduled Waste (Cont'd)

Our Performance (Cont'd)

The table below shows the scheduled waste generated from Kitacon's project sites.

Waste Code	Waste Description (Quantity in metric tonnes)	FYE 2022	FYE 2023	FYE 2024
SW305	Spent lubricant	0.08	0.25	0.16
SW306	Spent hydraulic oil	0.00*	0.00	0.09
SW307	Spent mineral oil-water emulsion	0.05	0.03	0.01
SW315	Tar or tarry residues from oil refinery or petrochemical plant	0.00*	0.00	0.00
SW404	Clinical wastes	0.01	0.00	0.00
SW408	Contaminated soil, debris or matter resulting from cleaning-up of a spill of chemical, mineral oil or scheduled wastes	0.35	1.63	1.14
SW410	Rags, plastics, papers or filters contaminated with scheduled wastes	0.00	0.05	0.48
Total scheduled waste generated		0.49	1.96	1.88

* Negligible since less than 0.01 metric tonnes

4.3.2 Non-scheduled Waste

Non-scheduled waste refers to all types of waste that are not classified as scheduled waste, including but not limited to municipal solid waste. Kitacon actively monitors the proper disposal of non-scheduled waste, such as construction waste, timber waste, and domestic waste. We have appointed fifteen (15) licensed waste management facilities to collect and dispose of waste from our construction sites and Headquarters (HQ). Additionally, we provide recycling bins at project sites and encourage our employees to engage in waste recycling practices to reduce the amount of waste sent to landfills.



Our Performance

The table below shows the non-scheduled waste generated from Kitacon's project sites.

Waste Type (Quantity in metric tonnes)	FYE 2022	FYE 2023	FYE 2024
Construction Waste	21,520	16,114	14,333
Timber Waste	1,016	1,632	666
Domestic Waste	9,548	13,226	15,242
Total non-scheduled waste generated	32,084	30,972	30,241

Sustainability Statement (Cont'd)

4.0 ENVIRONMENT (CONT'D)

4.3 Effluent and Waste (Cont'd)

4.3.3 Effluent

Effluent refers to wastewater generated by factories or industries that can potentially contaminate the environment if not properly treated before being released into surface water. Kitacon has engaged a licensed wastewater treatment facility to manage and treat the effluent produced at our project sites before discharge.

Our Performance

The table below shows the sewerage desludging generated from Kitacon's construction sites. We are keeping close monitoring and check on the effluent generated at our construction sites to ensure that it will not cause harm to both public health and the environment.

Sewerage Desludging (Quantity in litres)	FYE 2022	FYE 2023	FYE 2024
Total sewerage desludging generated	349,700	246,100	279,000

4.3.4 Chemical Awareness and Spill

Chemical spillages are the uncontrolled release of a hazardous substance, either as a solid, liquid or a gas.

Our Performance

In FYE 2024, Kitacon organised regular Chemical Awareness and Spill Training sessions for our construction workers. These trainings emphasised safety precautions, the appropriate actions to take, and the correct procedures for handling and controlling chemical spills on site.



Sustainability Statement (Cont'd)

5.0 SOCIAL

We believe in fostering strong relationships not only with our employees but also with our customers, suppliers, and local communities. Strengthening and enriching the community is essential for Kitacon to achieve sustainable growth and deliver long-term value for our stakeholders.

5.1 Employment

People - Our Employees

Our people are essential to keeping our business relevant by driving the achievement of our strategy and goals. Developing and retaining a skilled, highly motivated, and performance-driven workforce is crucial to our success. During the materiality review process, we identified the following key focus areas for our people:

- Employee diversity and equal opportunities
- Employee compensation and benefits
- Employee engagement and wellness
- Human rights and labour standards

Talent Attraction and Retention

Kitacon is dedicated to attracting and retaining talented employees by providing exciting career opportunities, training and development, employee engagement activities as well as competitive compensation and remuneration packages.

5.2 Diversity and Equal Opportunity

Why is it important?

The Group values diversity in all aspects of its workforce, including gender, age, background, and experience. We are committed to promoting a fair and equitable working environment for all employees. We believe all employees can thrive in a workplace that is free from harassment and prejudice.

Our Approach

Our recruitment, promotion, rewards processes and career development opportunities are based on merit, without discrimination against age, race, gender, sexual orientation, religion, family or marital status, or any other status protected by the laws or regulations in the locations where we operate.

Our Performance

As at 31 December 2024, Kitacon has a total workforce of 1,139 employees, of which 87% are male and 13% are female. Being in the construction industry, it is still a challenge to recruit women in the construction sector particularly where it involves site construction. We do encourage female engineers, site supervisors and technicians, where possible, to join us in managing our construction project sites.

The table below shows the workforce of Kitacon by gender.

Percentage of employees by gender for each employee category						
Employee Category	FYE 2022		FYE 2023		FYE 2024	
	Male	Female	Male	Female	Male	Female
Board of Directors ("BOD")	63%	37%	63%	37%	63%	37%
Management	56%	44%	50%	50%	50%	50%
Executive	76%	24%	78%	22%	75%	25%
Non-executive	90%	10%	94%	6%	91%	9%



Sustainability Statement (Cont'd)

5.0 SOCIAL (CONT'D)

5.2 Diversity and Equal Opportunity (Cont'd)

Our Performance (Cont'd)

As of 31 December 2024, nearly 95% of our workforce is under the age of 50, the same percentage as the previous year. They are guided by more senior employees through sharing of experience and providing trainings to these young employees. We strive to cultivate a culture of knowledge and experience sharing, which serves as part of our effort in supporting the nation's aspiration of building skilled workforce and providing employment opportunities.

The table below shows the workforce of Kitecon by age.

Percentage of employees by age group for each employee category				
Age Group	BOD	Management	Executive	Non-Executive
FYE 2022				
Under 30	0%	0%	37%	35%
Between 30-50	37%	33%	53%	59%
Above 50	63%	67%	10%	6%
FYE 2023				
Under 30	0%	0%	31%	37%
Between 30-50	37%	37%	58%	60%
Above 50	63%	63%	11%	3%
FYE 2024				
Under 30	0%	0%	29%	37%
Between 30-50	37%	37%	62%	60%
Above 50	63%	63%	9%	3%

The table below shows the percentage of employees of Kitecon that are contractors or temporary staff.

Percentage of employees that are contractors or temporary staff			
	FYE 2022	FYE 2023	FYE 2024
Number of temporary staff	17	17	7
% of temporary staff	3%	2%	1%

The table below shows the total number of employee turnover of Kitecon by employee category.

Total number of employee turnover by employee category			
	FYE 2022	FYE 2023	FYE 2024
Management	0	1	0
Executive	42	41	56
Non-Executive	49	235	93

Sustainability Statement (Cont'd)

5.0 SOCIAL (CONT'D)

5.2 Diversity and Equal Opportunity (Cont'd)

Our Performance (Cont'd)

Compensation and Benefits

Employees' contributions to the Group's success were recognised and competitive compensation packages were awarded based on the employees' performance as assessed during their appraisal review. To motivate employees to achieve greater performance, bonuses and annual increments are provided to incentivise them.

Kitacon's employee benefits programmes are designed to meet the needs of a diverse workforce and include competitive remuneration packages such as hospitalisation and surgical plans, personal accident insurance, leave benefits, and travel allowances.

LEAVES	ALLOWANCE/ BENEFIT	MEDICAL/ INSURANCE
<ul style="list-style-type: none"> • Annual leave • Sick leave • Hospitalisation & Prolonged Medical Leave • Maternity Leave • Paternity Leave • Compassionate Leave • Matrimonial Leave 	<ul style="list-style-type: none"> • Mobile Phone • Club Membership • Vehicle Benefit 	<ul style="list-style-type: none"> • Medical Benefits • Group Personal Accident & Hospitalisation Insurance

5.3 Training and Development

Why is it important?

The Group is committed to talent development and provides a platform for employees to continue developing their skills and gaining experience.

Our Approach

Our training programs are designed to align with business strategies and operational needs, ensuring compliance with regulatory requirements while fostering the development of our employees' technical, interpersonal, business, and management skills.

We allocate a training budget and plan courses on various topics, including construction techniques, quality management, health and safety, environmental awareness, anti-bribery and corruption, sustainability, climate change, 5S lean methodology, problem-solving skills, and self-development, among others.



Sustainability Statement (Cont'd)

5.0 SOCIAL (CONT'D)

5.3 Training and Development (Cont'd)

Our Performance

The table below shows the summary of total external training being held for Kitacon's employees.

Total hours of training by employee category			
	FYE 2022	FYE 2023	FYE 2024
Management	28	228	170
Executive	821	1,435	529
Non-Executive	1,276	2,534	1,365

Number of employees trained on health and safety standards			
	FYE 2022	FYE 2023	FYE 2024
Total employees	551	1,083	1,139
Employees trained	160	271	202
% of employee trained	29%	25%	18%

At Kitacon, we prioritise the development of our employees, focusing on both technical and interpersonal skills. We have a structured appraisal system where employees are evaluated based on their skillsets and capabilities, including job-specific knowledge, quality and quantity of work, soft skills, and workplace behavior. The annual performance appraisal is conducted on a one-on-one basis, using the metrics outlined in the appraisal form.

We have implemented a data analytics software to establish Key Performance Indicators (KPIs) for our employees. This advanced KPI management tool allows us to track employee performance on a monthly basis, with face-to-face discussions scheduled every three months to review performance and provide feedback for improvement.

Through regular and systematic evaluation of employees' performance against established criteria, we are able to identify their strengths and areas for development, while aligning their personal goals with the Group's vision. This approach is crucial for supporting their future growth and contributing to the long-term success of the Group.

5.4 Labour / Management Relations

Accommodations for Foreign Workers

We provide accommodation to our foreign construction workers in compliance with the minimum requirements set by the relevant regulations. These accommodations are issued Certificates for Accommodation by the Department of Labour of Peninsular Malaysia, except at certain construction sites where applications for certificates are still in progress. The accommodations are equipped with amenities such as a canteen, prayer room, male/female toilets, kitchen, dining area, and recreational space. Our TQM Department conducts regular inspections to ensure these facilities are well-maintained, clean, and hygienic. Additionally, we encourage our foreign workers to participate in community activities, such as "gotong-royong," to help maintain the safety and cleanliness of their living environments.

Sustainability Statement (Cont'd)

5.0 SOCIAL (CONT'D)

5.4 Labour / Management Relations (Cont'd)



Grievance Procedure

Kitacon is committed to fostering a conducive and harmonious working environment that prioritises the health and productivity of our employees. To achieve this, it is essential to listen to employees’ concerns regularly, and we make every effort to address grievances fairly and promptly, resolving them at the lowest possible level.

Employees may raise complaints or grievances for matters related to:

- a) Sexual harassment
- b) Work
- c) Working environment
- d) Working relationship
- e) Others

Description	FYE 2022	FYE 2023	FYE 2024
Number of substantiated complaints concerning human rights violations	Nil	Nil	Nil

5.5 Occupational, Safety and Health (“OSH”)

Why is it important?

Kitacon is committed to ensuring a safe and healthy working environment for our employees by preventing injuries and damage to property at both our HQ and project sites. We have established formal control measures and procedures for safety and health functions, including a compliance checklist system and providing employees with knowledge about workplace hazards and emergency response plans. Our track record of workplace safety instills confidence in our customers that their projects will not be significantly impacted by workplace accidents.

Our Approach

Kitacon is committed to fulfil its legal requirements and compliance obligation as well as the protection to all applicable Environmental, Safety and Health legislation and regulation and relevant parties’ requirements. This commitment is demonstrated through the certification of ISO 45001:2018 Occupational Health and Safety Management System achieved by Kitacon since 2008.

Sustainability Statement (Cont'd)

5.0 SOCIAL (CONT'D)

5.5 Occupational, Safety and Health (“OSH”) (Cont'd)



Our Performance

Kitacon's TQM Department has established the objectives and targets for Occupational Safety and Health, as outlined in the table below. We are committed to fostering and maintaining a strong safety culture within the Kitacon Group.

No.	Objectives	Target	FYE 2022	FYE 2023	FYE 2024
1	To prevent incidents and fatality accidents*	Zero Case	√	Note 1	√
2	To reduce Risk relevant to organisation	Zero 'H' (High Risk)	√	√	√

√ - Kitacon achieved the target and fully complied

Note 1 - Behind target with one (1) incident

* - Incident cases that are significant to the Group

For each project, there will be a dedicated Environmental, Safety and Health Committee which consists of project manager, site safety supervisor, site engineer, site supervisor, environmental officer, and employee representatives, to enforce safety management at our construction sites. Their duties include minimizing occupational hazards, ensuring safety compliance on project sites, and preventing any harm to the surrounding environment.

Safety and Health Committee (“SHC”) organises monthly meeting to discuss on the enforcement of Health, Safety, Environment and Security Policy, review incidents and Hazard Identification, Risk Assessment and Risk Control (“HIRARC”), among others. There were 166 SHC meetings conducted in FYE 2024 as disclosed in below table. In addition, toolbox meetings are frequently held on a weekly basis where construction workers gather to gain a strong awareness of health and safety while on the job and to create a safer working environment.

Sustainability Statement (Cont'd)

5.0 SOCIAL (CONT'D)

5.5 Occupational, Safety and Health ("OSH") (Cont'd)

Our Performance (Cont'd)

SHC Meetings	FYE 2022	FYE 2023	FYE 2024
Total number of SHC meetings conducted	155	126	166

Additionally, several Environmental, Safety, and Health (ESH) campaigns were conducted at a total cost of RM10,000 (FYE 2024), as outlined in the table below. These campaigns aimed to provide training for employees, construction workers, and the emergency response team (ERT), with the goal of fostering a culture where occupational safety and health are prioritized in all operations.

ESH campaigns	FYE 2022	FYE 2023	FYE 2024
	RM		
Total ESH campaigns costs incurred	29,695	17,656	10,000

Throughout 2024, Kitacon achieved a total of 9,711,504 man-hours, including subcontractor workers, with zero fatalities, injuries, incidents, or accidents, as shown in the table below. We remain dedicated to continuously improving our Environmental, Safety, and Health performance through regular monitoring and reviews, while also ensuring the consultation and participation of workers or their representatives.

Description	FYE 2022	FYE 2023	FYE 2024
Total man-hours inclusive of sub-contractor workers with zero fatalities, incidents or accidents (Hours)	6,400,584	9,314,275	9,711,504
Lost time incident rate ("LTIR")	0.00 per 100 employees	0.02 per 100 employees	0.00 per 100 employees

5.6 Local Communities

Developing Internal Communities Via Employee Engagement

Why is it important?

Kitacon views employees as a great asset and continuously improves the relationship between our employees and the Group through different employee engagement activities.



Our Approach

Team building activities and human resources practices are important in shaping the workplace culture and they can influence positive business outcomes.

Sustainability Statement (Cont'd)

5.0 SOCIAL (CONT'D)

5.6 Local Communities (Cont'd)

Developing Internal Communities Via Employee Engagement (Cont'd)

Our Performance

In FYE 2024, we engaged an external training provider to organize team-building activities for our employees. The goals of these activities were to strengthen team spirit, enhance interpersonal communication skills, and teach strategies for stress reduction both during and after work, among other objectives. Our employees participated in outdoor and critical thinking activities, as well as competitive games, and successfully met the objectives. We will continue to enhance employee engagement to foster a more productive, harmonious, and positive workplace.



Our Contribution to External Communities

Why is it important?

We are committed to conducting our business ethically, not only in our interactions with stakeholders but also by giving back to the community. We believe it is our responsibility to enhance the quality of life and create positive impacts in the communities where we operate.

Our Approach

As a socially responsible corporate citizen, we are mindful of the needs of the local community and actively contribute to improving their socio-economic conditions through initiatives such as internship placements, charitable donations, and supporting festival celebrations whenever possible.

Our Performance

In FYE 2024, we provided 11 internship placements for college and university students, offering them valuable opportunities for career exploration and development in the construction industry, as shown in the table below. Additionally, we extended permanent employment opportunities to those who completed their internships and exceeded our expectations.

Internship placements by Kitacon	FYE 2022	FYE 2023	FYE 2024
Total number of students under internship placement	27	33	11

Kitacon sets aside budget each year for charitable donation purpose. We donated funds to charitable organisations and education foundation and other causes, amounting to RM127,360 in FYE 2024.

Through our philanthropic efforts, we aim to enhance the accessibility of underprivileged communities to better education, clean water and sanitation, a peaceful and harmonious society, as well as improved healthcare services.

Donated funds to charitable organisational and education foundation	FYE 2022	FYE 2023	FYE 2024
Total funds donated (RM)	51,905	88,050	127,360
Total number of beneficiaries of the investment in communities	11	11	24

Sustainability Statement (Cont'd)

GRI CONTENT INDEX REFERENCE

GRI STANDARD	DISCLOSURE ITEM	DISCLOSURE DESCRIPTION	REFERENCE PAGES(S) IN ANNUAL REPORT
GRI 2: General Disclosures 2021			
1. The organisation and its reporting practice			
2-1	Organisation details	Introduction	2
2-2	Entities included in the organisation's sustainability reporting	Reporting Framework and Scope	25
2-3	Reporting period, frequency and contact point	Reporting Framework and Scope Feedback	25
2. The organisation and its reporting practice			
2-6	Activities, value chain and other business relationship	Management Discussion and Analysis section in the Annual Report	20-23
2-7	Employees	Diversity and Equal Opportunities	42-44
3. Governance			
2-9	Governance structure and composition	Sustainability Governance Structure	28
2-10	Nomination and selection of highest governance body	Sustainability Governance Structure	28
2-11	Chair of the highest governance body	Sustainability Governance Structure	28
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance Structure	28
2-13	Delegation of responsibility for managing impacts	Sustainability Governance Structure	28
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance Structure	28
2-16	Communication of critical concerns	Sustainability Governance Structure Corporate Governance Overview Statement	28 70
2-17	Collective knowledge of the highest governance body	Corporate Governance Overview Statement	61
2-19	Remuneration policies	Corporate Governance Overview Statement	66-67
2-20	Process to determine remuneration	Corporate Governance Overview Statement	66-67



Sustainability Statement (Cont'd)

GRI CONTENT INDEX REFERENCE (CONT'D)

GRI STANDARD	DISCLOSURE ITEM	DISCLOSURE DESCRIPTION	REFERENCE PAGES(S) IN ANNUAL REPORT
4. Strategy, policies and practices			
2-23	Policy commitments	Corporate Governance	30-32
2-24	Embedding policy commitments	Sustainability Governance Structure	28
2-25	Processes to remediate negative impacts	Corporate Governance Labour / Management Relations	30-32 46
2-26	Mechanism for seeking advice and raise concerns	Corporate Governance Labour / Management Relations	30-32 46
2-27	Compliance with laws and regulations	Corporate Governance Environmental Compliance Labour / Management Relations	30-32 33-35 46
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder Engagement	28-29
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Materiality Assessment	29-30
3-2	List of material topics	Materiality Assessment	29-30
3-3	Management of material topics	Governance Economy Environment Social	30-32 32-33 33-41 42-49
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Procurement Practices	33
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Corporate Governance	30-31
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance	30-31
205-3	Confirmed incidents of corruption and actions taken	Corporate Governance	30-31

Sustainability Statement (Cont'd)

GRI CONTENT INDEX REFERENCE (CONT'D)

GRI STANDARD	DISCLOSURE ITEM	DISCLOSURE DESCRIPTION	REFERENCE PAGES(S) IN ANNUAL REPORT
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Energy	35-38
302-3	Energy intensity	Energy	35-38
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Water Management	38
303-2	Management of water discharge-related impacts	Environmental Compliance Effluent	33-35 41
303-3	Water withdrawal	Water Management	38
303-4	Water discharge	Effluent	41
303-5	Water consumption	Water Management	38
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Effluent and Waste	39-41
306-2	Management of significant waste-related impacts	Effluent and Waste	39-41
306-3	Waste generated	Effluent and Waste	39-41
306-4	Waste diverted from disposal	Effluent and Waste	39-41
306-5	Waste directed to disposal	Effluent and Waste	39-41
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	Employment	42-43
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Diversity and Equal Opportunity	42-44
401-3	Parental leave	Diversity and Equal Opportunity	42-44



Sustainability Statement (Cont'd)

GRI CONTENT INDEX REFERENCE (CONT'D)

GRI STANDARD	DISCLOSURE ITEM	DISCLOSURE DESCRIPTION	REFERENCE PAGES(S) IN ANNUAL REPORT
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Occupational, Safety and Health ("OSH")	46-48
403-2	Hazard identification, risk assessment, and incident investigation	Occupational, Safety and Health ("OSH")	46-48
403-3	Occupational health services	Occupational, Safety and Health ("OSH")	46-48
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational, Safety and Health ("OSH")	46-48
403-5	Worker training on occupational health and safety	Effluent and Waste Occupational, Safety and Health ("OSH")	39-41 46-48
403-6	Promotion of worker health	Occupational, Safety and Health ("OSH")	46-48
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational, Safety and Health ("OSH")	46-48
403-8	Workers covered by an occupational health and safety management system	Occupational, Safety and Health ("OSH")	46-48
403-9	Work-related injuries	Occupational, Safety and Health ("OSH")	46-48
403-10	Work-related ill health	Occupational, Safety and Health ("OSH")	46-48
GRI 404: Training and Education 2016			
404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development	44-45

Sustainability Statement (Cont'd)

GRI CONTENT INDEX REFERENCE (CONT'D)

GRI STANDARD	DISCLOSURE ITEM	DISCLOSURE DESCRIPTION	REFERENCE PAGES(S) IN ANNUAL REPORT
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunities	42-44
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	Local Communities	48-49
413-2	Operations with significant actual and potential negative impacts on local communities	Local Communities	48-49
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Corporate Governance	31



Sustainability Statement (Cont'd)

PERFORMANCE DATA TABLE

This performance data table was generated from the ESG Reporting Platform and included in this report, as mandated by the enhanced sustainability reporting requirements within the Main Market Listing Requirements of Bursa Malaysia.

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	33.00	25.00	38.00
Executive	Percentage	36.00	25.00	32.00
Non-executive	Percentage	10.00	2.00	3.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	0.00	29.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	100.00	100.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	5,331.00	6,926.00	7,256.00
Bursa (Emissions management)				
Internal assurance		External assurance		(*) Restated

Internal assurance

External assurance

No assurance

(*) Restated

Sustainability Statement (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	-	-	3,998.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	-	-	1,333.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	464.00
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	138.000000	243.000000	282.000000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	30,242.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	30,242.00
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Internal assurance		External assurance		(*) Restated
		No assurance		



Sustainability Statement (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
Management Under 30	Percentage	0.00	0.00	0.00
Management Between 30-50	Percentage	33.00	37.00	37.00
Management Above 50	Percentage	67.00	63.00	63.00
Executive Under 30	Percentage	37.00	31.00	29.00
Executive Between 30-50	Percentage	53.00	58.00	62.00
Executive Above 50	Percentage	10.00	11.00	9.00
Non-executive Under 30	Percentage	35.00	37.00	37.00
Non-executive Between 30-50	Percentage	59.00	60.00	60.00
Non-executive Above 50	Percentage	6.00	3.00	3.00
Gender Group by Employee Category				
Management Male	Percentage	56.00	50.00	50.00
Management Female	Percentage	44.00	50.00	50.00
Executive Male	Percentage	76.00	78.00	75.00
Executive Female	Percentage	24.00	22.00	25.00
Non-executive Male	Percentage	90.00	94.00	91.00
Non-executive Female	Percentage	10.00	6.00	9.00
Bursa C3(b) Percentage of directors by gender and age group				
		Internal assurance	External assurance	(*) Restated
			No assurance	

Sustainability Statement (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
Male	Percentage	63.00	63.00	63.00
Female	Percentage	37.00	37.00	37.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	37.00	37.00	37.00
Above 50	Percentage	63.00	63.00	63.00
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	28	228	170
Executive	Hours	821	1,435	529
Non-executive	Hours	1,276	2,534	1,365
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	3.00	2.00	1.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	0	1	0
Executive	Number	42	41	56
Non-executive	Number	49	235	93
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Health and safety)				
	Internal assurance	External assurance	No assurance	(*) Restated



Sustainability Statement (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.02	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	160	271	202
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	51,905.00	88,050.00	127,360.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	11	11	24
Internal assurance		External assurance		(*) Restated
				No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Kumpulan Kitacon Berhad (“the Company”) is pleased to present the Corporate Governance (“CG”) Overview Statement of the Company for the financial year ended 31 December 2024 (“FYE2024”). The Board in leading the Company in its CG practices is guided by the principles as set out in the Malaysian Code on Corporate Governance 2021 (“MCCG”).

The CG Overview Statement is prepared in compliance with Paragraph 15.25(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Corporate Governance Guide (4th edition) issued by Bursa Securities.

Details of the application of the MCCG disclosed in the Company’s CG Report which is available on the Company’s website at <https://www.kitacon.com.my> as well as via the Company’s announcement on the website of Bursa Securities.

The CG Overview Statement provides a summary of the Company’s CG practices during the FYE2024 with reference to the following 3 main principles, intended outcomes and practices of the MCCG, having considered the Company’s structure, processes, business environment and industry practices:

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

This CG Overview Statement should also be read in conjunction with the other statements in the Annual Report 2024 (such as the Statement on Risk Management and Internal Control, the Audit and Risk Management Committee Report and the Sustainability Statement) as the application of certain governance enumerations may be more evidently expressed in the context of the respective statements.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I Board Responsibilities

1. Establishing clear roles and responsibilities of the Board

The Board assumes overall responsibility in leading the strategic direction, future expansion, CG, risk management, human resource planning and development, investments made by the Company and overseeing the proper conduct of business of the Group.

In ensuring clear leadership and governance structure, the Board has formalised a Board Charter, which sets out the roles and responsibilities of the Board, the roles of the Board Committees established to assist the Board in the discharge of its duties and the fiduciary duties of Directors.

The Board Charter is approved by the Board and is periodically reviewed to ensure its provisions remain relevant and reflect the needs of the Company as well as development in regulatory requirements. The Board Charter is available on the Company’s corporate website.

In order to ensure effective discharge of its stewardship role, the Board delegates some of its responsibilities to the Board Committees, namely the Audit and Risk Management Committee (“ARMC”), the Nomination Committee (“NC”), the Remuneration Committee (“RC”) and the ESOS Committee (“EC”) which operate within defined Terms of Reference (“TOR”). The Chairperson of the respective Board Committees report to the Board on key matters deliberated at the respective Board Committee meetings and make recommendations to the Board for final decisions, where necessary.

Although specific powers are delegated to the Board Committees, the Board keeps itself abreast of the key issues and/or decisions made by each Board Committee through reports made by its respective Chairpersons and the tabling of Board Committee Minutes of the applicable period for notation by the Board. The ultimate responsibility for decision making, however, lies with the Board.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I Board Responsibilities (Cont'd)

2. Separation of positions of the Chairperson and Managing Director

The Board is headed by an Independent Non-Executive Chairperson who is responsible for the leadership, integrity, and effectiveness of the governance of the Board. The responsibilities of the Chairperson are set out in the Board Charter.

The Chairperson of the Board is not a member of the ARMC, NC, RC and EC of the Company and does not participate in any of the Board Committees' meetings.

There is a clear division of roles and responsibilities between the Chairperson and Managing Director in ensuring balance of power and authority in the Company. The Chairperson is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role whilst, the Managing Director is the conduit between the Board and Management in ensuring the success of the Governance and Management functions of the Company.

3. Company Secretaries

The Board has unrestricted access to the advice and services of the Company's two (2) Company Secretaries, who are qualified in accordance with the requirements of the Company Act 2016 ("the Act") and are members of the Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretaries are equipped with relevant experience and competence on statutory and regulatory requirements.

The Company Secretaries' responsibilities include advising the Board on governance matters, on top of assisting and advising the Board on statutory compliance with the Act and matters pertaining to the discharge of duties by the Board and Board Committees, based on their respective TOR. The Company Secretaries also regularly update the Board on developments on the areas of corporate governance and compliance with regulatory requirements, codes, guidance and legislations. The appointment and removal of the Company Secretaries or Secretaries of the Board Committees shall be the prerogative of the Board as a whole.

The Company Secretaries assist the Board in facilitating its Board procedures including Board meetings which are included in the Board Charter.

In order to discharge the Company Secretaries' role effectively, the Company Secretaries have been continuously attending the necessary training programmes and conferences so as to keep themselves abreast with the latest developments in corporate governance realm and changes in regulatory requirements that are relevant to their profession and enabling them to provide the necessary advisory role to the Board.

4. Access of Information and Advice

In ensuring the effective functioning of the Board, all Directors have individual and independent access to the advice and support services of the Company Secretaries, Internal Auditors and External Auditors and may seek advice from the Management on issues under their respective purview. The Board members have full and timely access to all information within the Group and the Board/Board Committees papers are distributed at least seven (7) days prior to the Board/Board Committees' Meetings to enable the Directors to obtain relevant information and have sufficient time to deliberate on the issues to be raised at the meetings to discharge their duties diligently.

The Board papers which include the agenda and reports cover amongst others, areas of strategic, financial, operational, and regulatory compliance matters that require the Board's approval.

All proceedings of the Board meetings are duly minuted and circulated to all Directors for their perusal prior to the confirmation of the minutes by the Chairperson as a correct record. The Company Secretaries record the proceedings of all meetings including pertinent issues, the substance of inquiries, if any, and responses thereto, members' suggestion and the decisions made, as well as the rationale for those decisions. By doing so, the Company Secretaries keep the Board updated on the follow-up actions arising from the Board's decisions and/or requests at subsequent meetings. The Board is therefore able to perform its fiduciary duties and fulfil its oversight role towards instituting a culture of transparency and accountability in the Company.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I Board Responsibilities (Cont'd)

5. Board Charter

The Board Charter adopted by the Board serves as a source of reference and primary guide to the Board as it sets out the role, functions, composition, operation, and processes of the Board. There is a schedule of matters specifically reserved for the Board's decision set out in the Board Charter.

The Board Charter delineates the duties and responsibilities of the Board, Board Committees and individual Directors, including the following matters that are solely reserved for the Board's decision:-

- (a) Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- (b) Material acquisitions and disposition of assets not in the ordinary course of business including significant capital expenditures;
- (c) Strategic investments, mergers and acquisitions and corporate exercises;
- (d) Limits of authority;
- (e) Treasury policies;
- (f) Risk management policies; and
- (g) Key human resource issues.

The Board Charter is available at the Company's website at <https://www.kitacon.com.my>.

6. Code of Ethics and Conduct

The Board has formalised a Code of Ethics and Conduct for the Directors and adheres to the Code of Conduct expected for Directors as set out in the Company's Directors' Code of Ethics promulgated by the Companies Commission of Malaysia which governs the underlying core ethical values and commitment to lay standards of integrity, transparency, accountability, and corporate social responsibility. The Code of Ethics and Conduct of Directors are available at the Company's website at <https://www.kitacon.com.my>.

7. Whistleblowing Policy

The Company has put in place a Whistleblowing Policy to strive to conduct its business relationships and dealings with the highest level of integrity and accountability and adopt zero-tolerance approach towards any misconduct that would jeopardise its good standing and reputation. This policy is intended to encourage and enable the Directors, employees and stakeholders of the Group to raise concerns about suspected and/or known malpractices, misconduct or wrongdoings. The Whistleblowing Policy is available at the Company's website at <https://www.kitacon.com.my>.

8. Anti-Bribery and Anti-Corruption Policy

The Company has adopted an Anti-Bribery and Anti-Corruption Policy ("ABAC Policy"), which is made available at the Company's website at <https://www.kitacon.com.my>.

The ABAC Policy leverages on the core principles of the Company as set out in the Company's Code of Ethics and Conduct. The ABAC Policy serves as a guideline on how to deal with Bribery and Corruption which may arise in the course of business.

9. Anti-Money Laundering Policy

The Company has adopted an Anti-Money Laundering Policy ("AML Policy"), which is made available at the Company's website at <https://www.kitacon.com.my>.

The AML Policy serves as a guideline on how to strengthen the Company's anti-money laundering governance and prevent risks of the Group being used as a conduit for money laundering activities.



Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II Board Composition

1. Board Composition and Balance

Currently, the Board has eight (8) members, comprising of four (4) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director, one (1) Managing Director and two (2) Executive Directors. This complies with Paragraph 15.02 of the MMLR which requires at least two (2) or one-third (1/3) of the Board of the Company, whichever is higher, are Independent Directors. The composition of the Board is also in line with Practice 5.2 of MCCG 2021 with at least 50% of its composition are Independent Directors.

The Directors bring to the Board a diverse mix of skills and experience, including in the fields of engineering, project management, legal, etc. There are three (3) female Directors on the Board of Kitacon, which meet the target of having 30% women Directors.

A brief profile of each Director is presented in the Profile of Board of Directors section of the Annual Report 2024.

2. Board Independence

The Board recognises that the independence and objective judgement are crucial and imperative in decision making process. The Independent Non-Executive Directors play a significant role in providing unbiased and independent view, advice and judgement considering the interest of relevant stakeholders, including minority shareholders of the Group.

As to-date, the tenures of all the Independent Directors are less than nine (9) years of service. The Board will justify and seek annual shareholders' approval through a two-tier voting process in the event it retains an Independent Director who has served in that capacity for a cumulative period of more than nine (9) years.

3. Boardroom Diversity

The Board acknowledged the importance of boardroom diversity and recognises the importance of providing fair and equal opportunities and fostering diversity within the Group. The Group endeavours to have a balanced representation in terms of mixture of skills, knowledge and experience, background, expertise, age, gender, and ethnicity. The Board acknowledges the diverse Board as an essential element in maintaining competitive advantage in leveraging different perspective to various issues raised and quality decision making, which in return contribute to the development and sustainability of the Company.

At present, the Board has three (3) female Directors, which is 37.5% (i.e., more than 30%) of the Board. The Board, through its NC and RC will continue to consider gender diversity as part of its future selection of Board representation. The Board recognises that a diverse Board in the Group can offer greater depth and breadth of perspectives, and diversity in the Management Team which will lead to better collective decisions. The Board Diversity Policy is available at the Company's website at <https://www.kitacon.com.my>.

4. Appointment of Directors

The NC and RC are entrusted to develop the policies and procedures in formalising the approach in the recruitment process and annual assessment of Directors, which serve as guides for the NC in discharging its duties in the aspects of nomination, evaluation, selection, and appointment process of new Directors.

The appointment of any additional Director is made as and when it is deemed necessary by the existing Board upon recommendation from the NC. All nominees and candidates to the Board are first considered by the NC taking into consideration, inter-alia, the competency, knowledge, expertise and experience, professionalism, integrity, time commitment of the candidates, including, where appropriate, the criteria on assessing the independence of candidates' appointment as Independent Non-Executive Directors.

In identifying candidates for appointment as Directors, the NC would use a variety of approaches and sources to ensure that it identifies the most suitable candidates and will not limit themselves by solely relying on the recommendations from existing Board members, Management, or major shareholders.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II Board Composition (Cont'd)

5. Retirement of Directors

In accordance with the Company's Constitution, at every annual general meeting, one-third (1/3) of the Directors who are subject to retirement by rotation for the time being or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election, provided that all Directors shall retire from office once at least in every three (3) years. A retiring Director shall be eligible for re-election. A Director retiring at an AGM shall retain office until the conclusion of the AGM.

Any directors appointed by the Board to fill a casual vacancy or as an additional to the existing Board shall retire at the next AGM and shall be eligible for re-election but will not be taken into account in determining the Directors who are to retire by rotation at that meeting.

The NC had made recommendations to the Board on re-election of the Directors below, who are subjected to retirement by rotation pursuant to Clause 98 of the Company's Constitution at the 3rd AGM:-

- 1) Mr. Gam Boon Tin
- 2) Mr. Goh Yin Huat
- 3) Mr. Low Chin Ann @ Han Chin Ann

The NC also made a recommendation to the Board on the re-election of Mdm. Qua Mu Im who is subjected to retirement pursuant to Clause 106 of the Company's Constitution at the 3rd AGM following her appointment to the Board on 26 June 2024.

The Board is satisfied with the skills and contributions of these retiring Directors and recommends their re-election as Directors of the Company which is to be tabled at the 3rd AGM.

6. Directors' Commitment

The Board meets on a quarterly basis with additional meetings convened where necessary to deal with urgent and important matters that require the attention of the Board. All pertinent issues discussed at the Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries. The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company.

The Board held five (5) meetings during the FYE2024. The details of the Directors' attendance at the Board and Board Committee meetings are set out below:-

Names	Board	ARMC	NC	RC	EC
Qua Mu Im <i>Independent Non-Executive Chairperson</i>	2/2	–	–	–	–
Mr. Tah Ah Kee <i>Managing Director</i>	5/5	–	–	–	1/1
Mr. Goh Yin Huat <i>Chief Financial Officer</i>	5/5	–	–	–	1/1
Mr. Gam Boon Tin <i>Chief Operating Officer</i>	5/5	–	–	–	0/1
Mr. Teow Choo Hing <i>Non-Independent Non-Executive Director</i>	5/5	–	2/2	1/1	–
Mr. Low Chin Ann @ Han Chin Ann <i>Independent Non-Executive Director</i>	5/5	5/5	–	1/1	–



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II Board Composition (Cont'd)

6. Directors' Commitment (Cont'd)

Names	Board	ARMC	NC	RC	EC
Ms. Chang Sua Yean <i>Independent Non-Executive Director</i>	5/5	5/5	2/2	1/1	1/1
Puan Nooriah Binti Hassan <i>Independent Non-Executive Director</i>	4/5	4/5	2/2	–	–

7. Directors' Trainings

The Board acknowledges that continuous education is vital for the Board members to keep abreast with the latest developments in the industry and business environment as well as changes to statutory requirement and regulatory guidelines.

All Directors of the Company have attended the Mandatory Accreditation Programme including the Mandatory Accreditation Programme Part II as prescribed in the Listing Requirements. The Directors will continue to identify and attend other training courses to equip themselves effectively to discharge their duties as Directors on a continuous basis.

8. Board Committees

In discharging its fiduciary duties, the Board has delegated specific tasks to Board Committees. These Board Committees have the authority to examine issues and report to the Board on their proceedings and deliberations together with its recommendations. However, the ultimate responsibility for the final decision on all matters lies with the entire Board as a whole.

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

The ARMC assists the Board in its oversight of the Company's financial statements and reporting in fulfilling its fiduciary responsibilities relating to the internal controls, financial and accounting records, and policies as well as financial reporting practices of the Group.

A copy of the TOR of the ARMC is available for viewing at the Company's website at <https://www.kitacon.com.my>.

The composition and activities of the ARMC during the financial year under review until to-date are set out in the ARMC Report.

(b) Nomination Committee ("NC")

The NC assists the Board in carrying out the annual assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution or performance of each individual Director. The NC also assists the Board in assessing the level of independence of the Independent Directors annually.

The duties and responsibilities of the NC are set out in the TOR of the NC, which is published and available for viewing at the Company's website at <https://www.kitacon.com.my>.

The composition and activities of the NC during the financial year under review until to-date are set out in the NC Report.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II Board Composition (Cont'd)

8. Board Committees (Cont'd)

(c) Remuneration Committee ("RC")

The Board is assisted by the RC which is responsible for making recommendations to the Board on remuneration arrangements for Directors and Key Senior Management. The RC has a TOR which is available on the Company's website at <https://www.kitacon.com.my>.

The Board, assisted by the RC, reviews the remuneration policy for the Directors and Key Senior Management of the Group. The remuneration policy of the Company provides that all Executive Directors and Key Senior Management are remunerated based on the Group and individual's performances, market conditions and their responsibilities, whilst the remuneration of the Non-Executive Directors is determined in accordance with their experiences, level of responsibilities assumed in the Board Committees, their attendances and/or special skills and expertise they bring to the Board.

The remuneration for each Director on a named basis, from the Company and from the Group respectively, broken down into each remuneration component, is published on the Company's corporate website.

(d) ESOS Committee ("EC")

The Board is assisted by the EC which is responsible for making recommendations to the Board on matters pertaining to the Company's Employee Share Option Scheme ("ESOS") criteria, allocation and arrangements in accordance with the Company's ESOS By-Laws. The EC has a TOR which is available on the Company's website at <https://www.kitacon.com.my>.

9. Annual Assessment on effectiveness of the Board and Individual Directors

The NC has put in place a formal evaluation process to assess the effectiveness of the Board as a whole, the effectiveness of the Board Committees, contribution and performance of each Director and performance of Audit Committee members on an annual basis.

The evaluation process is led by the NC Chairperson, who is an Independent Non-Executive Director and supported by the Company Secretaries. The evaluation process is conducted via questionnaires to review the effectiveness of the Board and its Committees and based on self-review and peer assessment. The NC reviews the outcome of the assessment and reports to the Board, areas for improvement, and is also used as the basis of recommending relevant Directors for re-election at the AGM.

The NC reviews the effectiveness of the Board by considering the composition of the Board, time commitment, boardroom activities and the overall performance of the Board.

The NC undertakes annual assessment on the independence of Directors. When assessing independence, the NC focuses on whether the Independent Directors can bring independent and objective judgement and act in the best interest of the Group.

Upon its annual assessment conducted on effectiveness of the Board and Board Committees; character, experience, integrity, competence and time commitment of each Director and Managing Director, Chief Financial Officer and Chief Operating Officer; mix of skills and experience of the Board; level of independence of the Directors; and term of office and performance of the ARMC and each of its members, the NC had concluded that the Directors have discharged their duties more than satisfactory. The NC was also satisfied with the performance of the Board and Board Committees. As for the balance and composition of the Board, the NC concluded that the Directors have the appropriate mix of skills, experience, knowledge, and professional qualifications which will contribute positively to the Board Committees and the Board as a whole.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III Remuneration

The RC has established a Remuneration Policy for Directors and Key Senior Management which provides a guidance to determine the level of composition of remuneration of Directors and Key Senior Management to attract, retain and motivate the right candidates which consider the demands, complexities, and performance of the Group as well as skills and experience required. Level of remuneration should be sufficient to attract and retain the Directors and Key Senior Management needed to run the Group successfully.

The Remuneration Policy of Directors and Senior Management is available for reference at the Company's website at <https://www.kitacon.com.my>.

The remuneration of the Executive Directors is reviewed and recommended by the RC to the Board for approval. The Independent Non-Executive Directors are remunerated with Directors' fees are subject to shareholders' approval at the AGM annually in accordance with the Company's Constitution and Section 230(1) of the Companies Act 2016. Therefore, in terms of recommending the proposed Directors' fees, the RC takes into consideration the qualification, duty and responsibility, and contribution required from a Director in view of the Group's complexity, and also the market rate in the industry. The Board then collectively determines the remuneration for the Independent Non-Executive Directors based on the RC's recommendation. All Directors shall abstain from discussion and decisions on their own remuneration.

The Company also provides Directors' and Officers' Liability Insurance which may provide an indemnity to the fullest extent permitted by the Companies Act 2016 and against any liability incurred by them in the discharge of their duties while holding office as Directors and Officers.

In regards to the remuneration of the Senior Management's remuneration, the Company notes that such disclosure may give rise to recruitment and talent retention challenges. Hence, the Company has departed from Practice 8.2 and not adopted the Step-Up Practice 8.3 of the MCCG which requires disclosure of the remuneration of the top five (5) Senior Management personnel on a named basis in bands of RM50,000 as the Board is of the view that such information, if disclosed, raises personal security concerns on the part of the Senior Management personnel and could result in employee poaching by competitors.

Detailed information on the Directors' remuneration for the FYE2024 on a named basis are disclosed under Practice 8.1 of the CG Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I ARMC

1. Composition

The ARMC is responsible for assisting the Board in fulfilling its statutory and fiduciary responsibilities of monitoring the Group's management of its financial risk processes, accounting, and financial reporting practices, ensuring the efficacy of the Group's system of internal control and in maintaining oversight of both the internal and external audit functions.

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. The ARMC Chairperson, Mr. Low Chin Ann @ Han Chin Ann, is an Independent Non-Executive Director and is not the Chairperson of the Board. He is also a member of the Malaysian Institute of Accountants ("MIA"). Ms. Chang Sua Yean and Puan Nooriah Binti Hassan both are the Independent Non-Executive Directors.

The independence, objectivity, and integrity of the members of the ARMC are the key requirements which the Board of the Company recognises as essential for an effective and independent ARMC. None of the members of the ARMC is a former key audit partner. The ARMC has instituted a policy by way of inclusion in the TOR of the ARMC that requires a former key audit partner to observe a cooling-off year of at least three (3) years before being appointed as a member of the ARMC.

Corporate Governance Overview Statement

(Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

I ARMC (Cont'd)

2. Financial Reporting

The Board is responsible for keeping proper accounting records, which discloses with reasonable accuracy at any time the financial position of the Group and ensures that the financial statements of the Group comply with the Companies Act 2016 and applicable approved financial reporting standards in Malaysia.

The ARMC assists the Board in discharging its fiduciary duties by ensuring that the audited financial statements and quarterly financial reports are prepared in accordance with the Malaysian Financial Reporting Standards and Main Market Listing Requirements of Bursa Securities. In presenting the annual audited financial statements and quarterly announcements of results to shareholders, the Board aims to present a balance and fair assessment of the Company's financial position and prospects. The ARMC reviews the Company's quarterly financial results and annual audited financial statements to ensure accuracy adequacy and completeness prior to presentation to the Board for its approval.

3. Suitability and Independence of External Auditors

The Board maintains a good professional relationship with the external auditors through the ARMC in discussing with them their audit plans, audit findings and financial statements. The ARMC invites the External Auditors at least twice a year to discuss their findings and audited financial statements of the Group. In addition, the ARMC also met with the External Auditors during the FYE2024 without the presence of the Executive Directors, Managing Director, and Key Senior Management of the Company.

The ARMC is responsible for the recommendation on the appointment and re-appointment of the Company's External Auditors and the audit fees. The ARMC carried out an assessment of the performance and suitability of the External Auditors based on the quality of services, sufficiency of resources, communication and interaction and independence and objectivity.

Crowe Malaysia PLT, the External Auditors of the Company have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

The ARMC is satisfied with the suitability and independence of Crowe Malaysia PLT based on the quality and competency of services delivered, sufficiency of the firm and professional staff assigned to the annual audit as well as the non-audit services performed.

Details of the audit and non-audit fees paid or payable to the Group and the Company's External Auditors, Crowe Malaysia PLT for the FYE2024 are set out as below:

Type of fees	The Company (RM)	The Group (RM)
Audit fees	50,000	145,000
Non-Audit fees ⁽¹⁾	10,000	10,000
Total	60,000	155,000

⁽¹⁾ The non-audit fees of the Company were incurred mainly for the annual review of the Statement on Risk Management and Internal Control.



Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II Risk Management and Internal Control Framework

1. Risk Management and Internal Controls

The ARMC assists the Board on the Group's risk management matters, including overseeing the overall effectiveness of the risk management framework, the adequacy and effectiveness of internal controls, and reviewing the Group's risks including in the areas of cybersecurity, anti-corruption, and business contingency planning matter. Management implements risk management strategies based on the risk appetite approved by the Board and reports regularly to the ARMC.

The Board reviews the adequacy and operating effectiveness of the Group's risk management and internal control framework on an annual basis, based on, amongst others, the audit activities overseen by the ARMC, the assurance from the Managing Director and the Executive Directors' responsible for the Company's financial affairs, and input from other parties and processes. Details of the features of the Group's risk management and internal control framework and the Board's commentary on its adequacy and effectiveness are disclosed in the Statement on Risk Management and Internal Control.

The Board acknowledges that the internal control system is devised to cater for needs of the Company and risk management is to provide reasonable assurance against material misstatements or loss.

The Statement on Risk Management and Internal Control as set out in the Annual Report 2024 provides an overview of the state of risk management and internal controls within the Group.

2. Internal Audit Function

The Board acknowledges the significance of a sound system of risk management and internal control to manage the overall risk exposure of the Group.

The Group has an internal audit function which is outsourced to Resolve IR Sdn Bhd during the FYE2024.

Details on the person responsible for the internal audit are set out below:-

Name of Internal Auditors	:	Mr. Choo Seng Choon
Qualification	:	He is a Chartered Member of the Institute of Internal Auditors Malaysia, a Chartered Accountant of the Malaysian Institute of Accountants and a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom. He is also a Certified Internal Auditor.
Independence	:	Does not have any family relationship with any director and/or major shareholder of the Company.
Public Sanction or penalty	:	Has no convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

The ARMC meets regularly to review the risks identified, discuss on mitigation actions in place and report to the Board on a quarterly basis. Details of the internal audit function are set out in the Statement on Risk Management and Internal Control and the ARMC Report.

The Board affirms its overall responsibility with established and clear functional responsibilities and accountabilities which are carried out and monitored by the ARMC. The adequacy and effectiveness of the internal controls and risk management framework were reviewed by the ARMC.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I Communication with Stakeholders

The Group recognises the value of transparent, consistent, and coherent communications with the investment community consistent with commercial confidentiality and regulatory considerations.

The Board has established a dedicated section for corporate information on the Company's website at <https://www.kitacon.com.my>, where information on the Company's announcements and financial information may be accessed. It also contains all announcements made to Bursa Securities as well as the contact details of a designated person to address any queries.

It has always been the Company's practice to maintain good relationship with its shareholders. Major corporate developments and happenings in the Group have always been duly and promptly announced to all shareholders, in line with Bursa Securities' objectives of ensuring transparency and good corporate governance practices.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, Annual Report, corporate announcements to Bursa Securities and press conferences.

II Conduct of General Meetings

The general meetings ("AGM/EGM") serve as an important and effective platform for our Directors and Key Senior Management to communicate with our shareholders. Shareholders will be given the opportunity to seek clarification on any issue on the resolutions being proposed as well as the matter relating to the performance, developments and future direction of our Group.

In line with good corporate governance practice, the notice of the 3rd AGM together with the Annual Report 2024 is issued to shareholders more than 28 days from the AGM to allow sufficient time for the shareholders to go through the Annual Report 2024 and consider the proposed resolutions to be tabled at the AGM.

The Notice of AGM was also accompanied by explanatory notes which provides further explanation on each resolution proposed to facilitate informed decision-making by the shareholders. Barring unforeseen circumstances, all our Directors as well as the Chairperson shall be present at the forthcoming AGM of our Company to enable our shareholders to raise questions and concerns directly to those responsible.

This CG Overview Statement was approved by the Board of Directors of the Company on 28 April 2025.



AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

OBJECTIVES

The principal objectives of the Audit and Risk Management Committee ("ARMC") is to assist the Board of Directors ("the Board") in fulfilling its statutory and fiduciary responsibilities relating to the financial reporting process, internal controls, risk management of Kumpulan Kitacon Berhad and its subsidiary (collectively "the Group").

COMPOSITION OF THE ARMC

The ARMC consists of three (3) members, all of whom are Independent Non-Executive Directors, who are qualified individuals with the required skills and expertise to discharge the ARMC's functions and duties. Each Committee member satisfies the independence requirements contained in the Listing Requirements of Bursa Securities.

The composition of the ARMC are as follows:

Names	Designation	Directorship
Mr. Low Chin Ann @ Han Chin Ann	Chairperson	Independent Non-Executive Director
Ms. Chang Sua Yean	Member	Independent Non-Executive Director
Puan Nooriah Binti Hassan	Member	Independent Non-Executive Director

This meets the requirements of Paragraph 15.09 of the Listing Requirements of Bursa Securities and Step-Up Practice 9.4 under Principle B of the Malaysian Code on Corporate Governance 2021 ("MCCG").

The Chairperson of the ARMC, Mr. Low Chin Ann @ Han Chin Ann is a member and Fellow Member of the Association of Chartered Certified Accountants ("ACCA") since 2005 and 2010 respectively, and a member of the Malaysian Institute of Accountants ("MIA"). He is not the Chairperson of the Board. In this respect, the Company complies with Practice 9.1 under Principle B of the MCCG.

TERMS OF REFERENCE OF THE ARMC

The ARMC is guided by its Terms of Reference ("TOR"), which is available on the Company's website at <https://www.kitacon.com.my>. The TOR shall be assessed, reviewed and updated when necessary.

MEETINGS AND ATTENDANCE

During the financial year ended 31 December 2024 ("FYE2024"), the ARMC convened a total of five (5) meetings.

The details of attendance of each member of the ARMC were as follows:

Names	Designation	Attendance
Mr. Low Chin Ann @ Han Chin Ann	Chairperson	5/5
Ms. Chang Sua Yean	Member	5/5
Puan Nooriah Binti Hassan	Member	4/5

Minutes of each ARMC Meeting were recorded by the Company Secretary and tabled for confirmation and adoption at the next ARMC Meeting and subsequently presented to the Board for notation. The Chairperson of the ARMC shall report on each meeting to the Board.

The External Auditors, Internal Auditors and Chief Financial Officer have attended the ARMC Meetings at the ARMC's invitation to facilitate direct communication and to provide clarification on audit issues, area of concerns, business risks, and operational matters as well as to brief the ARMC on specific issues arising from the internal audit report in respect of the internal controls of the Group and recommendations to mitigate risks exposures of the Group. The ARMC shall meet at least twice a year with the External Auditors without the Executive Directors and Management being present.

Audit And Risk Management Committee Report

(Cont'd)

SUMMARY OF ACTIVITIES OF THE ARMC

The ARMC carried out its duties and responsibilities in accordance with its TOR.

The following summarises the works carried out by the ARMC:

1. Financial Reporting

- Reviewed the Group's unaudited quarterly results prior to recommending it to the Board for approval and releasing it to Bursa Securities.
- Reviewed the Group's audited financial statements for FYE2024 prior to recommending it to the Board for consideration and approval, to ensure that statements and disclosures presented the true and fair view of the Group's financial performance in accordance with the Malaysian Financial Reporting Standard as well as the applicable disclosure provisions of Listing Requirements of Bursa Securities.
- Received and reviewed regular updates from the Management on the status and implication of major accounting policies and financial reporting standards of the Group. There were no new or revised MFRS in FYE2024 that had a material effect on the financial performance or position of the Group.

2. External Auditors

- Reviewed the external audit plan with the External Auditors, audit strategy and scope of works.
- Reviewed the competency, efficiency and independence of External Auditors prior to recommending them to the Board for approval on the reappointment of the External Auditors and their audit fees of the Group.
- Reviewed and discussed with the External Auditors on the audit planning memorandum covering the audit objectives and approach, audit plan, key audit areas and relevant technical pronouncements and accounting standards issued by MASB and regulating the requirements applicable to the Group; and the processes and controls in place to ensure effective and efficient financial reporting and disclosures under the financial reporting standards.
- Reviewed and approved the non-audit services provided by the External Auditors and/or its network firms to the Group for the financial year, including the nature of the non-audit services, fee of the non-audit services, individually and in aggregate, relative to the external audit fees and safeguards deployed to eliminate or reduce the threat to objectivity and independence in the conduct of the external audit resulting from the non-audit services provided.
- Held private sessions on 25 April 2024 and 26 November 2024 with the External Auditors without the presence of the Management personnel (including the Managing Director and Executive Directors) during which the External Auditors provided its comments on the assistance and cooperation provided by the employees of the Group during audit.

3. Internal Audit Function

- Reviewed and approved the appointment of Resolve IR Sdn Bhd ("Resolve IR") as the outsourced Internal Auditors of the Group, considering, amongst others, its independence, resources, competency and qualification and internal audit fee.
- Reviewed and approved the risk based internal audit plan for FYE2024 to 2026 presented by Resolve IR, considering amongst others, the adequacy of scope and coverage, the Group's risk profile and reporting timeline.
- Reviewed and approved FYE2024 internal audit reports and recommendations made by Resolve IR and the corresponding corrective actions taken by the Management including follow-up reviews to ensure satisfactory actions have been taken to address previously reported internal audit findings.



Audit And Risk Management Committee Report (Cont'd)

SUMMARY OF ACTIVITIES OF THE ARMC (CONT'D)

4. Risk Management & Internal Control

- Reviewed the risk profile of the Group (including risk registers) and the Risk Management team's plans to mitigate business risks as identified from time to time.
- Reviewed the functions related to Risk Management and report directly to the Board.

5. Related Party Transaction

- Reviewed details of the Group's related party transactions (including recurrent related party transactions) based on the Company's Related Party Transaction Policy and recommended to the Board.
- Reviewed related party transactions (including recurrent related party transactions) during each quarter of the financial year, ensuring they are at arm's length basis, are based on normal commercial terms not more favourable to the related party than those generally available to third parties, are not determined to minority shareholders, and are in the best interest of the Group.

SUMMARY OF THE WORKS OF THE INTERNAL AUDIT FUNCTIONS

For the FYE2024, the Company has engaged an independent internal control consultant to assess the corporate governance practices as well as internal control and risk management systems of the Group.

The Group recognised that the internal audit function is an independent and objective assurance activity designed to add value and improve the operations of the Group. The internal audit function for our Group has been outsourced to a professional service firm, Resolve IR who conducts an independent review of our Group's key processes and control systems. Our Board had via the ARMC evaluated their effectiveness by reviewing the results of the work done in ARMC meetings.

The team from Resolve IR is led by Mr. Choo Seng Choon ("Mr. Choo"). Mr. Choo is a Certified Internal Auditor and Chartered Member of Institute of Internal Auditors ("IIA"). He is also a Fellow Member of the Association of Chartered Certified Accountant, United Kingdom and a Chartered Accountant of the Malaysia Institute of Accountants. Mr. Choo has a diverse professional experience in internal audits, risk management, and corporate governance advisory.

The number of staff deployed for the internal audit reviews is ranging from 3 to 4 staffs per visit. The staff involved in the internal audit reviews possesses professional qualifications and/or a university degree. Certain staff are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence. The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework ("IPPF").

The Internal Auditor reports directly to the ARMC and is independent of the activities it audits. The objective of the internal audit is to assist the ARMC by independently assessing and evaluating the adequacy and effectiveness of the internal controls system and is the primary responsibility of the Management which includes the on-going monitoring of its implementation and continuing improvement in responding to the risks involved.

The primary responsibility of the Internal Auditor is to provide the services under the Term of Reference:

- a) To prepare a risk-based internal audit strategy document;
- b) To perform two (2) cycles of risk-based internal audit per annum based on the internal audit strategy document as approved by the ARMC for FYE2024; and
- c) To conduct follow-up assessment on implementation status of prior internal audit recommendations.

The Internal Auditor had attended two (2) ARMC meetings during the financial year. The functional areas and operating processes reviewed by the Internal Auditors were as follows:

- Project Management;
- Health, Safety and Environment;
- Procurement of Key Materials and Services; and
- Project Tender and Contract.

Audit And Risk Management Committee Report (Cont'd)

SUMMARY OF THE WORKS OF THE INTERNAL AUDIT FUNCTIONS (CONT'D)

The results of the audit reviews and the recommendations for improvement were discussed with Senior Management and subsequently presented to the ARMC at their scheduled meetings. In addition, follow-up visits were also conducted to ascertain the status of implementation of agreed management action plans. The results of the follow-up reviews were also reported to the ARMC. Based on the results of the internal audits conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this annual report.

The total professional fees paid for the outsourcing of internal audit function for the year ended 31 December 2024 amounted to RM38,000 (excluding disbursement costs).

This report was approved by the Board of Directors on 28 April 2025.



NOMINATION COMMITTEE REPORT

The Nomination Committee ("NC") is responsible for the managing and oversight of recruitment, evaluation and retention of the Board and the Board committees.

The NC comprises of the following members, who are a majority of Independent Non-Executive Directors:-

Names	Designation	Directorship
Puan Nooriah Binti Hassan	Chairperson	Independent Non-Executive Director
Mr. Teow Choo Hing	Member	Non-Independent Non-Executive Director
Ms. Chang Sua Yean	Member	Independent Non-Executive Director

TERMS OF REFERENCE OF THE NC

The NC is guided by its Terms of Reference ("TOR"), which is available on the Company's website at <https://www.kitacon.com.my>. The TOR shall be assessed, reviewed and updated when necessary.

MEETINGS AND ATTENDANCE

During the financial year ended 31 December 2024 ("FYE2024"), the NC convened two (2) meetings on 28 February 2024 and 23 May 2024.

The details of attendance of each member of the NC were as follows:

Names	Designation	Attendance (For FYE2024)
Puan Nooriah Binti Hassan	Chairperson	2/2
Mr. Teow Choo Hing	Member	2/2
Ms. Chang Sua Yean	Member	2/2

Minutes of the NC was recorded by the Company Secretaries and tabled for confirmation and adoption at the next NC Meeting and subsequently presented to the Board for notation.

SUMMARY OF ACTIVITIES OF THE NC

The NC carried out the following works in discharging its functions and duties during the FYE2024, which are in line with its responsibilities as set out in its TOR:-

- (i) Considered and recommended to the Board the appointment of Mdm. Qua Mu Im as Chairperson of the Board to fill the vacancy so caused by the retirement of Datuk Dr. Siti Hamisah Binti Tapsir at the conclusion of the 2nd AGM;
- (ii) Considered to the Board for the re-election of the three (3) Directors who retire by rotation pursuant to Clause 98 but only recommended two (2) directors as one (1) director choose not to seek for re-election; and
- (iii) Assessed the annual effectiveness of the Board and individual Directors.

The NC upon its annual assessment carried out was satisfied that the Directors have discharged their duties more than satisfactorily. The NC was also satisfied with the performance of the Board and the Board committees.

This report was approved by the Board of Directors on 28 April 2025.

STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“the Board”) of Kumpulan Kitacon Berhad (“KITACON”) is pleased to present its Statement on Risk Management and Internal Control (“Statement”) which outlines the nature and scope of risk management and internal control system of KITACON and its subsidiary (“the Group”) for the financial year ended 31 December 2024. This Statement has been prepared pursuant to Rule 15.26(b) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Malaysian Code on Corporate Governance 2021, as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”).

BOARD RESPONSIBILITIES

The Board acknowledges its responsibility and reaffirms its commitments for maintaining an effective internal control and risk management systems within the group, including reviewing their adequacy and effectiveness, in order to protect shareholders’ interest and the Group’s assets.

In view of the limitations that are inherent in any internal control and risk management system, the Board recognises that such system is designed to manage rather than eliminate the risk of failure to achieve the Group’s business objectives and strategies. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

RISK MANAGEMENT

The Board is assisted by the Audit and Risk Management Committee (“ARMC”) to provide an oversight on the Group’s risk management process by identifying and assessing risks, and making recommendations to monitor, evaluate, manage and mitigate such risks throughout the Group, especially on key risks areas such as business and strategic risks, financial risks, operational risks and regulatory or compliance risk.

The Group’s risk management framework is guided by the principles set out in ISO31000 - Risk Management which outlines the risk governance and structure, risk management policies, risk management process and integration of risk management into significant activities and functions.

The Group has a robust risk management process for timely identification, assessment of identified risks, development of relevant risk action plans and continuous monitoring of key risks associated with functions, processes and activities to enable the Group to minimise losses and optimise opportunities.

During the financial year under review, an annual risk assessment on 18 May 2024 was undertaken with key senior management to update the Group’s risk profiles for the Group in terms of the controls and the risk ratings for each risk. All risks identified were individually assessed and ranked, having regard to the impact of the identified risk, likelihood or frequency of risk occurring, and effectiveness of the internal control systems currently in place to manage these key risks. Risk management activities are reported to the ARMC to keep the ARMC informed and advised of key risks and risk trends.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional service provider, Resolve IR Sdn. Bhd., which reports directly to the ARMC by independently reviewing the adequacy and effectiveness of the internal control system established by the Management. Further details of the Internal Audit Function are set out in ARMC Report on page 73 of this Annual Report.



Statement Of Risk Management And Internal Control

(Cont'd)

OTHER KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL

The other key elements of the Group's internal control system include: -

- i) Well-defined management organisation structure on the management responsibilities and hierarchical structure for directing, planning, executing, controlling and monitoring the business operations;
- ii) Clearly defined terms of reference, authorities and responsibilities of the ARMC, Nomination Committee and Remuneration Committee;
- iii) Quarterly financial results were presented to the ARMC and Board for approval;
- iv) The establishment and implementation of the Anti-Bribery and Anti-Corruption Policy, Code of Conduct and Ethics, and Whistleblowing Policy;
- v) Clearly documented operational processes as set out in the Quality Management System, Occupational Health and Safety Management System and Environmental Management System;
- vi) Employee handbook outlines the employment terms and conditions, including compensation, leaves, benefits and other matters related to their employment; and
- vii) The Management meetings were held monthly to identify, discuss and resolve key operational and management issues.

REVIEW THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control for the inclusion in the Annual Report of the Group for the financial year ended 31 December 2024, in compliance with the Rule 15.23 of the Listing Requirements of Bursa Securities. Their review was conducted in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement other than Audits or Reviews of Historical Financial Information, and with Audit and Assurance Practice Guide 3 ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants ("MIA").

AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system.

Based on the review by the External Auditor, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Controls: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

CONCLUSION

The Board had received assurance from the Managing Director and the Chief Financial Officer that the internal control and risk management system of the Group are adequate and operating effectively, in all materials aspects.

The Board is of the view that the internal control and risk management system is satisfactory and has no material internal control failures nor have any of the reported weaknesses resulted in material losses or contingencies during the financial year under review.

The Board is committed towards maintaining a sound internal control system and an effective risk management throughout the Group and reaffirms its commitment to continuously review and where necessary, enhance further the risk management and internal control systems.

This statement was approved by the Board of Directors on 28 April 2025.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS RAISED FROM PUBLIC ISSUE (“IPO PROCEEDS”)

The status of the utilisation of the IPO Proceeds as at 31 December 2024 is as follows:-

Details of Use of Proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation ⁽¹⁾ RM'000	Balance Unutilised RM'000	Estimated time frame for use of proceeds from the Listing date
Purchase of construction equipment					
- Aluminium formwork systems	18,000	(18,000)	–	–	Within 36 months
- Scaffoldings and cabins	6,000	(6,000)	–	–	Within 36 months
Purchase of land and construction of a storage and refurbishment facility	20,000	(9,113)	–	10,887	Within 36 months
Working capital	3,280	(3,328)	48	–	Within 24 months
Estimated listing expenses	4,460	(4,412)	(48)	–	Within 1 month
Total	51,740	(40,853)	–	10,887	

⁽¹⁾ The actual listing expenses are lower than the estimated amount, hence the excess of approximately RM48,000 was re-allocated for working capital purpose.

2. AUDIT AND NON-AUDIT FEES

Details of the audit and non-audit fees paid or payable to the Company's External Auditors, Crowe Malaysia PLT, during the financial year ended 31 December 2024 are set out as below:

Type of Fees	The Company (RM)	The Group (RM)
Audit fees	50,000	145,000
Non-audit fees ⁽¹⁾	10,000	10,000
TOTAL	60,000	155,000

⁽¹⁾ The non-audit fees of the Company were incurred mainly for the annual review of the Statement of Risk Management and Internal Control.

3. EMPLOYEES' SHARE OPTION SCHEME (“ESOS”)

Upon Listing, the Company has established an ESOS which involves the granting of ESOS Options to the eligible Directors and employees of the Group who fulfil the conditions of eligibility as stipulated in the By-Laws. The Company has implemented the ESOS on 2 January 2025. The ESOS is granted to the employees of the Company based on the criterias as set out in the By-Laws and approved by the ESOS Committee. The Company will also be seeking shareholders' approval for the granting of ESOS to the Executive Directors and persons connected at the upcoming 3rd AGM.

4. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiary involving the interests of the Directors or Major Shareholders of the Company, either still subsisting at the end of the financial year.



Additional Compliance Information

(Cont'd)

5. **RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE ("RRPT")**

The Company was given the shareholders' mandate to enter into recurrent related party transactions for the provision of construction services with related parties ("Recurrent Transactions") at the 2nd Annual General Meeting held on 25 June 2024.

The details of the Proposed New Shareholders' Mandate for RRPT to be entered by the Group with the related parties ("Proposed Shareholders' Mandate") are disclosed in the Circular to Shareholders dated 30 April 2025 together with this Annual Report 2024.

The recurrent related party transactions of a revenue or trading nature of the Group conducted pursuant to the shareholders' mandate during the financial year ended 31 December 2024 are disclosed in Note 25 to the financial statements.

STATEMENT OF **DIRECTORS' RESPONSIBILITIES**

The Directors are required to prepare the financial statements for each financial year in accordance with the Malaysian Financial Reporting Standards ("MFRS") and the provisions of the Companies Act 2016 in Malaysia.

The Directors are responsible to ensure that financial statements of the Group and of the Company give a true and fair view of the financial position of the Group and of the Company as at the financial year and of the financial performance and cash flows for the financial year. In preparing the financial statements, the Directors have:-

- Adopted appropriate accounting policies in accordance with applicable approved accounting standards and ensured that the accounting standards have been followed and applied consistently;
- Made judgements and estimates that are reasonable and prudent; and
- Prepared the financial statements on going-concern basis.

The Directors also have the general responsibility to keep the accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy to ensure compliance with the provisions of the Companies Act 2016 as well as take reasonable steps to safeguard assets of the Group and of the Company to prevent and detect fraud and other irregularities.



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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activity of the subsidiary is set out in Note 4 to the financial statements. There have been no significant changes in the nature of this activity during the financial year.

RESULTS

	The Group RM	The Company RM
Profit for the financial year	52,777,034	16,413,638

DIVIDENDS

Dividends paid or declared by the Company since 31 December 2023 are as follows:-

	RM
Ordinary Shares	
<u>In respect of the financial year ended 31 December 2023</u>	
A second interim dividend of 1 sen per ordinary share, paid on 5 April 2024	5,000,000
<u>In respect of the financial year ended 31 December 2024</u>	
A first interim dividend of 1 sen per ordinary share, paid on 11 October 2024	5,000,000
A second interim dividend of 1 sen per ordinary share, paid on 24 December 2024	5,000,000
	15,000,000

On 20 February 2025, the Company declared a third interim single tier dividend of 1 sen per ordinary share amounting to RM5,003,000 in respect of the current financial year, paid on 27 March 2025, to shareholders whose names appeared in the record of depositors on 13 March 2025. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.



Directors' Report (Cont'd)

SHARE OPTIONS

The Company did not grant any share options during the financial year.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

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

Directors' Report

(Cont'd)

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Tan Ah Kee
Teow Choo Hing
Qua Mu Im (Appointed on 26.6.2024)
Gam Boon Tin
Goh Yin Huat
Low Chin Ann @ Han Chin Ann
Chang Sua Yean
Nooriah Binti Hassan
Datuk Dr. Siti Hamisah Binti Tapsir (Retired on 25.6.2024)

The names of directors of the Company's subsidiary who served during the financial year and up to the date of this report are as follows:-

Tan Ah Kee
Teow Choo Hing
Gam Boon Tin

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

Name of Director	At 1.1.2024	Number of Ordinary Shares		At 31.12.2024
		Bought	Sold	
Direct Interests				
Tan Ah Kee	41,846,900	—	—	41,846,900
Teow Choo Hing	74,564,600	—	(4,000,000)	70,564,600
Qua Mu Im	368,000	—	—	368,000
Gam Boon Tin	1,000,000	—	—	1,000,000
Goh Yin Huat	400,000	—	—	400,000
Low Chin Ann @ Han Chin Ann	75,000	—	—	75,000
Chang Sua Yean	50,000	—	—	50,000
Nooriah Binti Hassan	50,000	—	—	50,000
Indirect Interests				
Tan Ah Kee ⁽¹⁾	175,537,500	9,283,000	—	184,820,500
Low Chin Ann @ Han Chin Ann ⁽²⁾	15,000	—	—	15,000

⁽¹⁾ Deemed interested by virtue of his direct substantial shareholdings in Suan Neo Capital Sdn. Bhd. and Lembah Reka Sdn. Bhd.

⁽²⁾ Deemed interested by virtue of his son's shareholding in the Company.



Directors' Report

(Cont'd)

DIRECTORS' INTERESTS (CONT'D)

By virtue of his shareholdings in the Company, Tan Ah Kee is deemed to have interests in shares in its subsidiary during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 25 to the financial statements.

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

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group RM	The Company RM
Fee	672,000	312,000
Salaries, bonuses and other benefits	8,485,214	32,000
Defined contribution benefits	1,013,040	–
	10,170,254	344,000

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM43,250 (2023 - RM28,600).

INDEMNITY AND INSURANCE COST

The Company maintains a Directors' and Officers' Liability Insurance Policy on a group basis. During the financial year, the amount of indemnity coverage and insurance premium paid for the directors and certain officers of the Group were RM5,000,000 and RM22,270 respectively.

SUBSIDIARY

The details of the subsidiary name, place of incorporation, principal activity and percentage of issued share capital held by the Company in the subsidiary are disclosed in Note 4 to the financial statements.

The available auditors' report on the financial statements of the subsidiary did not contain any qualification.

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period is disclosed in Note 30 to the financial statements.

Directors' Report

(Cont'd)

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office. The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fee	145,000	50,000
Non-audit fees	10,000	10,000
	<hr/>	<hr/>
	155,000	60,000
	<hr/>	<hr/>

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 28 APRIL 2025**

Tan Ah Kee

Gam Boon Tin



STATEMENT BY **DIRECTORS**

Pursuant to Section 251(2) of the Companies Act 2016

We, Tan Ah Kee and Gam Boon Tin, being two of the directors of Kumpulan Kitacon Berhad, state that, in the opinion of the directors, the financial statements set out on pages 93 to 125 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 28 APRIL 2025**

Tan Ah Kee

Gam Boon Tin

STATUTORY **DECLARATION**

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Goh Yin Huat, MIA Membership Number: 28791, being the director primarily responsible for the financial management of Kumpulan Kitacon Berhad, do solemnly and sincerely declare that the financial statements set out on pages 93 to 125 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Goh Yin Huat, at Klang
in the State of Selangor Darul Ehsan
on this 28 April 2025

Goh Yin Huat

Before me

INDEPENDENT AUDITORS' REPORT

To the Members of Kumpulan Kitacon Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Kumpulan Kitacon Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 93 to 125.

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 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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



Independent Auditors' Report

(Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p><u>Revenue and profit recognition from construction contracts (Refer to Notes 2.10, 3 and 18 to the financial statements)</u></p> <p>The recognition of revenue on contracts is based on the percentage of completion method. The determination of the construction progress requires the management to exercise significant judgement in estimating the total costs to complete the contracts.</p> <p>Changes in judgement and the related estimates throughout a contract period could result in a material variance in the revenue and profits recognised on contracts to date and in the current year.</p> <p>The key judgements over construction contract accounting arise from the following areas:</p> <ul style="list-style-type: none"> • Estimated costs to complete the contracts; and • The ability to deliver the contract within the contractual timelines and whether there is any exposure to liquidated and ascertained damages. 	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Reviewing the group policy on revenue recognition in order to ascertain that the revenue recognition policy meets the requirements of MFRS 15 <i>Revenue from Contracts with Customers</i>; • Assessing the design and implementation of key controls over revenue recognition; • Checking the estimated costs to complete to supporting documentation such as approved budgets, contracts and variation orders with sub- contractors; • Comparing budgeted costs to actual results to assess the reasonableness of assumptions used in the budgeted costs; • Performing verification on the actual progress billings issued and actual costs incurred for the financial year; and • Evaluating the merits of extension of time application submitted to the contract customers to assess the exposure to liquidated and ascertained damages by inspecting relevant correspondences, including on-going negotiations with contract customers and contract terms.

Independent Auditors' Report

(Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p><u>Impairment of receivables (Refer to Notes 3 and 9 to the financial statements)</u></p> <p>The Group carries significant receivables and is subject to major credit risk exposure. The Group recognises loss allowance for expected credit losses on receivables based on an assessment of credit risk. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecast of future economic conditions.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Obtaining an understanding of: <ul style="list-style-type: none"> • the Group's control over the receivable collection process; • how the Group identifies and assesses the impairment of receivables; and • how the Group makes the accounting estimates for impairment. • Reviewing the ageing analysis and past due status of receivables and testing the reliability thereof; • Reviewing the subsequent cash collections for major receivables and overdue amounts; • Making inquiries of management regarding the action plans to recover overdue amounts; • Comparing and challenging management's view on the recoverability of overdue amounts to historical patterns of collections; • Reviewing the computation of historical observed default rates and adjustment for forward-looking estimates used to develop the provision matrix for expected credit losses assessment; and • Evaluating the reasonableness and adequacy of the resulting loss allowance recognised.

We have determined that there are no key audit matters to communicate in our report in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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



Independent Auditors' Report (Cont'd)

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report

(Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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

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

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

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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Shah Alam

28 April 2025

Cheah Siong Hon
03538/11/2026 J
Chartered Accountant



STATEMENTS OF FINANCIAL POSITION

As At 31 December 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in a subsidiary	4	–	–	224,401,459	224,401,459
Equipment	5	33,995,672	32,739,032	–	–
Investment properties	6	6,959,220	5,072,934	–	–
Right-of-use assets	7	2,100,606	2,188,047	27,147	–
Investment in club membership, at cost		85,003	85,003	–	–
Deferred tax assets	8	4,086,000	2,355,000	–	–
		47,226,501	42,440,016	224,428,606	224,401,459
CURRENT ASSETS					
Receivables	9	191,197,734	166,361,714	20,500	4,500
Prepayments		5,603	4,900	960	–
Contract costs	10	916,365	4,321,803	–	–
Contract assets	11	266,976,921	257,354,913	–	–
Current tax assets		4,331	546,477	4,331	–
Short-term investments	12	127,255,415	27,957,811	10,521,850	10,168,064
Cash and cash equivalents	13	43,136,990	66,110,234	2,135,286	1,090,563
		629,493,359	522,657,852	12,682,927	11,263,127
TOTAL ASSETS		676,719,860	565,097,868	237,111,533	235,664,586

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

Statements of Financial Position

(Cont'd)

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	14	235,374,436	235,374,436	235,374,436	235,374,436
Merger deficit	15	(154,401,459)	(154,401,459)	–	–
Retained profits		253,853,641	216,076,607	1,643,356	229,718
TOTAL EQUITY		334,826,618	297,049,584	237,017,792	235,604,154
NON-CURRENT LIABILITIES					
Lease liabilities	16	–	165,533	–	–
Deferred tax liability	8	2,816,000	1,968,000	–	–
		2,816,000	2,133,533	–	–
CURRENT LIABILITIES					
Payables	17	336,918,824	260,494,786	66,152	56,682
Lease liabilities	16	182,512	160,215	27,589	–
Bills payable		–	5,256,000	–	–
Current tax liabilities		1,975,906	3,750	–	3,750
		339,077,242	265,914,751	93,741	60,432
TOTAL LIABILITIES		341,893,242	268,048,284	93,741	60,432
TOTAL EQUITY AND LIABILITIES		676,719,860	565,097,868	237,111,533	235,664,586

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



STATEMENTS OF COMPREHENSIVE INCOME

For The Financial Year Ended 31 December 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Revenue	18	949,623,121	780,875,496	16,800,000	9,000,000
Cost of sales		(828,507,344)	(686,923,112)	–	–
Gross profit		121,115,777	93,952,384	16,800,000	9,000,000
Other income		4,363,108	3,267,421	366,923	1,248,859
Administrative and other operating expenses		(54,930,462)	(48,785,335)	(751,006)	(1,204,270)
Finance costs		(354,106)	(360,305)	(1,378)	–
Profit before taxation	19	70,194,317	48,074,165	16,414,539	9,044,589
Income tax expense	21	(17,417,283)	(11,704,732)	(901)	(12,000)
Profit for the financial year		52,777,034	36,369,433	16,413,638	9,032,589
Other comprehensive income for the financial year		–	–	–	–
Total comprehensive income for the financial year		52,777,034	36,369,433	16,413,638	9,032,589
Earnings per share					
- Basic (sen)	22	10.56	7.27	–	–
- Diluted (sen)	22	10.56	7.27	–	–

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

STATEMENTS OF CHANGES IN EQUITY

For The Financial Year Ended 31 December 2024

The Group	Note	Non-distributable		Distributable	Total equity RM
		Share capital RM	Merger deficit RM	Retained profits RM	
Balance at 1.1.2023		184,401,509	(154,401,459)	184,707,174	214,707,224
Profit (representing total comprehensive income) for the financial year		–	–	36,369,433	36,369,433
Issuance of shares pursuant to public issue	14	51,740,180	–	–	51,740,180
Share issuance expenses	14	(767,253)	–	–	(767,253)
Dividends	23	–	–	(5,000,000)	(5,000,000)
Total transactions with owners		50,972,927	–	(5,000,000)	45,972,927
Balance at 31.12.2023 / 1.1.2024		235,374,436	(154,401,459)	216,076,607	297,049,584
Profit (representing total comprehensive income) for the financial year		–	–	52,777,034	52,777,034
Dividends	23	–	–	(15,000,000)	(15,000,000)
Balance at 31.12.2024		235,374,436	(154,401,459)	253,853,641	334,826,618

The Company	Note	Non-distributable	Distributable	Total equity RM
		Share capital RM	Retained profits RM	
Balance at 1.1.2023		184,401,509	(3,802,871)	180,598,638
Profits (representing total comprehensive income) for the financial year		–	9,032,589	9,032,589
Issuance of shares pursuant to public issue	14	51,740,180	–	51,740,180
Share issuance expenses	14	(767,253)	–	(767,253)
Dividends	23	–	(5,000,000)	(5,000,000)
Total transactions with owners		50,972,927	(5,000,000)	45,972,927
Balance at 31.12.2023 / 1.1.2024		235,374,436	229,718	235,604,154
Profits (representing total comprehensive income) for the financial year		–	16,413,638	16,413,638
Dividends	23	–	(15,000,000)	(15,000,000)
Balance at 31.12.2024		235,374,436	1,643,356	237,017,792

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



STATEMENTS OF CASH FLOWS

For The Financial Year Ended 31 December 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM/ (FOR) OPERATING ACTIVITIES					
Profit before taxation		70,194,317	48,074,165	16,414,539	9,044,589
Adjustments for:-					
Depreciation of equipment		10,010,644	7,260,151	–	–
Depreciation of investment properties		97,041	79,173	–	–
Depreciation of right-of-use assets		193,125	152,146	27,144	–
Interest expense for financial liabilities measured at amortised cost		345,410	317,008	–	–
Interest expense of lease liabilities		8,696	43,297	1,378	–
Dividend income		–	–	(16,800,000)	(9,000,000)
Fair value gain on financial instruments mandatorily measured at fair value through profit or loss		(2,007,055)	(1,431,747)	(343,322)	(1,029,956)
Gain on modification of leases		(2,203)	–	–	–
Gain on disposal of equipment		(213,667)	(87,994)	–	–
Gain on disposal of short-term investments		(1,979)	(18,090)	–	–
Interest income		(1,231,991)	(1,529,923)	(23,601)	(218,903)
Operating profit/(loss) before working capital changes		77,392,338	52,858,186	(723,862)	(1,204,270)
Changes in:-					
Contract assets		(9,622,008)	(93,679,122)	–	–
Contract costs		3,405,438	(3,604,723)	–	–
Receivables and prepayments		(24,836,723)	(52,764,082)	(16,960)	548,712
Payables		76,424,038	67,733,660	9,470	(525,236)
Cash from/(for) operations		122,763,083	(29,456,081)	(731,352)	(1,180,794)
Interest paid		(354,106)	(360,305)	(1,378)	–
Tax paid		(15,785,981)	(9,826,101)	(8,982)	(8,250)
Net cash from/(for) operating activities		106,622,996	(39,642,487)	(741,712)	(1,189,044)

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

Statements of Cash Flows (Cont'd)

Note	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES				
Additional investment in an existing subsidiary	–	–	–	(15,741,000)
Advances to a subsidiary	–	–	–	(24,259,000)
Dividend received	–	–	16,800,000	9,000,000
Interest received	1,231,991	1,529,923	23,601	218,903
Decrease in term deposits pledged with licensed banks	–	36,273,727	–	–
Purchase of equipment	(11,306,693)	(26,786,549)	–	–
Purchase of investment properties	(1,983,327)	(442,244)	–	–
Purchase of unit trust	(145,335,443)	(86,363,733)	(10,464)	(54,000,000)
Proceeds from disposal of unit trust	48,046,873	90,749,759	–	44,861,892
Proceeds from disposal of equipment	253,076	88,000	–	–
Net cash (for)/from investing activities	(109,093,523)	15,048,883	16,813,137	(39,919,205)
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES				
Repayment to a subsidiary	–	–	–	(3,777,165)
Dividends paid	(15,000,000)	(5,000,000)	(15,000,000)	(5,000,000)
(Repayment)/Drawdown of bills payable	(5,256,000)	5,256,000	–	–
Net proceeds from issuance of ordinary shares	–	50,972,927	–	50,972,927
Repayment of lease liabilities	24 (246,717)	(118,885)	(26,702)	–
Net cash (for)/from financing activities	(20,502,717)	51,110,042	(15,026,702)	42,195,762
Net (decrease)/increase in cash and cash equivalents	(22,973,244)	26,516,438	1,044,723	1,087,513
Cash and cash equivalents brought forward	66,110,234	39,593,796	1,090,563	3,050
Cash and cash equivalents carried forward	13 43,136,990	66,110,234	2,135,286	1,090,563

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



NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

1. GENERAL INFORMATION

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

Registered office : 52A, Lebuhr Enggang
41150 Klang
Selangor Darul Ehsan

Principal place of business : 24, Jalan Rengas
Taman Selatan
41200 Klang
Selangor Darul Ehsan

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiary as of the end of the reporting period. The Company and its subsidiary are collectively referred to as “the Group”.

The Company is principally engaged in the business of investment holding. The principal activity of the subsidiary is set out in Note 4 to the financial statements.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 28 April 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation of Financial Statements

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

During the current financial year, the Group and of the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

Notes to The Financial Statements

(Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**2.1 Basis of Preparation of Financial Statements (Cont'd)**

The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

2.2 Basis of Consolidation

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate.

2.3 Equipment

Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Furniture, fittings and office equipment	20%
Motor vehicles	20%
Tools and equipment/cabins	20%
Renovation	20%
Aluminium formwork	20%
Scaffolding	20%

The residual value, useful life and depreciation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.



Notes to The Financial Statements

(Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Investment Properties

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are:-

Buildings	2%
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Property under construction namely capital work-in-progress is not depreciated until such time when the asset is available for use.

2.5 Investment in a Subsidiary

Investments in a subsidiary which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

2.6 Investment in Club Membership

Investment in club membership is stated at cost less impairment losses, if any.

2.7 Financial Assets

(i) Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(ii) Fair Value Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

2.8 Financial Liabilities

Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

2.9 Right-of-use-Assets and Lease Liabilities

(a) Right-of-use-Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

Notes to The Financial Statements

(Cont'd)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Right-of-use-Assets and Lease Liabilities

(b) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

2.10 Revenue from Contracts with Customers

The Group and the Company recognise revenue (by applying the following steps) to depict the transfer of promised goods or services to customers at the transaction price.

- (i) Step 1: Identify contract - A contract is an agreement between two or more parties that creates enforceable rights and obligations.
- (ii) Step 2: Identify performance obligations - Each promise to transfer distinct goods or services is identified as a performance obligation and accounted for separately.
- (iii) Step 3: Determine transaction price - The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. It is adjusted for the effects of variable consideration (e.g. discounts, rebates, incentives or penalties), significant financing component, non-cash consideration and consideration payable to customer.
- (iv) Step 4: Allocate transaction price to performance obligations - The transaction price is allocated to each performance obligation on the basis of the relative (estimated) stand-alone selling prices of each distinct good or service promised in the contract.
- (v) Step 5: Recognise revenue - Revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). Revenue is recognised either over time or at a point in time depending on the timing of transfer of control.

Construction Contracts

The Group determines that the transfer of control of promised services generally coincides with the Group's performance as the performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The revenue from construction services is recognised over time based on percentage of completion method.

Dividend Income

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

3. JUDGEMENTS AND ESTIMATION UNCERTAINTY

Judgements Made in Applying Accounting Policies

In the process of applying the accounting policies of the Group and the Company, management is not aware of any judgements, apart from those involving estimations, that can significantly affect the amounts recognised in the financial statements.



Notes to The Financial Statements

(Cont'd)

3. JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONT'D)

Sources of Estimation Uncertainty

The key assumptions about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

Construction contracts

The Group considers the effects of variable consideration in determining the transaction price of a performance obligation satisfied over time, and recognises revenue accordingly by measuring the progress towards complete satisfaction of the performance obligation. These procedures involve judgements and estimation uncertainty in predicting the outcome of the performance obligation based on past experience, work of experts and continuous monitoring mechanism. Any changes in these accounting estimates will affect the carrying amount of contract assets as disclosed in Note 11.

Impairment of contract assets and receivables

The Group and the Company recognise loss allowance for expected credit losses on contract assets and receivables based on an assessment of credit risk. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecasts of future economic conditions. Any changes in these accounting estimates will affect the carrying amounts of contract assets (Note 11) and receivables (Note 9).

4. INVESTMENT IN A SUBSIDIARY

	The Company	
	2024	2023
	RM	RM
Unquoted shares, at cost	224,401,459	224,401,459

The details of the subsidiary are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activity
		2024	2023	
		%	%	
Kitacon Sdn Bhd ("KSB")	Malaysia	100	100	Provision of construction services

Notes to The Financial Statements

(Cont'd)

5. EQUIPMENT

	At 1.1.2024 RM	Additions RM	Disposals RM	Depreciation RM	At 31.12.2024 RM
The Group					
<u>Carrying Amount</u>					
Furniture, fittings and office equipment	504,117	366,887	–	(209,139)	661,865
Motor vehicles	2,469,675	2,727,301	(11)	(950,681)	4,246,284
Tools and equipment/cabins	2,748,009	569,725	(39,398)	(844,865)	2,433,471
Renovation	6	108,000	–	(3,600)	104,406
Aluminium formwork	21,756,173	6,921,591	–	(6,780,610)	21,897,154
Scaffolding	5,261,052	613,189	–	(1,221,749)	4,652,492
	32,739,032	11,306,693	(39,409)	(10,010,644)	33,995,672
	At 1.1.2023 RM	Additions RM	Disposals RM	Depreciation RM	At 31.12.2023 RM
<u>Carrying Amount</u>					
Furniture, fittings and office equipment	491,734	210,511	–	(198,128)	504,117
Motor vehicles	1,310,018	1,960,282	(6)	(800,619)	2,469,675
Tools and equipment/cabins	846,645	2,508,218	–	(606,854)	2,748,009
Renovation	3,904	–	–	(3,898)	6
Aluminium formwork	10,560,339	16,345,828	–	(5,149,994)	21,756,173
Scaffolding	–	5,761,710	–	(500,658)	5,261,052
	13,212,640	26,786,549	(6)	(7,260,151)	32,739,032



Notes to The Financial Statements

(Cont'd)

5. EQUIPMENT (CONT'D)

	At cost RM	Accumulated depreciation RM	Carrying amount RM
The Group			
2024			
Furniture, fittings and office equipment	2,202,775	(1,540,910)	661,865
Motor vehicles	14,339,080	(10,092,796)	4,246,284
Tools and equipment/cabins	5,381,014	(2,947,543)	2,433,471
Renovation	163,153	(58,747)	104,406
Aluminium formwork	40,444,158	(18,547,004)	21,897,154
Scaffolding	6,374,899	(1,722,407)	4,652,492
	68,905,079	(34,909,407)	33,995,672
2023			
Furniture, fittings and office equipment	1,835,888	(1,331,771)	504,117
Motor vehicles	13,419,591	(10,949,916)	2,469,675
Tools and equipment/cabins	4,865,188	(2,117,179)	2,748,009
Renovation	55,153	(55,147)	6
Aluminium formwork	33,522,567	(11,766,394)	21,756,173
Scaffolding	5,761,710	(500,658)	5,261,052
	59,460,097	(26,721,065)	32,739,032

Notes to The Financial Statements

(Cont'd)

6. INVESTMENT PROPERTIES

	At 1.1.2024 RM	Additions RM	Depreciation RM	At 31.12.2024 RM
The Group				
<u>Carrying Amount</u>				
Freehold land and buildings	1,360,992	16,860	(18,337)	1,359,515
Leasehold buildings	3,711,942	153,707	(78,704)	3,786,945
Capital work-in-progress	–	1,812,760	–	1,812,760
	5,072,934	1,983,327	(97,041)	6,959,220

	At 1.1.2023 RM	Addition RM	Reclassification RM	Depreciation RM	At 31.12.2023 RM
<u>Carrying Amount</u>					
Freehold land and buildings	–	–	1,364,023	(3,031)	1,360,992
Leasehold buildings	3,788,084	–	–	(76,142)	3,711,942
Capital work-in-progress	921,779	442,244	(1,364,023)	–	–
	4,709,863	442,244	–	(79,173)	5,072,934

	At cost RM	Accumulated depreciation RM	Carrying amount RM
The Group			
2024			
Freehold land and buildings	1,380,883	(21,368)	1,359,515
Leasehold buildings	3,960,827	(173,882)	3,786,945
Capital work-in-progress	1,812,760	–	1,812,760
	7,154,470	(195,250)	6,959,220
2023			
Freehold land and buildings	1,364,023	(3,031)	1,360,992
Leasehold buildings	3,807,120	(95,178)	3,711,942
	5,171,143	(98,209)	5,072,934



Notes to The Financial Statements

(Cont'd)

6. INVESTMENT PROPERTIES (CONT'D)

	The Group Estimated fair value at	
	2024 RM	2023 RM
Freehold land and buildings	1,502,660	1,360,992
Leasehold buildings	4,376,000	5,315,200
	5,878,660	6,676,192

The fair values of the investment properties of the Group are within level 2 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties, location and category of properties. The most significant input into this valuation approach is the price per square foot of comparable properties.

The investment properties of the Group were leased to customers under operating leases with rentals payable monthly. The leases contain an option that is exercisable by the customers to extend their leases for a period of 1 to 2 years. The leases do not include residual value guarantee and variable lease payments that depend on an index or rate.

The aggregate lease income and direct operating expenses arising from investment properties of the Group that generated lease income which was recognised during the financial year amounted to RM279,767 and RM137,920 (2023 - RM50,233 and RM49,123) respectively.

The direct operating expenses incurred from investment properties of the Group which did not generate lease income during the financial year amounted to RM22,652 (2023 - RM72,042).

7. RIGHT-OF-USE ASSETS

	At 1.1.2024 RM	Additions RM	Derecognition due to lease modification RM	Depreciation RM	At 31.12.2024 RM
The Group					
<u>Carrying Amount</u>					
Office buildings	314,607	80,919	(52,088)	(168,219)	175,219
Leasehold land	1,873,440	76,853	—	(24,906)	1,925,387
	2,188,047	157,772	(52,088)	(193,125)	2,100,606
	At 1.1.2023 RM	Addition RM	Changes due to lease modification RM	Depreciation RM	At 31.12.2023 RM
<u>Carrying Amount</u>					
Office buildings	181,451	25,063	234,926	(126,833)	314,607
Leasehold land	1,898,753	—	—	(25,313)	1,873,440
	2,080,204	25,063	234,926	(152,146)	2,188,047

Notes to The Financial Statements

(Cont'd)

7. RIGHT-OF-USE ASSETS (CONT'D)

	At cost RM	Accumulated depreciation RM	Carrying amount RM
The Group			
2024			
Office buildings	616,826	(441,607)	175,219
Leasehold land	1,980,413	(55,026)	1,925,387
	2,597,239	(496,633)	2,100,606
2023			
Office buildings	655,276	(340,669)	314,607
Leasehold land	1,903,560	(30,120)	1,873,440
	2,558,836	(370,789)	2,188,047

	At 1.1.2024 RM	Addition RM	Depreciation RM	At 31.12.2024 RM
The Company				
<u>Carrying Amount</u>				
Office building	—	54,291	(27,144)	27,147

	At cost RM	Accumulated depreciation RM	Carrying amount RM
The Company			
2024			
Office building	54,291	(27,144)	27,147

The Group leases certain office building as its principal place of business for 1 to 2 years with an option to renew the lease after the expiry date. It also acquired the right to use the leasehold land for 79 years.

The Group will reassess whether it is reasonably certain to exercise the options granted in the lease contracts if there is a significant change in circumstances within its control. During the financial year, the Group has performed a reassessment and the financial effect of revising the lease terms to reflect the effect of exercising the extension and termination has resulted a change in recognised lease liabilities and right-of-use assets of RM54,291 and RM52,088 (2023 - RM234,926 and RM234,926) respectively.



Notes to The Financial Statements

(Cont'd)

8. DEFERRED TAX ASSETS/LIABILITY

	The Group	
	2024 RM	2023 RM
At 1 January	387,000	3,126,000
Deferred tax recognised in profit or loss (Note 21)	1,739,000	(2,727,000)
Deferred tax underprovided in prior year (Note 21)	(856,000)	(12,000)
At 31 December	1,270,000	387,000
Disclosed as:		
- Deferred tax assets	4,086,000	2,355,000
- Deferred tax liability	(2,816,000)	(1,968,000)
In respect of deductible/(taxable) temporary differences on:		
- Provision of contract cost (material)	1,014,000	310,000
- Provision of contract cost (labour)	2,376,000	1,225,000
- Provision of liquidated ascertained damages	329,000	329,000
- Financial instruments	367,000	491,000
- Equipment	(2,816,000)	(1,968,000)
	1,270,000	387,000

9. RECEIVABLES

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Trade receivables:				
- Unrelated parties	177,593,307	154,885,576	–	–
- Loss allowances	(1,529,172)	(1,529,172)	–	–
	176,064,135	153,356,404	–	–
Other receivables	15,133,599	13,005,310	20,500	4,500
Total receivables	191,197,734	166,361,714	20,500	4,500

Notes to The Financial Statements

(Cont'd)

9. RECEIVABLES (CONT'D)**Trade Receivables**

The Group determines credit risk concentrations in terms of counterparties. As at 31 December 2024, there were 3 (2023 - 3) major customers that accounted for 10% or more of the Group's trade receivables and the total outstanding balances due from these major customers amounting to RM79,629,782 (2023 - RM70,749,081).

Trade receivables are unsecured, non-interest bearing and generally on 30 days term.

The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status (stated at gross) is as follows:-

	The Group	
	2024	2023
	RM	RM
Not past due	79,074,347	70,609,513
1 to 30 days past due	28,588,399	46,970,747
31 to 60 days past due	30,643,560	15,292,166
61 to 90 days past due	15,510,402	4,044,780
More than 90 days past due	23,776,599	17,968,370
	177,593,307	154,885,576

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. The Group uses a more lagging past due criterion for certain trade receivables when it is more appropriate to reflect their past trends of payments. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.



Notes to The Financial Statements

(Cont'd)

9. RECEIVABLES (CONT'D)

Trade Receivables (Cont'd)

The Group	Not past due RM	1 to 30 days past due RM	31 to 60 days past due RM	61 to 90 days past due RM	More than 90 days past due RM	Credit- impaired RM	Total RM
2024							
Gross carrying amount	79,074,347	28,588,399	30,643,560	15,510,402	22,247,427	1,529,172	177,593,307
Average credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	100%	0.9%
Loss allowance	-	-	-	-	-	1,529,172	1,529,172
2023							
Gross carrying amount	70,609,513	46,970,747	15,292,166	4,044,780	16,439,198	1,529,172	154,885,576
Average credit loss rate	0.00%	0.00%	0.00%	0.00%	0.00%	100%	1.0%
Loss allowance	-	-	-	-	-	1,529,172	1,529,172

Notes to The Financial Statements

(Cont'd)

9. RECEIVABLES (CONT'D)**Trade Receivables (Cont'd)**

The Group measures the loss allowances for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. The changes in the loss allowances are as follows:-

	The Group	
	2024 RM	2023 RM
At 1 January	1,529,172	2,045,335
Written off during the financial year	–	(516,163)
At 31 December	1,529,172	1,529,172

The above loss allowances is in respect of individually assessed credit-impaired trade receivables. Based on the low historical observed default rates (adjusted for forward-looking estimates), the expected credit losses on trade receivables that are not credit-impaired are not considered to be material and hence, have not been recognised.

Other Receivables

Other receivables are unsecured and non-interest bearing. The amount owing by unrelated parties mainly consists of advances and refundable deposits which have no fixed repayment terms.

Included in other receivables at 31 December 2024 are:-

- (a) deposits paid of RM9,112,522 (2023 - RM3,905,366) in respect of a Sale and Purchase Agreement ("SPA") entered by the Company's wholly-owned subsidiary, Kitacon Sdn. Bhd. on 28 April 2023 with a third party to acquire a piece of freehold land for a purchase consideration of RM13,017,888. However, the acquisition is pending for completion as at end of the reporting period subjected to the fulfilment of certain terms and conditions as stated in the SPA; and
- (b) advances paid to sub-contractors of RM1,150,928 (2023 - RM5,858,252) for construction works which would be recouped from subsequent progress payments.

10. CONTRACT COSTS

	The Group	
	2024 RM	2023 RM
Costs in fulfilling contracts	916,365	4,321,803

The costs to fulfil a contract represent cost incurred in construction of several projects that is used to fulfil the contract in future that is in respect of future performance obligations.



Notes to The Financial Statements

(Cont'd)

11. CONTRACT ASSETS

	The Group	
	2024 RM	2023 RM
Contract Assets		
Construction contracts	266,976,921	257,354,913

Contract Assets from Construction Contracts

	The Group	
	2024 RM	2023 RM
At 1 January	257,354,913	163,675,791
Revenue recognised during the financial year	949,623,121	780,875,496
Progress billings raised during the financial year	(940,001,113)	(687,196,374)
At 31 December	266,976,921	257,354,913

Included in contract assets are retention sums for contract work totalling RM115,180,305 (2023 - RM108,720,125).

As disclosed in Note 2.10, the Group generally satisfies its performance obligations over time during the construction period. Any excess of revenue recognised over progress billings raised is presented as contract asset, whereas any deficit is presented as contract liability.

The Group measures the loss allowance for contract assets at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Based on the low historical observed default rates (adjusted for forward-looking estimates), the expected credit losses on contract assets are not considered to be material and hence, have not been recognised.

Remaining Performance Obligations

As at 31 December 2024, the aggregate transaction price allocated to the remaining performance obligations amounted to RM1,191,944,808 (2023 - RM1,068,200,095) and the Group expects to recognise this revenue when the projects are completed over the next 1 to 2 (2023 - 1 to 2) years.

12. SHORT-TERM INVESTMENTS

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unit trust, at fair value	127,255,415	27,957,811	10,521,850	10,168,064

The fair value of unit trust are directly measured using its unadjusted closing price in active market (i.e. Level 1).

Notes to The Financial Statements

(Cont'd)

13. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash and bank balances	38,704,732	43,531,076	2,135,286	1,090,563
Term deposits with licensed banks (fixed rate)	4,432,258	22,579,158	–	–
	43,136,990	66,110,234	2,135,286	1,090,563

Cash and cash equivalents are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

The effective interest rate of term deposits as at 31 December 2024 was 4.0% (2023 - 2.3% to 3.7%) per annum.

14. SHARE CAPITAL

	The Group/The Company			
	2024	2023	2024	2023
	Number of Shares		RM	RM
<u>Issued and Fully Paid-Up:-</u>				
At 1 January	500,000,000	423,911,500	235,374,436	184,401,509
Issuance of shares	–	76,088,500	–	51,740,180
Share issuance expenses	–	–	–	(767,253)
At 31 December	500,000,000	500,000,000	235,374,436	235,374,436

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.
- (b) In the previous financial year, the Company increased its issued and paid-up share capital from RM184,401,509 to RM236,141,689 (before deducting share issuance expenses of RM767,253) by the issuance of 76,088,500 new ordinary shares at an issue price of RM0.68 per ordinary share, as part of the listing scheme of the Company on Main Market of Bursa Malaysia Securities Berhad.

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

15. MERGER DEFICIT

The merger deficit arose from the difference between the carrying value of the investment and the nominal value of shares of the subsidiary upon consolidation under the merger accounting principles.



Notes to The Financial Statements

(Cont'd)

16. LEASE LIABILITIES

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Gross lease liabilities:-				
- Within 1 year	185,761	168,480	28,080	-
- Later than 1 year and not later than 5 years	-	168,480	-	-
Total contractual undiscounted cash flows	185,761	336,960	28,080	-
Future interest charges	(3,249)	(11,212)	(491)	-
Present value of lease liabilities	182,512	325,748	27,589	-
Disclosed as:-				
- Current liabilities	182,512	160,215	27,589	-
- Non-current liabilities	-	165,533	-	-
	182,512	325,748	27,589	-

The incremental borrowing rate applied to lease liabilities of the Group and the Company as at 31 December 2024 was 3.3% (2023 - 3.3%) per annum.

17. PAYABLES

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Trade payables	313,278,076	246,094,813	-	-
Provision of contract cost (material)	4,225,092	1,053,564	-	-
Provision of contract cost (labour)	9,898,464	5,105,725	-	-
Other payables	9,517,192	8,240,684	66,152	56,682
	336,918,824	260,494,786	66,152	56,682

Trade and other payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Trade Payables

Included in trade payables of the Group are retention sums for contract work totalling RM22,554,651 (2023 - RM14,498,159).

Included in trade payables of the Group is an amount of RM173,412,533 (2023 - RM128,971,595) representing accrued contract costs.

Trade payables are unsecured, non-interest bearing and generally on 30 to 120 days terms.

Notes to The Financial Statements

(Cont'd)

17. PAYABLES (CONT'D)

Provision of contract cost for material and labour of the Group are in respect of estimated cost to be incurred during the defect liability period for completed projects.

Movement of provision is as follows:-

	Contract Cost (Material)		Contract Cost (Labour)	
	2024	2023	2024	2023
	RM	RM	RM	RM
The Group				
At 1 January	1,053,564	1,644,281	5,105,725	12,704,688
Provision made during the financial year	4,384,576	1,521,991	8,984,798	3,984,888
Provision used during the financial year	(1,213,048)	(1,343,953)	(4,192,059)	(4,550,281)
Provision reversed during the financial year	—	(768,755)	—	(7,033,570)
At 31 December	4,225,092	1,053,564	9,898,464	5,105,725

Other Payables

Other payables are unsecured and non-interest bearing which mainly consist of sundry payables and accruals for operating expenses which are generally due within 30 to 90 days.

18. REVENUE

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Revenue from contracts with customers:				
- Construction contracts	949,623,121	780,875,496	—	—
Timing of revenue recognition:				
- Over-time	949,623,121	780,875,496	—	—
Revenue from other sources:				
- Dividend income	—	—	16,800,000	9,000,000

Information about disaggregation of revenue have not been disclosed as the Group generates revenue principally from construction of residential, industrial and commercial properties within Malaysia.



Notes to The Financial Statements

(Cont'd)

19. PROFIT BEFORE TAXATION

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

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Auditors' remuneration:				
- audit fee	145,000	125,000	50,000	30,000
- non-audit fees	10,000	10,000	10,000	10,000
Depreciation of equipment	10,010,644	7,260,151	—	—
Depreciation of investment properties	97,041	79,173	—	—
Depreciation of right-of-use assets	193,125	152,146	27,144	—
Employee benefits expense (Note 20)	39,421,266	35,488,965	344,000	368,000
Interest expense for financial liabilities				
measured at amortised cost	345,410	317,008	—	—
Interest expense of lease liabilities	8,696	43,297	1,378	—
Lease expense	535,035	303,933	—	—
Dividend income from a subsidiary	—	—	(16,800,000)	(9,000,000)
Fair value gain on financial				
instruments mandatorily measured				
at fair value through profit or loss	(2,007,055)	(1,431,747)	(343,322)	(1,029,956)
Gain on modification of leases	(2,203)	—	—	—
Gain on disposal of equipment	(213,667)	(87,994)	—	—
Gain on disposal of short-term				
investments	(1,979)	(18,090)	—	—
Interest income for financial assets				
measured at amortised cost	(826,547)	(1,214,057)	(13,137)	(51,450)
Interest income for financial assets				
measured at fair value through				
profit or loss	(405,444)	(315,866)	(10,464)	(167,453)
Operating lease income from				
investment properties	(279,767)	(50,233)	—	—

Notes to The Financial Statements

(Cont'd)

20. EMPLOYEE BENEFITS EXPENSE

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors:				
- Fee	672,000	696,000	312,000	336,000
- Salaries, bonuses and allowances	8,485,214	7,851,574	32,000	32,000
- Defined contribution plans	1,013,040	937,200	–	–
	10,170,254	9,484,774	344,000	368,000
Other employees:				
- Short-term employee benefits	26,244,073	23,240,237	–	–
- Defined contribution plans	3,006,939	2,763,954	–	–
	29,251,012	26,004,191	–	–
	39,421,266	35,488,965	344,000	368,000

The estimated monetary value of benefits received or receivable by the directors otherwise than in cash from the Group amounted to approximately RM43,250 (2023 - RM28,600).

21. INCOME TAX EXPENSE

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Tax based on results for the year:				
- Current tax	18,871,000	9,132,189	3,000	12,000
- Deferred tax (Note 8)	(1,739,000)	2,727,000	–	–
	17,132,000	11,859,189	3,000	12,000
Tax (over)/underprovided in prior years:				
- Current tax	(570,717)	(166,457)	(2,099)	–
- Deferred tax (Note 8)	856,000	12,000	–	–
	285,283	(154,457)	(2,099)	–
Income tax expense	17,417,283	11,704,732	901	12,000



Notes to The Financial Statements

(Cont'd)

21. INCOME TAX EXPENSE (CONT'D)

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

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before taxation	70,194,317	48,074,165	16,414,539	9,044,589
Tax at the statutory tax rate of 24%	16,846,636	11,537,800	3,939,489	2,170,701
Non-deductible expenses	916,648	745,157	180,420	288,676
Non-taxable income	(631,284)	(423,768)	(4,116,909)	(2,447,377)
Tax (over)/underprovided in prior years:				
- Current tax	(570,717)	(166,457)	(2,099)	–
- Deferred tax	856,000	12,000	–	–
Income tax expense	17,417,283	11,704,732	901	12,000

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year.

22. EARNINGS PER SHARE

	The Group	
	2024 RM	2023 RM
Profit for the financial year	52,777,034	36,369,433
Weighted average number of ordinary shares in issue:-		
Issuance of shares	500,000,000	500,000,000
Basic earnings per ordinary share (sen)	10.56	7.27

The diluted earnings per share equals the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the respective financial year.

Notes to The Financial Statements

(Cont'd)

23. DIVIDENDS

	The Company	
	2024	2023
	RM	RM
First interim single tier dividend of 1 sen per ordinary share in respect of the previous financial year	–	5,000,000
Second interim single tier dividend of 1 sen per ordinary share in respect of the previous financial year	5,000,000	–
First interim single tier dividend of 1 sen per ordinary share in respect of the current financial year	5,000,000	–
Second interim single tier dividend of 1 sen per ordinary share in respect of the current financial year	5,000,000	–
	15,000,000	5,000,000

Subsequent to the end of the financial year, the Company has declared a third interim single tier dividend of 1 sen per ordinary share in respect of the financial year ended 31 December 2024 and was paid on 27 March 2025. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.

24. NOTES TO STATEMENTS OF CASH FLOWS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Lease Liabilities				
At 1 January	325,748	184,644	–	–
Additions	157,772	25,063	54,291	–
Changes due to lease modification	–	234,926	–	–
Derecognition due to lease modification	(54,291)	–	–	–
Repayments	(246,717)	(118,885)	(26,702)	–
At 31 December	182,512	325,748	27,589	–
The total cash outflow for leases is as follows:				
Operating activities				
Interest portion of lease liabilities (Note 19)	8,696	43,297	1,378	–
Lease expense recognised in profit or loss (Note 19)	535,035	303,933	–	–
	543,731	347,230	1,378	–
Financing activities				
Principal portion of lease liabilities	246,717	118,885	26,702	–
	790,448	466,115	28,080	–



Notes to The Financial Statements

(Cont'd)

25. RELATED PARTY DISCLOSURES

Significant transactions with related parties during the financial year other than those disclosed elsewhere in the financial statements are as follows:-

	The Group	
	2024	2023
	RM	RM
Progress billings raised on contract services provided to related parties ^(a)	23,243,795	27,699,421

(a) Being companies in which certain directors of the Company have substantial financial interests.

26. OPERATING SEGMENTS

26.1 Business Segment and Geographical Information

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

26.2 Major Customers

The following are major customers with revenue equal to or more than 10% of the Group's total revenue.

	Revenue	
	2024	2023
	RM	RM
Customer A	184,162,984	234,532,023
Customer B	128,629,265	46,381,218
Customer C	123,662,954	71,361,628

27. CAPITAL COMMITMENTS

	The Group	
	2024	2023
	RM	RM
Purchase of freehold land	3,905,366	9,112,522
Purchase of investment properties	4,387,761	–
	8,293,127	9,112,522

Notes to The Financial Statements

(Cont'd)

28. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	The Group	
	2024	2023
	RM	RM
Performance and tender bonds granted to contract customers	150,292,291	114,227,579

At the end of the reporting period, no values are ascribed on these guarantees provided by the Group for the purpose described above as the directors regard the value of the credit enhancement provided by these guarantees as minimal and the probability of default, based on historical track records of the parties receiving the guarantees are remote.

29. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including interest rate risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

29.1 Financial Risk Management Policies

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk**(i) Foreign Currency Risk**

The Group and the Company do not have any transactions or balances denominated in foreign currencies and hence, are not exposed to foreign currency risk.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely lease liabilities. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

Interest Rate Risk Sensitivity Analysis

The sensitivity analysis for fixed rate lease liabilities at the end of the reporting period is not presented as change in interest rate would not have impact to the profit or loss and equity.

(iii) Equity Price Risk

The exposure to equity price risk arises mainly from changes in investment of unit trusts of the Group. The Group manages its exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

Any reasonably possible change in the prices of investments in unit trusts classified as fair value through profit or loss at the end of the reporting period does not have a material impact on the profit after taxation of the Group and of the Company and hence, no sensitivity analysis is presented. There is no impact on the equity of the Group and of the Company.



Notes to The Financial Statements

(Cont'd)

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 Financial Risk Management Policies (Cont'd)

The policies in respect of the major areas of treasury activity are as follows:- (Cont'd)

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statements of financial position.

As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is minimal. The Group manages its credit risk exposure of receivables by assessing counterparties financial standings on an on-going basis, setting and monitoring counterparties limits and credit terms. The quantitative information about such credit risk exposure is disclosed in Note 9.

The Company's exposure to credit risk arises principally from corporate guarantee given to financial institutions for credit facilities granted to a subsidiary. The Company monitors the results of this subsidiary regularly and repayments made by the subsidiary.

The Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiary of RM150,292,291 (2023 - RM119,483,579), representing the outstanding banking facilities of the subsidiary as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through standby credit facilities.

29.2 Capital Risk Management

Capital structure is a combination of equity and debt used by an entity to finance its overall operations and growth. The objective of the capital management of the Group and of the Company is to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company monitor and maintain a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with debt covenants and regulatory, if any.

Notes to The Financial Statements

(Cont'd)

29. FINANCIAL INSTRUMENTS (CONT'D)**29.2 Capital Risk Management (Cont'd)**

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Bills payable	–	5,256,000	–	–
Lease liabilities	182,512	325,748	27,589	–
Total interest-bearing debts	182,512	5,581,748	27,589	–
Total equity	334,826,618	297,049,584	237,017,792	235,604,154
Debt-to-equity ratio	0.0005	0.0188	0.0001	–

There was no change in the approach to capital management during the financial year.

29.3 Classification of Financial Instruments

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Assets				
<u>Amortised Cost</u>				
Receivables (Note 9)	191,197,734	166,361,714	20,500	4,500
Cash and cash equivalents (Note 13)	43,136,990	66,110,234	2,135,286	1,090,563
	234,334,724	232,471,948	2,155,786	1,095,063
<u>Fair Value Through Profit or Loss</u>				
Short-term investments (Note 12)	127,255,415	27,957,811	10,521,850	10,168,064
Financial Liabilities				
<u>Amortised Cost</u>				
Payables (Note 17)	322,795,268	254,335,497	66,152	56,682
Bills payable	–	5,256,000	–	–
	322,795,268	259,591,497	66,152	56,682



Notes to The Financial Statements

(Cont'd)

29. FINANCIAL INSTRUMENTS (CONT'D)

29.4 Gains or Losses Arising From Financial Instruments

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Assets				
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	826,547	1,214,057	13,137	51,450
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss by:				
- mandatorily required by MFRS 9	2,414,478	1,765,703	353,786	1,197,409
Financial Liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(345,410)	(317,008)	–	–

29.5 Fair Value Information

The methods used in determining the fair values of financial instruments recognised on the statements of financial position are disclosed in their respective notes to the financial statements.

30. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 2 January 2025, the Company has offered 30,285,000 Employees' Share Option Scheme (ESOS) to eligible employees of the Group with the terms and conditions as follows:

Grant date	Number of options ('000)	Vesting conditions	Contractual life of options
2 January 2025	30,285	Vest over 2 years	4 years

LIST OF PROPERTIES

as at 31 December 2024

No.	Location	Description/ Existing use/ Intended use	Tenure/ Expiry of Lease	Approximately Age of Building	Land area/ Built-up area (sq feet)	Date of acquisition/ Date of CCC ⁽¹⁾	Net carrying amount (RM'000)
1	13, Jalan Eco Perindustrian 1/5D, Eco Perindustrian 5, 42300 Bandar Puncak Alam, Selangor <u>Title details</u> HS(D) 299928, PT 45051, Mukim Ijok, District of Kuala Selangor, State of Selangor	<u>Description</u> Double-storey semi-detached factory <u>Existing use</u> Investment purpose (tenanted)	Leasehold expiring on 13 January 2101	2 years	<u>Land area</u> 10,872 <u>Gross built-up area</u> 4,936	<u>Date of acquisition</u> 30 November 2020 <u>Date of CCC</u> 7 September 2022	2,856
2	15, Jalan Eco Perindustrian 1/5D, Eco Perindustrian 5, 42300 Bandar Puncak Alam, Selangor <u>Title details</u> HS(D) 299927, PT 45050, Mukim Ijok, District of Kuala Selangor, State of Selangor	<u>Description</u> Double-storey semi-detached factory <u>Existing use</u> Investment purpose (tenanted)	Leasehold expiring on 13 January 2101	2 years	<u>Land area</u> 10,872 <u>Gross built-up area</u> 4,936	<u>Date of acquisition</u> 30 November 2020 <u>Date of CCC</u> 7 September 2022	2,856
3	43, Jalan Elmina Ilham 3, Elmina East, 40160 Shah Alam, Selangor <u>Title details</u> Geran 340956, Lot 94355, Mukim Sungai Buloh, District of Petaling, State of Selangor	<u>Description</u> Double-storey terrace house <u>Existing use</u> Investment purpose (vacant)	Freehold	1 year	<u>Land area</u> 1,206 <u>Gross built-up area</u> 2,403	<u>Date of acquisition</u> 13 March 2020 <u>Date of CCC</u> 30 September 2023	668
4	5, Jalan Dahlia 2, Dahlia Taman Sari, 48000 Rawang, Selangor <u>Title details</u> Geran 341744, Lot 95908 Mukim Rawang District of Gombak State of Selangor	<u>Description</u> Double-storey terrace house <u>Existing use</u> Investment purpose (vacant)	Freehold	1 year	<u>Land area</u> 1,302 <u>Gross built-up area</u> 1,570	<u>Date of acquisition</u> 21 May 2021 <u>Date of CCC</u> 16 October 2023	692

Note:

(1) CCC refers to the Certificate of Completion and Compliance



List of Properties

(Cont'd)

No.	Location	Description/ Existing use/ Intended use	Tenure/ Expiry of Lease	Approximately Age of Building	Land area/ Built-up area (sq feet)	Date of acquisition/ Date of CCC ⁽¹⁾	Net carrying amount (RM'000)
5	TA1A-260, Mukim Ijok District of Kuala Selangor State of Selangor <u>Master title details</u> PN103059 Lot 33962 Mukim Ijok District of Kuala Selangor State of Selangor	<u>Description</u> Double-storey terrace house <u>Existing use</u> Under construction <u>Intended use</u> Investment purpose	Leasehold expiring on 27 May 2103	Not applicable	<u>Land area</u> 1,399 <u>Gross built- up area</u> 1,917	<u>Date of acquisition</u> 10 May 2024 <u>Date of CCC</u> Not applicable	138
6	Lot 149, Mukim Rawang District of Gombak State of Selangor <u>Master title details</u> PM6839 Lot 23538 and PM6840 Lot 23539 Mukim Rawang District of Gombak State of Selangor	<u>Description</u> 5-storey shopoffice building <u>Existing use</u> Under construction <u>Intended use</u> Investment purpose	Leasehold expiring on 25 February 2113	Not applicable	<u>Land area</u> 1,948 <u>Gross built- up area</u> 9,750	<u>Date of acquisition</u> 20 July 2024 <u>Date of CCC</u> Not applicable	1,675

Note:

(1) CCC refers to the Certificate of Completion and Compliance

ANALYSIS OF SHAREHOLDINGS

as at 28 March 2025

Issued Share capital : 500,300,000
 Class of shares : Ordinary shares
 Voting Rights : One vote per ordinary share held

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders %		No. of Shares held %	
1 - 99	4	0.34	69	0.00
100 - 1,000	225	18.94	106,301	0.02
1,001 - 10,000	539	45.37	3,069,800	0.62
10,001 - 100,000	320	26.93	11,408,200	2.28
100,001 - 25,014,999 (*)	96	8.08	159,254,130	31.83
25,015,000 and above (**)	4	0.34	326,461,500	65.25
TOTAL	1,188	100.00	500,300,000	100.00

Notes:

- * - Less than 5% of Issued Holdings
 ** - 5% and above of Issued Holdings

SUBSTANTIAL SHAREHOLDERS

(Based on the Register of Substantial Shareholders' Shareholdings)

Name of Substantial Shareholder	Direct	No. of Ordinary Shares Held		%
		%	Indirect	
Suan Neo Capital Sdn Bhd	175,000,000	34.98	—	—
Teow Choo Hing	70,564,600	14.10	—	—
Tan Ah Kee	41,846,900	8.36	184,936,500 [#]	36.96
Datuk Phua Sin Mo	60,000,000	11.99	10,665,000*	2.13
Curtis Phua Ti Tsen	10,665,000	2.13	60,000,000**	11.99

[#] Deemed interested by virtue of his shareholding in Suan Neo Capital Sdn Bhd and Lembah Reka Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.

* Deemed interested by virtue of his son, Curtis Phua Ti Tsen.

** Deemed interested by virtue of his father, Datuk Phua Sin Mo.



Analysis of Shareholdings

(Cont'd)

STATEMENT OF DIRECTORS' SHAREHOLDINGS

(Based on the Register of Directors' Shareholdings)

Name of Directors	No. of Ordinary Shares Held			
	Direct Interest	%	Indirect Interest	%
Qua Mu Im	368,000	0.07	—	—
Tan Ah Kee	41,846,900	8.36	184,936,500 [#]	36.96
Teow Choo Hing	70,564,600	14.10	—	—
Gam Boon Tin	1,000,000	0.20	—	—
Goh Yin Huat	400,000	0.08	—	—
Low Chin Ann @ Han Chin Ann	75,000	0.01	15,000 ^{##}	0.003
Chang Sua Yean	50,000	0.01	—	—
Nooriah Binti Hassan	50,000	0.01	—	—

[#] Deemed interested by virtue of his shareholding in Suan Neo Capital Sdn Bhd and Lembah Reka Sdn Bhd pursuant to Section 8 of the Companies Act, 2016.

^{##} Deemed interested by virtue of his son, Mr. Low Jia How.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS PER RECORDS OF DEPOSITORS AS AT 28 MARCH 2025

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
1.	SUAN NEO CAPITAL SDN BHD	175,000,000	34.98
2.	TEOW CHOO HING	69,614,600	13.91
3.	TAN AH KEE	41,846,900	8.36
4.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PHUA SIN MO	40,000,000	8.00
5.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PHUA SIN MO	20,000,000	4.00
6.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	19,250,000	3.85
7.	DELLOYD VENTURES SDN. BHD.	17,148,600	3.43
8.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD CURTIS PHUA TI TSEN	10,665,000	2.13
9.	LEMBAH REKA SDN BHD	9,936,500	1.99
10.	MAYBANK NOMINEES (TEMPATAN) SDN BHD NATIONAL TRUST FUND (IFM KAF) (446190)	9,929,100	1.98
11.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN BHD (2)	6,703,000	1.34
12.	KENANGA INVESTMENT BANK BERHAD IVT NAGA 8	6,570,000	1.31

Analysis of Shareholdings

(Cont'd)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS PER RECORDS OF DEPOSITORS AS AT 28 MARCH 2025

No.	Name of Shareholders	No. of Shares Held	Percentage (%)
13.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT-HW SHARIAH FLEXI FUND	6,100,000	1.22
14.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TANG VEE MUN (DATUK) (MY4553)	5,269,900	1.05
15.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	5,235,000	1.05
16.	LEE LI CHOO	3,636,000	0.73
17.	CHUNG GEOK SIEW	3,577,000	0.71
18.	TEE BOON KEE	3,477,000	0.70
19.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MEDICAL FUND (IFM KAF) (451154)	2,850,000	0.57
20.	KAF TRUSTEE BERHAD KIFB FOR FELDA A/C A2	2,687,900	0.54
21.	NOR SHAMSIAH BINTI ABDUL LATIFF	1,104,000	0.22
22.	GAM BOON TIN	1,000,000	0.20
23.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEOW CHOO HING (MY0360)	950,000	0.19
24.	LIM PENG HONG	764,200	0.15
25.	LEE SWEE	736,000	0.15
26.	LOH JIA MIN	678,500	0.14
27.	EOW KWAN HOONG	615,900	0.12
28.	SOH TECK HOCK	608,100	0.12
29.	FARIZ BIN JAAFAR	599,600	0.12
30.	YAP AI SYNN @ YAP AI CHIN	558,000	0.11
TOTAL		467,110,800	93.37



NOTICE OF THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Third Annual General Meeting (“3rd AGM”) of Kumpulan Kitacon Berhad (“Kitacon” or “the Company”) will be held at Ballroom 3 @ Level 10, Courtyard by Marriot Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan on Tuesday, 24 June 2025 at 11.00 a.m. or any adjournment thereof, for the following purposes:

AS ORDINARY BUSINESS

- | | | |
|----|--|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors’ and Auditors’ Reports thereon. | <i>(Please refer to
Explanatory Note 1
to the Agenda)</i> |
| 2. | To re-elect the following Directors who retire by rotation pursuant to Clause 98 of the Company’s Constitution and who, being eligible, offer themselves for re-election: | |
| | (a) Mr. Gam Boon Tin | Ordinary Resolution 1 |
| | (b) Mr. Goh Yin Huat | Ordinary Resolution 2 |
| | (c) Mr. Low Chin Ann @ Han Chin Ann | Ordinary Resolution 3 |
| 3. | To re-elect Mdm. Qua Mu Im who retires pursuant to Clause 106 of the Company’s Constitution and who, being eligible, offers herself for re-election. | Ordinary Resolution 4 |
| 4. | To approve the payment of Directors’ fees of RM648,000 to the Independent Non-Executive Directors and the Non-Independent Non-Executive Director for the financial year ending 31 December 2025. | Ordinary Resolution 5 |
| 5. | To approve the payment of Directors’ benefits (other than Directors’ fees) up to an amount RM65,000 for the period from the conclusion of the 3 rd AGM until the next AGM to be held in 2026. | Ordinary Resolution 6 |
| 6. | To re-appoint Crowe Malaysia PLT as Auditors for the ensuing year and to authorise the Directors to fix their remuneration. | Ordinary Resolution 7 |

AS SPECIAL BUSINESS

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

- | | | |
|----|--|------------------------------|
| 7. | AUTHORITY UNDER SECTION 75 AND 76 OF THE COMPANIES ACT 2016 (“THE ACT”) FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES | Ordinary Resolution 8 |
|----|--|------------------------------|

“THAT pursuant to Section 75 and 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT in connection with the above, pursuant to Section 85 of the Act and Clause 10(4) of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares above by the Company.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.”

Notice of Third Annual General Meeting

(Cont'd)

8. **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE**

Ordinary Resolution 9

"THAT approval be and is hereby given to the Company and its subsidiary ("the Group") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the specified classes of related parties as specified in Section 2.5 of the Circular to Shareholders dated 30 April 2025, provided that:

- (a) such arrangements and/or transactions are necessary for the Group's day-to-day operations;
- (b) such arrangements and/or transactions undertaken are in the ordinary course of business, at arm's length basis and on normally commercial terms which are not more favourable to the related parties than those generally available to third party;
- (c) such arrangements and/or transactions are not detrimental to the minority shareholders of the Company; and
- (d) the disclosure is made in the Annual Report on the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year in relation to:
 - (i) the related transacting parties and their respective relationship with the Company; and
 - (ii) the nature of the recurrent transactions.

AND THAT such authority shall continue to be in force until:-

- a) the conclusion of the next AGM of the Company, unless the authority is renewed by a resolution passed at the next AGM; or
- b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earliest.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things as they may consider necessary or expedite to give effect to transactions contemplated and/or authorised by this Ordinary Resolution."

9. **PROPOSED AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN ORDINARY SHARES**

Ordinary Resolution 10

"THAT subject to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to utilized an amount not exceeding the audited retained profits as at 31 December 2024 to purchase such amount of ordinary shares in the Company ("Proposed Share Buy-Back Authority") as may be determined by Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company.



Notice of Third Annual General Meeting (Cont'd)

THAT an amount not exceeding the Company's retained profits be allocated by the Company for the Proposed Share Buy-Back Authority.

THAT authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either retain the shares so purchased as treasury shares (as defined in Section 127 of the Act) and/or to cancel the shares so purchased and if retained as treasury shares, may resell treasury shares and/or to distribute them as share dividend and/or subsequently cancel them.

THAT the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at:-

- i. the conclusion of the next AGM of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions;
- ii. the expiration of the period within which the next AGM of the Company is required by law to be held; or
- iii. revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the Listing Requirements and/or any other relevant governmental and/or regulatory authorities (if any).

AND THAT the Directors of the Company be authorised to take all steps necessary to implement, complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Share Buy-Back Authority as may be agreed or allowed by any relevant governmental and/or regulatory authority."

10. **PROPOSED ALLOCATION OF EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OPTIONS**

"THAT subject to the approvals of the relevant regulatory authorities (where required) for the ESOS, the approval be and is hereby given to the Board of Directors ("Board") to authorise the ESOS Committee, at any time and from time to time throughout the duration of the ESOS, ESOS Options to offer and grant to the following persons, ESOS options to subscribe for the Company's shares under the ESOS:-

- (a) Mr. Tan Ah Kee
- (b) Mr. Gam Boon Tin
- (c) Mr. Goh Yin Huat
- (d) Mdm. Tan Yoke Huay
- (e) Mr. Tan Kow

Ordinary Resolution 11

Ordinary Resolution 12

Ordinary Resolution 13

Ordinary Resolution 14

Ordinary Resolution 15

Notice of Third Annual General Meeting

(Cont'd)

Provided always that:

- (i) he/she must not participate in the deliberation or discussion of his/her own allocation of ESOS options or person connected with him/her;
- (ii) not more than 10% of the total new ordinary shares in the Company made available under the ESOS and any other employee share schemes which may be implemented from time to time by the Company is allocated to him/her if he/she, either singly or collectively through persons connected with him/her, holds 20% or more of the total number of issued ordinary shares in the Company (excluding treasury shares, if any), and
- (iii) the allocation of the ESOS options to him/her shall be subject always to such terms and conditions of the ESOS By-Laws and/or any adjustments which may be made in accordance with the provisions of the ESOS By-Laws and the Main Market Listing Requirements of Bursa Securities, or any prevailing guidelines issued by Bursa Securities, as amended from time to time."

11. **PROPOSED VARIATION AND EXTENSION OF TIMEFRAME FOR THE UTILISATION OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING ("PROPOSED VARIATION")**

Ordinary Resolution 16

"**THAT** subject to the approvals of all relevant authorities and/or parties being obtained, the Board be and is hereby authorised to vary the use of proceeds raised from the initial public offering and extension of timeframe in the manner set out in Part C of the Circular to shareholders dated 30 April 2025 of the Company.

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary or expedient in order to implement, finalise, give effect and complete the Proposed Variation with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

12. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Act.

BY ORDER OF THE BOARD

NG HAO ERN (MAICSA 7072518)
(SSM PC No. 201908003771)
YEW ING CHUO (MAICSA 7003806)
(SSM PC No. 201908003659)
Company Secretaries

Selangor Darul Ehsan
30 April 2025



Notice of Third Annual General Meeting

(Cont'd)

NOTES:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company but must be of full age of eighteen (18) years and above. There shall be no restriction as to the qualification of the proxy.
- 2) A member may appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- 3) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories Act), 1991, it may appoint not more than (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- 4) The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or if the Member is a corporation, shall be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
- 5) The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting. The instrument appointing a proxy shall be deemed to confer authority on the appointed proxy to demand or join in demanding a poll.
- 6) The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, shall be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia, at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 7) In respect of deposited securities, only members whose names appear on the Record of Depositors as at 13 June 2025 shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Explanatory Notes to Agenda/Special Business

- 1) Item 1 of the Agenda

Audited Financial Statements for the financial year ended 31 December 2024

This Item of the Agenda is meant for discussion only and does not require formal approval of the Shareholders, as the provision of Section 340(1)(a) of the Act only requires the Directors to table the Audited Financial Statements at its AGM. Hence, this item of the Agenda is not put forward for voting.

- 2) Item 2 of the Agenda - Ordinary Resolutions 1, 2 and 3

Pursuant to Clause 98 of the Company's Constitution, Mr. Gam Boon Tin, Mr. Goh Yin Huat and Mr. Low Chin Ann @ Han Chin Ann, are standing for re-election at the 3rd AGM and being eligible, have offered themselves for re-election as Directors of the Company.

The Board of Directors has through the Nomination Committee carried out the necessary assessment on the aforesaid Directors are concluded that they met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements on character, experience, integrity, competence, and time commitment to effectively discharged the roles as Directors.

The Profile of the Board of Directors standing for re-election are provided on pages 7 to 9 in the Annual Report 2024.

Notice of Third Annual General Meeting (Cont'd)

Explanatory Notes to Agenda/Special Business (Cont'd)

3) Item 3 of the Agenda – Ordinary Resolution 4

Pursuant to Clause 106 of the Company's Constitution, all Directors are required to retire and submit themselves for re-election at the first Annual General Meeting following their appointment.

On 26 June 2024, Mdm Qua Mu Im was appointed to the Board of the Company. Being eligible, she is offering herself for re-election by shareholders for the first time by a separate resolution.

The Board of Directors has through the Nomination Committee carried out the necessary assessment on the aforesaid Director and concluded that she has met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements on character, experience, integrity, competence, and time commitment to effectively discharge her role as Director.

The Profile of Mdm Qua Mu Im who is standing for re-election is provided on page 4 in the Annual Report 2024.

4) Item 4 of the Agenda – Ordinary Resolution 5

The Proposed Ordinary Resolution 5 is to facilitate the payment of Directors' Fees for the year from 1 January 2025 up to 31 December 2025.

Pursuant to Section 230(1) of the Act, the Company shall at every AGM approve the fees of the Directors of the Company and its subsidiary. The Directors' fees payables to the Directors have been reviewed by the Remuneration Committee and the Board of Directors of the Company.

5) Item 5 of the Agenda – Ordinary Resolution 6

In compliance with Section 230(1) of the Act, the Company is seeking shareholders' approval for payment of Directors' benefits (other than Directors' fees) up to an amount RM65,000 for the period from the conclusion of the 3rd AGM until the next AGM to be held in 2026 to the Non-Executive Directors.

The aforesaid Directors' benefits are for payment of meeting attendance allowance per meeting, which is computed based on the estimated number of scheduled meetings and/or unscheduled meetings (where necessary) for Board and Board Committees meetings and general meetings, assuming full attendance by all the Non-Executive Directors and all of them will remain in office until the next AGM and the Directors' and Officers' Liability Insurance fee of approximately RM25,000.

6) Item 6 of the Agenda – Ordinary Resolution 7

The Audit and Risk Management Committee ("ARMC") had, at the meeting held on 28 April 2025, assessed the suitability, objectivity and independence of the External Auditors of the Company, Crowe Malaysia PLT for the financial year ending 31 December 2025 and recommended the reappointment of Crowe Malaysia PLT. The Board had in turn reviewed the recommendation of the ARMC and recommended the same be tabled to the shareholders for approval of the forthcoming AGM of the Company.

7) Item 7 of the Agenda - Ordinary Resolution 8

The Ordinary Resolution 8 is to obtain a general mandate for issuance of shares by the Company under Section 75 and 76 of the Act.

The Ordinary Resolution 8, if passed, serves as a measure to meet the Company's immediate working capital needs in the short term without relying on conventional debt financing (which will result in higher finance costs to be incurred) for the purpose of funding investment project(s), working capital and/ or acquisition(s). This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.



Notice of Third Annual General Meeting (Cont'd)

Explanatory Notes to Agenda/Special Business (Cont'd)

7) Item 7 of the Agenda - Ordinary Resolution 8 (Cont'd)

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 10(4) of the Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

As at the date of this Notice, there were no new shares issued pursuant to the mandate granted to the Directors since last AGM.

8) Item 8 of the Agenda – Ordinary Resolution 9

The proposed Ordinary Resolution 9, if passed, will allow the Company and its subsidiary to continue to enter into RRPTs in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities without the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPTs occur. This would reduce substantial administrative time, inconvenience and resources associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. The shareholders' mandate is subject to renewal on an annual basis.

Please refer to the Circular to Shareholders dated 30 April 2025 for further information.

9) Item 9 of the Agenda – Ordinary Resolution 10

The proposed Ordinary Resolution 10, if passed, will empower the Company to purchase its own shares of up to 10% of the total number of issued shares (excluding treasury shares) of the Company at any point in time, by utilising the funds allocated which shall not exceed the total retained profits of the Company. The authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM.

Please refer to the Statement to Shareholders dated 30 April 2025 for further information.

10) Items 10 of the Agenda – Ordinary Resolution 11 - 15

The proposed Ordinary Resolutions 11 to 15, are made pursuant to the ESOS which had been announced in the Company's Initial Public Offering Prospectus dated 28 December 2022.

The proposed Ordinary Resolutions 11 to 15, if passed, will allow the Board to authorise the ESOS Committee to offer and grant ESOS options to following Directors/persons connected with the Directors to subscribe for new Company's shares in accordance with the Company's ESOS By-Laws:

- (a) Mr. Tan Ah Kee, Managing Director of the Company
- (b) Mr. Gam Boon Tin, Chief Operating Officer of the Company
- (c) Mr. Goh Yin Huat, Chief Financial Officer of the Company
- (d) Mdm. Tan Yoke Huay, sister to Mr. Tan Ah Kee
- (e) Mr. Tan Kow, brother to Mr. Tan Ah Kee

The interested directors/persons in these resolutions shall abstain from deliberation and voting in respect of their direct and indirect shareholdings in the Company on the respective resolutions. They will also ensure that persons connected to them will abstain from voting on their direct and/or indirect shareholdings in the Company, if any, on the respective resolutions.

11) Item 11 of the Agenda – Ordinary Resolution 16

Further information on the Proposed Variation is set out in the Circular to Shareholders dated 30 April 2025 which is dispatched together with the Annual Report 2024.

Notice of Third Annual General Meeting (Cont'd)

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements")

1. Details of Individuals who are standing for election as Directors

There is no individual standing for election as Director (other than those Directors who are standing for re-election as Directors) at the 3rd AGM of the Company.

2. General Mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements

The details of the general mandate are set out in the Notice of AGM dated 30 April 2025 under item (7) of the Explanatory Notes to the Agenda/Special Business.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the members' personal data by the Company (or its agents) for the AGM and matters related thereto, including but not limited to: (a) for the purpose of the processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof); and (c) for the Company (or its agents) compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) undertakes and warrants that he/she has obtained such proxy(ies)' and/or representative(s)' prior consent for the Company (or its agents) processing of such proxy(ies)' and/or representative(s)' personal data for the Purposes, and (iii) agrees that the member will fully indemnify the Company for any penalties, liabilities, legal suits, claims, demands, losses and damages as a result of the member's failure to provide accurate and correct information of the personal data or breach of the member's undertaking and/or warranty as set out herein.

KUMPULAN KITACON BERHAD
[Registration No. 202201006838 (1452535-V)]
(Incorporated in Malaysia)

FORM OF PROXY

No. of ordinary shares held	CDS account no. of holder

I/We (Full Name in Block Letters)NRIC No./
Passport No./Company No.of
.....(full address and email address)
being a *member/members of **KUMPULAN KITACON BERHAD** hereby appoint:

Proxy 1	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

and/or failing him/her,

Proxy 2	No. of Shares	%
Full Name of Proxy as per NRIC/Passport		
NRIC / Passport No.		
Full Address		
Email address		
Contact No		

or failing him/her, the Chairperson of the Meeting as my/our proxy to vote for me/us on my/our behalf at the **Third Annual General Meeting ("3rd AGM")** of the Company to be held at Ballroom 3 @ Level 10, Courtyard by Marriot Setia Alam, No. 6, Jalan Setia Dagang AH U13/AH, Setia Alam, Seksyen U13, Setia Alam, 40170 Shah Alam, Selangor Darul Ehsan on Tuesday, 24 June 2025 at 11.00 a.m. or at any adjournment thereof, in the manner indicated below:

RESOLUTIONS	AGENDA	FOR	AGAINST
Ordinary Resolution 1	Re-election of Mr. Gam Boon Tin as Director		
Ordinary Resolution 2	Re-election of Mr. Goh Yin Huat as Director		
Ordinary Resolution 3	Re-election of Mr. Low Chin Ann @ Han Chin Ann as Director		
Ordinary Resolution 4	Re-election of Mdm. Qua Mu Im as Director		
Ordinary Resolution 5	Directors' fees for the financial year ending 31 December 2025		
Ordinary Resolution 6	Directors' benefits (other than Directors' fees) for the period from the conclusion of the 3 rd AGM until the next AGM to be held in 2026		
Ordinary Resolution 7	Re-appointment of Crowe Malaysia PLT as Auditors		
Ordinary Resolution 8	Authority under Sections 75 and 76 of the Companies Act 2016 for Directors to issue and allot shares		
Ordinary Resolution 9	Proposed Shareholders' Mandate for Recurrent Related Party Transactions		
Ordinary Resolution 10	Proposed Share Buy-Back Authority		
Ordinary Resolution 11	To grant Employees' Share Option Scheme options to Mr. Tan Ah Kee		
Ordinary Resolution 12	To grant Employees' Share Option Scheme options to Mr. Gam Boon Tin		
Ordinary Resolution 13	To grant Employees' Share Option Scheme options to Mr. Goh Yin Huat		
Ordinary Resolution 14	To grant Employees' Share Option Scheme options to Mdm. Tan Yoke Huay		
Ordinary Resolution 15	To grant Employees' Share Option Scheme options to Mr. Tan Kow		
Ordinary Resolution 16	Proposed Variation and Extension of Timeframe for the Utilisation of Proceeds raised from the Initial Public Offering		

Please indicate with an "X" in the appropriate box against the resolution on how you wish your proxy to vote. The proxy is to vote on the resolutions set out in the Notice of Meeting as you have indicated. If no specific instruction as to voting is given, this form will be taken to authorize the proxy to vote at his/her discretion.

Dated this _____ day of _____, 2025

Signature/Common Seal of Shareholder



NOTES:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company but must be of full age of eighteen (18) years and above. There shall be no restriction as to the qualification of the proxy.
- 2) A member may appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- 3) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories Act), 1991, it may appoint not more than (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- 4) The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or if the Member is a corporation, shall be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
- 5) The Directors may, but shall not be bound to require evidence of the authority of any such attorney or officer. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting. The instrument appointing a proxy shall be deemed to confer authority on the appointed proxy to demand or join in demanding a poll.
- 6) The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, shall be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia, at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 7) In respect of deposited securities, only members whose names appear on the Record of Depositors as at 13 June 2025 shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

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AFFIX
STAMP

KUMPULAN KITACON BERHAD
c/o Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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**KUMPULAN
KITACON BERHAD**
(Registration No. 202201006838 (1452535-V))

NO 24, JALAN RENGAS, TAMAN SELATAN,
41200 KLANG, SELANGOR

TEL : 03-3372 4162

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