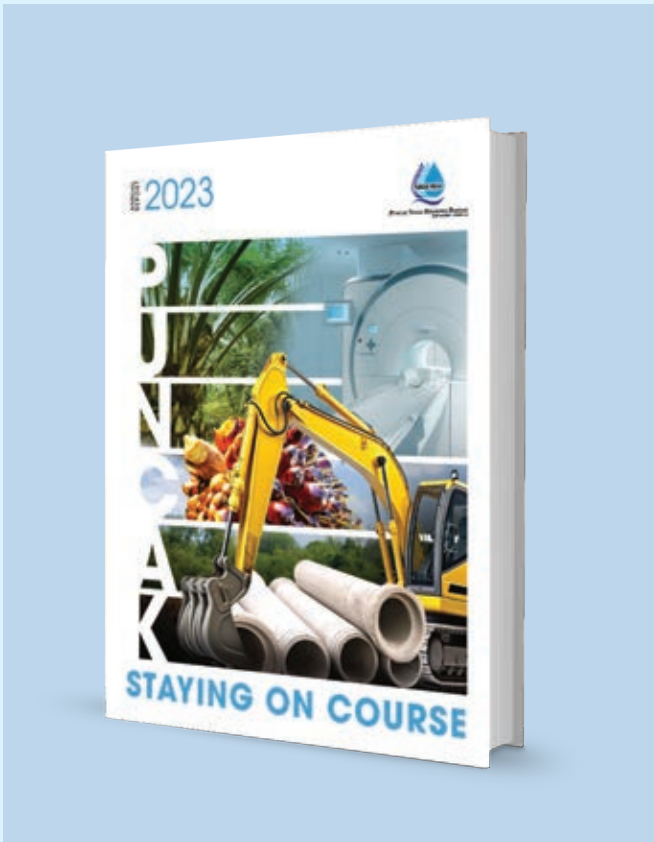


STAYING ON COURSE



STAYING ON COURSE

PUNCAK NIAGA's journey as a corporation that has grown into a reputable Group with diverse business segments despite the challenges faced remains unchanged as we remain steadfast, resilient and committed to stay on course in nurturing sustainable businesses for our future generation.

We remain focused to achieve our Vision, Mission, Goals and Purpose with the support of our people, TEAM PUNCAK NIAGA.





ENVIRONMENTAL ENGINEERING AND CONSTRUCTION

The Kuantan Sewerage Project aims to increase the coverage ratio of the sewerage services and improve the surrounding environment, including reducing sources of pollution and producing high-quality effluent, which in turn will improve the water quality of rivers



PLANTATION

In FY2023, the Plantation segment produced 44,370 metric tonnes of fresh fruit bunches ("FFB")



CONCESSION AND FACILITIES MANAGEMENT

Operated by TRIplic Berhad Group ("TRIplic"), our Concession and Facilities Management Division is currently fulfilling two separate concession agreements associated with Universiti Teknologi MARA ("UiTM")



OUR PURPOSE

Growing Sustainable Businesses For Our Future Generation

OUR VISION

To Be The Leading Regional Integrated Water, Wastewater And Environmental Solutions Provider With Involvement In Concession Facilities Management Services, Plantation And Property Development Sectors

OUR MISSION

To meet the increasing challenges in the demand for water, wastewater and environmental engineering, facilities management services, property development, plantation and construction sector through the continuous implementation of strategic planning, high quality standards, efficient services, human capital development, innovative technologies and operational systems

To actively participate in local, regional and global business opportunities with linkages to the Company's core activities

To share experience and offer our expertise through Smart Business Partnerships, Public Private Partnerships or other innovative business models in order to expand business growth

OUR VALUES

Our Company's values, the PUNCAK Values, shape our organisational culture and guide the way we run our business. They are integrated into our business processes and our core values

At PUNCAK, we are and continuously seek to be:

P **PASSIONATE**
about our business for sustainable performance

U **UNITED**
as one in our corporate responsibility strategy to align with Our Vision To Be The Leading Regional Integrated Water, Wastewater And Environmental Solutions Provider With Involvement In Concession Facilities Management Services, Plantation And Property Development Sectors

N **NURTURE**
our human capital towards an exemplary workforce

C **CORPORATE GOVERNANCE**
guides the way we run our business in an evolving global business environment

A **ACCOUNTABLE**
for all our actions and engagement process with our stakeholders

K **KNOWLEDGEABLE**
in all aspects of our business operations and continue to be the trusted and reliable service provider

WHAT'S

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ABOUT US

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Puncak Niaga Group Fact Sheet

2023 KEY HIGHLIGHTS

RM

241.779

million

Revenue

RM

2,945.740

million

Total Assets

RM

3.703

million

Profit After Tax**449,284,556****Number of Shares
Issued**

As at 31 December

RM

554,662,777**Share Capital**

As at 31 December

Puncak Niaga was Awarded

- The Gold Award for the fifth consecutive year at the **2023 Australasian Reporting Awards (“ARA”)** in Australia on 16 June 2023
- **The Bizz 2023** - the Recognition of Inspirational Company at the World Confederation of Business on 26 August 2023
- Our Executive Chairman was awarded with the **World Leader Businessperson Award** at the World Confederation of Business on 26 August 2023



LIST OF CORPORATE MEMBERSHIPS	MEMBER SINCE
1. Federation of Public Listed Companies (“FPLC”)	1997
2. Malaysian Employers Federation (“MEF”)	1999
3. Institute of Corporate Directors Malaysia	2018
4. Malaysian Palm Oil Association	2021
5. Sarawak Oil Palm Plantation Owners Association	2021

Basis of This Report

REPORTING FRAMEWORK

This is Puncak Niaga Holdings Berhad's ("Puncak Niaga" or "the Group") Annual Report 2023. This report describes the Group's performance in its efforts to create value for our stakeholders for the financial year ended 31 December 2023. The report strives to provide a comprehensive account of our strategic progress in a balanced and transparent manner. The report also details our Environmental, Social and Governance performance, which is elaborated further in our Sustainability Statement on pages from 42 to 79.

THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ("TCFD") RECOMMENDATIONS

The TCFD Recommendations, first launched in 2017, are designed to encourage consistent and comparable reporting on climate-related risks and opportunities by companies to their stakeholders. The TCFD Recommendations are structured around 4 content pillars:



SCOPE AND BOUNDARIES

Puncak Niaga is publicly listed on the Main Market of Bursa Malaysia Securities Berhad. This report covers all our business activities, including those of our principal subsidiaries.

GUIDELINES AND STANDARDS

Throughout the preparation of this report, we have been guided by best practices as prescribed by international and local integrated reporting frameworks. Our disclosures adhere to the requirements of the following:-

- Malaysian Code on Corporate Governance 2021 ("MCCG")
- Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements ("MMLR")
- Bursa Malaysia's Corporate Governance Guide 4th Edition
- Companies Act 2016
- Malaysian Financial Reporting Standards
- International Financial Reporting Standards and other regulatory requirements as applicable

In the area of sustainability, we have developed our reporting in line with key sustainability reporting guidelines such as Bursa Malaysia's Sustainability Reporting Guide 2nd Edition and Global Reporting Initiative ("GRI").

ASSURANCE

The report has been developed with oversight by the Board of Directors, who has given its collective assurance and approval for its content. Our financial reporting is audited by an independent third party, Grant Thornton Malaysia PLT who had audited our Financial Statements for the financial year ended 31 December 2023 and approved them free of qualification.

FORWARD LOOKING STATEMENTS

Forward looking statements should be taken with a degree of caution as they are reliant on various events, risks, uncertainties and other factors beyond our control. These statements can be identified through the use of key words such as "believes", "intend", "will", "plans", "outlook" and other similar words in conjunction with discussions on future operating or financial performance. In the coming years, we will be able to report with more comprehensive data and better assess our material focus areas.

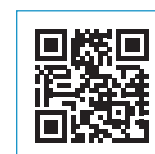
FEEDBACK

All comments, thoughts and remarks may be directed to:

PUNCAK NIAGA HOLDINGS BERHAD

c/o Secretarial Department
10th Floor, Wisma Rozali
No. 4, Persiaran Sukan, Seksyen 13
40100 Shah Alam, Selangor Darul Ehsan

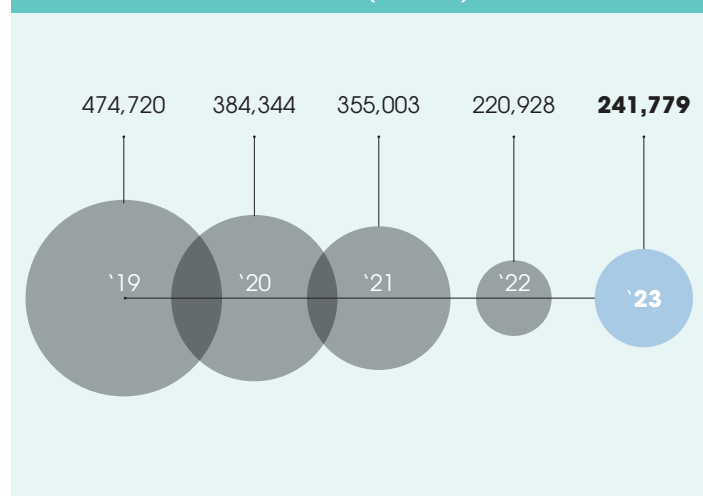
Telephone : 03 5522 8589
Fax : 03 5512 0220
Email : investors@puncakniaga.com.my



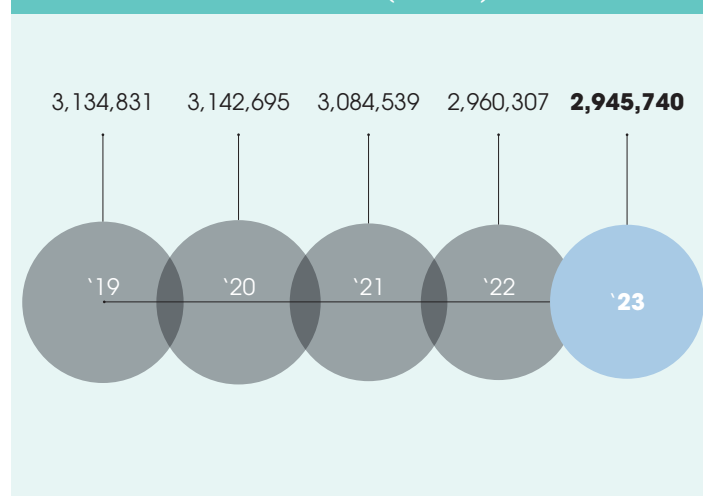
Please scan the QR code to access our Annual Report which is also available at www.puncakniaga.com.my

Five-Year Group Performance & Financial Highlights

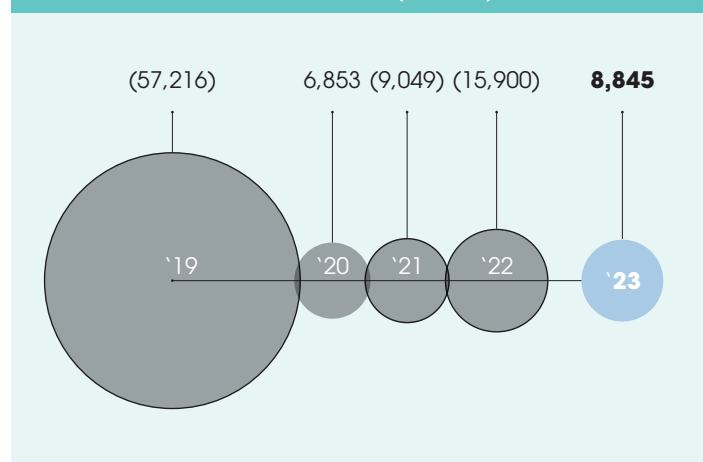
Revenue (RM'000)



Total Assets (RM'000)



Net Profit/(Loss) Attributable To Owners Of The Parent (RM'000)



KEY RESULTS

Revenue

Profit/(Loss) Before Tax

Net Profit/(Loss) attributable to owners of the parent

STATEMENTS OF FINANCIAL POSITION

Property, plant and equipment

Investment properties

Bearer biological assets

Other non-current assets

Current assets

Assets held for sale

Total assets

ISSUED AND PAID-UP CAPITAL

Share capital

Reserves

Equity attributable to owners of the parent

Net assets per share attributable to owners of the parent (RM)

RATIOS AND STATISTICS

Net Profit/(Loss) margin attributable to owners of the parent (%)

Basic Earnings/(Loss) per share attributable to owners of the parent (sen)

Loans and borrowings (RM'000)

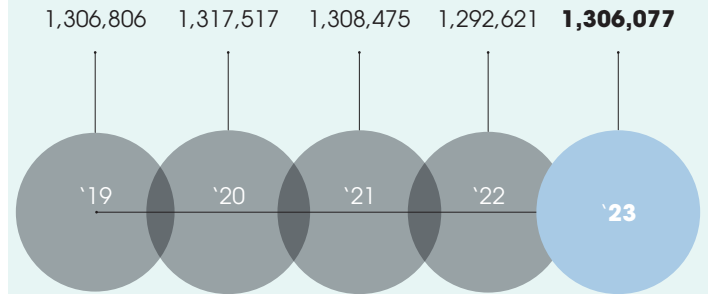
Gearing ratio (%)

Current ratio (times)

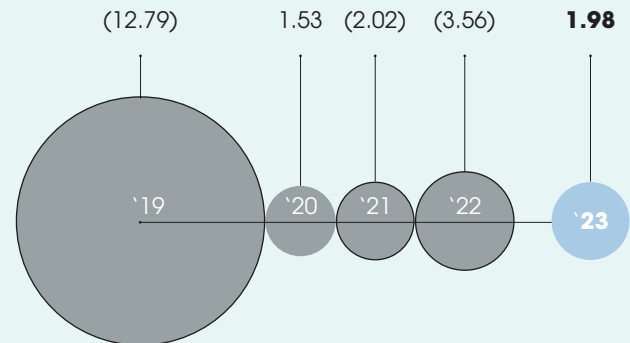
Five-Year Group Performance & Financial Highlights

2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000	2019 RM'000
241,779	220,928	355,003	384,344	474,720
9,253	(23,686)	(15,070)	(9,382)	(57,290)
8,845	(15,900)	(9,049)	6,853	(57,216)
471,678	472,310	478,016	510,968	510,956
554,127	848,844	836,380	818,925	852,297
310,448	311,447	309,711	312,629	311,504
826,350	872,040	900,790	883,869	755,491
477,071	455,666	559,642	616,304	704,583
306,066	-	-	-	-
2,945,740	2,960,307	3,084,539	3,142,695	3,134,831
554,663	554,663	554,663	554,663	554,663
751,414	737,958	753,812	762,854	752,143
1,306,077	1,292,621	1,308,475	1,317,517	1,306,806
2.92	2.89	2.93	2.95	2.92
3.66	(7.20)	(2.55)	1.78	(12.05)
1.98	(3.56)	(2.02)	1.53	(12.79)
1,152,195	1,175,198	1,233,585	1,258,576	1,243,129
47	48	49	49	49
1.84	1.07	1.16	1.35	1.61

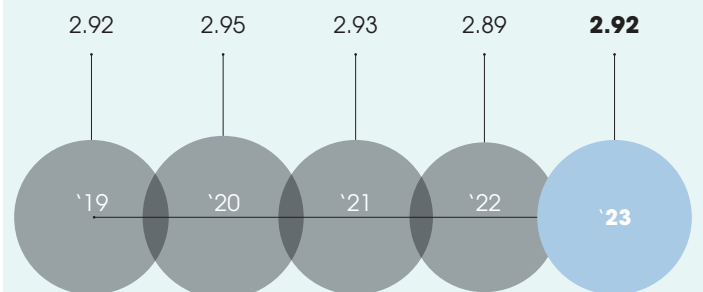
Equity Attributable To Owners Of The Parent (RM'000)



Basic Earnings/(Loss) Per Share Attributable To Owners Of The Parent (Sen)

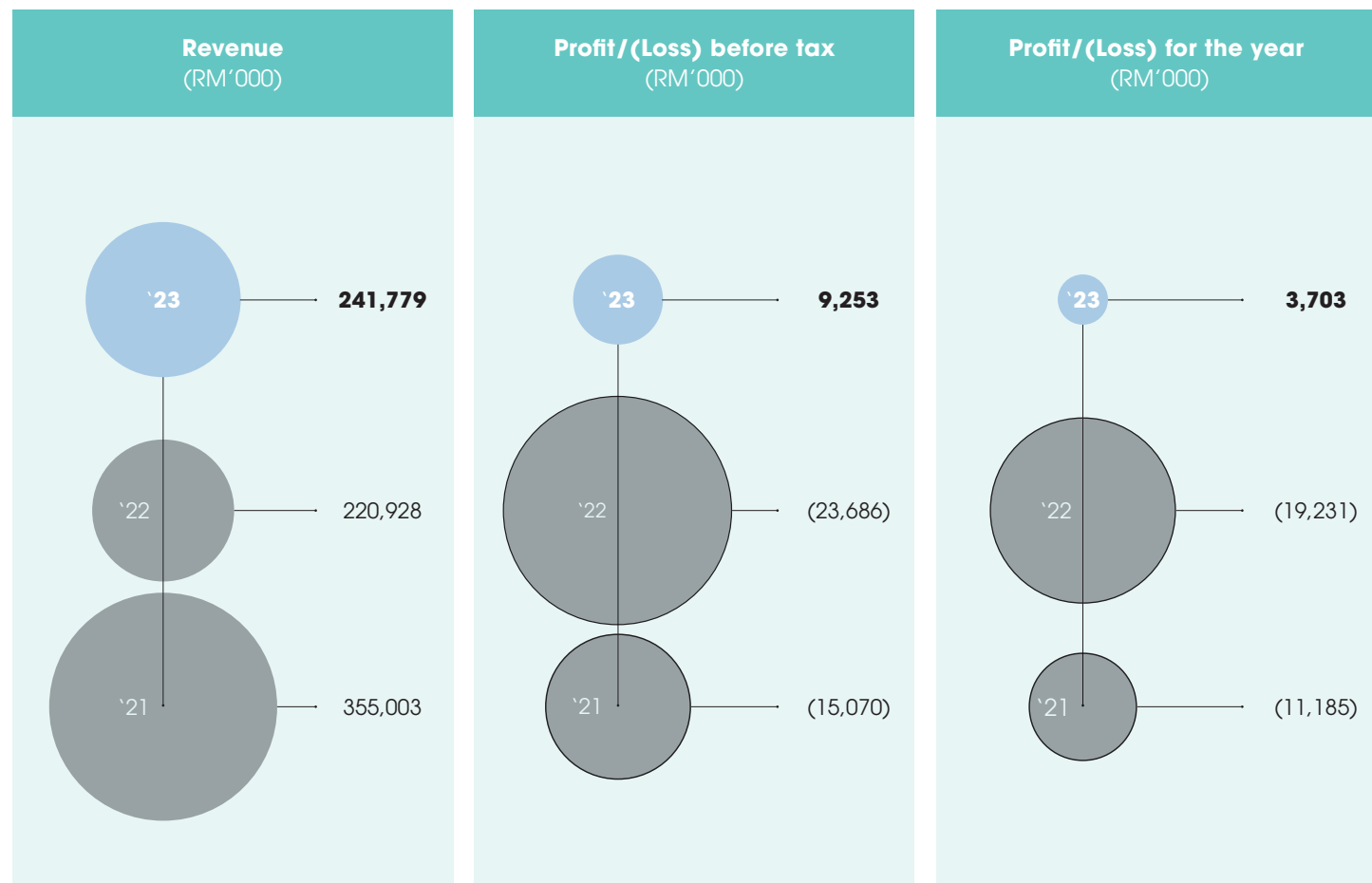


Net Assets Per Share Attributable To Owners Of The Parent (RM)



Quarterly Financial Results

RM'000	31 Dec 23				YTD 12 months
	Q1	Q2	Q3	Q4	
KEY RESULTS					
Revenue	59,248	67,291	57,316	57,924	241,779
(Loss)/Profit before tax	(7,059)	(7,043)	(34,103)	57,458	9,253
(Loss)/Profit for the period	(7,707)	(8,550)	(31,412)	51,372	3,703
(Loss)/Profit attributable to ordinary equity holders of the parent	(6,750)	(7,387)	(30,088)	53,070	8,845
Basic (loss)/earnings per share (sen)	(1.51)	(1.65)	(6.73)	11.87	1.98
Net assets per share attributable to ordinary equity holders of the parent (RM)	2.88	2.86	2.79	2.92	2.92



Quarterly Financial Results

31 Dec 22					31 Dec 21				
Q1	Q2	Q3	Q4	YTD 12 months	Q1	Q2	Q3	Q4	YTD 12 months
56,836	51,542	54,083	58,467	220,928	151,029	65,744	64,355	73,875	355,003
(375)	(4,685)	(9,871)	(8,755)	(23,686)	977	(3,779)	(5,698)	(6,570)	(15,070)
(1,711)	(5,870)	(3,480)	(8,170)	(19,231)	456	(4,593)	(7,094)	46	(11,185)
(1,583)	(5,276)	(1,969)	(7,072)	(15,900)	1,157	(4,184)	(6,476)	454	(9,049)
(0.35)	(1.18)	(0.45)	(1.58)	(3.56)	0.26	(0.94)	(1.45)	0.10	(2.03)
2.92	2.91	2.91	2.89	2.89	2.95	2.94	2.92	2.93	2.93



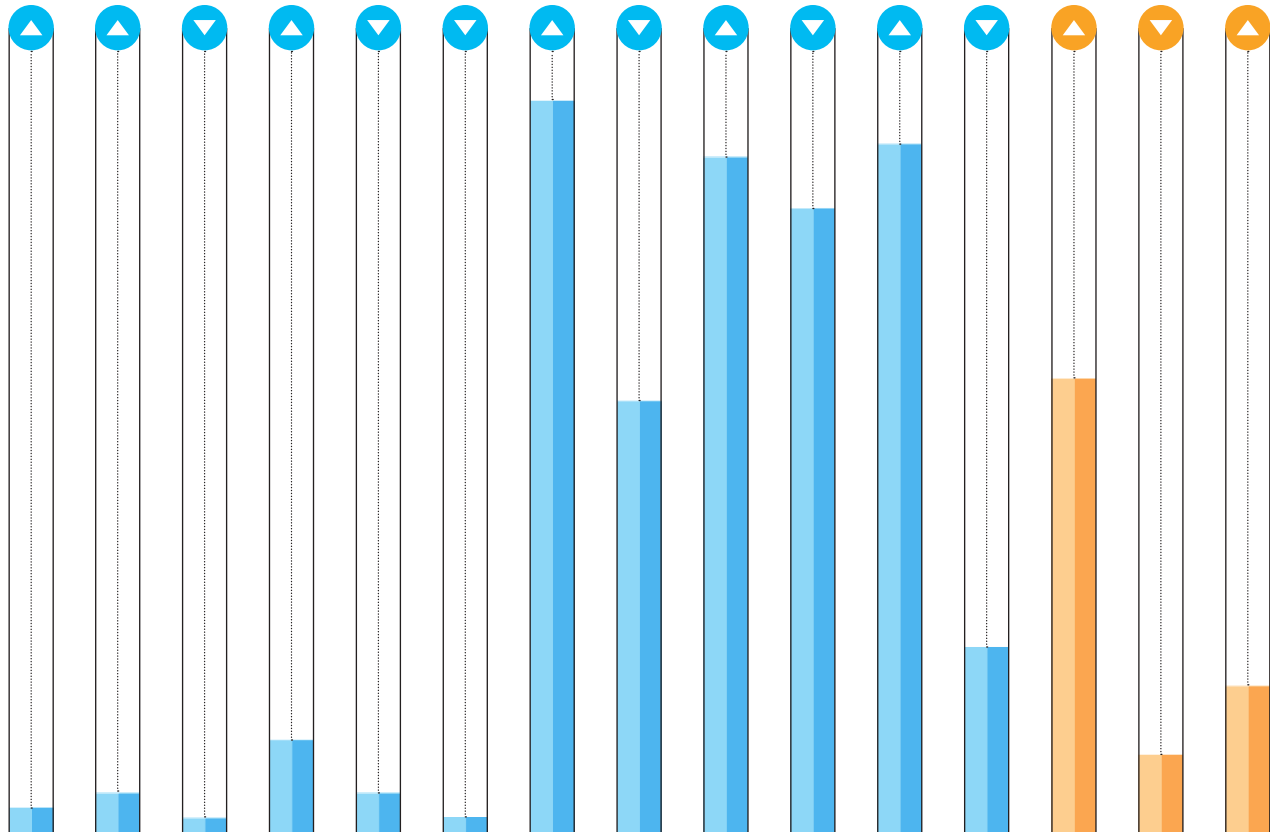
Share Price Movement

Stock Name: PUNCAK

Stock Code: 6807

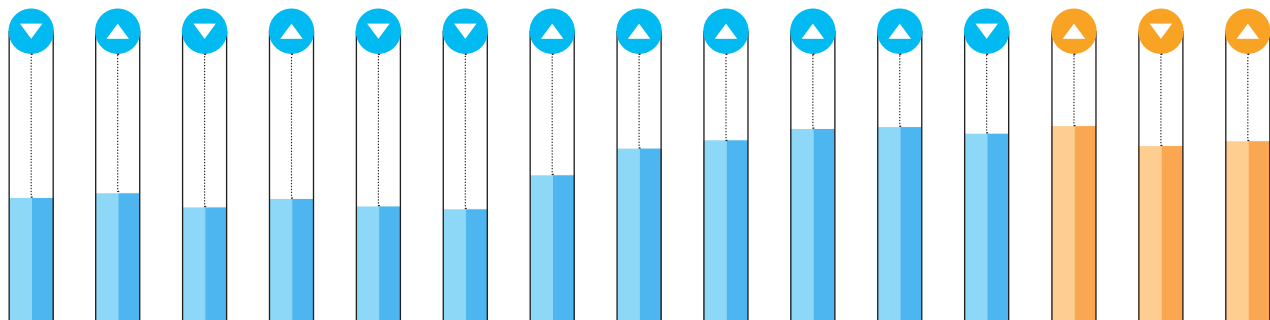
Volume of Shares Traded ('000)

2023												2024		
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
175	259	97	670	296	86	5,633	3,329	5,200	4,827	5,324	1,442	3,497	599	1,059



Monthly Average Closing Share Prices (RM)

2023												2024		
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
0.242	0.247	0.222	0.239	0.224	0.219	0.284	0.328	0.35	0.374	0.375	0.364	0.377	0.346	0.347



Financial Calendar

Year

2023



29 May

First Quarter Results Ended

31 March 2023



28 Aug

Second Quarter Results Ended

30 June 2023



17 Nov

Third Quarter Results Ended

30 September 2023

Year

2024



26 Feb

Fourth Quarter Results Ended

31 December 2023



27 Mar

Audited Financial Statements for the Financial Year Ended

31 December 2023



30 Apr

Published Annual Report 2023



29 May

Twenty-Seventh Annual General Meeting

Corporate Profile



“Puncak Niaga Holdings Berhad (“Puncak Niaga”) Group is the leading regional integrated water, wastewater and environmental solutions provider with involvement in environmental engineering and construction, concession and facilities management services and plantation sectors.”

OUR COMPANY

Puncak Niaga Holdings Berhad (“Puncak Niaga”) Group is the leading regional integrated water, wastewater and environmental solutions provider with involvement in environmental engineering and construction, concession and facilities management services and plantation sectors. Puncak Niaga is an investment holding company whilst its subsidiaries are principally involved in the construction, water, wastewater, sewerage and environmental engineering sectors including undertaking research and development and technology development for the water, wastewater and environmental sectors, management and advisory services, facilities management services and plantation.

Established on 7 January 1997, Puncak Niaga was listed on the Main Board of Bursa Malaysia Securities Berhad (now known as the Main Market of Bursa Malaysia Securities Berhad) on 8 July 1997. As at the end of 31 December 2023, Puncak Niaga’s market capitalisation stood at RM163.25 million. It is the first water treatment and supply concession company to be listed on Bursa Malaysia Securities Berhad under the Infrastructure Project Company guidelines issued by Securities Commission and was reclassified to the Construction sector on 13 November 2015.

Corporate Profile

OUR CORE BUSINESS AND CAPABILITIES

Our wholly-owned subsidiary, Puncak Niaga Construction Sdn Bhd's ("PNCSB") principal business activities are construction works, general contracts and its related activities. As the construction arm of Puncak Niaga, PNCSB had completed two water supply projects in October and December 2015, respectively, in Sarawak and a water supply project in April 2019, in Sabah. Currently, PNCSB manages three sewerage projects in Kuala Lumpur, Kuantan and Bukit Chupak, Kelantan and one water pipes replacement project in Johor respectively for the Government of Malaysia.

Puncak Niaga Infrastructures & Projects Private Limited which was formed on 10 March 2011 in India to focus on potential markets in India was struck off from the Register of Companies of India and ceased to be a wholly-owned subsidiary of Puncak Niaga on 28 January 2022.

On 28 September 2011, Puncak Oil & Gas Sdn Bhd ("POG") completed the 100% equity acquisitions of two oil and gas entities, namely GOM Resources Sdn Bhd ("GOM Resources") and KGL Ltd ("KGL") with proven track records in undertaking oil and gas works for Petronas. The acquisitions enabled Puncak Niaga Group to diversify into the oil & gas sector and the Group subsequently exited the oil and gas industry in 2018.

Puncak Niaga has one branch office in South East Asia, namely, Puncak Niaga Holdings Berhad (Brunei Branch) to facilitate the business development efforts for Puncak Niaga Group in Brunei Darussalam.

Puncak Niaga Management Services Sdn Bhd ("PNMSSB") provides management and advisory services to Puncak Niaga Group whereas Murni Estate Sdn Bhd ("MESB") is Puncak Niaga's Plantation Division's holding company.

On 17 October 2016, MESB acquired a 60% subsidiary, namely, Danau Semesta Sdn Bhd ("Danau Semesta") to facilitate the Group's business expansion plans in the oil palm plantation sector. On 28 June 2017, MESB's equity interest in Danau Semesta increased to 90%. On 3 July 2017, Danau Semesta acquired a wholly-owned subsidiary, Danum Sinar Sdn Bhd with its principal activities in the oil palm cultivation with 46,674 hectares plantation land in Murum, Sarawak.

After being in the Selangor water services industry since 1994, on 15 October 2015, both PNSB Water Sdn Bhd (formerly known as Puncak Niaga (M) Sdn Bhd) ("PNSB") and Syarikat Bekalan Air Selangor Sdn Bhd ("SYABAS") were disposed to Pengurusan Air Selangor Sdn Bhd and ceased to be a wholly-owned subsidiary and jointly controlled entity of Puncak Niaga Group in line with the consolidation of the Selangor water services industry by the Federal Government and the State Government of Selangor.

On 31 May 2018, Puncak Niaga completed the acquisition of the entire issued share capital in TRlplc Berhad ("TRlplc") which is principally involved in the provision of project management services for construction projects, property development, property investment, property management and facilities management services. TRlplc, through its wholly-owned subsidiaries TRlplc Ventures Sdn Bhd and TRlplc Medical Sdn Bhd, are the holders of two concession agreements for Zone 1 Phase 2 ("Z1P2") and Zone 1 Phase 3 ("Z1P3") of Universiti Teknologi MARA ("UiTM") Puncak Alam Campus under the Private Finance Initiative in Malaysia.

OUR PEOPLE

Out of the manpower strength of more than 600 employees in Puncak Niaga Group, more than half comprise Management, professionals, technical and supervisory executives with core competencies in engineering, plantation, accountancy, legal, management, administration and business; which are instrumental in supporting the Group's existing and future businesses and operations.

OUR COMMITMENT TO CORPORATE CITIZENSHIP

Puncak Niaga Group is committed to upholding the principles of good corporate governance and core values such as quality, value, service, innovation, integrity and trust in the conduct of our businesses which are integral to the Group's success over the years. We have received various repeat awards and accolades for good governance, annual reporting, occupational safety and health and environmental and social reporting.

OUR FUTURE PLANS

As Puncak Niaga Group seeks to grow sustainable businesses and deliver value to its stakeholders, we will look into expanding our operations in areas related to our core businesses and core competencies in water and wastewater, sewerage, environmental engineering and construction, concession and facilities management services and plantation.



Water and Wastewater



Environmental Engineering



Concession



Plantation



Sewerage



Environmental Construction



Facilities Management Services

Corporate Information

BOARD OF DIRECTORS

YANG BERBAHAGIA TAN SRI ROZALI BIN ISMAIL

Executive Chairman

YANG BERBAHAGIA DATO' SRI ADENAN BIN AB. RAHMAN

Independent Non-Executive Director

ENCIK AZLAN SHAH BIN TAN SRI ROZALI

Managing Director

YANG BERBAHAGIA PROF EMERITUS DATUK DR MARIMUTHU A/L NADASON

Independent Non-Executive Director

Executive Director, Finance

Madam Lim Mun Lee

Company Secretary

Puan Wan Razmah binti Wan Abd Rahman
(MAICSA 7021383/SSM PC No: 202008002111)

Date and Place of Incorporation

7 January 1997, Malaysia

Company Number

199701000591 (416087-U)

Registered Office

10th Floor, Wisma Rozali
No. 4, Persiaran Sukan, Seksyen 13
40100 Shah Alam
Selangor Darul Ehsan
Tel : +603-5522 8589
Fax : +603-5512 0220

Principal Office

Wisma Rozali
No. 4, Persiaran Sukan, Seksyen 13
40100 Shah Alam, Selangor Darul Ehsan
Tel : +603-5522 8589
Fax : +603-5522 8598
E-mail (general): pr@puncakniaga.com.my
E-mail (investors): investors@puncakniaga.com.my
Website: www.puncakniaga.com.my

Auditors

Grant Thornton Malaysia PLT
(201906003682 & LLP0022494-LCA)
Chartered Accountants (AF 0737)

Tax Advisors

KPMG Tax Services Sdn Bhd

Principal Bankers

- RHB Islamic Bank Berhad (200501003283 (680329-V))
- Affin Islamic Bank Berhad (200501027372 (709506-V))
- Malayan Banking Berhad (196001000142 (3813-K))
- United Overseas Bank (Malaysia) Berhad (199301017069 (271809-K))
- Hong Leong Bank Berhad (193401000023 (97141-X))
- Hong Leong Islamic Bank Berhad (200501009144 (686191-W))

Main Solicitors

- Messrs Adnan Sundra & Low
- Messrs Belden
- Messrs CK Lim Law Chambers
- Messrs Rosli Dahlan Saravana Partnership

Share Registrar

(place where all registers of securities are kept)

Tricor Investor & Issuing House Services Sdn Bhd

(197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : +603-2783 9299
Fax : +603-2783 9222

Corporate Information

YANG BERBAHAGIA DATUK SR HAJI JOHARI BIN WAHAB

Independent Non-Executive Director

TUAN HAJI NOOR FAIZ BIN HASSAN

Independent Non-Executive Director

YANG MULIA TENGGU LORETA BINTI TENGGU DATO' SETIA RAMLI ALHAJ

Independent Non-Executive Director

YANG BERBAHAGIA TAN SRI DR MADINAH BINTI MOHAMAD

Independent Non-Executive Director

Stock Exchange Listing

Main Market

Bursa Malaysia Securities Berhad
Construction Sector

Shariah Compliant Security

Securities Commission Malaysia
Construction Sector

Executive Committee

Chairman

- Yang Berbahagia Tan Sri Rozali bin Ismail

Members

- Encik Azlan Shah bin Tan Sri Rozali
- Tuan Syed Badli Shah bin Syed Mansoor
- Yang Berbahagia Prof Dato' Dr Mohd Zainul Fithri bin Othman
- Madam Lim Mun Lee
- Puan Faridatulzakiah binti Mohd Bakhry

Audit Committee

Chairman

- Yang Berbahagia Dato' Sri Adenan bin Ab. Rahman

Members

- Yang Berbahagia Prof Emeritus Datuk Dr Marimuthu a/I Nadason
- Yang Berbahagia Datuk Sr Haji Johari bin Wahab
- Yang Mulia Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj
- Tuan Haji Noor Faiz bin Hassan
- Yang Berbahagia Tan Sri Dr Madinah binti Mohamad

Remuneration Committee

Chairman

- Yang Berbahagia Dato' Sri Adenan bin Ab. Rahman

Members

- Yang Berbahagia Prof Emeritus Datuk Dr Marimuthu a/I Nadason
- Yang Berbahagia Datuk Sr Haji Johari bin Wahab
- Yang Mulia Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj
- Tuan Haji Noor Faiz bin Hassan
- Yang Berbahagia Tan Sri Dr Madinah binti Mohamad

Nomination Committee

Chairman

- Yang Berbahagia Prof Emeritus Datuk Dr Marimuthu a/I Nadason

Members

- Yang Berbahagia Dato' Sri Adenan bin Ab. Rahman
- Yang Berbahagia Datuk Sr Haji Johari bin Wahab
- Yang Mulia Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj
- Tuan Haji Noor Faiz bin Hassan
- Yang Berbahagia Tan Sri Dr Madinah binti Mohamad

Compliance, Internal Control and Risk Policy Committee

Chairman

- Yang Berbahagia Dato' Sri Adenan bin Ab. Rahman

Members

- Yang Berbahagia Prof Emeritus Datuk Dr Marimuthu a/I Nadason
- Yang Berbahagia Datuk Sr Haji Johari bin Wahab
- Yang Mulia Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj
- Tuan Haji Noor Faiz bin Hassan
- Yang Berbahagia Tan Sri Dr Madinah binti Mohamad

Corporate Information

SUBSIDIARY OFFICES

Malaysia

Puncak Niaga Management Services Sdn Bhd's Office

Wisma Rozali
No. 4, Persiaran Sukan
Seksyen 13
40100 Shah Alam
Selangor Darul Ehsan
Tel : +603-5522 8589
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TRIPLE Berhad and Group's Office

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GOM Resources Sdn Bhd's Office

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Puncak Niaga Construction Sdn Bhd's Office

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Fax : +603-5510 1340

Murni Estate Sdn Bhd's Office

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40100 Shah Alam
Selangor Darul Ehsan
Tel : +603-5522 8589
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Puncak Communication Sdn Bhd's Office

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Danum Sinar Sdn Bhd's Office

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Sarawak
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Fax : +086-351 418

Puncak Oil & Gas Sdn Bhd's Office

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KGL Ltd's Office

Level 15(A1)
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Financial Park Labuan
Jalan Merdeka
87000 Federal Territory of Labuan
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Fax : +6087-451 288

Brunei

Puncak Niaga Holdings Berhad (Brunei Branch)'s Office

c/o Room 308B, 3rd Floor
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Bandar Seri Begawan
BS 8811
Negara Brunei Darussalam
Tel : +673-223-2780/1/2
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Singapore

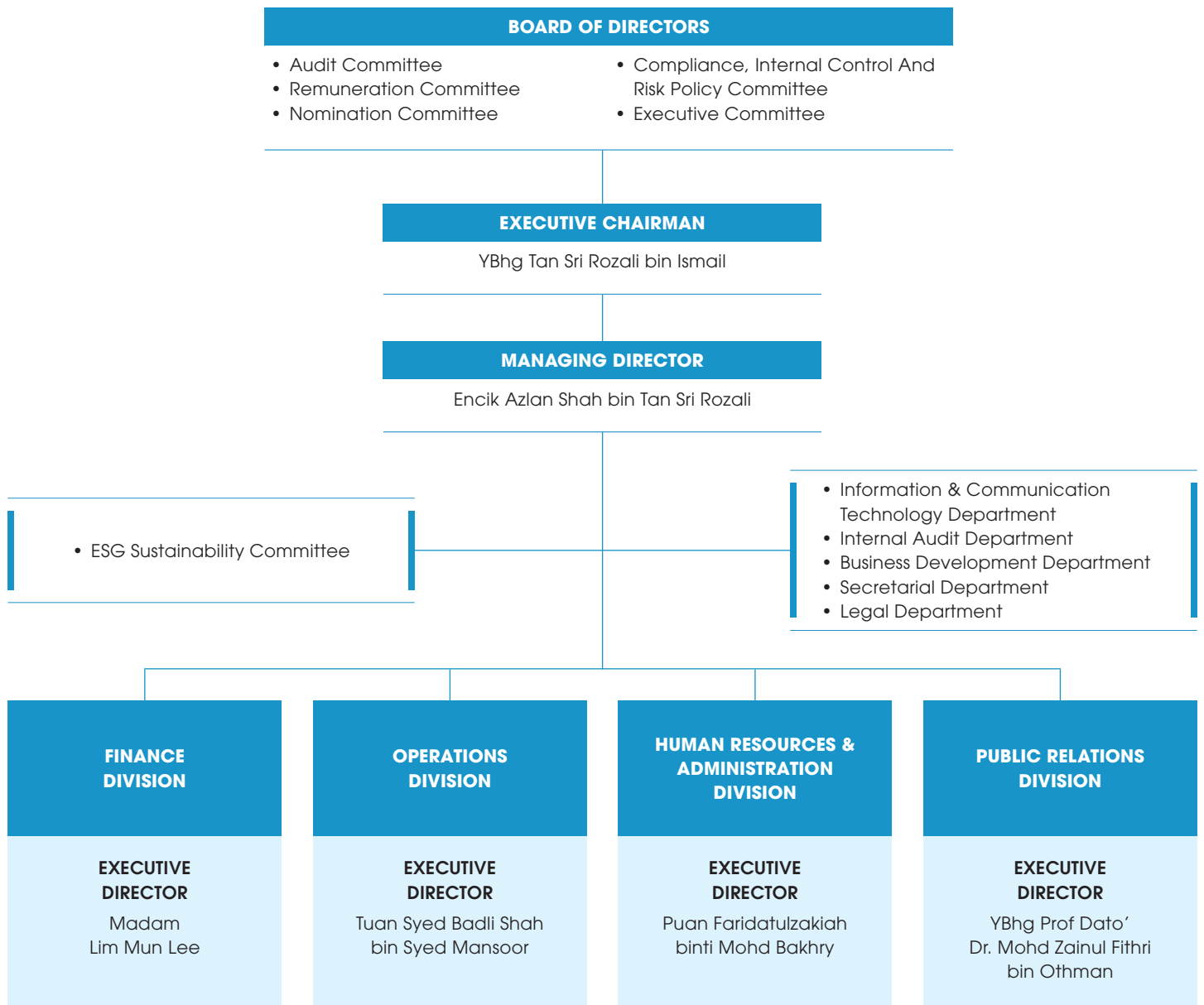
Sino Water Pte Ltd's Office

c/o 9 Raffles Place, #2.6-01
Republic Plaza,
Singapore 048619
Tel : +65 6236 3333
Fax : +65 6236 4399

Organisation Structure



PUNCAK NIAGA HOLDINGS BERHAD
[199701000591 (416087-U)]

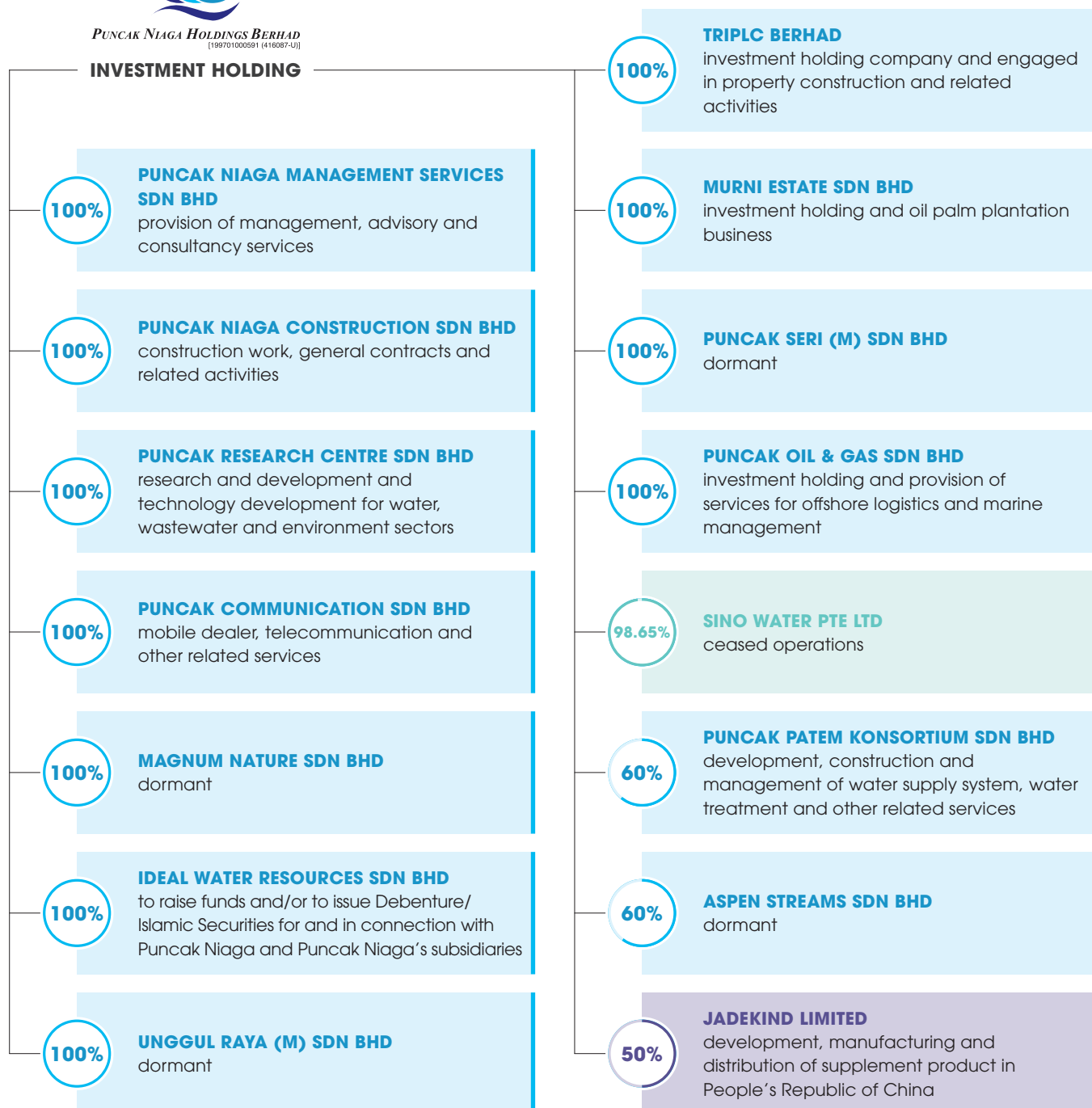


Corporate Structure

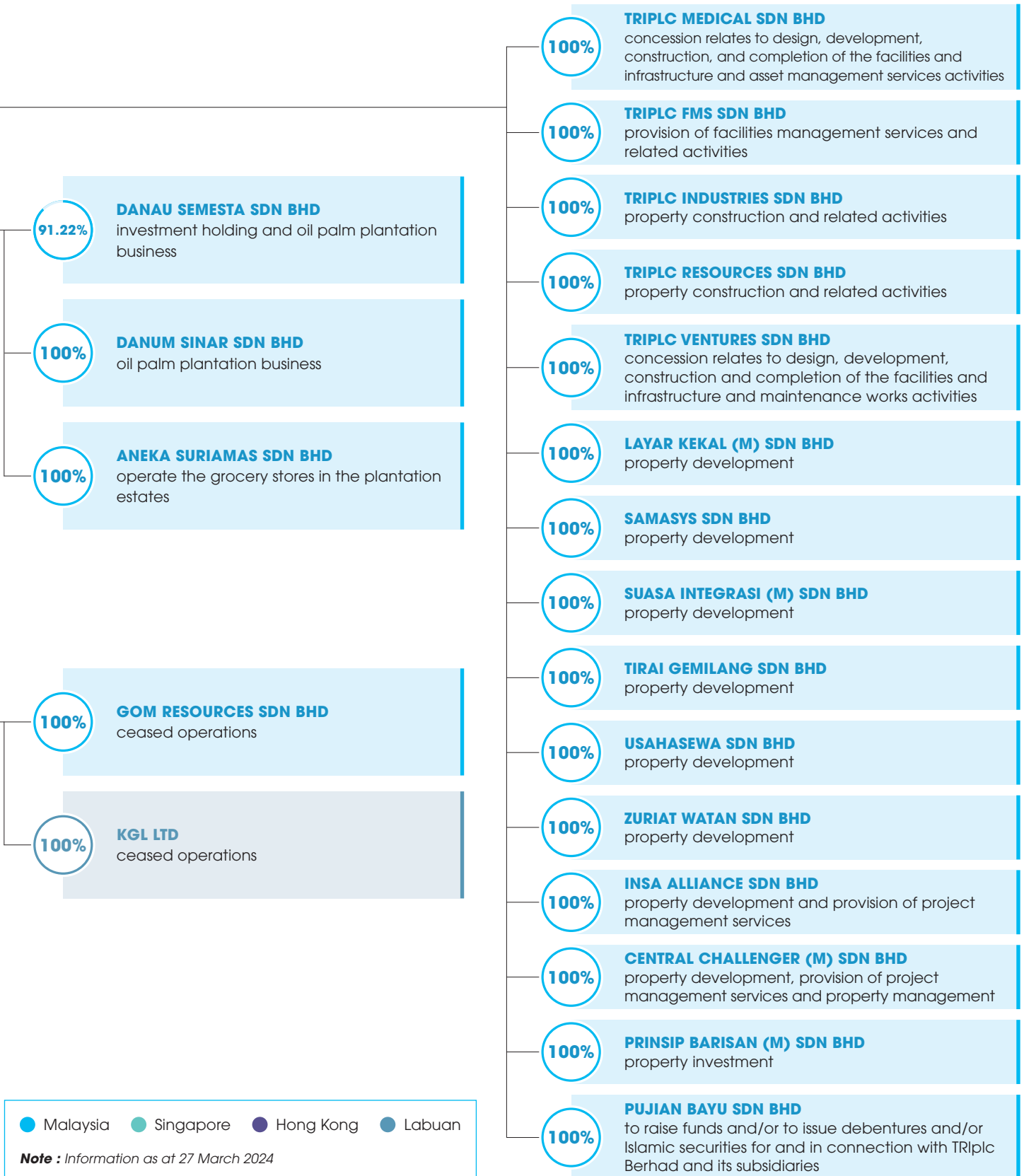


PUNCAK NIAGA HOLDINGS BERHAD
(199701003591 (416087-U))

INVESTMENT HOLDING



Corporate Structure



Chairman's Letter To Shareholders



DEAR SHAREHOLDERS,

I am pleased to present to you Puncak Niaga Holdings Berhad's ("Puncak Niaga" or "the Group") Annual Report for the financial year ended 31 December 2023 ("FY2023").



The past year had continued to be challenging, as global economy was rattled by inflationary pressures, rising interest rates, tight labour markets and geopolitical conflicts. Since 2022 to June 2023, the US Federal Reserves have raised rates 11 times, pushing it to its highest level in more than 22 years, to ward off inflationary pressures.

With the higher rates, the US dollar was also stronger, making other currencies like the Ringgit weaker. In October 2023, the Malaysian Ringgit fell to a 25-year low due to the widening rate differential with the US. Despite a weaker currency, Malaysia's major commodities suffered a setback in 2023 due to demand deficits on the back of global economic uncertainties arising from the ongoing geopolitical tensions. It was further hampered by extreme weather conditions and the issue of labour shortages, which resulted in lower production in all the four major commodities such as palm oil, rubber, cocoa and pepper.

Regardless of the global headwinds, the Malaysian economy has exhibited agility in navigating the new post-pandemic landscape. In terms of economic composition, Malaysia continues to benefit from a highly diversified economy, anchored by the services and manufacturing sectors. Malaysia delivered steady economic growth of 3.7% in 2023, fuelled by the expansion in domestic demand amid steady employment and income prospects, especially for domestic-based sectors. Inflationary pressures eased throughout the year, predominantly due to milder cost conditions, which in turn led to fewer interest rate rises with Bank Negara Malaysia only raising rates once in 2023, compared to four times in 2022.



TAN SRI ROZALI BIN ISMAIL
Executive Chairman

Chairman's Letter To Shareholders

REVIEW OF FINANCIAL PERFORMANCE

Puncak Niaga recorded higher revenue of RM241.779 million for the year under review, representing an increase of RM20.851 from RM220.928 million in the preceding year. This was mainly attributable to higher revenue contribution from the Concession segment.

The Group reported a Profit After Tax ("PAT") of RM3.703 million compared to the Loss After Tax ("LAT") of RM19.231 million in the previous year's corresponding period. The improvement from LAT to PAT was mainly due to higher other income attributable from fair value gain on investment properties and discontinuing of legal suits.

REVENUE PERFORMANCE



The Environmental Engineering and Construction segment delivered higher revenue in FY2023 with RM58.422 million compared to RM55.017 million recorded in FY2022 due to higher contributions from Bonus Project and also Johor Project that commenced in the first quarter of 2023 which has started to contribute towards our topline.

The Plantation segment, on the other hand, registered lower earnings of RM29.076 million versus RM41.744 million previously due to lower production of fresh fruit bunches ("FFB") and lower average crude palm oil ("CPO") prices. Revenue contribution from the Concession and Facilities Management segment rose to RM154.262 million during the year under review from RM124.132 million in FY2022, mainly due to the commencement of the supply of additional medical equipment for Hospital Al-Sultan Abdullah UiTM.

OUR VALUE CREATION JOURNEY

The Group's Environmental Engineering and Construction segment successfully achieved 96.18% completion of the Kuantan Project, of which RM15.7 million has been certified and paid during the year under review. The project saw delays following the main contractor being issued an injunction order in March 2023 by the Kuantan High Court. As such, on 1 February 2024, Puncak Niaga Construction Sdn Bhd ("PNCSB") obtained Extension of Time ("EOT") No. 4 for the period of 13 January 2024 up to 26 June 2025 to complete the Kuantan Project from the main contractor. In the Bonus Project, our progress was modest at 92.54% compared to 91.16% in the previous year as we were unable to secure a working permit due to a delay in approval by local authorities. Since the external factor was beyond our control, the Bonus Project was granted EOT No. 6 for the period of 22 November 2023 up to 11 July 2024 for completion.

The Johor Project, which involves the replacement of water pipes in the districts of Kulai, Kota Tinggi and Mersing in Johor Bahru, achieved a moderate completion rate of 15.67% in FY2023. We were unable to meet the scheduled completion date of 17 January 2024 following delays, as the main contractor was unable to secure the necessary approval for work permits from local authorities. Since these external factors were beyond our control, on 28 November 2023, PNCSB was able to obtain EOT No. 1 for the period of 17 January 2024 up to 14 December 2024 to complete the Johor Project.

On 14 July 2023, PNCSB secured a sub-contract as the Principal Sub-Contractor for a project to build a water treatment plant in Bukit Chupak and upgrading works of the distribution system in Gua Musang, Kelantan ("Kelantan Project"). The project, which has a total contract value of RM47.21 million, commenced on 3 July 2023 and was scheduled to be completed on 28 May 2024. However, due to site constraints and pending Local Authorities' approval, the Kelantan Project has been granted an EOT No. 1 up to 26 December 2024 to complete the project.

For the Plantation segment, revenue declined during the year under review due to lower sales for FFB on the back of lower average crude palm oil ("CPO") prices and lower FFB production. According to the Malaysian Palm Oil Board, the highest recorded monthly average CPO price was RM4,217.50 in April 2023 and the year ended with an average price of RM3,800 to RM3,900 per tonne, as compared to 2022 where the highest recorded monthly average CPO price (in May 2022) amounted to RM6,873. Due to the impact of shortage of workers in the past three years on our FFB production and estate operations, FFB production declined by 6.6% year-on-year to 44,370 metric tonnes in FY2023 versus 47,496 metric tonnes in the previous year. We will strive to mitigate the risks of price volatility while maximising our operational efficiency to focus on productive areas and ensure full harvesting of FFB on the field.

In the year under review, the Concession and Facilities Management received additional contract worth RM14.8 million from UiTM to provide more medical equipment for Hospital Al-Sultan Abdullah UiTM for a period of 45 months from 15 March 2023 to 10 October 2026. Our UiTM Z1P2 Concession delivered an improved performance as it registered a key performance indicator ("KPI") of 99.92%, above previous year's KPI of 99.76% and the agreed score of 93%. Its Customer Satisfaction Survey conducted for FY2023 showed 96.81% satisfaction rate from 650 participants, a further improvement from 96.15% a year earlier. The Z1P3 Concession, meanwhile, showed a KPI of 97.78% versus 92.39% in FY2022. Its annual Customer Satisfaction Survey conducted for 100 respondents showed a score of 95.25%, which is above the target of 80%.

On 7 September 2023, the Group via wholly-owned subsidiary Ideal Water Resources Sdn Bhd initiated the Islamic Medium Term Notes (Sukuk Murabahah) Programme of RM1.0 billion in nominal value. The first tranche of the Sukuk Murabahah Programme of RM34.0 million was issued on 9 October 2023. The proceeds, which would be used as working capital and investments, would enable the Group to undertake opportunities that would spur its earnings in the future.

Chairman's Letter To Shareholders

ESG IN OUR BUSINESS

In the ever-evolving business landscape, Puncak Niaga Group continues to strive to embed sustainability within our operations. Our commitment is enshrined within the robust framework of our Sustainability Governance Framework, which serves as the cornerstone of our strategic sustainability commitments. Under the oversight of our Board, supported by our Executive Committee ("EXCO"), we ensure that our sustainability aspirations are not just ideals, but practical actions woven into the fabric of our daily operations. Our disclosures are also guided by global frameworks and standards to align with best practices in terms of transparency and integrity.

Environmental stewardship is at the heart of our operations. We have implemented a sustainability reporting system to monitor the environmental impacts of our plantation operations, ensuring compliance with environmental regulations and working diligently to manage waste, soil erosion, water pollution, and air quality. Our commitment extends to the disclosure of carbon emissions and the promotion of energy conservation, reflecting our dedication to mitigating our environmental footprint.

In the economic domain, we focus on projects with significant positive impacts, fostering local job creation and supporting local vendors and suppliers, especially the Bumiputera vendors. This strategy not only enhances our economic value but also strengthens the communities we operate in.

Our social responsibilities are taken equally seriously, with a diverse workforce and board that reflects the society we serve. We are committed to employee development, safety, and engagement, alongside active community investment and engagement initiatives that underscore our commitment to creating social value. During the year under review, we invested a total of RM221,592 in training and development programmes, marking a 28% increase from the investment made in 2022. A total of 603 employees participated in training programmes, which encompassed a diverse blend of both internal and external training, with the aim of enhancing functional skills, general knowledge and fostering personal development.

Moreover, in FY2023, we continued to maintain our record of zero fatalities with our Kuantan Project achieving 1,306,720 LTI-free manhours in 2023 as compared to 814,750 in the previous year, details of which are in page 72 of our Annual Report.

As we look to the future, Puncak Niaga Group remains steadfast in its dedication to sustainability. Our governance framework, aligned with global standards and driven by a commitment to environmental stewardship, economic value creation, social responsibility, and governance integrity, sets us apart. We are not just preparing for a sustainable future; we are actively building it, today and every day.

SUPPORTING COMMUNITIES

Like the saying goes, "*charity begins at home*". The Group continues to uphold the welfare of its employees as a priority through its staff association, Persatuan Kakitangan Kumpulan Puncak Niaga ("PEKA"). Throughout the year 2023, PEKA has organised various initiatives that promote a healthy lifestyle amongst employees, as well as support those that require additional financial assistance. They included:

"Jom Sihat" campaign where employees received various health checks, such as blood pressure, cholesterol, eyesight, dental and cancer marker tests. The programme also included a seminar by health professionals on mental health, as well as a session by AIA Public Takaful Berhad on the benefits of insurance coverage for critical illnesses;

Inter-departmental sports competitions; and

Ramadhan contributions for all employees

Other activities that the Group participated in were:

Ramadhan contributions to local communities;

Cash donations to local communities; and

Palestinian Humanitarian Fundraising initiative

UPHOLDING GOVERNANCE

We are committed to upholding good corporate governance and integrity practices. During the year under review, we implemented initiatives that reflected this. In March 2023, a meeting was held between our Managing Director, Encik Azlan Shah bin Tan Sri Rozali and YBhg TPj Dato' Haji Alias bin Salim, Director of Malaysian Anti-Corruption Commission ("MACC") Selangor, to discuss collaborations with the MACC on promoting integrity values within Puncak Niaga.

On 29 May 2023, the Integrity Unit's Standard Operating Procedures were approved by the Board for immediate implementation. This enabled all issues and complaints related to integrity to be managed fairly as part of reputation management.

Moreover, on 30 May 2023, the Group started a new practice of which the Integrity Unit is included in the tender process, where aside from being a witness, it is also responsible to educate contractors on Puncak Niaga's Anti-Corruption Policy and Procedures, Gift Policy and Offences under Section 17A: Corporate Liability.

We also continued to educate our employees on integrity practices to enhance their knowledge, skills and competency. A total of 238 employees attended various trainings held by the Integrity Unit. Integrity briefings were also part of the onboarding programme for new recruits. In 2023, a total of 164 new employees attended integrity briefings.

On 24 October 2023, Puncak Niaga received its accredited certification on the ISO 37001:2016 Anti-Bribery Management System for the provision of project management, construction services for water-related infrastructure, including civil engineering, building mechanical and electrical works, and activities of the head office. This is a demonstration of our efforts in combating corruption and maintaining the highest standards of integrity.

The Group further affirmed its commitment towards ethical practices and transparency with the Senior Management and employees officially signing the Corruption-Free Pledge, or '*Ikrar Bebas Rasuah*' on 22 November 2023.

Chairman's Letter To Shareholders

For the year under review, we have also introduced the Directors' and Key Senior Management's Conflict of Interest Policy to ensure that the Directors' and Key Senior Management of Puncak Niaga Group adhere to the procedures governing any Conflict of Interest ("COI"), potential COI and interest in competing business involving the Directors' and Key Senior Management of Puncak Niaga and the Group.

During the year under review, we also received several recognitions for our efforts and initiatives in upholding corporate governance and transparency standards, where we secured our fifth consecutive Gold Award at the 2023 Australasian Reporting Awards for its 2022 Annual Report; and winner at The Bizz 2023 in recognition of the Company's consistent growth. I was also honoured to receive the World Leader Businessperson Award for the third time at The Bizz 2023, which I dedicate to all warga Puncak Niaga, as their contributions were the pillars that founded the Group's ongoing success.

OUTLOOK & PROSPECTS

The global economy is expected to grow at a slower pace in 2024 to 2.9% from 3.0% in 2023 on tighter monetary policy. Global inflation, meanwhile, is forecast to decline steadily from 6.9% in 2023 to 5.8% in 2024. On the back of this backdrop, the Malaysian economy is projected to grow 4% to 5% in 2024, driven by domestic demand on the back of steady employment and income growth, particularly in domestic-based industries; as well as gradual recovery in exports following a decline in 2023.

Investments in the country will be buoyed by further progress of multi-year infrastructure projects and the implementation of catalytic initiatives, such as the New Industrial Master Plan 2030, the National Energy Transition Roadmap and the Mid-Term Review of the 12th Malaysia Plan (2021-2025). Furthermore, the measures under Budget 2024 will also provide additional support to economic activity.

The potential rollout of big-ticket infrastructure contracts in 2024 that were largely missing in 2023 is expected to improve the outlook for the Construction sector. Such projects include the Pan Borneo Highway Sabah Phase 1B (RM15.7 billion), flood mitigation packages



worth RM11.8 billion, the Penang Light Rail Transit project worth RM10 billion, the Sabah-Sarawak Link Road (RM7.4 billion), and reinstatement of the LRT3 project (RM4.7 billion). Nevertheless, competition for new projects is likely to be intense due to the limited availability, escalating cost of materials and shortage of labour. We remain prudent in selecting projects with sufficient margins when bidding for new opportunities in utilities and infrastructure projects domestically.

Meanwhile, the outlook for the Malaysian palm oil sector in 2024 is expected to be better than the previous year in terms of supply availability. In terms of demand, it is projected to remain uncertain in the global market due to concerns about the global economic crisis. Industry experts anticipate that the Malaysian CPO to trade between RM4,000 and RM4,200 per tonne next year impacted by weather developments, geopolitical risks, government policies and slower global economic growth. On such environment, our Plantation business is likely to see price volatility for its palm related products.

Our Concession business will continue to provide stable income streams throughout the contract periods. The Group's foray into the healthcare and non-healthcare services sector has proven to be successful and opened new opportunities of long-term sustainable growth. We will seek for more opportunities to build and manage other teaching hospitals under the Ministry of Higher Education, as well as participating in tenders for new hospitals

under the Ministry of Health. In addition, the additional contract value from UITM would be earnings accretive in year ending 31 December 2024 ("FY2024").

Barring any unforeseen circumstances, the Group expects to deliver a satisfactory performance in FY2024.

ACKNOWLEDGEMENTS

I would like to take this opportunity to extend my appreciation to Team Puncak Niaga for their unwavering commitment and determination to overcome various challenges. I also would like to thank our shareholders, business partners and suppliers, as well our customers, for your trust and loyalty over the past decades. A special appreciation also goes to the Government and the various ministries and government agencies for their belief in us.

Finally, my utmost thanks to my fellow Board members for your wise counsel and guidance in bringing the Group to greater excellence and towards our long-term vision for Puncak Niaga. *InsyAllah*, I look forward to a strong year ahead and a bright future.

Thank you.

TAN SRI ROZALI BIN ISMAIL

Executive Chairman
Puncak Niaga Group

27 March 2024

**ENVIRONMENTAL ENGINEERING
AND CONSTRUCTION**

**BUILDING
A PATH
FORWARD**

**P
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K**



Management Discussion & Analysis

ENVIRONMENTAL ENGINEERING AND CONSTRUCTION

PACKAGE D44 OF BUNUS PROJECT (“BUNUS PROJECT”)

The Bunus Project, which is valued at RM394 million, aims to rationalise and decommission 78 existing sewage treatment plants (“STPs”) within an area covering approximately 72 sq km. Puncak Niaga Construction Sdn Bhd (“PNCSB”) has been charged with replacing the old STPs by constructing a network of some 54 km of interconnected sewerage pipes, which will run to the centralised Bunus STP. This will result in more efficient wastewater management, lower operational and maintenance costs and a reduction in sources of water pollution. The work areas cover Gombak, Setapak, Air Panas, Taman Melawati, Ampang and Lembah Keramat, which are under the administration of Dewan Bandaraya Kuala Lumpur (“DBKL”) and Majlis Perbandaran Ampang Jaya (“MPAJ”).

As at end FY2023, we completed almost 51.5 km or 93% of the total length, while overall progress reached 92.54%.

The project started on 25 February 2014 with the original completion targeted for 24 February 2018. However, due to constraints at the site, it was granted the 6th Extension of Time (EOT No. 6) with the completion date extended until 11 July 2024.



BUNUS PROJECT



As at end FY2023,
we completed
almost 51.5 km or
93% of the total
length, while
overall progress
reached 92.54%

BUNUS
PROJECT

92.54%

Management Discussion & Analysis

KUANTAN PROJECT



In FY2023,
the entire project
managed to
achieve **96.18%**

KUANTAN
PROJECT

96.18%

KUANTAN PROJECT

A key project under the 11th Malaysia Plan, the Kuantan Sewerage Project involves the construction of a Centralised Sewage Treatment plant ("CSTP"), which will be equipped with green technology and linked to a pipeline network running approximately 68 km within the 173 sq km catchment area for Bandar Kuantan and Kempadang in Pahang. Able to support a population of 400,000, the project is envisioned to improve the coverage ratio of the sewerage services and improve the surrounding environment, including reducing sources of pollution and producing high-quality effluent, which in turn would improve the water quality of rivers.

Valued at RM463 million, the PNCSB's scope of work included the rationalisation and decommissioning of 165 existing multipoint STPs in the area, together with decommissioning works such as desludging, equipment dismantling and making the site safe for the public. In addition, PNCSB would be constructing 8 NPS and the routing of the main pumping station for rationalisation work.

In FY2023, the entire project managed to achieve 96.18% completion compared to 94.51% in FY2022, the progress for each major scope of works included:

Scope of work	Progress completion	Others
Centralised Sewage Treatment Plant (CSTP)	94.51%	The progress was contributed by substructure and superstructure works
Sewage Conveyance System (SCS) or Pipe Network	68 km or 99.26% of the total length completed	-
Network Pumping Station (NPS)	95.25%	8 NPS to be built

The project is facing delay due to the main contractor being issued an injunction order in March 2023 by the Kuantan High Court, lodged by the developer of the housing development project next to where the CSTP was located. As such, all work was suspended and affected the physical and financial aspect of the project.

Due to the delay, the main contractor has applied for an EOT with the new completion date expected to be in June 2025.

With the new completion date, the SCS or pipe network is expected to be completed in April 2024. The project would also embark into the other scope of work of the project, which is to decommission 165 sewage treatment plants all over the Kuantan site. This work is likely to start in December 2024 and is targeted for completion in June 2025.

Management Discussion & Analysis

JOHOR PROJECT

In March 2023, PNCBSB secured a RM82.86 million water pipe replacement subcontract in Johor ("Johor Project"), to replace the existing pipes with new pipes in Johor Bahru, Kulai, Pontian, Kota Tinggi and Mersing. The purpose of this project is to reduce the Non-Revenue Water ("NRW") in Johor by replacement of old Asbestos Cement ("AC") main pipes and communication pipes.

The main scopes of work include replacing 94.5 km AC pipes and 40,672 connections inside 41 district metred areas ("DMA"). The project is divided into six sub-packages that include the following:

- **JB7 Johor Bahru: Communication pipe replacement 9,698 nos**
- **K8 Kulai: Mains 16,584 metres and communication pipes 7,056 nos**
- **K9 Kulai: Communication pipes replacement, 9,390 nos**
- **PTN10 Pontian: Mains 14,291 metres and communication pipes 5,954 nos**
- **PTN11 Pontian: Mains 38,340 metres and communication pipes 3,825 nos**
- **KM18 Kota Tinggi & Mersing: Mains 25,320 metres and communication pipes 4,749 nos**

The primary challenge was the delay in securing the necessary approvals for issuance of work permits from local authorities, which resulted in delays in site activities. Due to such constraints, an EOT has been granted up to 14 December 2024 to complete the project. Nevertheless, in FY2023, the Johor project was able to achieve a completion rate of 15.67%. The Group successfully completed the replacement of 39.2 km of water pipe, expanding its service coverage up to 45% on physical pipe works. We also completed the installation of 2,405 communication pipes that contributed towards improving water accessibility to meet growing demand.

The progress of the Johor Project according to milestone achievements and adherence to the specified project timeline is a demonstration of our commitment towards our clients. We have remained dedicated towards community engagement and implementing strategies to minimise disruptions, all while ensuring a strong emphasis on environmental and sustainability measures within the budget and cost management framework. While there were delays due to the documentation processes, the issues were addressed through professional discussions with owner of the Johor Project and the Implementation Agent to develop strategic solutions.



JOHOR PROJECT



In FY2023,
the Johor project was able to achieve a completion rate of 15.67%

JOHOR PROJECT
15.67%

Management Discussion & Analysis

BUKIT CHUPAK PROJECT



Subsequent to year end, the project has achieved a completion rate of 9.98%

BUKIT CHUPAK PROJECT

9.98%

BUKIT CHUPAK PROJECT

In July 2023, PNCSB was awarded a RM47.21 million sub-contract to build a water treatment plant and upgrade a water distribution system in Gua Musang, Kelantan ("Bukit Chupak Kelantan Project"). The purpose of the project is to overcome the water shortage at Gua Musang old town, new area at Kampung Sg. Terah; and residential area along Jalan Gua Musang-Jelawang. The new planned development areas are envisaged to meet water demand needs up to 2027, while the distribution system would improve water pressure and reduce water interruption in the Kampung Nerus area.

PNCSB's scope of work includes building a raw water intake station, sedimentation tank, filtration plant, treated water pumping station and administration building. It will also work on a new access road to the raw water intake system and improve the access road to the existing Bukit Chupak Reservoir. The project's original completion date was set for 28 May 2024, however, due to constraints at the site and the pending approval of Local Authorities, it has been granted an EOT with a new completion date of 26 December 2024.

Subsequent to year end, the project has achieved a completion rate of 9.98%, slightly behind the scheduled progress of 12.92%. To ensure smooth progress of the project in alignment with the scheduled timeline, PNCSB is working closely with the main contractor, consultant, and project owner. The construction activities have been formulated and incorporated into the Master Work Programme, in accordance with the approved EOT. This would help to tackle site constraints and ensure the project's completion within the stipulated timeframe.



PLANTATION

**GROWTH
THROUGH
PERSEVERANCE**

P
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A large vertical text 'PUNCAK' is positioned on the right side of the page. The letters are white and cut out, revealing a lush green palm forest background. The text is stacked vertically, with each letter occupying a distinct horizontal band.



Management Discussion & Analysis

PLANTATION

In 2023, the Plantation Segment reported a lower revenue of RM29.1 million compared with RM41.7 million a year ago.

Decline in revenue was mainly due to the Plantation Segment produced lower fresh fruit bunches (“FFB”) of 44,370 metric tonnes compared to the previous year of 46,419 metric tonnes. It also attributed to the lower CPO prices in 2023 ranging between RM3,500/tonne to RM4,200/tonne with an average CPO price of RM3,833/tonne in 2023, as compared to 2022 of RM3,000/tonne to RM7,000/tonne with an average CPO price of RM5,131/tonne in 2022. The impact of COVID-19 and subsequent lockdowns have resulted in delays in rehabilitation work at our plantation estates, in the first half of the year which in turn led to poor palm growth and bunching. The labour shortage was overcome in the second half of the year, bringing the total annual FFB production to 44,370 metric tonnes.



Management Discussion & Analysis

Sustainable Planting

The incorporation of MSPO principles into our business culture has been key to maintaining our Malaysian Sustainable Palm Oil (“MSPO”) certification, which we obtained in 2019. We have continued to implement policies and practices that are in line with the MSPO certification such as:

Zero-burning policy

Prohibition on hunting of wildlife

Planting of the *Mucuna Bracteata* plant to provide nitrogen fixation, manage weed growth, conserve soil and reduce chemical usage

Engagement of an independent consultant to monitor flora and fauna conservation, soil erosion and slope stability, hydrology management, water and air pollution, waste management disposal, workers' health and safety, agrochemical management and road traffic and safety



Danum Sinar Sdn Bhd's Estate in Bintulu, Sarawak

Item	FY2021	FY2022	FY2023
Total FFB Production (MT)	49,952	46,419	42,997
FFB Average Yield (MT/Ha)	5.17	4.74	4.34
Average Oil Extraction Rate (%)	17.67%	17.00%	17.00%
Mature Area (Ha)	9,663	9,794	9,901
Immature Area (Ha)	2,378	2,247	2,186
Unplanted Portion (Ha)	30,906	30,906	30,390
Total Developed Area (Ha)	12,040	12,041	12,087
Total Area (Ha)	42,950	42,950	42,477

The Group's Estate in Puncak Alam, Selangor

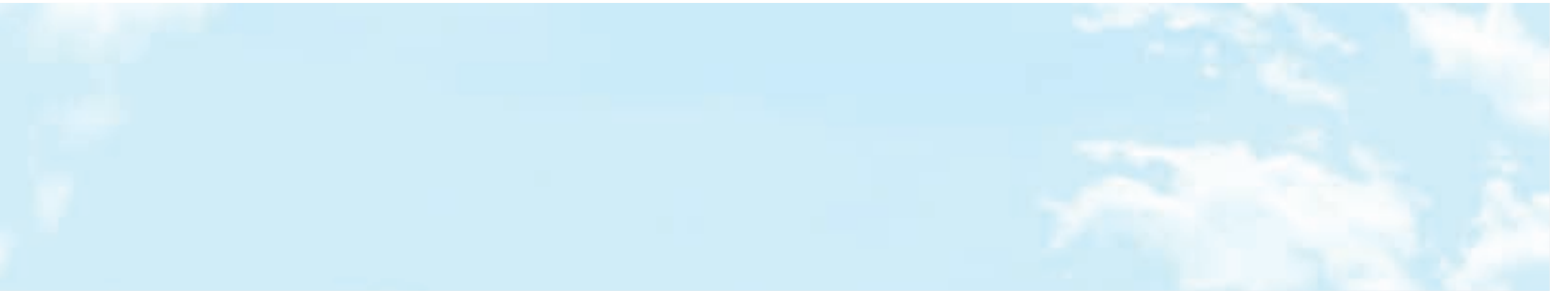
Item	FY2021	FY2022	FY2023
Total FFB Production (MT)	752	1,076	1,372
FFB Average Yield (MT/Ha)	8.20	11.73	14.95
Average Oil Extraction Rate (%)	16.00%	16.00%	18.30%

Note: The contribution from the Group's Estate in Puncak Alam, Selangor is insignificant to the Group's revenue.

**CONCESSION AND
FACILITIES MANAGEMENT**

GUIDING THE NATION





Management Discussion & Analysis

CONCESSION AND FACILITIES MANAGEMENT

The first concession we operate is the 23-year Zone 1 Phase 2 (“Z1P2”) Concession Agreement, which has been undertaken by TRIplc Ventures Sdn Bhd (“TVSB”) since 2010.

The Z1P2 Concession covers the management of completed assets with an expiry date in April 2034.

The second concession we operate is the 25-year Zone 1 Phase 3 (“Z1P3”) Concession Agreement held by TRIplc Medical Sdn Bhd (“TMSB”), which was awarded in February 2016. It involves the construction of the Z1P3 Teaching Hospital Project. On 1 February 2021, TMSB commenced the Asset Management Services phase of the Concession Agreement following the issuance of the certificate of acceptance by UiTM. The concession is set to expire in January 2043.

In FY2023, the Group was awarded an additional contract worth RM14.8 million from UiTM to provide additional medical equipment for Hospital Al-Sultan Abdullah (“HASA”) UiTM for a period of 45 months beginning 15 March 2023 to 10 October 2026.

Despite the achievement, FY2023 was not all smooth sailing. We faced cost pressures, partly due to increase in prices for spare parts. The Group mitigated this by optimising resources and improving supply chain management, as well as negotiating with vendor for better pricing.

Bed utilisation was relatively low at 35% in FY2023, which in turn resulted in low fee claim by TMSB. This has been highlighted to HASA and UiTM to maximise our income in the future.

In addition, TMSB dealt with 46 mishandling cases of biomedical equipment in FY2023. To avoid the recurrence of such incidents in future, TMSB will organise user training and awareness programmes for hospital employees to improve their knowledge and skill set. In addition, it has advised the management of HASA to ensure only trained and equipped hospital employees are allowed to operate the equipment.



Revenue

RM154.262

million

Profit before tax

RM33.347

million

Management Discussion & Analysis

Z1P2 CONCESSION

During the period under review and for the fifth consecutive year, Z1P2 continued to show improvements in maintaining its standards of services, and therefore recording lower demerit and deduction, while maintaining its key performance indicator (“KPI”) record.

- Demerit recorded at 9 points which was much lower than 18 points recorded in 2022
- Deduction was only RM29.73 as compared to year 2022 of RM491.35
- KPI performance registered at 99.92% above from year 2022 of 99.76% and exceeded the agreed score of 93%

Z1P2’s annual customer satisfaction survey for FY2023 had 650 respondents from UiTM, of which 96.81% were pleased with our performance. This was an improvement from previous year’s 96.15% satisfaction rate.

Z1P3 CONCESSION

TMSB’s asset management services are provided to seven different departments, namely Facilities Management Services, Facilities Engineering Management Services, Biomedical Maintenance Services, Information and Communications Technology, Cleansing Services, and Healthcare Waste Management Services.

In the year under review, the Z1P3 concession improved in overall KPI achievement of its services, locking in 98.10% as compared to 94.91% in FY2022.

Department & Responsibilities

Facilities Management Services (“FMS”)

Management and coordination of hospital support, including manpower management, resource centre, helpdesk, training, audits and assessments, among many other responsibilities.

2023 KPI Performance

99.33%

2022: 94.90%

Facilities Engineering Management Services (“FEMS”)

Building engineering service and maintenance, including technical consultancy and advisory services.

2023 KPI Performance

99.46%

2022: 99.62%

Cleansing Services (“CLS”)

Provision of cleaning services and cleaning supplies and consumables.

2023 KPI Performance

100%

2022: 99.99%

Biomedical Engineering Maintenance Services (“BEMS”)

Medical and non-medical equipment service and maintenance.

2023 KPI Performance

99.42%

2022: 99.53%

Healthcare Waste Management Services (“HWMS”)

Provision of clinical waste management services and scheduled waste collection and storage.

2023 KPI Performance

100%

2022: 82.75%

Information and Communications Technology (“ICT”)

Provision of the communications and technological tools required for the smooth operation of the hospital.

2023 KPI Performance

97.58%

2022: 98.88%

Linen and Laundry Services (“LLS”)

Linen inventory, delivery and processing management.

2023 KPI Performance

90.92%

2022: 74.84%

Our annual customer satisfaction survey also showed a marked improvement with 95.25% of 100 respondents expressing their satisfaction towards TMSB’s services, versus 93.62% in the previous year, and above the target of 80%.

Management Discussion & Analysis

Asset Management Services	Services	
Facilities Management Services (“FMS”)	<ul style="list-style-type: none"> • Management and Planning • Human Resource • Policies and Procedure • Management of Facilities, Tools and Equipment 	<ul style="list-style-type: none"> • Quality and Improvement Activity • Safety, Health and Environment (SHE) • Technical Support • Special Requirement
Biomedical Engineering Maintenance Services (“BEMS”)	<ul style="list-style-type: none"> • Breakdown, Corrective and Planned Preventive Maintenance • Equipment calibration • Equipment Safety & Performance Testing • Equipment Failure Analysis & Incident Investigation • Asset Inventory • Technical Advisory 	<ul style="list-style-type: none"> • Hazardous and Contaminated Device Handling • Spare Parts Planning and Procurement Support • Equipment Risk Analysis • Warranty Management • Asset Management Programme • User Training
Facilities Engineering Management Services (“FEMS”)	<ul style="list-style-type: none"> • Breakdown, Corrective and Preventive Maintenance • Energy Management • Condition based and reliability centred maintenance • Equipment calibration • Legislation and Statutory Requirement Compliance • Equipment Safety Testing (in accordance with Medical Device Act) 	<ul style="list-style-type: none"> • Equipment Failure Analysis & Incident Investigation • Asset Inventory and Management Programs • Technical Advisory • Spare Parts Planning and Procurement Support • Equipment Risk Analysis • Warranty Management • User Training • Asset Management Programme
Cleansing Services (“CLS”)	<ul style="list-style-type: none"> • External Façade Cleansing • General and Public Area Cleansing • Specialised Area Cleansing • Hygienic and Infection Control Management • Spillage Management 	<ul style="list-style-type: none"> • Provision of Cleansing Supplies and Consumables • Systematic and Consistent Cleansing Schedules • Join inspections, Quality Assurance and Process Improvements
Healthcare Waste Management Services (“HWMS”)	<ul style="list-style-type: none"> • Healthcare (Scheduled and Unscheduled) Waste Collection and Storage • Healthcare Waste Spillage management • Incineration and Treatment of Healthcare Waste • Inert ash Disposal into approved land fills • Online and manual waste tracking systems • Supply of Healthcare Waste Tools, Equipment and Consumables 	<ul style="list-style-type: none"> • Scheduled Waste Approved and Registered Vehicle Fleet • User Training • Technical Advice • Standard plants and operations in compliance with Department in Environment (DOE) and Environmental Quality Act (EQA)
Linen and Laundry Services (“LLS”)	<ul style="list-style-type: none"> • Linen Inventory • Linen Supply • Supply of linen equipment, tool and consumables • Linen Loss and Condemnation Management 	<ul style="list-style-type: none"> • Linen Collection and Delivery Management • Linen Processing Management – sorting, washing, drying, ironing, folding, packing and linen salvage • User Training
ICT System & Services		
Sustainability Programme	<ul style="list-style-type: none"> • Energy Management • Solar Energy • Energy Performance Contracting • Green Building Delivery 	<ul style="list-style-type: none"> • Reduce, Reuse, Recycle & Recover (4R) • Indoor Air Quality • Rain Water Harvesting • Green & Sustainable Certification

Management Discussion & Analysis

OUTLOOK AND PROSPECTS

The global macroeconomic conditions in 2024 are expected to be challenging with the World Bank expecting global GDP to slow for the third consecutive year to 2.4% due to the effects of tight monetary policies, restrictive credit conditions, and anaemic global trade and investments. Growth of advanced economies is expected to remain slow at 1.4% in 2024, as policy tightening starts to bite. Emerging market and developing economies are projected to have a modest decline in growth from 4.1% in 2022 to 4% in both 2023 and 2024.

While global risks prevail, the year 2024 is envisaged to be a promising year for Malaysia. The policies and action plans under *Ekonomi Madani*, coupled with implementation of projects under the Midterm Review of the 12th Malaysia Plan, will solidify Malaysia's efforts in becoming Asia's most dynamic economy in the near term. The Malaysian economy is forecast to stage a growth of 4% to 5% in 2024, driven by domestic consumption and supportive stimulus from the Government.

On water infrastructure, we expect an increase in future capital expenditure with tariff hikes slated for next year. The Government has pledged to end water supply woes, in particular for states like Kelantan, Sabah and Labuan. In the Malaysia Madani Budget 2024, the Government has allocated RM1.1 billion to resolve states' water supply issues. One major project in this space is the critical Sungai Perak raw water transfer scheme that could cost RM4 billion to RM5 billion.

Amidst this backdrop, the Group's Construction business will continue to focus on completing existing projects within budget and the approved EOT granted by our clients.

We expect competition for new tender projects would be stiff due to limited number of such projects, rising costs of construction materials and labour shortages. As such, the Group will remain prudent and vigilant in selecting the 'right' projects with sufficient margins when bidding for new opportunities in utilities and infrastructure projects domestically. We believe our track record and proven expertise in providing integrated water, wastewater and environment solutions would serve as competitive edge when bidding for contracts.

The Plantation segment will see price volatility to continue in the near term due to geopolitical conflicts, as well as global trades uncertainties. Supply and demand for palm oil is likely to remain tight in FY2024. Analysts do not expect the rainfall deficit to adversely impact the overall harvest in 2024, unless the El Nino phenomenon worsens. Demand for edible oil, on the other hand, is anticipated to continue its trend growth of 3% to 4% due to robust demand for food and biodiesel. The sales and service tax and the windfall profit levy introduced by the Government may impact profits. Nevertheless, the strong global demand forecast for 2024 would reduce the downside risks for the plantation industry. Although 2023 marked the fourth consecutive year that the palm oil sector endured labour shortages, the Government has assured industry players that the issue would be fully resolved in 2024. To mitigate any operational risks, we will focus on maximising our operational efficiency and productive areas, while ensuring full harvesting of FFB at all our plantation estates.

To achieve FFB production target in FY2024, the Group has implemented appropriate agronomic practices, especially in the application of fertilisers, where the quantity and type of fertilisers are determined based on the results of foliar analysis. In addition, we will continue to improve roads and bridges in the productive areas to enable full harvesting. On workforce planning, the number of workers required for FY2024 is planned based on the yield projection, thus ensuring cost efficiency, high labour productivity and optimised income. The Group also has plans for full utilisation of the bin system, as part of strategy to reduce vehicle operating costs. Through effective supervision, we would be able to achieve greater efficiency in our operations.

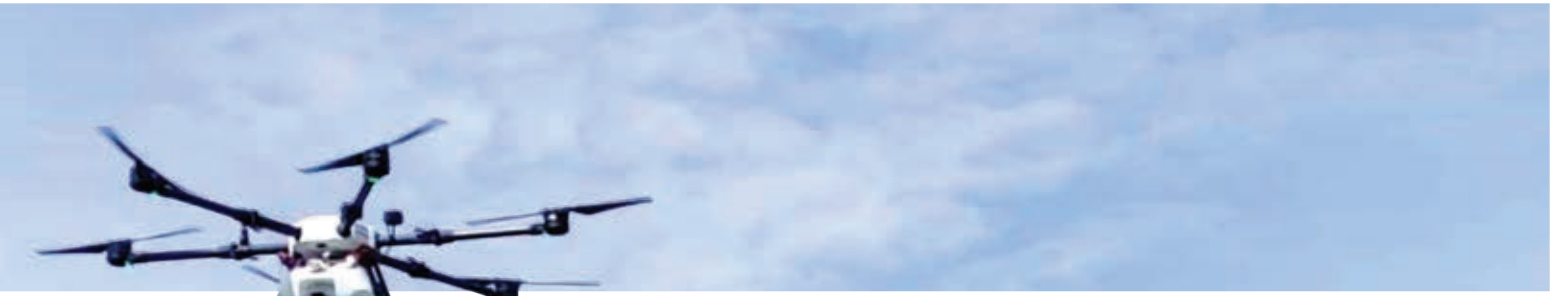
Our Concession division, meanwhile, will continue to meet its obligations under maintenance services of the Z1P2 Concession Agreement and the asset management services of the Z1P3 Concession Agreement. The Group expects to receive additional works from UiTM due to our ability to deliver on existing scope of work.

Given the challenges of operating in the prevailing economic and market conditions, the Group is cautiously optimistic about its business prospects. We shall continue to seek opportunities to increase revenue in its core businesses, ensure timely completion of all projects, exercise prudence in business dealings, and achieve operational efficiency for long-term sustainable growth.

**SUSTAINABILITY
STATEMENT**

**DELIVERING
VALUE
SUSTAINABLY**





Sustainability Statement

GENERATING SUSTAINABLE VALUE

At Puncak Niaga Holdings Berhad, sustainability serves as our guiding principle, steering all our operations and decision-making processes. Our commitment is to harmonise the creation of enduring positive effects for our stakeholders to pursue profit, ensuring our growth is sustainable in the long run.



We are committed to diligently addressing any adverse effects resulting from our operations. By adhering strictly to exemplary corporate governance and integrating sustainability practices into our business management and operations throughout the Group, we ensure continuous value creation. Our actions consistently adhere to the Group's governance policies and frameworks, enabling us to realise our sustainability objectives. In our sustainability journey, we are committed to achieving the following:

- 1** Minimise our business impact on the environment
- 2** Create sustainable long term socioeconomic value for the benefit of communities living within the footprint of our operations
- 3** Engender long term benefits for our stakeholder groups

SCOPE AND BOUNDARY OF REPORTING

This Report considers the Group's non-financial performance, opportunities and risks associated with it, and highlights results tied to or influenced by key stakeholders who significantly affect our ability to generate value. Unless otherwise indicated, our reporting coverage is based on Group-level disclosures. There were no significant changes in our ownership, supply chain, and organisational structure during the reporting year. We are continuously establishing Group-wide reporting standards to provide stakeholders with greater transparency.

This Report covers the Group's three core business segments in Malaysia: Environmental Engineering and Construction, Plantation and Concession and Facilities Management.

REPORTING PERIOD

This Report covers the financial year from 1 January 2023 to 31 December 2023.

Sustainability Statement



REPORTING FRAMEWORKS

PNHB Group Sustainability Framework, (“Framework”) serves as a guide for the effective integration of our governance, strategic focus areas, performance and initiatives, in line with both local and global sustainability agendas. These include standards such as the Global Reporting Initiative (GRI) Standards, Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition), United Nations’ Sustainable Development Goals (UN SDGs) and the Ten Principles of the United Nations Global Compact (UNGC). Our framework is designed to address the needs of the foreseeable future, ensuring that sustainability is ingrained in every part of our business operations.

SUPPORTING UN SDGS

We have identified 11 out of the 17 UN SDGs that we believe we can effectively contribute to, as part of our sustainability efforts.



SUSTAINABILITY GOVERNANCE

We are committed to continuously integrating sustainability into our businesses, guided by PNHG Group Sustainability Governance Framework. The Board oversees the strategic direction of the Group’s sustainability commitments, with support by the Executive Committee (“EXCO”). The integration of economic, environmental, social and governance (“EESG”) related sustainability practices across the Group is managed by the ESG Sustainability Committee and ESG Sustainability Working Group. These teams drive and implement sustainability-related initiatives within their respective divisions and departments.



Sustainability Statement

PUBLIC POLICY

To demonstrate good corporate responsibility, we strive to uphold the highest standards of corporate governance by safeguarding ethics and integrity across all our business segments. At Group level, we have in place a Code of Conduct that guides our employees in maintaining high standards of ethics and integrity when carrying out their duties. Puncak Niaga's principles of ethics and integrity are also cascaded down to all business units and embedded in our business conducts. Every business unit is guided by their own codes of conduct and policies which complement our PUNCAK Values.

We are guided by the following Codes and Policies within the Group:

PUNCAK NIAGA HOLDINGS BERHAD

- Board Charter
- Code of Conduct – Board of Directors
- Board Diversity Policy
- Directors' Remuneration Policy
- Directors' Fit and Proper Policy
- Standard Operating Procedures
- Corporate Disclosure Policy
- Information Technology Policies (Software License Policy, IT Security Policy and Copying Software Statement)
- Investor Relations Policy
- Health, Safety and Environmental ("HSE") Policy
- Quality Policy
- Risk Management Policy
- Sexual Harassment Policy
- Diversity Policy
- Whistleblowing Policy
- Whistleblower Protection
- Gift Policy
- Corporate Social Responsibility Policy
- Code of Conduct – Employees
- No Smoking Policy
- Energy Management Policy
- Puncak Niaga's Employee Handbook
- Code of Business Ethics
- Corporate Sustainability Policy
- Limits of Authority Policy
- Puncak Niaga's Anti Corruption Policy and Procedures
- Policy on Reporting of Beneficial Ownership of Shares in the Company
- Directors' and Key Senior Management's Conflict of Interest Policy
- Quality Management System (ISO9001 2015)
- Anti-Bribery Management System (ISO 37001:2016)

PUNCAK NIAGA CONSTRUCTION SDN BHD ("PNCBSB")

- Integrated Management System (ISO 9001:2015; ISO 14001:2015; ISO 45001:2018)
- HSE Policy Statement
- HSE Manual
- HSE Procedure
- Water Quality Policy
- Emergency Response Plan and Intervention Procedures for WTP
- '5S' Housekeeping Procedures
- Water Treatment Plant's Operation And Maintenance Manual
- Back Parking Policy at WTP
- Zero Accident Policy at WTP
- 'Right First Time Every Time' Work Culture at WTP
- 'Kawasan Larangan. Tempat Larangan' Procedures for WTP

DANUM SINAR SDN BHD

- MESB and Subsidiaries Employee Handbook
- Agriculture Reference Manual ("ARM")
- Malaysian Sustainable Palm Oil ("MSPO") Policy
- Occupational Safety and Health ("OSH") Policy Manual

TRIPLC BERHAD

- Standard Operating Procedures
- HSE Policy
- Quality Policy
- QHSE Policy
- Drug and Alcohol Policy

Sustainability Statement

COMMITMENT TO SUSTAINABILITY

Creating Value for Our Stakeholders

Stakeholder engagement represents the collaborative interaction between various parties that have an interest in or are affected by our activities and performance. Engaging both internal and external stakeholders serves as a bridge between the Group’s commitment to sustainability and the broader community, offering a comprehensive portrayal of its efforts and impacts.

In line with UN SDG 17: Partnership for the Goals, we actively engage with stakeholders to understand their perspectives on the Group’s sustainability framework, goals, strategies and performance outcomes.

At Puncak Niaga, we understand that creating partnerships is crucial to achieving our sustainability goals. Our stakeholder’s engagement approach acts as a roadmap for establishing and nurturing partnerships, prioritising specific situations and challenges in alignment with the UN SDGs. In order to comprehend all the dimensions of value for each stakeholder group, we conduct thorough analyses of associated risks and opportunities. These assessments are integrated into our overall risk management process to ensure comprehensive risk mitigation and optimisation of opportunities.

Our stakeholder engagement methodology follows a three-step process that includes engagement strategy and planning, stakeholder mapping, identification of objectives and sustainability issues, communication with stakeholders, stakeholder involvement in the process, ongoing monitoring and responding to address market trends and stakeholder concerns.



Sustainability Statement

Stakeholders	Method and Frequency of Engagement	Key Topics
Investors	<ul style="list-style-type: none"> • Annual general meeting • Annual report • Corporate website • Scheduled site visit 	<ul style="list-style-type: none"> • Financial and operational performance • Sustainability commitment and initiatives • Risk management • Business strategy
Client/Customer	<ul style="list-style-type: none"> • Annual customer satisfaction survey 	<ul style="list-style-type: none"> • Service quality • Customer experience • Project management • HSE compliance • Sharing the sustainability practice
Vendor/Suppliers/ Contractor/Consultants	<ul style="list-style-type: none"> • Letter of Award ceremony • Project progress meeting • Annual subcontractor/vendor performance evaluation • Quarterly HSE committee meeting • Tender briefing session • ABMS briefing • Toolbox and training 	<ul style="list-style-type: none"> • Project progress and performance • HSE compliance • Sustainability practice and commitment
Regulators Body/ Government Agency	<ul style="list-style-type: none"> • Annual report • Compliance, certification audit • Periodic site visits, engagements, audit • Periodic forums and online 	<ul style="list-style-type: none"> • Certification and award • Compliance with laws and regulations • HSE compliance • Sustainability practices & commitment
Media/Civil Society	<ul style="list-style-type: none"> • Annual general meetings • Annual reports • Corporate website • Media relations 	<ul style="list-style-type: none"> • Company's financial and non- financial performance • Company's purpose, vision, mission, and value • Transparency and timely information
Employees	<ul style="list-style-type: none"> • Staff WhatsApp • Staff Assembly • Survey and Questionnaire • Social program via PEKA • Training and development, workshop, knowledge sharing sessions. 	<ul style="list-style-type: none"> • Regular health and safety practices • Human capital competency and capabilities • Health, safety and environment committee • Information sharing by management
Local Community	<ul style="list-style-type: none"> • Annual general meeting and reports and social media • Industrial association engagement • Corporate website and advertisements • Stakeholder engagement 	<ul style="list-style-type: none"> • Community investment programmes and partnership • Sustainability practices and commitment • Company's branding and reputation

Sustainability Statement

MATERIALITY MATTER

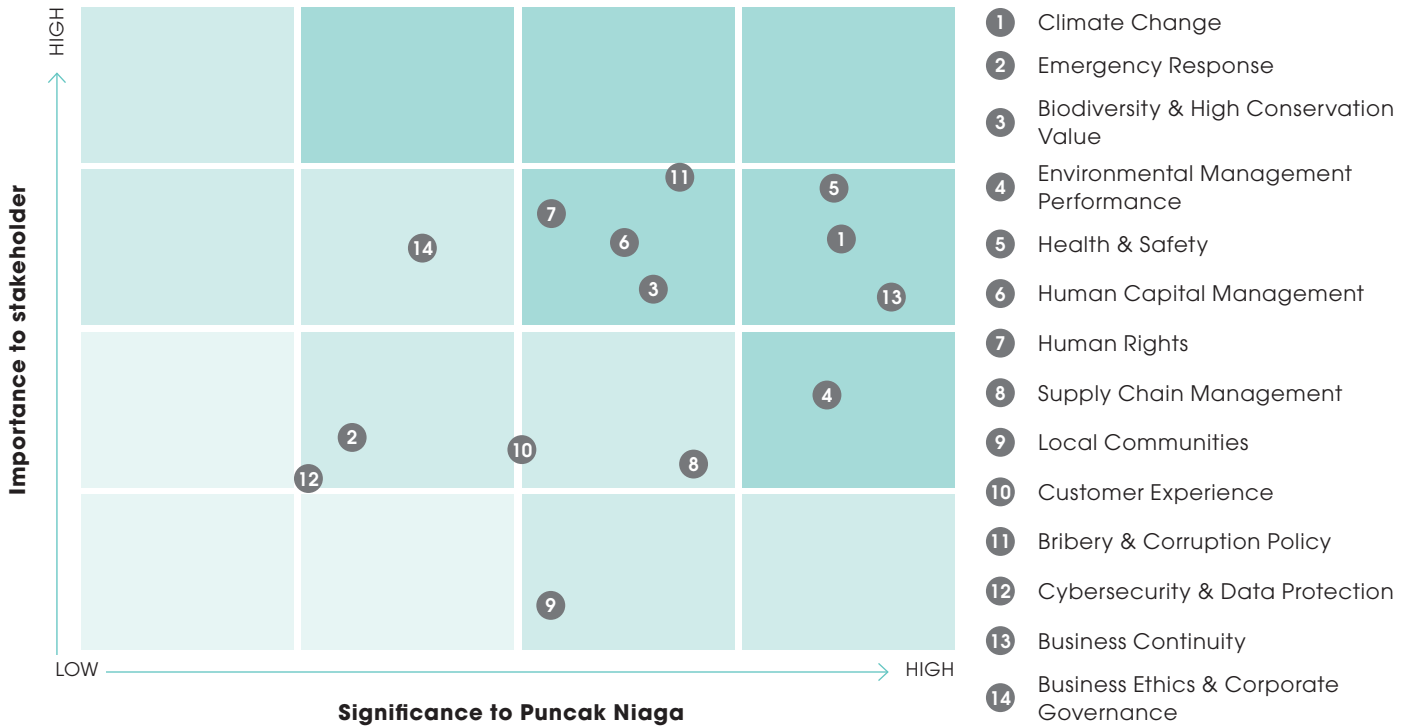
In FY2023, Puncak Niaga conducted a materiality assessment, aligning with GRI 3: Material Topics 2021 principles and Bursa Malaysia's Sustainability Reporting Guide 2022.

Conducting a materiality assessment involves a structured and comprehensive process to identify and prioritise environmental, social and governance ("ESG") issues that are most relevant and significant for the Group and its stakeholders. The following outlines a step-by-step methodology in conducting the materiality assessment:

- 1 Define Scope and Objectives**
 We defined the scope of the assessment, including the company's boundaries, business units, and geographies to be considered. We have established the objectives of the assessment, such as identifying key ESG issues, informing stakeholders on strategic decision-making, enhancing stakeholder engagement and improving our reporting.
- 2 Stakeholder Identification and Engagement**
 We have identified and engaged with the relevant internal and external stakeholders. This includes investors, customers, employees, suppliers, regulators, NGOs and local communities. Stakeholder perspectives are crucial for understanding which ESG issues matter most to them and how these issues may impact the company.
- 3 Data Collection and Analysis**
 All the data on ESG issues from a variety of sources, such as sustainability reports, financial statements, industry reports, news articles and benchmarking studies were gathered and analysed to identify trends, emerging issues, and potential risks and opportunities that may affect the company.
- 4 Develop Materiality Criteria**
 We established the criteria for determining the materiality of ESG issues. These criteria often include factors like financial impact, stakeholder importance, regulatory compliance and potential reputational risks.
- 5 Map ESG Issues**
 We created a matrix that plots the identified ESG issues based on their potential impacts and stakeholder importance. This matrix helps visualise the relationships between issues and their relative significance.
- 6 Stakeholder Prioritisation**
 Based on stakeholder engagement and data analysis, we prioritized ESG issues according to the perspectives of different stakeholder groups. We assigned weightages to factors like the level of concern, regulatory requirements and strategic alignment.
- 7 Integration into Reporting and Decision-Making**
 We have integrated the materiality assessment findings into various corporate reports, such as sustainability statement reporting, annual reports and investor communications.
- 8 Continuous Monitoring and Review**
 This involves conducting an annual review of the assessment for any changes and updates to ensure relevancy, while a comprehensive materiality assessment will be conducted once every three years.

Sustainability Statement

PUNCAK NIAGA MATERIAL MATRIX



ALIGNING TO THE GLOBAL AGENDA

Supporting the Sustainable Development Goals

We recognise that the Group plays a vital role in addressing broader sustainability issues and as such, we have aligned our Framework to the UN SDGs that we consider most relevant to our business.

SDGs	Goals	Initiatives
	We prioritise the health and safety of our stakeholders, by actively promoting health, safety and well-being in the workplace and among the community.	We strive to achieve zero accidents by continuously improving occupational health and safety measures. Zero fatality targets are key performance indicators across all business segments.
	We respect all individuals and uphold gender equality in hiring and employment practices, providing equal opportunities regardless of gender.	We remain committed to providing equal leadership opportunities to the women in our workforce. In FY2023, 30.6% of our workforce are women – 23.6% in management roles, 44.6% in executive roles.
	We ensure the availability and sustainable management of water and sanitation for the community.	We conduct environmental impact assessments in any project, ensuring that mitigation actions are monitored and reported.

Sustainability Statement

SDGs	Goals	Initiatives
	We are committed to adopting cleaner energy to optimise the use of energy across all business divisions and exploring renewable energy where possible.	We conduct research and studies aimed at establishing a static workplace for adopting potential energy efficiency and renewable energy measures.
	We uphold fair employment practices, both for our people and across our supply chain, fostering a conducive workplace for our employees.	We recognise the benefits of embracing a multi-generational perspective that contributes to the growth of our short and long-term business objectives. In FY2023, 68.8% of our workforce were between the ages of 19 to 39.
	We are committed to creating equal opportunities for both our employees and communities.	We do not discriminate against any of our employees or the local community in the terms of welfare and compensation.
	We recognise the importance of climate change and its long-term impact on our business. Therefore, we proactively implement climate strategies across our businesses to address climate changes issues.	We conduct climate change risk assessments for every project.
	We conserve and sustainably use the oceans, seas and marine resources for sustainable development in our projects.	We ensure that environmental impact assessments are conducted and mitigation actions will be monitored and reported.
	We acknowledge and commit to the Biological Diversity where applicable to our business operations.	We have maintained our MSPO certification in our plantation segments.
	We commit to uphold integrity and compliance with all applicable laws and regulations across our business operations.	We have been certified with Anti-Bribery Measurement System ("ABMS") and we comply with local laws and regulations including the Malaysian Anti-corruption Commission (Amendment) Act 2018.
	We actively seek for long-lasting partnerships and collaborations with our stakeholders both locally or globally.	We became members of the United Nations Global Compact ("UNGC") in August 2023.

Sustainability Statement

CREATING ECONOMIC VALUE

In 2023, we prioritised our large-scale projects, generating a significant positive impact on economic contributions for the benefit of our stakeholders. We are committed to creating economic value by providing job opportunities for locals and small-and-medium-sized enterprises. We engaged 100% local vendors and suppliers, of which 40.85% are Bumiputra to implement all of our projects. As of 31 December 2023, the amount invested in local procurement was RM50.63 million.



The Environmental Engineering and Construction Division focuses on various projects, including a centralised sewage treatment plant Package D44 of the Bunus project in Kuala Lumpur, Kuantan sewerage project, Johor Project water pipe replacement, Kelantan water treatment plant. Other key projects are UiTM Puncak Alam Campus development under our Concession and Facilities Management Division and oil palm estates under our Plantation Division.

As we strive to create a positive environmental impact, our strategy is centred around our local community, employees, business partners, and shareholders. We aim to drive sustainable growth and build resilience in response to challenges in every business segment, while complying with all applicable local and international laws and regulations.

BUNUS PROJECT

The Bunus Project is part of a river cleansing initiative under the Greater Kuala Lumpur River of Life project, which aims to revitalise the areas surrounding the Sungai Klang to increase vibrancy and boost tourism. Package D44 of the Bunus Project is an intricate network and covers approximately 72 sq km of sewer pipes established within the Sungai Bunus catchment area.

Managed by Puncak Niaga Construction Sdn. Bhd. ("PNCSB"), the Bunus Project, which is valued at RM394 million, strives at managing wastewater more efficiently, lowering operational and maintenance costs, and reducing sources of water pollution. The project involved replacing the old Sewerage Treatment Plants ("STPs") by constructing a network of some 54 km of interconnected sewerage pipes, which will run to the centralised Bunus STP, covering areas including Gombak, Setapak, Air Panas, Taman Melawati, Ampang and Lembah Keramat.

The sewage pipe network is designed to complement and integrate seamlessly with the new centralised treatment facility.

This will enable the sewerage operator company to minimise operational and maintenance costs and reduce sources of water pollution to lower the impact on the environment. As of 31 December 2023, we have achieved 92.54% completion of our Bunus Project.

KUANTAN PROJECT

The Kuantan Sewerage Project, under the 11th Malaysia Plan, involves building a Centralised Sewage Treatment Plant ("CSTP"), with green technology, supporting 400,000 people. The project aims to improve sewerage services coverage and environmental sustainability, reducing pollution and producing high-quality effluent. The project, valued at RM463 million, includes rationalisation and decommissioning of 165 existing STPs, eight NPS, and the main pumping station.

As at 31 December 2023, we have managed to achieved 96.18%, compared to 94.51% in 2022, with RM15.7 million certified and paid for each major scope of works. Meanwhile, progress in CSTP, Sewage Conveyance System ("SCS"), and NPS has been impressive, with CSTP at 94.51%, SCS at 99.26%, and NPS at 95.25%.

Sustainability Statement



The Johor Project’s milestone achievements and adherence demonstrated our commitment towards our clients, community engagement, and environmental sustainability while adhering to the budget and cost management framework.

BUKIT CHUPAK KELANTAN PROJECT

PNCSB was awarded a RM47.21 million sub-contract to build a water treatment plant and upgrade a water distribution system in Gua Musang, Kelantan (“Bukit Chupak Kelantan Project”) in July 2023. The project aims to address water shortages in old town, new areas, and residential areas. The scope includes building a raw water intake station, sedimentation tank, filtration plant, treated water pumping station, and administration building. Subsequent to year end, the project has achieved a completion rate of 9.98%, slightly behind schedule. PNCSB is working closely with the main contractor, consultant, and project owner to ensure smooth progress. The project’s original completion date was set for 28 May 2024, however, due to constraints at the site and the pending approval of Local Authorities, it has been granted an EOT No.1 with a new completion date of 26 December 2024.

PLANTATION DIVISION

The Plantation division experienced a revenue decline in FY2023, primarily due to lower fresh fruit bunches (“FFB”) sales resulting from lower production and average crude palm oil prices, compared to the previous year. Run by Danum Sinar Sdn Bhd, the division has developed a total land area of 12,041 hectares —28% of 42,950 hectares— across six estates, including Arau, Lakin, Kalayan, Marong 1, Marong 2, and Jabon. The estates feature undulating hills, flat lands, and rivers. Danum Sinar has improved its facilities, amenities, and telecommunications, and provided job opportunities for locals and indigenous communities since July 2017. The following are details of the jobs created by the division:

The Kuantan and Bunus Projects have enabled us to contribute to the local economy as we have recruited locals and engaged small and medium sized enterprise as vendors and suppliers:

Jobs Created (Contract Workers)

136

(2022: 369, 2021:315)

Local Small and Medium Sized Enterprises (as Vendors/Suppliers)

17

(2022: 56, 2021:40)

JOHOR PROJECT

In March 2023, PNCSB secured a RM82.86 million water pipe replacement subcontract for Johor Project, aiming to reduce the non-revenue water (“NRW”) in Johor. Despite delays due to securing work permits from local authorities, the project achieved a completion rate of 15.67% in FY2023, completing 39.2 kilometres of water pipe and 2,363 communication pipes. The project’s progress demonstrates commitment to community engagement, minimising disruptions, and focusing on environmental sustainability. An EOT was granted for 14 December 2024 from the initial target date of 17 January 2024.

Jobs Created	2021	2022	2023
Local Indigenous Community (Penan only)	171 (22%)	176 (19%)	201 (19.32%)
Malaysian employees (Excluding Penan)	119 (16%)	31 (3%)	30 (2.89%)
Foreign Workers	474 (62%)	713 (78%)	809 (77.78%)
Total	764 (100%)	920 (100%)	1040 (100%)

Sustainability Statement

CONCESSION AND FACILITIES MANAGEMENT

TRIpIc Berhad Group has secured two concession agreements for the UiTM campus at Puncak Alam. The first, a 23-year concession until April 2034, was awarded by TRIpIc Ventures Sdn Bhd, a subsidiary of TRIpIc Berhad covers Zone 1 Phase 2 ("Z1P2") of the UiTM campus and includes the planning, finance, design, development, construction, landscaping, equipping, installation, completion, testing and commissioning of facilities and infrastructure, as well as ongoing maintenance of all facilities within Z1P2. As per the concession agreement, the three yearlong construction of the facilities was completed in March 2014, which saw the addition of several facilities and infrastructure across its 45.71 acre site including academic facilities, students' accommodations and facilities for 5,000 students living on campus. Meanwhile, the maintenance works contract which began on 11 April 2014 is set to continue for the next 20 years until its completion on 10 April 2034.

The second concession agreement undertaken by TRIpIc Medical Sdn Bhd, a subsidiary of TRIpIc Berhad involves Zone 1 Phase 3 ("Z1P3") of the UiTM Campus, which features a teaching hospital equipped with academic facilities, accommodation and amenities. The agreement covers the planning, finance, design, development, commissioning of the facilities and infrastructure, and provision of asset management services upon completion. The construction of the project was completed in December 2020 and the Hospital UiTM Puncak Alam was handed over to UiTM on 1 February 2021 after it obtained the Certificate of Acceptance. Since then, asset management services have taken over for the next 22 years until the contract is fulfilled in 31 January 2043.

TRIpIc Medical Sdn Bhd – Asset Management Services (AMS)

The hospital building was handed over to TRIpIc Medical Sdn Bhd and marked the commencement of the AMS with the following services provided and the average KPI achieved in FY2023:

Facilities Management Services (FMS)

2023 KPI Achieved

99.33%

Facilities Engineering Maintenance Services (FEMS)

2023 KPI Achieved

99.46%

Biomedical Engineering Maintenance Services (BEMS)

2023 KPI Achieved

99.42%

Cleansing Services (CLS)

2023 KPI Achieved

100.00%

Linen & Laundry Services (LLS)

2023 KPI Achieved

90.92%

Healthcare Waste Management Services (HWMS)

2023 KPI Achieved

100.00%

Information & Communication Technology (ICT)

2023 KPI Achieved

97.58%

As of 31 December 2023, we have successfully achieved 98.10% compared to 94.91 in FY2022.

Additionally, our commitment to quality management practices across our operations has earned us the MS ISO 9001:2015 – Quality Management System certification.

During the year under review, TRIpIc Group was awarded an additional contract worth RM14.8 million from UiTM to provide additional medical equipment for Hospital Al-Sultan Abdullah ("HASA") UiTM for a period of 45 months beginning 15 March 2023 to 10 October 2026. TRIpIc Medical Sdn Bhd addressed 46 biomedical equipment mishandling incidents in the year 2023, implementing training programmes for hospital employees and ensuring only trained and equipped employees operate the equipment.

Our Z1P2 concession achieved a higher key performance indicator ("KPI") record of 99.92% in 2023, exceeding the agreed score of 93%. As for the Customer Satisfaction Survey in year 2023, the survey which was conducted in December 2023 where feedback was obtained from 650 participants which comprised staff, students and visitors on a broad range of categories including building facilities, infrastructure, construction works and overall management and maintenance received a KPI Maintenance Customer Service Rating of 96.81% as compared to 96.15% in the previous year.

As for Z1P3, we achieved an overall KPI achievement of 98.10% in 2023, an increased from 94.91% in 2022. Our Annual Customer Satisfaction Survey, where 100 respondents participated also achieved a quality objective of 95.25%, way above the minimum target of 80%. It is a positive indication that our stakeholders are satisfied with our performance.

Sustainability Statement

OUR INFRASTRUCTURE AND FACILITIES AT UiTM PUNCAK

PHASE 2 (Z1P2)

Academic facilities

- Faculty of Accountancy
- Faculty of Business Management
- Faculty of Hotel Management and Tourism
- Shared facilities

Student accommodations

- Hostel accommodation for 2,500 students
- 10 units of fellow accommodations

Centralised facilities

- Multipurpose hall
- Maintenance centre
- Surau
- Library
- Student centre
- Cafeteria
- Health centreurban runoff

PHASE 3 (Z1P3)

Teaching hospital and medical academic centre facilities

- A 10-storey teaching hospital with 400 hospital beds
- Academic facilities for 750 students
- Forensic and Mortuary Block

Accommodation facilities for the following:

- 78 Housemen
- 144 Nurses
- 6 Sisters (hospital staff)
- 1 Housekeeper

Other facilities

- Surau with 180 pax capacity
- Plant House

SUPPLY CHAIN

The Group recognises the significant impact that local procurement has on the nation's economy. We remain actively involved with local and Bumiputera vendors throughout our supply chain management and procurement processes. Our priority is to maintain procurement policies and practices that attract competitive contracts while upholding quality standards. In the year under review, we invested a 100% of our spend on local suppliers. Our commitment to local procurement is evidenced in the accompanying table:

Bunus & Kuantan Projects	2021	2022	2023
Local Vendors/ Suppliers	100%	100%	100%
Bumiputera Vendors/ Suppliers	14.88%	14.88%	40.85%
Amount Spent on Local Procurement (RM Million)	193.90	70.08	39.57

Z1P2	2021	2022	2023
Local Vendors/ Suppliers	83	84	56
Bumiputera Vendors/ Suppliers	36	39	30
Amount Spent on Local Procurement (RM Million)	1.817	1.995	1.904

Z1P3	2021	2022	2023
Local Vendors/ Suppliers	41	92	239
Bumiputera Vendors/ Suppliers	14	27	61
Amount Spent on Local Procurement (RM Million)	24.105	9.246	9.153

Sustainability Statement

ENVIRONMENTAL VALUE

Puncak Niaga is steadfast in its dedication to minimising its environmental impact and promoting biodiversity conservation throughout its projects. Our commitment is demonstrated through our proactive measures aimed at reducing our carbon footprint and enhancing environmental practices. We hold ourselves accountable to stringent standards that safeguard the environment and prioritise the well-being of our employees, workers and communities. Upholding our standards and practices has gained us the MS ISO14001:2015 – Environmental Management System certification.



We are also guided by a robust Health, Safety and Environmental Policy, which mandates adherence to all environmental regulations and promotes best practices to mitigate any adverse effects resulting from our operations. Responsible decision-making is at the core of our business ethos. We recognise our role in fostering a sustainable future for all stakeholders, and as such, we continually strive to minimise our business's negative impacts on the environment and surrounding communities. Through collaborative efforts and a steadfast commitment to sustainability, we endeavour to leave a positive legacy for generations to come.

SUSTAINABLE AGRICULTURAL PRACTICES

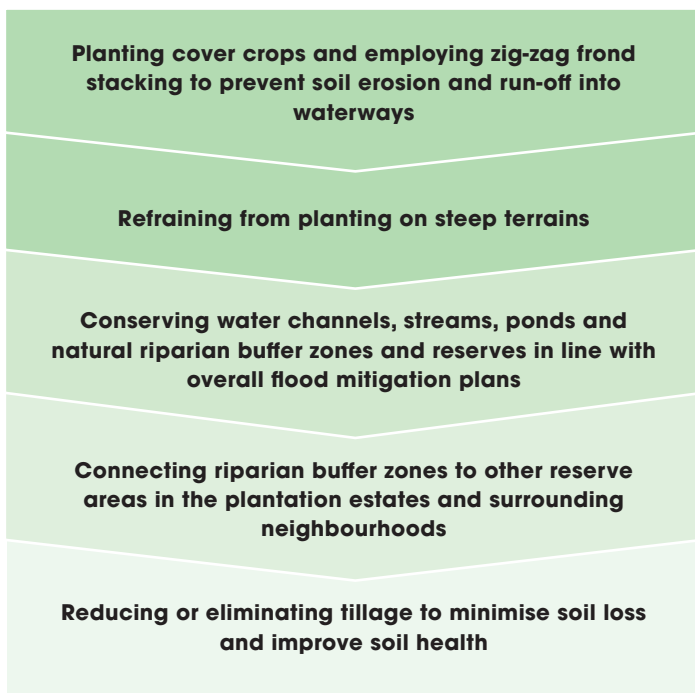
Our commitment to sustainable agricultural practices is deeply ingrained in the operations across all our estates, aimed at minimising the adverse environmental effects stemming from our business activities while safeguarding the rich biodiversity within our premises. Demonstrating this, we work closely with an independent consulting firm, Ecosol Consultancy Sdn Bhd ("Ecosol"), to conduct regular quarterly assessments of the environmental impacts stemming from our plantation operations. These assessments serve a dual purpose - they enable us to proactively manage risks and identify areas for improvement and they also facilitate our compliance with pertinent environmental regulations and standards. By systematically monitoring and addressing our environmental footprint, we aim to create enduring value while upholding our responsibility to preserve the natural ecosystems that surround us.

- | | |
|--|---|
| ① Flora and Fauna Conservation | ⑧ Agrochemical Management |
| ② Control of Soil Erosion and Slope Stability | ⑨ Plantation Development |
| ③ Hydrological Management | ⑩ Waste Disposal Management |
| ④ Control of Water Pollution | ⑪ Workers' Health And Safety Aspects |
| ⑤ Control of Air Pollution | ⑫ Road Traffic And Safety |
| ⑥ Water Disposal Management | ⑬ Abandonment And Replanting |
| ⑦ Socio-Economic | |

Sustainability Statement



Sustainable agricultural practices are fundamental to the optimal management of our estates. During the year under review, we continue to integrate the following practices to protect the ecosystem across our estates:



COMPLYING WITH ENVIRONMENTAL REGULATIONS

We remain committed to the extensive adoption of sustainable agricultural practices throughout our estates in Sarawak, adhering diligently to relevant laws and regulations. Our dedication to sustainable management is evident through ongoing initiatives aimed at reducing our carbon footprint, enforcing stringent environmental management protocols within our contractual agreements and guaranteeing the longevity of our plantation management while preserving biodiversity. Upholding a steadfast commitment to protecting, conserving and restoring the environment, we rigorously adhere to the following comprehensive framework of laws:

- 1) Land Code (Sarawak) (Cap 81) (Land Code (Amendment) Ordinance 2000 and Land Code (Amendment) Ordinance 2005 (Sarawak Land Code (Amendment) Bill, 2018)
- 2) Natural Resources and Environment (Amendment) Ordinance 2001
- 3) Wild Life Protection Ordinance (1998)
- 4) Environment Quality (Schedule Waste) Regulation 2005
- 5) Environment Quality (Declared Activities) (Open Burning) Order 2003
- 6) Sarawak Natural Resources and Environment (Prescribed Activities) Order 1994
- 7) Environment Quality (Prescribed Activities) (EIA) Order 2015

During the period under review, there were no documented instances of non-compliance with environmental laws or regulations, and no fines were recorded.

CONFORMING TO MALAYSIAN SUSTAINABLE PALM OIL (“MSPO”) STANDARDS

We uphold the responsibility of ensuring that our palm oil plantation estates align with these standards. As holder of the MSPO certification, Danum Sinar remains steadfast in its commitment to implementing sustainable management practices across all estates. Complying with MSPO standards is paramount, driving us to integrate sustainability principles encompassing environmental, social, and governance aspects into our operational framework.

To fulfil the rigorous requirements of the MSPO certification, Danum Sinar diligently submits regular reports to authorities such as the Department of Environment, the Department of Occupational Safety and Health and the Malaysian Palm Oil Board. Moreover, we have established an Environmental Aspect and Impact Assessment Register (“EAIA”) to meticulously gauge potential environmental risks, impacts and control measures, in strict accordance with MSPO guidelines.

Sustainability Statement

No.	Activity	Aspect	Impact	Current Control	Risk Control
1	New Planting	Deforestation	Land erosion, ground water contamination, degradation of habitat	Covering of crops and soil conservation	Environmental Management Plan
2	Weeding (Spraying)	Chemicals	Risk to human health, water pollution, ground water contamination, degraded water quality	Approved herbicides, appropriate equipment, pre-mixed solution (water)	PPE, OSH training, environmental awareness
3	Manuring	Pesticide, fertiliser, etc			
4	P&D Treatment	Pesticide, fertiliser, etc			
5	External Crop Transportation to Mill	Smoke and dust released from equipment usage	Air pollution, soil erosion	Monitoring/ limit loading capacity	PPE, OSH training
6	Genset	Diesel spill and carbon monoxide emissions	Fuel leakage which causes fires, hazards and burns, noise pollution from equipment, contact with equipment resulting in burns or electric shocks	Monitoring and conducting maintenance	Environmental awareness, OSH training
7	Chemical Mixing	Chemical	Risk to human health, water pollution, resulting in respiration problem	Monitoring and conducting maintenance	Regular work inspection, Environmental and Safety awareness training

Danum Sinar diligently assesses its environmental impact through quarterly evaluations, ensuring adherence to stringent criteria. Following these evaluations, a thorough Environmental Monitoring Report (“EMR”) is submitted to the Natural Resources and Environment Board (“NREB”) of Sarawak, covering approved areas of assessment such as:

- i. Flora and Fauna Conservation (e.g. prohibit hunting activities)
- ii. Control of Soil Erosion and Slope Stability
- iii. Hydrological Management
- iv. Control of Water Pollution
- v. Control of Air Pollution
- vi. Waste Disposal Management
- vii. Workers’ Health and Safety
- viii. Agrochemical Management
- ix. Road Traffic Safety
- x. Socio-Economic
- xi. Labour Line Management
- xii. Proper Hydrocarbon Waste Management
- xiii. 3R Management
- xiv. Air Quality Management
- xv. Energy Usage Management & Renewable Energy
- xvi. Fire Prevention And Control

UPDATING & MONITORING SOCIAL IMPACT ASSESSMENTS (“SIA”)

According to Principle No. 4 of the Malaysian Sustainable Palm Oil (“MSPO”) certification, it is imperative for Danum Sinar to consistently review and enhance its SIA mitigation strategies across its estates, as of August 2022, drawing from the SIA conducted by Ecosol on 4 July 2019. The annual SIA serves the following objectives:

Facilitate ongoing engagement between Danum Sinar and local communities to ensure seamless estate operations, while emphasising the benefits of conducting SIAs to mitigate negative operational impacts

Establish a consultation framework that ensures transparent, participatory discussions between Danum Sinar and relevant stakeholders. To illustrate this point, an internal Biodiversity Assessment Report (“BAR”) was conducted previously to identify biodiversity and High Conservation Value (“HCV”) areas within the estates, aligning with MSPO certification requirements. These findings have empowered Danum Sinar to strategically plan and guide its workforce in enhancing the maintenance, monitoring and conservation efforts across all estates in Sarawak.

Sustainability Statement

ENVIRONMENTAL MANAGEMENT AT OUR CONSTRUCTION PROJECTS

An Erosion Sediment Control Plan (“ESCP”) was implemented for the construction of the centralised STP at our Kuantan Project, to prevent soil erosion during the process of earthworks and construction works. The ESCP installed at our sites include sediment basins, check dams, silt fences, slope cover protection and wash through. Since our last inspection of ESCP in December 2023, no discharge was recorded from the sediment basin due to low rainfall/precipitation. We will continue to implement mitigation measures to establish long-term environmental sustainability.

GHG EMISSIONS

Addressing climate change stands as one of the foremost global imperatives of our time. The urgency is palpable as we confront the narrowing window to limit global warming to 1.5 degrees Celsius, beyond which the most severe impacts of climate change become inevitable. In response to this pressing challenge, the Group has made a pivotal decision to publicly disclose the carbon emissions associated with its Bonus Project, Kuantan Project, Johor Project and Concession and Facilities Management Division. This signifies a significant step forward for us towards positive environmental stewardship and societal impact, with the ultimate aim of achieving carbon neutrality.

Our reporting encompasses three key scopes:

Scope 1

Direct greenhouse gas (“GHG”) emissions originating from sources owned and managed by Puncak Niaga. This includes emissions from combustion processes, as well as fugitive emissions.

Scope 2

Indirect carbon emissions linked to purchased energy. It captures the environmental impact stemming from the energy sources utilised by our operations.

Scope 3

Indirect emissions generated across the entire value chain. This includes emissions associated with business travel, employee commuting, and transportation, both upstream and downstream.

By embracing transparency and accountability in disclosing our carbon emissions across these scopes, we are committed to catalysing meaningful change. This disclosure not only underscores our dedication to environmental responsibility but also serves as a catalyst for collaborative efforts aimed at combating climate change. Together, we can pave the way towards a more sustainable future for generations to come.

The provided data illustrates our greenhouse gas emissions across Scope 1, Scope 2 and Scope 3 for the year 2023:

GHG Emissions	Scope 1 (Tonnes of CO ₂ e)	Scope 2 (Tonnes of CO ₂ e)	Scope 3 (Tonnes of CO ₂ e)
Wisma Rozali	9.00	844.31	135.75
Bonus Project	1,374.68	26.50	25.92
Kuantan Project	55.57	22.88	14.83
Johor Project	2,168.34	8.19	1.80
Z1P2	0.48	7.21	136.98
Z1P3	8.80	93.44	446.23
Plantation	3,852.07	1,382.44	-
TOTAL	7,468.94	2,384.97	761.51

Note: Scope 3 emissions calculation based on average consumption of petrol during commute to work. Scope 3 emissions at our plantations are not monitored as is data insufficient. Our calculation method is based on GHG Protocol.

Moving forward, we will embrace renewable energy sources, improve our energy efficiency and implement sustainable practices across operations as crucial steps for us to significantly reduce our emissions footprint.

ENERGY MANAGEMENT

Energy conservation remains a top priority across our core operations, driven by the dual objectives of cost reduction and environmental responsibility. We actively promote a culture of energy efficiency among our employees, encouraging them to incorporate energy-saving practices into their daily routines. Our employees are empowered to take proactive steps to conserve energy throughout their workday. This includes:

- 1) Making use of the hibernation feature on computers
- 2) Utilising energy saving features in electronic devices
- 3) Turning off equipment when not in use
- 4) Printing only when necessary
- 5) Controlling heating and cooling

Our additional initiatives include encouraging the use of natural daylighting to minimise the use of lights in our office.

Sustainability Statement

During the year under review, our consumption of energy shows as below:

	2021 (kWh)	2022 (kWh)	2023 (kWh)
Wisma Rozali	2,139,377	1,457,255	1,288,312
Bunus Project	15,837	29,458	40,429
Kuantan Project	41,759	51,754	36,438
Johor Project	N/A	N/A	12,503
Plantation Estates	3,260,164	4,145,670	2,109,442
Concession and Facilities Management Division			
Z1P2	3,690,663	5,074,715	68,489*
Z1P3	32,758,472	35,822,761	174,053*

Note: * The data shown is only for operation office.

As we progress, we will closely monitor our energy consumption and implement cost-saving initiatives when necessary. Energy consumption remains our top priority to help conserve the planet and reduce our operational costs. As stewards of our planet, it is our responsibility to ensure efficient energy usage for a sustainable future.

WATER MANAGEMENT

Ensuring sustainable water management is crucial for palm oil production. We regulate hydration levels during dry seasons and manage excessive rainfall by maintaining riparian zones. Monitoring water quality at seven sites helps us control pollution, while proper septic systems prevent debris from obstructing waterways. These practices are standard across all our estates, reflecting our commitment to responsible environmental stewardship. We consistently implemented sustainable agricultural practices across all our estates, including:

- Planting legume cover crops to conserve soil, prevent erosion, and avoiding planting on steep slopes.
- Utilising zig-zag frond stacking in straight planting areas to minimise surface water runoff.
- Implementing measures to prevent sedimentation and blockages in waterways.
- Maintaining optimal water levels in peat areas to prevent soil subsidence, manage rain shortfalls, and mitigate fire risks.
- Promoting the growth of soft grasses in inter-rows and employing selective spraying to reduce surface runoff.
- Conducting regular monitoring and treatment of wastewater before its release into natural waterways.

Furthermore, we maintained a vigilant approach to water consumption across our estates, identifying and addressing areas of wastage to enhance our overall water management practices.

The following table demonstrates the amount of water consumption in 2023:

	2021 (m ³)	2022 (m ³)	2023 (m ³)
Wisma Rozali	12,028	12,902	12,899
Bunus Project	177	262.66	290.05
Kuantan Project	790*	336	360
Johor Project	N/A	N/A	87
Plantation Estates	60,298	54,389	19,620
Concession and Facilities Management Division			
Z1P2	18,994.96**	168,993	811.15
Z1P3	47,522	109,116	1,648***

Note:

* Excluding the month of June 2021.

** Excluding the month of January 2021.

*** The data shown is only for operation office.

As part of our ongoing efforts, we will continue to implement water-saving initiatives, going above and beyond current practices. This includes optimising irrigation systems, promoting water-efficient appliances and educating our community on sustainable water usage practices.



Sustainability Statement

WASTE MANAGEMENT

At Puncak Niaga, we are committed to maintaining an efficient waste management system and safeguarding the environment against the detrimental impacts of harmful compounds present in waste. We adopt hygienic, efficient, and cost-effective waste disposal methods to prevent environmental pollution.

Ensuring sustainability across our operations, we have consistently implemented the following waste management practices:

- Our palm oil plantations disallow open burning during replanting activities.
- We have in place our Agriculture Reference Manual (“ARM”) which guides us through agronomical best practices, enabling us to optimise land usage through arial mapping and surveying. Additionally, we also apply specific agriculture concepts on management by palm approach, allowing us to minimise our usage of chemical fertilisers, pesticides and herbicides. This contributes to the reduction of GHG emissions.
- Pruned palm oil fronds, empty fruit bunches (“EFB”) and chipped old palm trunks are recycled as compost and natural fertilisers which are used in our plantation.
- Solid waste generated from the communities surrounding our operational areas are collected and disposed accordingly with regulations set by local authorities.
- We continuously monitor our Concession and Facilities Management Division, Z1P3 Project on waste management and we outsource waste management services for the Z1P2 Project to appointed companies that are authorised.
- Our waste management vendors are evaluated to ensure performance and adherence to our contractual requirements.

	2021		2022		2023	
	Total Waste Diverted from Disposal (Tonnes)	Total Waste Directed to Disposal (Tonnes)	Total Waste Diverted from Disposal (Tonnes)	Total Waste Directed to Disposal (Tonnes)	Total Waste Diverted from Disposal (Tonnes)	Total Waste Directed to Disposal (Tonnes)
Wisma Rozali	N/A	216	N/A	540	0.60	1.14
Bunus Project	0.23	8.84	2.06	18.54	2.26	26.55
Kuantan Project	15	24	12	20	0	1.8
Johor Project	N/A	N/A	N/A	N/A	0	0.51
TRIpIc Group (Z1P2, Z1P3)	N/A	N/A	N/A	117.8239	0.23	702.66
Plantation	N/A	N/A	N/A	N/A	30.86	39.56

Going forward, we will maintain our current waste management practices, ensuring consistency and reliability in our approach. This includes regular collection schedules, proper sorting of recyclables and adherence to environmental regulations. We will also continue to explore opportunities for improvement and efficiency within our existing framework to minimise environmental impacts and promote sustainable practices.

REDUCING OUR INTERNAL ECOLOGICAL FOOTPRINT

Our efforts to minimising our environmental footprint are shared throughout our offices, construction sites, facilities and buildings. Environmental awareness is proactively inculcated onto our employees through mindful practices including:

Utilising reusable containers for food takeaways	One-sided misprints are reused for plain paper faxes or as scrap papers
Double sided printing, copying or writing for paper usage	Digital communications platforms such as emails, doing away with paper memos

Sustainability Statement

PAPER RECYCLING INITIATIVE

In 2023, we remained committed to paper recycling efforts across our diverse divisions, accomplishing the following:

Location	2021 (kg)	2022 (kg)	2023 (kg)
Wisma Rozali	1,113	599.5	800
Bunus Project	30	53	32
Kuantan Project	200	160	190
Johor Project	N/A	N/A	18
Plantation Division	N/A	110	207
TRIpIc Z1P2	153	45	40
TRIpIc Z1P3	N/A	N/A	104

Note: 2021 and 2022 is for Z1P2 only

PAPER CONSUMPTION

For 2023, the Group recorded a total paper consumption of:

Location	2021 (reams)	2022 (reams)	2023 (reams)
Wisma Rozali	6,270	6,950	6,500
Bunus Project	192	250	214
Kuantan Project	370	240	360
Johor Project	N/A	N/A	245
Plantation Division	500	550	196
Z1P2	400	400	400
Z1P3	400	800	800

Additionally, we have completed the following initiatives to minimise our environmental impacts and advance our operating efficiency:-

- 1** Developed and effective environmental policy
- 2** Reviewed and update environmental impacts
- 3** Implementation at site
- 4** Internal Audit checking

NOISE MANAGEMENT

We closely monitor noise levels at our Bunus and Kuantan projects to ensure our construction sites do not disrupt the surrounding communities. At the Bunus Project, significant measures have been taken to reduce noise levels in compliance with the Department of Environment ("DOE") regulations. Noise reduction equipment has been deployed across the STP construction sites and any concerns raised by nearby communities regarding excessive noise have been promptly addressed.

For the Kuantan Project, we adhere fully to the 'Planning Guidelines for Environmental Noise Limits and Concerns' mandated by the DOE. Two noise monitoring stations have been installed at the STP site to record 'Day' and 'Night' noise readings, which are submitted to the DOE quarterly.

In December 2023, the LAeq levels at all sampling points of N1 and N2 are found to comply with the recommended limits of 60 dBA in the day readings, while night readings are well below 55 dBA. We recorded a daytime in the range of 55.9 - 58.3 dBA and nighttime in the range of 46.4 - 48.1 dBA. Additionally, we observed that the noise sources at these locations were mainly from residential activities, vehicular movement and those surrounding ambient sounds such as insects and wind. During the year, we also conducted a sampling of A1, V1, and N1 at Taman Kuantan Jaya while A2, V2 and N2 were conducted adjacent to Surau Ar-Raudah Kempadang Sejahtera.

Looking ahead, we will continue efforts to regulate our noise levels.

ADDITIONAL ENVIRONMENTAL INITIATIVES

Our commitment to positively impact the environment alongside our Kuantan Project and Centralised Sewage Treatment Plant ("CSTP") is reflected through additional initiatives that we have conducted in 2023:

KUANTAN PROJECT

The Kuantan Project was undertaken to improve sewerage coverage services within the catchment zones, expanding its reach throughout Kuantan. This initiative aims to decrease the number of multipoint Sewerage Treatment Plants in Kuantan, thereby reducing pollution. To ensure transparency and accountability, monthly environmental management reports are submitted to our clients.

Sustainability Statement

ENVIRONMENTAL MANAGEMENT AT CSTP

The Centralised Sewage Treatment Plant (“CSTP”) project incorporates cutting-edge green technology, particularly in Photovoltaic (PV) Solar System to power the project and treat effluent water. Green technologies include:

PV Solar System: A 100kW system located on the CSTP rooftop, generating solar energy integrated into the power supply system for lighting.

Reusing Treated Effluent Water: Effluent water treated by the CSTP is reused internally for landscaping, sludge dewatering and general cleaning.

High Energy Efficiency Equipment: Six turbo blowers have been installed to enhance aeration, featuring high energy efficiency, reduced noise and vibration.

In 2023, there were no major anomalies in our environmental monitoring. The following monitoring activities have been carried out:

Water Quality

Water quality monitoring has been conducted at five stations which cover Sg Soi and Sg Belat. The results for water quality monitoring are compared to the baseline monitoring result with respect to Class IIB NWQS specification. Overall the water quality monitoring this year is satisfactory except for Biological Oxygen Demand, Chemical Oxygen Demand and Ammoniacal Nitrogen.

The main sources of pollutants entering Sg Belat and Sg Soi come from domestic waste settlements, animal dung and runoff of fertilizer from the oil palm plantation, discharge from populated settlements near to river and urban runoff.

Air Quality

Air quality level monitoring taken from the sampling point of A1 and A2 in this year are all within permissible limits. The result of December 2023 for Particulate Matter 10 micron (PM10) are well below 120 µg/m³, where station A1 at 29 µg/m³ and station A2 at 32 µg/m³. While for Particulate Matter 2.5 micron (PM2.5), with each sample recording a value between 8 to 10 µg/m³; lower than the 50 µg/m³ limit.

Erosion Sediment Control Plan (“ESCP”)

The ESCP at project sites are in control and work efficiently as turbidity and total suspended solid of the sediment basin discharge are well within permissible limits. Frequent maintenance and protection works is conducted in order to keep the monitoring results within the permissible limits.

Water Management

In the Kuantan Project, we have introduced various water management measures, including the reuse of water for dust control at the CSTP and the utilisation of treated effluent water in our routine operations. These initiatives aim to ensure an ample water supply during emergencies and droughts.

Plantation Estate Waste Management

We monitor our waste during the construction progress at our project sites and its surrounding areas. Our waste monitoring initiatives are executed by Estate Danum Sinar Sdn Bhd, ensuring the proper management of eight types of scheduled waste which is in line with the Environmental Quality (Scheduled Wastes) Regulations 2005:

SW305 - spent lubricant oil

SW306 - spent hydraulic oil

SW408 - contaminated soil

SW409 - contaminated containers

SW318 - waste, substances and articles containing or contaminated

SW410 - used filters

SW404 - pathogenic wastes, clinical wastes or quarantined materials

SW102 - waste of lead acid batteries in whole or crushed form

Sustainability Statement

IMPROVING OUR OPERATIONAL EFFICIENCY WITH DIGITALISATION

Towards Digital Transformation

As digitalisation and technological advancements are gaining prominence in businesses, Puncak Niaga is ensuring that we stay competitive in the industry by investing into IT innovations that increases our operational efficiency. Leveraging on digital technologies empowers us to create innovative solution, adapt to up-to-date business processes, foster a digital culture and enhance customer experiences in line with market demands. This shift towards embracing the digital age represents our commitment to digital transformation.

This year, our Information and Communication Technology Department ("ICTD") implemented diverse technological innovations, enhancing our management and operational outcomes through a more integrated and seamless Information System and Communication Technology. This has enabled us to accomplish key outcomes including:



New Computers

In ensuring seamless daily operations, the ICTD initiated a computer refreshment exercise similar to last year. Old computers of more than five years of age were replaced and staff were provided with updated hardware specification and Windows Operating System.

Smart Agriculture in Plantation

The Smart Agriculture platform offers a comprehensive suite of solutions that helps our subsidiary, Danum Sinar Sdn Bhd in adapting in technological advancement and changing demands. With the Drone feature, we are able to map, tree count and detect potential complications that could hamper crop growth. Additionally, the centralised monitoring dashboard provides us a holistic view of crop conditions and is customisable to meet our specific needs.



Sustainability Statement



New Point-of-Sale (POS) System for Aneka Suriamas Sdn Bhd

The new POS system has been applied at the estate in Bintulu, which assists in streamlining operations, improving accuracy and increasing the overall operational efficiency. Other effective features include inventory management, real-time reporting, and integration with other business software. Additionally, the Autocount feature also provide human friendly interface, inventory control, audit trails and sales modules.

System Upgrade

The new system upgrade involving cloud base system has a comprehensive process that involves leveraging technology to optimise our business operations, improve user experience, priorities cybersecurity measures which maintains the integrity of the system.



Sustainability Statement

VALUE TO OUR EMPLOYEES

Our people are the cornerstones of our business; they play a pivotal role in our growth and overall success. We prioritise the development of their talents, knowledge and capabilities through policies and practices that enhance their health, safety and overall well-being. We remain committed to cultivating a safe, motivating and inclusive work environment, empowering our employees to thrive and grow within the organisation. To generate long-term value for our employees, the Group aspires to establish a diverse and inclusive workplace, ensuring equitable practices, respecting human rights, investing in employee training and development, fostering a safe workplace and elevating employee engagement.

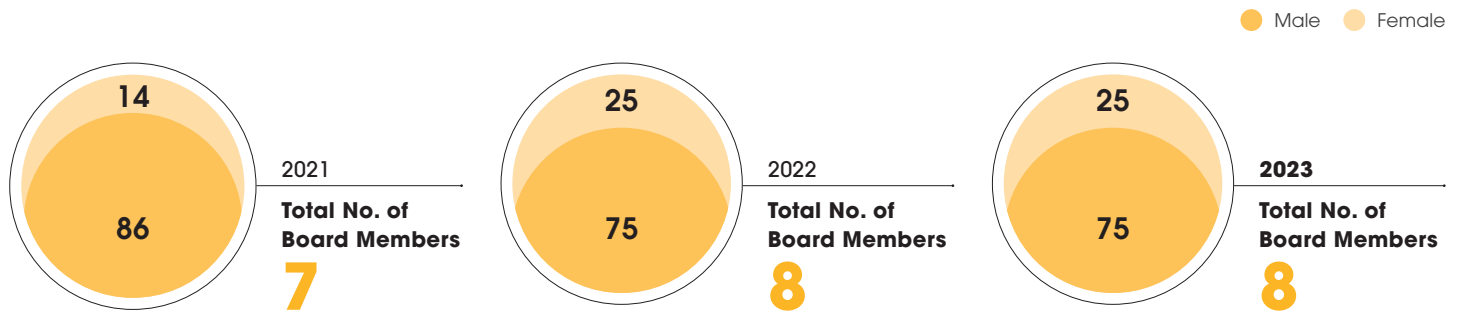


UPHOLDING WORKFORCE DIVERSITY

A positive and inclusive work environment is crucial for our employees to achieve our business goals. To this end, our PUNCAK Values are integral to our work culture, fostering an enthusiastic, united and skilled workforce driving our business. Our diverse workforce spans various age groups, genders, ethnicities, religions and backgrounds, bringing a wealth of experiences and ideas that benefit us in terms of knowledge, creativity and decision-making. Over the years, we have built a capable team with varied competencies across the Group alongside a diverse Board of Directors. The following outlines the composition of our workforce based on gender, nationality, ethnicity and age group.

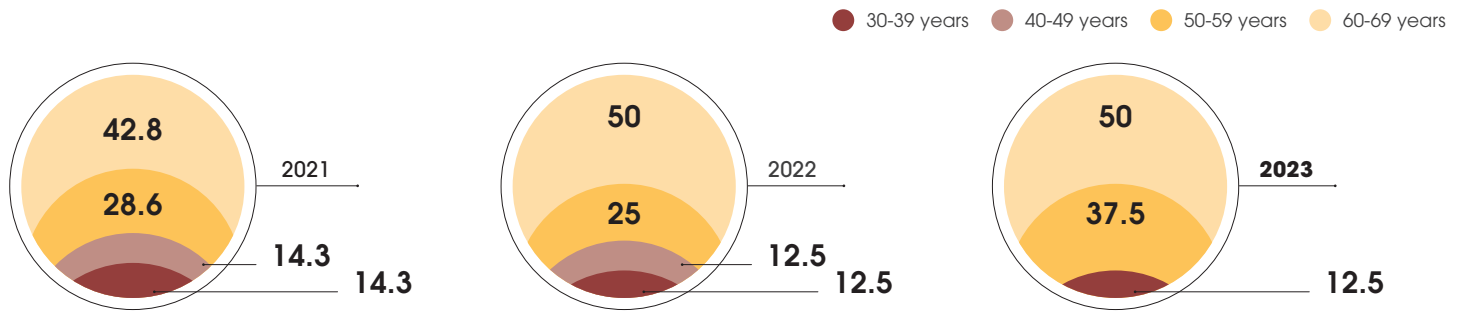
Employee Performance Data

Percentage of Board Members by Gender (%)

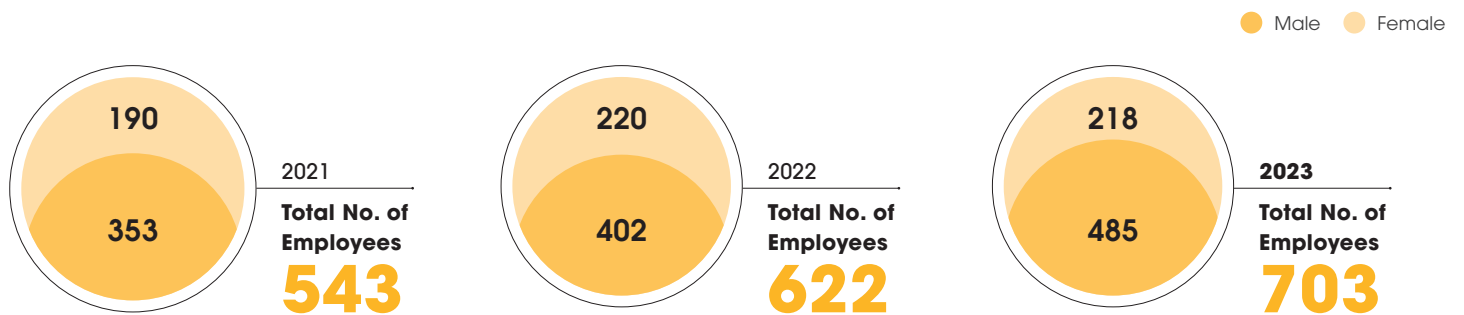


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Percentage of Board Members by Age Group (%)



Employee Breakdown by Gender



Breakdown by Age, Gender, Employee Category & Ethnicity

2021

Employee Category	Gender		Age				Ethnicity			
	Male	Female	<30 years	30-39 years	40-49 years	>49 years	Malay	Chinese	Indian	Others
Management	49	29	1	11	28	38	60	12	1	5
Executive	91	79	22	82	43	23	144	5	5	16
Non-Executive	204	73	92	105	47	33	225	-	14	38
Apprentice	9	9	18	-	-	-	18	-	-	-
Practical Trainees	9	3	12	-	-	-	12	-	-	-

2022

Employee Category	Gender		Age				Ethnicity			
	Male	Female	<30 years	30-39 years	40-49 years	>49 years	Malay	Chinese	Indian	Others
Management	60	33	2	17	42	32	76	12	1	4
Executive	99	84	45	85	35	18	153	54	4	21
Non-Executive	235	80	113	118	52	32	256	1	16	42
Apprentice	8	13	20	1	-	-	21	-	-	-
Practical Trainees	16	9	25	-	-	-	9	-	-	-

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2023

Employee Category	Gender		Age				Ethnicity			
	Male	Female	<30 years	30-39 years	40-49 years	>49 years	Bumiputera	Chinese	Indian	Others
Management	64	31	1	24	38	32	80	13	2	-
Executive	111	90	54	87	37	23	194	4	2	1
Non-Executive	298	86	174	124	53	33	370	-	14	-
Apprentice	7	5	12	-	-	-	12	-	-	-
Practical Trainees	5	6	11	-	-	-	11	-	-	-

Employee Turnover by Age and Gender

2022

Job Categories	19-29 years		30-39 years		40-49 years		50-59 years		60-69 years		Total
	M	F	M	F	M	F	M	F	M	F	
Management	-	-	9	1	8	2	5	2	4	-	31
Executive	9	19	8	17	7	7	2	-	2	-	71
Non-Executive	42	17	34	11	12	8	1	8	1	-	134
Apprentice	7	8	-	-	-	-	-	-	-	-	15
Practical Trainees	14	5	-	-	-	-	-	-	-	-	19
Total	72	49	51	29	27	17	8	10	7	-	270
Percentage (%)	26.7	18.1	18.9	10.7	10.0	6.3	3.0	3.7	2.6	-	100

2023

Job Categories	19-29 years		30-39 years		40-49 years		50-59 years		60-69 years		Total
	M	F	M	F	M	F	M	F	M	F	
Management	-	-	8	2	23	3	10	3	1	-	50
Executive	12	22	22	14	1	1	1	-	-	1	74
Non-Executive	43	15	33	6	15	8	1	3	3	-	127
Apprentice	6	8	-	-	-	-	-	-	-	-	14
Practical Trainees	-	-	-	-	-	-	-	-	-	-	-
Total	61	45	63	22	39	12	12	6	4	1	265
Percentage (%)	23.0	17.0	23.8	8.3	14.7	4.5	4.5	2.3	1.5	0.4	100

New Employee Hires by Employee Category

Employee Category	2023	
	Total Hires	Percentage (%)
Management	50	14.8
Executive	91	27.0
Non-Executive/Technical	197	58.2
Total	338	100

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OUR EMPLOYEE-CENTRIC POLICIES

Our approach to employment aligns with the Employment Act. In accordance with the government's amendment effective from 1 January 2023, we updated our documents concerning employment governance in our Employee Handbooks and employment contracts. These revisions encompass adjustments to enhance paid maternity leave, flexible working arrangements and changes in maximum working hours.

Additionally, we remain guided by the Group's established human resource management policies and procedures. These guidelines offer clarity to our employees, ensuring compliance with legal obligations and outlining employees' rights. The Board oversees the implementation of these policies in accordance with the relevant employment laws and regulations. The following is a list of our employee-related policies:

Manpower Planning and Recruitment
Training and Development
Performance Management
Compensation and Benefits
Employee Relations
Grievance Mechanism
Disciplinary Actions
Other policies in compliance to applicable laws and regulations

ANTI-SEXUAL HARRASSMENT POLICY

We focus on protecting our employees from sexual harassment to ensure a safe work environment. Our Sexual Harassment Policy outlines a straightforward reporting process for employees as and when any such incidences occur. There were no incidents related to sexual harassment in the year under review.

FORCED OR COMPULSORY LABOUR, HUMAN RIGHTS VIOLATIONS & CHILD LABOUR

We maintain a strict zero-tolerance stance against forced or compulsory labour, child labour and human rights violations. Diligent efforts are invested in ensuring full compliance with policies regarding labour and human rights within our business operations. Our dedicated team of Auxiliary Police consistently addresses human rights and labour-related matters, enforcing ethical practices throughout our premises and operations. In 2023, there were no recorded incidents of child labour, forced or compulsory labour, or violations to the rights of our employees and indigenous communities in areas where we operate.

GRIEVANCE MECHANISM

We have in place a structured grievance mechanism to empower our employees, suppliers and stakeholders to express their concerns regarding environmental issues, labour practices and other critical matters requiring our immediate attention. As we strive to demonstrate our commitment to accountability and transparency, we have implemented a Whistleblowing Policy that encourages employees and stakeholders to report any misconduct or concerns without fear of retaliation. These whistleblowing reports can be submitted directly to a Designated Director of the Group, Integrity Officer of the Chairman of the Audit Committee via email, in writing or in person.

During the year, two whistleblowing cases were submitted to the Integrity Unit in January and December 2023. The Integrity Unit conducted investigations and actions were taken to resolve both cases.

TRAINING & DEVELOPMENT

To optimise our performance and fill skill gaps, we continuously invest in the training and development of our workforce to broaden their capabilities and skills. This strategic approach not only enhances talent retention but also contributes to heightened job satisfaction, increased productivity and ensures the sustained growth of our business. In the year under review, we invested a total of RM221,592 in training and development programmes, marking a 28% increase from the investment made in 2022. A total of 603 employees participated in training programmes, which encompassed a diverse blend of both internal and external training, with the aim of enhancing functional skills, general knowledge and fostering personal development. The average training hours per employee in 2023 stood at 1.77 man days.

Sustainability Statement

Below is a list of training programmes provided to Directors, the Management and employees in 2023:

List of Training in 2023

Internal Training

- ESG Sustainability Awareness Briefing
- Program Pengukuhan Integriti – Tumbuk Rusuk: Pengkisahan Dari Tirai Besi
- Agile Work Culture: Unlocking High Performance and Innovation
- Office Management and Administration: Developing High Performance Skills
- Fire Fighting Rescue and Emergency Action Plan
- Briefing On Company’s Anti-Bribery Policy
- Sesi Taklimat Dan Penerangan Zakat MTI
- Driver Etiquette, Do’s and Don’t
- Time Management for Non-Executive
- 5S Practice at Workplace
- Auxiliary Police Shooting Training
- Basic Occupational First-Aid, CPR, & AED
- Anti Bribery ISO 37001:2016 - Awareness Understanding and Interpretation and Gap Analysis
- Emergency Preparedness and Response Team
- Integrated Management System: Awareness Training
- Awareness Training on Company’s/Group’s Operations Standard Operating Procedures (SOP) And Limit of Authority
- Briefing On Revised Limit of Authority and Tender Committee
- Induction Programme for Management Staff For DSSB
- Fertilizer And Manuring Application
- Plantation Estate Management Workshop DSSB
- Fresh Fruits Bunches (FFB) Standard & FFB Quality
- Effective Safety & Health Committee
- CIDB Green Card Application
- Linen And Laundry Management
- IMS System Awareness and Internal Audit Training
- Building Operation & Maintenance
- Scheduled Waste Management
- ISO 13485:2016 Medical Device Awareness and Internal Audit
- Workshop On Review of Planned Preventative Maintenance (PPM) Work Programme of Z1p2 (Campus) UiTM Puncak Alam FMS Services
- Safety Testing and Maintenance of Basic Active Medical Devices
- Chemical Management, Spill Drill and Clean Up
- TRIp/c FMS Awareness Training on Company’s/Group’s Operations Standard Operating Procedures (SOP) And Limit of Authority
- Incident Investigation Technique
- ISO 13485:2016 Medical Device Risk Assessment
- Computerized Facilities Management System (Archibus System)
- ISO 9001:2015 Internal Quality Auditor

External Training

- Tax & Business Summit 2023
- MAICSA Annual Conference 2023: Revitalising Governance Towards Sustainability
- Malaysia’s Amended Employment Act and Industrial Relations Act
- HRDCORP Business Accelerated Talk - Digital Transformation (Future Skills)
- National Human Capital Conference Exhibition (NHCCE) 2023
- Tax Seminar on Budget 2023
- MECA IR Convention
- SSM’S Guidelines, Practices Notes & Practice Directives
- Secretarial Practice Workshop Series – Closure of Companies & Joint Venture Arrangements
- Kursus Asas Membaik Pulih Televisyen
- 2023 Budget Seminar
- 2024 Budget Seminar MIA
- Webinar Series: Corporate Governance Audit: A Guide for Company Secretary
- Conflict of Interest (COI) and What Can Go Wrong - Unpacking Its Implication to Listed Issuers and Their Directors
- Kursus Kemahiran Penggunaan T-Baton & Gari
- Webinar Series - Secretarial Practice Workshop Series - Meetings, Minutes and Resolutions
- Webinar Series: Violations Of the Companies Act 2016: Oversights by Directors and Secretaries
- Handling Misconduct Relating to Absenteeism
- MSPO Briefing 2023
- Corporate ESG and Sustainability
- Tools For Audit Managers
- Sustainability Global Reporting Initiative (GRI) Reporting
- Seminar Kontraktor Malaysia Madani : Pematuhan & Pematapan Kontraktor 2023 CIDB Selangor
- Perlindungan Projek Pembinaan Dan Pampasan
- KPI Setting for Managers
- Malaysia International Water Convention 2023
- Plumbing And Water Reticulation (PWR2)
- OSH & Management Programme
- OSH Performance Development and Mentoring
- Emergency Preparedness and Response Plan (Erp)

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External Training (cont'd)

- Incident Reporting and Analysis Technique
- Seminar Understanding Osh (Amendment) Act 2022 and the Implementation of Effective Self-Regulatory Osh Management
- 2024 Budget Seminar MIA
- MPOA National Palm Oil Conference 2023
- Kursus Pemangkasan Pokok Mengikut Amalan Arborikultur
- Lead Auditor Course Integrated Management System ISO 9001, ISO 14001 & ISO 45001
- Working At Height
- Taklimat Pengenalan Reka Bentuk, Pengoperasian Dan Penyelenggaraan Alatubah (Transformer) Serta Alatsuis (Switchgear) Sistem Bekalan Elektrik
- Building Operation & Maintenance Technician
- Seminar Organisasi Keselamatan Kebakaran (OKK) 2023
- Site Safety Supervisor
- Safety And Health Officer
- Tax & Business Summit 2023
- BDO Tax Webinar 2023
- KPMG Board Leadership Centre Exclusive | New TP Horizon - Transition OR Transformation?
- ACCA Virtual Seminar Post Budget 2024
- BDO Tax Seminar on Budget 2024

Training Programmes Conducted

Types of Training Programmes	No. of Programmes
In-House	35
External	48
Knowledge Sharing	10
Total	93

Number of Personnel Trained in 2023

Types of Training Programmes	No. of Personnel
Functional	288
Personal Development	34
General Knowledge	272
Engagement	9
Total	603

Average Training Hours by Gender

Training Hours/Gender	Male	Female	Total
Total No. of Employees	480	212	692
Total No. of Training Hours	834.9	392.8	1227.7
Average Training Hours Per Employee	1.55	1.56	1.77

Average Training Hours by Employee Category

Employee Category	Total No. of Training Hours	Average Training Hours Per Employee
Management	223.50	2.35
Executives	585.34	2.75
Non-Executives	418.63	1.09
Total Training Hours	1,227.47	6.19

Total Number of Employees Trained

Employee Category	No. of Employees Trained
Management	79
Executive	157
Non-Executive	208
Apprentice	5
Total	449

KNOWLEDGE SHARING COLLABORATIONS WITH UNIVERSITIES

As part of our human capital initiatives, we collaborate with local universities, fostering the exchange of knowledge and expertise between industry entities and academic institutions. Since January 2015, we have entered into an MOU with Management Science University ("MSU") and signed an MOU with Politeknik Sultan Idris Shah ("PSIS") in February 2016. These collaborations provide the Group with internship and training opportunities, building bridges and strengthening our connections with academic institutions. In 2023, 22 students from 11 universities/institutions were engaged in our internship and practical training programmes.

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In addition, on 1 August 2023, a representative from human resources was invited to speak at the Final Year Career Bootcamp, held in conjunction with the Ready2Work Job on Campus Interview 2023. Organised by Universiti Pertahanan Nasional Malaysia ("UPNM"), our HR representative shared tips and tricks for job interviews and conducted mock interview sessions for UPNM final year students during the event.

Working with these universities has deepened our understanding of the academic landscape and its alignment with our industries. This knowledge enhances our capacity to contribute significantly to the development of the nation's human capital. We are dedicated to maintaining these MOUs as valuable channels for ongoing learning and development opportunities arising from our university partnerships.

EMPLOYEE PERFORMANCE & APPRAISAL

Performance appraisals are conducted twice a year to evaluate and reward employee performance, identify skill gaps and determine training needs. These appraisals also allows us to recognise high-performing employees, plan their career paths and provide a platform for employee feedback. Our Independent Employees Performance Review Committee ("IEPRC") reviews assessments and scores submitted by the Heads of Departments and Divisions. The IEPRC then presents recommendations to the Executive Committee ("EXCO") and the Board, which collectively decide on employee assessments based on individual and overall company performance.

The Board will recommend action plans to address situations where employee performances do not meet the required standards. Non-performing employees will be mandated to participate in the Performance Improvement Programme ("PIP"), involving counselling sessions with the Head of Division and the Executive Director of the Human Resources and Administrative Division. This will be followed by monthly performance reviews conducted over a six-month period. In 2023, 478 (69%) of our employees received regular performance reviews.

BENEFITS & COMPENSATION

Providing employees an attractive remuneration package is vital to attract, motivate, retain and compensate our dedicated employees for their hard work. We are committed to regularly reviewing and improving our benefits and compensation structures, aligning them with industry standards to inspire our employees to perform at their best.

Key employee benefits include:

Comprehensive medical coverage for employees and their immediate family members

Life insurance and retirement benefits

Educational loans with 0% interest and interest subsidies for housing and car loans

Incentives to support daily expenses including mobile phone, travel, cost of living, meals and hardship allowance

Flexi-working hours and extensive annual leave, medical leave, study leave, compassionate leave and paternity leave

Fully paid professional subscriptions and training expenses

EMPLOYEE ENGAGEMENT

We strive to empower and motivate our employees by fostering a culture of excellence and strengthening our relationship with our workforce. In addition to prioritising their safety, health and well-being, the Group encourages camaraderie among colleagues by fostering team-building activities and providing networking opportunities.

In 2023, we engaged with our employees through these initiatives:

Initiatives

PEKA

- 'Jom Sihat' Programme 2023
- Mesyuarat Agung Tahunan PEKA Kali ke-17
- Tazkirah & Solat Sunat Hajat Programme
- Distribution of Kurma to Employees in conjunction with the month of Ramadhan
- Majlis Iftar Bersama Anak Yatim and Asnaf 2023 (Puteri)
- Bubur Lambuk Programme 2023
- Majlis Bacaan Yasin & Tahliil
- Sumbangan Kebajikan Kepada Ahli PEKA
- Futsal Tournament – Piala Tan Sri Rozali Ismail 2023
- Merdeka Day Celebration
- Bowling Competition Between Departments 2023
- Indoor Game Tournament – Piala Azlan Shah Tan Sri Rozali 2023 (Badminton, Ping Pong, Carrom and Dart)
- Pelancaran Tabung Kemanusiaan Palestine Puncak Niaga

PNCBSB

- Raya Open House

Danum Sinar

- Maulidur Rasul Celebration at Arau Estate
- Birthday celebration at Kem Belian line site

Sustainability Statement

OCCUPATIONAL SAFETY & HEALTH (“OSH”)

Our employees’ safety, health and well-being is our top priority. We strive to provide a secure working environment that empowers our workforce to contribute effectively to the Group’s current and future goals. We are committed to implementing robust OSH policies and processes throughout our operations to navigate challenges successfully.

The Group has established a comprehensive Health, Safety and Environmental Policy aimed at preventing injury, illness and pollution in all operational activities. This policy is focused on eliminating hazards, minimising risks and safeguarding the environment. Additionally, all workers and worker’s representatives are mandated to adhere to safe practices to protect themselves, their colleagues and the environment. Our efforts have been recognised as we have received the MS ISO 45001:2018 – Occupational Safety & Health certification. Going forward, we remain committed to upholding exemplary OSH standards throughout our projects, plantations and operations.

ENSURING WORKPLACE SAFETY THROUGH OSH TRAINING

In our commitment to cultivate a culture of safety across our operations and reduce accidents and incidents, we provide training for both employees and workers. We believe that it is essential to enhance their knowledge and capabilities in OSH to protect our workforce, clients, contractors and communities in the areas where we operate. Our training programmes encompasses aspects such as emergency preparedness, incident reporting and investigation and site safety. In 2023, a total of 148 employees underwent health and safety training.

The following is a list of training programmes we conducted for our workforce:

- Effective Safety & Health Committee
- Basic Occupational First Aid, CRP & AED
- CIDB Green Card Application
- Emergency Preparedness and Response Team (internal and external)
- Fire Fighting Rescue and Emergency Action Plan
- Incident Investigation Techniques
- OSH & Management Programme
- OSH Performance Development and Mentoring
- Incident Reporting and Analysis Techniques
- Site Safety Supervisor
- 5S Practice at Workplace
- Seminar Organisasi Keselamatan Kebakaran (“OKK”) 2023

BUNUS PROJECT

We persist in prioritising the health and safety of our clients, contractors, workers, visitors and communities within our Bunus Project. This commitment is aligned with international standards, applicable laws and regulations. We continue to adhere to the OSH management system requirements outlined in the OHSAS 18001:2007 and ISO 45001:2018 certifications.

Regular audits are conducted to assess the effectiveness and reliability of our health and safety systems, along with site and safety inspections conducted throughout the year. Safety awareness is reinforced through weekly toolbox talks addressing safety and environmental issues amongst contractors, while quarterly meetings are held to discuss on health, safety and environmental matters.

As of 31 December 2023, we achieved 3,277,500 LTI-free manhours, in comparison to 2,844,996 hours in 2022.

KUANTAN PROJECT

We continued to maintain the highest standards of OSH at our Kuantan Project, ensuring compliance with safety requirements to protect clients, staff, contractors, visitors and members of the public. During the year, we conducted regular site and safety briefings for our staff and contractors. We also conducted toolbox talks, safety inductions, monthly inspections and first aid inspections with our staff and contractors. Additionally, monthly progress meetings with local authorities were held to address health and safety concerns.

Continuous efforts were made to identify and address hazards across our project, effectively managing risks and preventing potential hazards. In 2023, we achieved 1,306,720 LTI-free manhours as compared to 814,750 hours in the previous year.

PLANTATION DIVISION

Our Plantation Division was MSPO-certified since 6 August 2019 and was reaffirmed in 2021 via 2nd year of audit surveillance conducted by Care Certification International (M) Sdn Bhd. This division remains committed to maintaining robust OSH standard operating procedures outlined in its OSH Policy Manual. In addition, our committed OSH Committee strives to ensure that OSH best practices are consistently implemented by our employees and workers throughout the workplace. In 2023, Danum Sinar continued to provide training such as fire drill training, sessions on Hazard Identification, Risk Assessment, Risk Control and other safety-related training to reinforce safety practices among employees in the workplace.

Safety and Health unit also have planned training to all workers and estate management team to ensure that no reoccurrence of any accident. Safety and Health unit also committed to conduct workplace inspection to ensure that all workers are wearing their PPE and work as per order in safe work procedure. In 2023, we achieved 1,703,664 LTI free man-hours as compared to 2,921,1414 in 2022.

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CONCESSIONS & FACILITIES MANAGEMENT DIVISION

We remain committed to meeting the requirements of the Integrated Management System ISO 45001:2018 for Occupational Safety and Health, ensuring that our operations adheres to internationally recognised best practices in safety. TRIpIc Berhad Group also undertook an accreditation assessment by Malaysian Society for Quality in Health ("MSQH").

In 2023, the Concessions and Facilities Management Division maintained these OSH practices and procedures:

- Monthly Toolbox/Induction Briefings/General Pest Control
- Quarterly Safety and Health Committee Meetings
- Weekly Fogging/Larvaciding
- Daily Housekeeping/Cleaning/Waste Disposal
- Monthly Environmental Monitoring
- Yearly Health Screening
- HSE Induction
- Biannual Fire Drill Exercise with Bomba
- Quarterly HSE Workplace Inspection

During the year, we also introduced a computerised maintenance management system (CMMS) to efficiently manage physical assets including equipment, machinery, facilities and infrastructure.

SAFETY PERFORMANCE

LTI-Free Manhours as of FY2023

Business Unit	2021	2022	2023
PNCBSB HQ	41,936		
Bunus Project	2,673,375	2,967,945	3,277,500
Kuantan Project	3,923,286	814,750	1,306,720
Johor Project	N/A	N/A	183,112
Plantation Division	1,944,712	2,921,414	1,703,664
Concession & Facilities Management Division			
• Z1P2	898,263	1,458,200	1,546,888
• Z1P3	N/A	846,100	133,720
TOTAL MANHOURS	7,536,860	6,294,386	8,151,604

Summary of LTI and Incidents at Puncak Niaga

Type of Incident	Year	PNCBSB HQ	Bunus Project	Kuantan Project	Johor Project	Plantation Division	Concession & Facilities Management
Fatality	2021	0	0	0	N/A	0	0
	2022	0	0	0	N/A	-	Z1P2: 0 Z1P3: 0
	2023	0	2	0	0	0	Z1P2: 0 Z1P3: 0
Serious Injury (LTI > 4 days)	2021	0	0	0	N/A	0	0
	2022	0	0	1	N/A	-	Z1P2: 0 Z1P3: 0
	2023	0	2	1	0	0	Z1P2: 0 Z1P3: 0
Minor Injury (LTI > 4 days)	2021	0	0	0	N/A	0	0
	2022	0	4	2	N/A	-	Z1P2: 0 Z1P3: 0
	2023	0	3	2	0	39	Z1P2: 0 Z1P3: 0
Medical Treatment Injury	2021	0	0	0	N/A	0	0
	2022	0	0	0	N/A	13	Z1P2: 0 Z1P3: 0
	2023	0	0	0	0	0	Z1P2: 0 Z1P3: 2

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Type of Incident	Year	PNCSB HQ	Bunus Project	Kuantan Project	Johor Project	Plantation Division	Concession & Facilities Management
Dangerous Occurrence	2021	0	0	0	N/A	1	0
	2022	0	0	0	N/A	-	Z1P2: 0 Z1P3: 0
	2023	0	7	0	0	0	Z1P2: 0 Z1P3: 0
Property Damage	2021	0	Site: 0 TP: 2	Site: 1 TP: 13	N/A	0	0
	2022	0	0	0	N/A	-	Z1P2: 0 Z1P3: 0
	2023	0	8	58	0	0	Z1P2: 0 Z1P3: 0
Traffic Incident	2021	0	Site: 0 Public: 4	Site: 0 Public: 0	N/A	0	0
	2022	0	Site: 0 Public: 4	Site: 0 Public: 7	N/A	-	Z1P2: 0 Z1P3: 0
	2023	-	-	8	0	0	Z1P2: 0 Z1P3: 0
First Aid Cases	2021	0	0	0	N/A	0	0
	2022	0	7	0	N/A	-	Z1P2: 8 Z1P3: 0
	2023	0	0	0	0	39	Z1P2: 29 Z1P3: 0
Near Miss	2021	0	0	0	N/A	0	0
	2022	0	4	1	N/A	-	Z1P2: 0 Z1P3: 0
	2023	0	0	1	0	0	Z1P2: 0 Z1P3: 0
Others (First aid, near miss, fire & others)	2021	0	0	0	N/A	0	0
	2022	0	0	0	N/A	12	Z1P2: 0 Z1P3: 0
	2023	0	-	0	0	1	Z1P2: 0 Z1P3: 0
Occupational Disease/Food Poisoning	2021	0	0	0	N/A	0	0
	2022	0	0	0	N/A	1	Z1P2: 0 Z1P3: 0
	2023	0	-	0	0	0	Z1P2: 0 Z1P3: 0

ENHANCING SAFETY WITH AUXILIARY POLICE

Since June 2006, Puncak Niaga has an established Auxiliary Police team to enhance security across its operations, protecting the Group's people, premises, properties, assets and projects. These Auxiliary Police members have undergone training conducted by the Royal Malaysia Police ("PDRM") and have been authorised by PDRM to enforce laws, rules and regulations.

The responsibilities of the Auxiliary Police team include:

- Preventing crime from occurring on company premises, properties, assets and projects
- Regularly conducting beat, patrol and static duties
- Conducting crowd control and regular inspection of people and vehicles
- Protecting and escorting the employer's property
- Assisting PDRM in joint patrols in areas identified under the National Key Results Area ("NKRA")
- Participating in PDRM's official activities including events related to the Malaysian Auxiliary Police Association ("MAPA")
- Representing the Company as frontliners

In 2023, a total of 110 Auxiliary Police, security guards and surveillance officers delivered exemplary service across the Group. Continuous training has been provided to improve their competencies and awareness on human rights issues, to protect the communities within our projects, premises and plantation estates in Sarawak.

Sustainability Statement

VALUE TO OUR COMMUNITIES

The Group remains dedicated to addressing the needs of local communities, fostering stronger connections with people and spearheading initiatives for a sustainable future. We are guided by our Corporate Social Responsibility Policy, which ensures that we focus on protecting the environment, investing in community welfare, meeting stakeholder interests and enhancing employee well-being.

In all that we do, we strive to create a lasting and meaningful impact on the communities we serve through community-related initiatives and charitable programmes. We are committed to protecting the interests of all stakeholders while mitigating operational risks to ensure that our business creates sustainable value.



SUPPORTING LOCAL INDIGENOUS COMMUNITIES

We empower the local indigenous communities by offering them access to jobs and business opportunities, committing our resources, skills, and expertise, access to basic infrastructure and healthcare, as well as financial support during festivities.

Our Plantation Division has planned various initiatives to enhance the quality of life for the communities living on our estates in Sarawak. The following initiatives have been implemented to help change the lives of the indigenous communities for the better.

- **Employment/Business Opportunities** - We offered job opportunities to the local community, allowing them to earn a living as paid workers and staff members, besides hiring local contractors and suppliers.
- **Upskilling Opportunities** - To help the locals expand their capacities and increase the operational efficiency of our estates, we trained them to become skilled workers such as harvesters, lorry drivers, and operators.
- **Upgrading Accessibility of Roads** - We have upgraded the roads across our estates to make them more accessible to workers and the surrounding community.
- **Providing Medical Aid** - We offer medical care and support to workers at our estate medical centre, which has an ambulance on hand for emergencies whenever needed, to foster healthy communities.
- **Enhancing Facilities and Transportation** - On weekends, we transported our local workers to their longhouse settlements using shuttle services.
- **Respecting Local Cultures** - To spread cheer during festive celebrations, we provide food and cash donations to longhouse communities.

In 2023, we kept a record of zero incidents or violations of the rights of indigenous communities within our estates and in the areas where we operate.

Sustainability Statement

FULFILLING THE NEEDS OF COMMUNITIES

We strive to strengthen our dedication to giving back to the local communities, helping the underprivileged, and meeting the specific needs of communities living within the locations in which we operate. A total of RM257,007.00 was invested in community initiatives in the year under review. By participating in the following CSR initiatives during the year, some of our employees from different divisions within the Group had the chance to strengthen their bonds while serving communities.



Persatuan Kakitangan Kumpulan Syarikat Puncak Niaga (PEKA)

- Organised religious-related events for the community via Google Meet
- Conducted a Bubur Lambuk programme with PEKA members
- Held Iftar, buka puasa and prayers with orphans and asnaf (Puteri) children from Pertubuhan Amal Siraman Kasih Rawang
- Organised Merdeka programme featuring a lineup of activities, including cooking, karaoke, and Tik Tok video competitions at Wisma Rozali
- Established Puncak Niaga Palestinian Humanitarian Fund in collaboration with the Public Service Department to aid Palestine

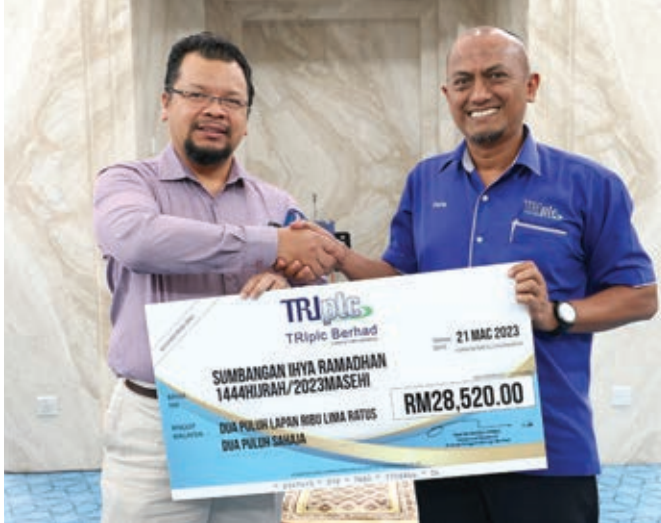


Danum Sinar Sdn Bhd

- Opened a Recreational Park at Marong 1 Estate
- Organised a gotong royong activity at a line site area in Lakin Estate
- Presented staff donation at Wisma Rozali to children at Creche Ayah
- Provided incentives to harvesters that produced yield above 35MT
- Hari Raya donations to workers
- Program Sukan



Sustainability Statement



TRIPLE Group

- Presented Ihya' Ramadan donation totalling RM28,520.00 to Hospital Al-Sultan Abdullah (HASA)
- Donated funds in conjunction with the Konsortium Hospital Universiti Awam (KHUAM) 5th National Conference of Academic Medical Centre organised by Hospital Al-Sultan Abdullah
- Sponsored funds in conjunction with the World Prematurity Day Programme
- Contributed to the International SULAM Mania Volunteerism Program (UCS Towards Global) at UiTM Puncak Alam

PNHB

- Distributed packed food to the homeless community at Pusat Pembelajaran Komuniti Chow Kit during Hari Raya Aidiladha
- Held a buka puasa event with orphans at Tan Sri Rozali Ismail's residence



PNCBSB

- Donated two leach bins with a capacity of 1100 litres to Sekolah Kebangsaan Taman Melawati
- Bonus Project site visit by Minister of Natural Resources and Environmental Sustainability
- Housekeeping of pipe storage area at Taman Melawati
- Engagement with landlord and local communities
- Engagement with members of Parliament and State Assembly
- Bonus Project site visit by the Federal Territories Department
- Bonus Project site visit by the National Audit Department
- Engagement with Local Authorities and 'Persatuan Penduduk' Jalan AU5

Sustainability Statement

	Total amount invested in the Communities of Each Beneficiary (RM)
Royal Malaysian Polo Association (RMPA)/The Inaugural Agong's Cup 2023	50,000.00
Hospital Al-Sultan Abdullah, UiTM Puncak Alam/Program Ihya' Ramadan 1444H/2023M	28,520.00
Persatuan Bekas Unit Tindakhas Malaysia, PDRM/Pertandingan Tembak International Practical Shooting Confederation (IPSC) Royal Malaysia Police Open Championship 2023 - Level III	20,000.00
Pusat Khidmat Rakyat Parlimen Setiawangsa/Majlis Makan Malam Mengumpul Dana untuk Sumbangan 27 Buah Sekolah di Dalam Kawasan Parlimen Setiawangsa	20,000.00
Yayasan Bursa Malaysia/The Bursa Bull Charge 2023	20,000.00
UiTM Puncak Alam/Program Ihya' Ramadan 2023	13,154.00
Hospital Al-Sultan Abdullah, UiTM Puncak Alam/Program Persidangan Konsortium Hospital Universiti Awam Malaysia (KHUAM) Kali Ke-5	10,000.00
Persatuan Suri dan Anggota Wanita Perkhidmatan Awam Malaysia (PUSPANITA) Daerah Kuala Selangor/Program Yok Bendang Walk	10,000.00
Ibu Pejabat Polis Daerah Belaga, Sarawak/Upgrading work on Bilik Transit Pondok Polis in Sg. Asap, Belaga	10,000.00
Kelab Rekreasi Bahagian Pekerja Asing Kuching, Jabatan Imigresen Malaysia Sarawak	9,772.00
Penerima Anugerah di Majlis Konvokesyen Politeknik Sultan Idris Shah Ke-17:	7,000.00
- Anugerah Khas Industri	
- Anugerah Khas Kepimpinan	
- Anugerah Tan Sri Rozali	
Hospital Al-Sultan Abdullah, UiTM Puncak Alam/Bantuan Bencana Banjir December 2022	5,000.00
Hospital Al-Sultan Abdullah, UiTM Puncak Alam/International SULAM Mania & Volunteerism (UCS Towards Global)	5,000.00
Kelab Sukan dan Kebajikan, Kementerian Pelaburan, Perdagangan dan Industri (Kelab MITI)	5,000.00
Friendly Golf Tournament PGAC - TuaBunker 2023	5,000.00
Pejabat Daerah Belaga, Sarawak/Penganjuran Regatta Belaga 2023	5,000.00
Hospital Al-Sultan Abdullah, UiTM Puncak Alam/Program Reading Corner and Library Community Engagement	4,500.00
Hospital Al-Sultan Abdullah, UiTM Puncak Alam/World Prematurity Day	3,000.00
Majlis Kebajikan dan Sukan Anggota-Anggota Kerajaan Selangor/Hari Sukan Pengangkutan Jalan (SUPJA) Malaysia 2023	3,000.00
Tabung Infak Jariah Umat Islam Selangor/Tabung Kemanusiaan Palestin & Pray For Gaza	2,061.00
UiTM Puncak Alam/Pasukan Bola Sepak Staf UiTM - Karnival Sukan Badan Berkanun (SUKANUN) 2023	2,000.00
Masjid Jamek Al-Amaniah, Daerah Gombak/Program Ihya' Ramadhan 1444H	2,000.00
Kelab Sukan & Kecergasan Absolute Wellness/Muallim Cross Country Run 2023	2,000.00
Persatuan Pendidikan Khas Daerah Klang/Kejohanan Merentas Desa Pendidikan Khas	2,000.00
PIBG Sekolah Kebangsaan Gedangsa, Kuala Kubu Bharu/Kejohanan Sukan Tahunan Kali Ke-37	2,000.00
Kelab Kebajikan dan Sukan Jabatan Penyiaran Malaysia (RTM)/Program Care for You Sempena Bulan Psikologi	2,000.00
Persatuan Kesejahteraan Malaysia/Program Jelajah Kempen Kesedaran HIV/AIDS	2,000.00
Jabatan Pencegahan Jenayah dan Keselamatan Komuniti, Ibu Pejabat Polis Kontinjen Selangor/Membangunkan Sistem Data & Analisis Jenayah Indeks Kontinjen Selangor	2,000.00
Berita Kesatuan Pekerja Bomba dan Penyelamat (KPBP), S. Malaysia/Special Berita KPBP Hari Bomba 2023	1,000.00
University of Malaya/University of Malaya Civil Engineering Competition (UMCvEC) 2023: Concrete Bowling	1,000.00
Pertubuhan Orang Cacat Penglihatan Malaysia	1,000.00
The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)/MAICSA Annual Dinner 2023	1,000.00
- Lucky Draws Contribution	
Kesatuan Pekerja-Pekerja Perkhidmatan Sokongan Lembaga Hasil Dalam Negeri Semenanjung Malaysia/Sumbangan Terbitan Majalah 'Suara KEJASA'	1,000.00
Total	257,007.00

Investment in Community, NGOs, Hospital and Universities by Puncak Niaga Group

ESG

Performance Data

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	7.66
Executive	Percentage	16.33
Non-executive/Technical Staff	Percentage	3.76
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.14
Management Between 30-50	Percentage	8.96
Management Above 50	Percentage	4.62
Executive Under 30	Percentage	9.54
Executive Between 30-50	Percentage	17.92
Executive Above 50	Percentage	3.32
Non-executive/Technical Staff Under 30	Percentage	25.14
Non-executive/Technical Staff Between 30-50	Percentage	25.58
Non-executive/Technical Staff Above 50	Percentage	4.77
Gender Group by Employee Category		
Management Male	Percentage	9.25
Management Female	Percentage	4.48
Executive Male	Percentage	17.05
Executive Female	Percentage	13.73
Non-executive/Technical Staff Male	Percentage	43.06
Non-executive/Technical Staff Female	Percentage	12.43
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	75.00
Female	Percentage	25.00
Under 30	Percentage	0.00
Between 30-50	Percentage	25.00
Above 50	Percentage	75.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	3.62
Bursa C5(c) Number of employees trained on health and safety standards	Number	148
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	224
Executive	Hours	585
Non-executive/Technical Staff	Hours	419
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	50
Executive	Number	88
Non-executive/Technical Staff	Number	127
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	3,729.67
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	35,715,000
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	257,007.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	33
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

Internal assurance

External assurance

No assurance

(*)Restated

Statement of Assurance

In strengthening the credibility of the Sustainability Statement, selected aspects/parts of this Sustainability Statement have been subjected to an internal review by the internal auditors and have been approved by the Audit Committee and Board of Directors of the Company, respectively.

SUBJECT MATTERS AND SCOPE

The subject matters covered by the internal review include the following indicators and company's operation in the following location:

1. Diversity

- (a) Total number of employees by gender, age group and ethnicity for Puncak Niaga Group.
- (b) Total number of employees turnover by generations and gender for Puncak Niaga Group.
- (c) Total number of new employees hires by employees category for Puncak Niaga Group.

2. Labour Practices and Standards

- (a) Training hours by gender and by employees job category for Puncak Niaga Group.
- (b) Total number of employees trained for Puncak Niaga Group.

3. Energy Management

- (a) Total consumption of energy (kWh) for Wisma Rozali, Puncak Niaga Construction - Bonus Project (D44), Puncak Niaga Construction - Kuantan Project and Puncak Niaga Construction - Johor Project.

4. Water Management

- (a) Total amount of water consumption (m³) for Wisma Rozali, Puncak Niaga Construction - Bonus Project (D44), Puncak Niaga Construction - Kuantan Project and Puncak Niaga Construction - Johor Project.

5. Community and Society

- (a) Investment in Community, NGOs and Institution by Puncak Niaga Group.

6. Supply Chain Management

- (a) Proportion spending for local supplier for Puncak Niaga Construction - Kuantan Project and TRIPLC - Z1P3.

Milestones



8 July

Puncak Niaga's listing on the Main Board of the KLSE (now known as Main Market of Bursa Malaysia Securities Berhad effective 3 August 2009) and launching of Puncak Niaga's Homepage.

10 Nov

Puncak Niaga was awarded the Anugerah Citra Laporan Tahunan 2001 by Dewan Bahasa dan Pustaka.

6 Nov

Puncak Niaga was awarded the NACRA 2001 Industry Excellence Award under the 'Construction & Infrastructure Project Companies' category.

20 Feb

Puncak Niaga received the Asiamoney Corporate Governance Poll 2002 Award for 'Best Corporate Governance Standards in the Utilities Sector in Malaysia'.



1 Jan

Commencement of operations of SYABAS at SYABAS's Headquarters.

1997

1999

2000

2001

2002

2003

2004

2005

2006

4 Jan

Puncak Niaga was included in the KLSE Composite Index (now known as FTSE Bursa Malaysia Kuala Lumpur Composite Index).

12 Oct

Puncak Niaga won the KLSE Corporate Excellence Award 2000 for Main Board Companies and the KLSE Corporate Sectoral Award 2000 for Main Board Infrastructure Project Companies.



8 Nov

Puncak Niaga was honoured with the NACRA 2000 Industry Excellence Award for the 'Construction & Infrastructure Project Companies' category.

26 Mar

Puncak Niaga Group's Executive Chairman, YBhg Tan Sri Rozali bin Ismail was awarded the Asia Water Management Excellence Award 2002 under the Individual Award Category.

31 Oct

Puncak Niaga was awarded the NACRA 2002 Industry Excellence Award under the 'Construction & Infrastructure Project Companies' category.

15 Dec

Signing of the Concession Agreement for the Privatisation of Water Supply Distribution in Selangor and the Federal Territories of Kuala Lumpur and Putrajaya between SYABAS, the Federal Government and the Selangor State Government.

16 Oct

Puncak Niaga announced a capital repayment of up to RM767.84 million via a cash distribution to reward its shareholders.

Milestones

2007

30 Mar

Handover Ceremony of Sg Sireh WTP from Kumpulan Perangsang Selangor Berhad to PNSB.

2008

19 Nov

Puncak Niaga was awarded the NACRA 2008 Industry Excellence Award for Main Board Construction & Infrastructure Project Companies category.

2009

13 Aug

Puncak Niaga was the Winner for Integrated Reporting in an Annual Report at ACCA Malaysia Sustainability Reporting Awards ("MaSRA") 2009.



2010

8 Nov

Puncak Niaga was the Winner for Integrated Reporting in an Annual Report for ACCA Malaysia Sustainability Reporting Awards ("MaSRA") 2010.

2011

4 Oct

Puncak Niaga received a Commendation for Integrated Reporting of Annual Report at the ACCA Malaysia Sustainability Reporting Awards ("MaSRA") 2011.

2012

23 Feb

Puncak Niaga Group's Executive Chairman, YBhg Tan Sri Rozali bin Ismail was awarded the 1st Malaysia Achievement Awards 2012 Special Individual Achievement Category.



27 Oct

Puncak Niaga was awarded the Socrates International Award in Oxford, United Kingdom.

2013

6 Sep

Opening Ceremony of the Luwei (Pingdingshan) Water Co Ltd's Water Treatment Plant in Lushan, China.

2014

19 - 22 Oct

Puncak Niaga and the Malaysian Armed Forces were jointly awarded a Gold Award at the SGA Kaizen Competition Stream, International Conference on Quality 2014 held in Tokyo, Japan for the invention of a portable water purification system.

11 Nov

Signing of Share Sale Agreement between Puncak Niaga and Pengurusan Air Selangor Sdn Bhd ("Air Selangor") for Puncak Niaga to dispose PNSB and SYABAS to Air Selangor.

23 Jan

Puncak Niaga was awarded the Best-Equity Linked Deal Of The Year in Southeast Asia Award for Puncak Niaga's RM165.0 million Nominal Value Redeemable Convertible Secured Sukuk Ijarah at the 7th Annual Alpha Southeast Asia Deal & Solution Awards 2013.

28 Sep

POG completed the acquisitions of the remaining 60% equity interest in GOM Resources and KGL thereby resulting in both GOM Resources and KGL becoming wholly owned subsidiaries of POG.

Milestones

22 Mar

Puncak Niaga was awarded the 'Excellence and Innovation' in Gold Category at the 'Century International Quality ERA ("CQE")' awards ceremony held in Geneva, Switzerland.

21 Apr

Puncak Niaga was awarded European Quality Award ("EQA") in Oxford, United Kingdom.

9 - 10 Sept

Puncak Niaga and Malaysian Armed Forces won the '3 Star Gold Award' and 'Platinum Award' at the 'International Exposition On Team Excellence - IETEX 2015' in Singapore.

23 Apr

Puncak Niaga was awarded the Global Leadership Awards 2016 Leadership Excellence in Utilities at the Leaders International & American Leadership Development Association ("ALDA").

15 May

Puncak Niaga was awarded the Bizz 2016 -World Business Leader Award and the Bizz 2016 -The Recognition of Inspirational Company at the World Confederation of Business.

25 Jul

Puncak Niaga was awarded the Diamond Eye Award for Quality Commitment and Excellence and T.Q.C.S. - Total Quality Management Aptitude Seal for High Quality Performance & Best Customers Satisfaction by the Association Otherways Management & Consultation, France.

3 Jul

Puncak Niaga completed the acquisition of Danum Sinar Sdn Bhd by Danau Semesta Sdn Bhd.

27 Jul

Puncak Niaga was awarded the Bizz Award by the World Confederation of Business.

1 Aug

Puncak Niaga was awarded the 'Asia's Best Employer Brand Awards 2017'.

2015

2016

2017

2018

15 Oct

Completion of the Proposed Disposals of PNSB and SYABAS to Air Selangor in line with restructuring of the water industry in the state of Selangor and Federal Territories of Kuala Lumpur and Putrajaya.

18 Oct

Puncak Niaga was awarded the World Business Leader, 'The Bizz 2015 Award' at the Bizz Arabic 2015 in Muscat, Oman.

26 Nov

Puncak Niaga was awarded the 'Industry Excellence Award for Construction & Infrastructure Project Companies' by the National Annual Corporate Report Awards ("NACRA") for the Annual Report 2014.

4 Aug

Puncak Niaga was awarded the 'Asia's Best Employer Brand Awards 2016'.

17 Oct

Puncak Niaga announced the proposed acquisition of the entire stake of Danum Sinar Sdn Bhd by its 60% owned sub-subsidiary, Danau Semesta Sdn Bhd.

1 Dec

Puncak Niaga was awarded the NACRA 2016 - Certificate of Merit for the Annual Report 2015.

16 Dec

Puncak Niaga entered into a conditional share sale agreement with Pimpinan Ehsan Berhad to purchase the entire issued and paid-up share capital of TRIpIc Berhad.

31 May

Puncak Niaga completed the acquisition of the entire issued share capital of TRIpIc Berhad.

20 Nov

Puncak Niaga was awarded the "Best Brands In Services: Integrated Water, Wastewater and Environmental Solutions" by the BrandLaureate in Hanoi, Vietnam.

Milestones

11 Feb

Puncak Niaga was awarded The Green Era Award for Sustainability by Association Otherways Management & Consulting, France ("OMAC") in Lisbon, Portugal.



21 Mar

Puncak Niaga was awarded the IFN Awards Deals of the Year 2018 – Corporate Finance Deal of the Year by the Islamic Finance News for Puncak Niaga's RM210.00 million acquisition of TR1plc's entire issued share capital from Pimpinan Ehsan Berhad.

24 Jun

Puncak Niaga was awarded the Gold Award for the second consecutive year at the 2020 Australasian Reporting Awards ("ARA") in Australia.



30 Jun

Puncak Niaga was awarded the Gold Award for the third consecutive year at the 2021 Australasian Reporting Awards ("ARA") in Australia.

18 Jul

Puncak Niaga was awarded the Gold Award for the fourth consecutive year at the 2022 Australasian Reporting Awards ("ARA") in Australia.

21 Jul

Puncak Niaga was awarded at the Asia Responsible Enterprise Awards ("AREA") 2022 - Corporate Governance Category.

16 Jun

Puncak Niaga was awarded the Gold Award for the fifth consecutive year at the 2023 Australasian Reporting Awards ("ARA") in Australia.

26 Aug

Puncak Niaga was awarded the Biz2 2023 - the Recognition of Inspirational Company at the World Confederation of Business.



2019

2020

2021

2022

2023 |

24 Apr

Puncak Niaga was awarded the Malaysia Best Employer Brand Awards 2019 by the World HRD Congress.

19 Jun

Puncak Niaga was awarded the 2019 Australasian Reporting Awards – Gold Award and 2019 Australasian Reporting Awards – Finalist Best First Time Entry by the Australasian Reporting Awards ("ARA") in Melbourne, Australia.

6 Sep

Puncak Niaga was awarded The Asia Pacific Entrepreneurship Awards 2019 – Corporate Excellence Category by Enterprise Asia.

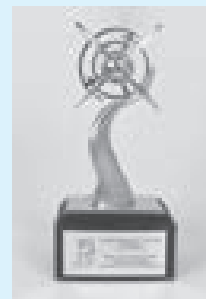
2 Jul

Puncak Niaga was awarded the Graduate Choice Award ("GCA") - 2021/2022 Most Preferred Graduate Employer.



2 Aug

Puncak Niaga was awarded the MSWG ASEAN Corporate Governance Award 2020 - Excellence Award for CG Disclosure (Market Cap Below RM100 Million).



25 Jul

Our Executive Chairman received the Entrepreneur of the Year Award at the 13th Asia Pacific Enterprise Awards ("APEA") 2022 Malaysia.

26 Aug

Our Executive Chairman, YBhg Tan Sri Rozali bin Ismail was awarded with the World Leader Businessperson Award at the World Confederation of Business.

24 Oct

Puncak Niaga received its accredited certification on the ISO 37001:2016 Anti-Bribery Management System for the provision of project management, construction services for water-related infrastructure, including civil engineering, building mechanical and electrical works, and activities of the head office.

Board of Directors' Profile

YBHG TAN SRI ROZALI BIN ISMAIL

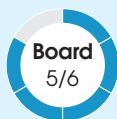
Executive Chairman

67 · Male · Malaysian

Date of appointment: 24 April 1997

YBhg Tan Sri Rozali bin Ismail is the founder of PNSB Water Sdn Bhd (formerly known as Puncak Niaga (M) Sdn Bhd ("PNSB")), Executive Chairman of Puncak Niaga Group and major shareholder of Puncak Niaga. He is also the Chairman of Puncak Niaga's Executive Committee ("EXCO"), Chairman of Puncak Niaga Construction Sdn Bhd's EXCO and Chairman of TR1plc Berhad's EXCO.

Board attendance:



Qualification

- Bachelor of Law Degree, University of Malaya

Other Directorships In Public Companies And Listed Entities

Public Companies

- Executive Chairman, TR1plc Berhad
- Chairman, Gabungan Wawasan Generasi Felda Berhad

Listed Entities

- Nil

Working Experience And Occupation

YBhg Tan Sri Rozali began his career as Legal Advisor with the Urban Development Authority before joining Bank Islam (M) Berhad in 1983, where he conceptualised Malaysia's first Islamic banking institution. In 1987, he began his own legal practice specialising in corporate, property and banking.

Recognitions

- Technology CEO of the Year - Global Award at the World Finance Technology Awards 2011
- Entrepreneur of the Year 2011 Award at the Asia Pacific Entrepreneurship Awards 2011
- Masterclass Leader Award at the International Standard Quality Award 2011
- International Distinguished Entrepreneur Of The Year for the Asia Pacific International Brands Summit (Malaysia) 2011
- Special Individual Achievement Category at the 1st Malaysia Achievement Awards 2012
- "Utility Man Of The Year" at the Brandlaureate Brand Leadership Award 2014-2015
- "Munisraphoin Medal" by the Prime Minister of Cambodia H.E Hun Sen in 2015
- Certificate of World Business Leader and the Certificate of Excellence in Business Leadership from the World Confederation of Business ("WORLD COB") in 2015
- World Leader Businessperson by WORLD COB at The Bizz 2016
- World Leader Businessperson by WORLD COB at The Bizz 2017

- Outstanding Leaders in Asia at the Asia Corporate Excellence Sustainability Award 2016 by MORS Group
- Special Achievement Award at the Asia Pacific Entrepreneurship Awards 2019
- Entrepreneur of the Year Award at the Asia's Corporate Excellence and Sustainability Awards ("ACES") in 2021
- Entrepreneur of the Year Category at the Asia Pacific Enterprise Awards ("APEA") in 2022
- World Leader Businessperson by WORLD COB at The Bizz 2023

Memberships

- Member of Institute of Corporate Directors Malaysia ("ICDM")
- Governor for Malaysia of Asia Pacific Marketing Federation Foundation
- Advisor of "Persatuan Bola Sepak Melayu Malaysia"
- Chairman of Gabungan Wawasan Generasi Felda Berhad
- Chairman of Majlis Perundingan Ekonomi Melayu
- Chairman of Indonesia-Malaysia-Thailand ("IMT-GT") Joint Business Council 2021-2022

Declaration

- YBhg Tan Sri Rozali is the father of Encik Azlan Shah bin Tan Sri Rozali, who is the Managing Director of Puncak Niaga and a shareholder of Puncak Niaga.
- YBhg Tan Sri Rozali has not been convicted for any offences within the past 5 years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Board of Directors' Profile

ENCIK AZLAN SHAH BIN TAN SRI ROZALI

Managing Director

38 · Male · Malaysian

Date of appointment: 28 February 2021

Encik Azlan Shah bin Tan Sri Rozali was appointed as Managing Director of the Company on 28 February 2021. He was previously the Alternate Director to YBhg Tan Sri Rozali bin Ismail, the Executive Chairman of Puncak Niaga Group since 18 July 2018. He sits on the Board of most of the subsidiary companies of Puncak Niaga Group. He is the Chairman of Puncak Niaga's ESG Sustainability Committee and a member of Puncak Niaga's EXCO, Puncak Niaga Construction Sdn Bhd's EXCO and TRIpIc Berhad's EXCO. He was re-designated from General Manager, Business Development Division to Executive Director, Business Development Division of the Company on 1 January 2019. Encik Azlan Shah previously served as the Managing Director of TRIpIc Berhad since 15 October 2019 prior to his appointment as Managing Director of Puncak Niaga.

Board attendance:



Qualification

- University Foundation Programme in Business Administration, London School of Commerce, UK
- Bachelor of Arts Degree in Business Studies and Marketing, Middlesex University, London, UK
- "Programme for Leadership Development ("PLD")", Harvard Business School, USA

Other Directorships In Public Companies And Listed Entities

Public Companies

- Director, TRIpIc Berhad

Listed Entities

- Nil

Working Experience And Occupation

Prior to his appointment as the Managing Director of Puncak Niaga, Encik Azlan Shah was the Managing Director of TRIpIc Berhad for the period from 15 October 2019 to 28 February 2021, Acting Managing Director of Puncak Niaga and Acting Chief Executive Officer of Puncak Niaga's Oil & Gas Division for the period from 3 August 2016 to 18 July 2018. Before that, he was the Head of Information Technology overseeing the overall of the Information Technology Department of Puncak Niaga Group. In 2010, Encik Azlan Shah joined SYABAS as an Executive and gained exposure and experience in the area of human resources and administration, finance and accounts and operations in SYABAS.

Memberships

- Captain, Rejimen Pakar Pengendalian Air ke-60 RAJD ("Askar Wataniah")
- Member of ICDM

Previous Appointment/Re-designation

- **6 January 2016**
Alternate Director to YBhg Tan Sri Rozali bin Ismail
- **3 August 2016**
Re-designated as Acting Managing Director
- **18 July 2018**
Alternate Director to YBhg Tan Sri Rozali bin Ismail

Declaration

- Encik Azlan Shah is a shareholder of Puncak Niaga. He is the eldest son of YBhg Tan Sri Rozali bin Ismail, the Executive Chairman and major shareholder of Puncak Niaga.
- Encik Azlan Shah has not been convicted for any offences within the past 5 years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Board of Directors' Profile

YBHG DATO' SRI ADENAN BIN AB. RAHMAN

Independent Non-Executive Director

67 · Male · Malaysian

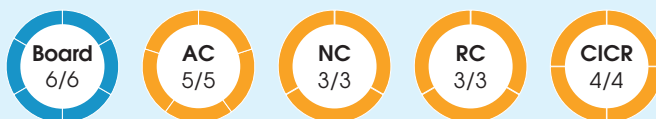
Date of appointment: 1 December 2017

Length of tenure as at 27 March 2024: 6 years and 4 months

YBhg Dato' Sri Adenan bin Ab. Rahman was appointed to the Board of Puncak Niaga on 1 December 2017 as an Independent Non-Executive Director. YBhg Dato' Sri Adenan bin Ab. Rahman is the Chairman of Puncak Niaga's Audit Committee, Remuneration Committee and Compliance, Internal Control and Risk Policy Committee and a member of Puncak Niaga's Nomination Committee.



Board and Board Committees' attendance:



Qualification

- Bachelor of Arts in Southeast Asian Studies, University of Malaya
- Master of Arts in Defence Studies, Universiti Kebangsaan Malaysia

Other Directorships In Public Companies And Listed Entities

Public Companies

- Nil

Listed Entities

- Nil

Working Experience And Occupation

YBhg Dato' Sri Adenan started his career as Assistant Manager, Lembaga Kemajuan Negeri Pahang in 1979 and had served the Government for more than 38 years in various positions in Departments and Ministries including the Public Service Department of Malaysia, Prime Minister's Department, various Embassies, Ministry of Home Affairs and Ministry of Human Resources.

He had held prominent positions such as First Secretary, Malaysian Embassy for Sarajevo, Bosnia and Herzegovina (1996-2000); Director, Malaysian Friendship and Trade Centre Taipei, Taiwan (2004-2006); Minister Counsellor, Embassy of Malaysia in Jakarta, Indonesia (2006- 2007); Director-General, Research Division, Prime Minister's Department (2011-2014); Deputy Secretary-General (Security and Policy), Ministry of Home Affairs (2014-2015); and Secretary-General, Ministry of Human Resources (16 December 2015 - 4 October 2017) prior to his retirement from Government service on 5 October 2017.

He was the former Chairman of Skills Development Fund Corporation, a Federal Statutory Body under the Ministry of Human Resources (2017- 2018). He has vast knowledge and experience in administrative matters, diplomatic and international relations, compensation and benefits, human resources, strategy and policy matters at national and international levels.

Memberships

- Member of ICDM

Declaration

- YBhg Dato' Sri Adenan does not have any family relationship with any Director and/or major shareholder of the Company, nor does he have any conflict of interest with the Company.
- YBhg Dato' Sri Adenan has not been convicted for any offences within the past 5 years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Board of Directors' Profile

YBHG PROF EMERITUS DATUK DR MARIMUTHU A/L NADASON

Independent Non-Executive Director

62 · Male · Malaysian

Date of appointment: 1 February 2018

Length of tenure as at 27 March 2024: 6 years and 2 months

YBhg Prof Emeritus Datuk Dr Marimuthu a/l Nadason was appointed to the Board of Puncak Niaga on 1 February 2018 as an Independent Non-Executive Director. YBhg Prof Emeritus Datuk Dr Marimuthu a/l Nadason is the Chairman of Puncak Niaga's Nomination Committee and member of Puncak Niaga's Audit Committee, Remuneration Committee and Compliance, Internal Control and Risk Policy Committee.

Board and Board Committees' attendance:



Qualification

- Doctorate of Business Administration, International American University, USA
- Master in Business Administration ("MBA") (Human Resource Management), International American University, USA
- MBA, Phoenix International University, USA

Other Directorships In Public Companies And Listed Entities

Public Companies

- Nil

Listed Entities

- Nil

Working Experience And Occupation

YBhg Prof Emeritus Datuk Dr Marimuthu was conferred an Honorary Professorship in Consumer Behaviour by the Stichting Eurogio University College Netherlands (2014), Honorary Professor and Panel Expert for IIC University of Technology Cambodia (2014), Visiting Professor at the Swiss School of Management as Formal Expertise and Visiting Professor in Consumer Relations by the International University of Georgia (2016).

He is also an accredited Public Relations Practitioner ("APR") by the Institute of Public Relations Malaysia (2005) and a Certified Professional Marketeer ("CPM") by the Asia Marketing Federation (2008).

YBhg Prof Emeritus Datuk Dr Marimuthu was given the title of Professor Emeritus by University Institute for International and European Studies, Netherlands on 27 August 2018. YBhg Prof Emeritus Datuk Dr Marimuthu is a consumer activist, social worker and campaigner with honorary positions in national and international non-governmental organisations.

Memberships

- Accredited Public Relations Practitioner ("APR") by the Institute of Public Relations Malaysia (2005)
- Certified Professional Marketeer ("CPM") by the Asia Marketing Federation (2008)
- Chairman, Malaysian Standards and Accreditation Council, Department of Standards Malaysia, Ministry of International Trade and Industry (2018 – 2020)
- Commissioner, National Water Services Commission ("SPAN") (2007 – 2017)
- President, Federation of Malaysian Consumers Association (2004 – Present)
- Independent Director, Ombudsman For Financial Services (previously known as Financial Mediation Bureau) (2004 – August 2020)
- Member of Institute of Integrity Malaysia (2004 – Present)
- Chief Executive Officer, Education and Research Association for Consumers (1997 – Present)
- President, Consumers International, London (2019 – 2023)
- Chairperson, Asian Partnership for Development of Human Resources in Rural Asia, Philippines (2006 – 2010)
- Member of ICDM

Declaration

- YBhg Prof Emeritus Datuk Dr Marimuthu does not have any family relationship with any Director and/or major shareholder of the Company, nor does he have any conflict of interest with the Company.
- YBhg Prof Emeritus Datuk Dr Marimuthu has not been convicted for any offences within the past 5 years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Board of Directors' Profile

YBHG DATUK SR HAJI JOHARI BIN WAHAB

Independent Non-Executive Director

59 - Male - Malaysian

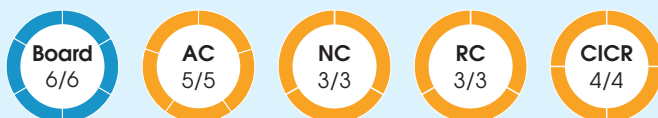
Date of appointment: 10 February 2020

Length of tenure as at 27 March 2024: 4 years and 1.5 months

YBhg Datuk Sr Haji Johari bin Wahab was appointed to the Board of Puncak Niaga on 10 February 2020 as an Independent Non-Executive Director. He is a member of Puncak Niaga's Audit Committee, Nomination Committee, Remuneration Committee and Compliance, Internal Control and Risk Policy Committee.



Board and Board Committees' attendance:



Qualification

- Honours Degree in Land Surveying, University Technology Malaysia

Other Directorships In Public Companies And Listed Entities

Public Companies

- Nil

Listed Entities

- Nil

Working Experience And Occupation

YBhg Datuk Sr Haji Johari has more than 33 years' experience in all types of surveying works such as underground utility detection and mapping, cadastral survey, construction survey, engineering survey and oil and gas industry. He gained vast experience as a land surveyor since 1988 when he started his career with Geotex Surveyor Pte Ltd before moving on to Projass Engineering Sdn Bhd and Ranhill Engineers & Constructors Sdn Bhd.

YBhg Datuk Sr Haji Johari left Ranhill Engineers & Constructors Sdn Bhd to establish his own company known as AJ Surveyors & Engineering until AJ Surveyors was registered as a Land Surveyor firm with Lembaga Jurukur Tanah Malaysia in November 2011. He is the Principal of AJ Surveyors.

Memberships

- Board Member of Land Surveyors Board Malaysia
- President of Association of Competent Utility Mappers Malaysia ("UMAP MALAYSIA") for 2021/2023 session
- Executive Council, Association of Authorised Land Surveyors Malaysia ("PEJUTA"), (2016-2019)
- Chairman of the Geomatic & Land Surveying Division, RISM, (2020-2023)
- Fellow of the Royal Institution of Surveyors Malaysia ("RISM")
- Member of Koperasi Jurukur Tanah Berlesen Berhad ("KOJUTA")
- Member of ICDM
- Member of Board Studies of School of Computing, University Utara Malaysia for new postgraduate programme, Masters of Science ("Geometries for Disaster Risk Reduction - GeoDRR")
- Previous Co-Chairman of the International Conference Geomatic & Geospatial Technology 2017-2018 ("GGT 2017", "GGT 2018", "GGT 2019", "GGT 2021" & "GGT 2022")
- Previous Chairman of the Organising Committee for Subsurface Asset Management & Surveying Seminar 2017 & 2019 ("SAM'S 17" & "SAM'S 2019")
- Previous Chairman of Seminar Geomatik Kebangsaan 2021

Declaration

- YBhg Datuk Sr Haji Johari does not have any family relationship with any Director and/or major shareholder of the Company, nor does he have any conflict of interest with the Company.
- YBhg Datuk Sr Haji Johari has not been convicted for any offences within the past 5 years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Board of Directors' Profile

YM TENGGU LORETA BINTI TENGGU DATO' SETIA RAMLI ALHAJ

Independent Non-Executive Director

50 · Female · Malaysian

Date of appointment: 10 February 2020

Length of tenure as at 27 March 2024: 4 years and 1.5 months

YM Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj was appointed to the Board of Puncak Niaga on 10 February 2020 as an Independent Non-Executive Director. She is a member of Puncak Niaga's Audit Committee, Nomination Committee, Remuneration Committee and Compliance, Internal Control and Risk Policy Committee.



Board and Board Committees' attendance:



Qualification

- Bachelor of Arts Degree in Communications Studies, Western Michigan University, USA
- Deans List 1995 School of Communications, with a minor in Philosophy, Western Michigan University, USA
- Master of Arts in Telecommunications Management, Ohio University, USA

Other Directorships In Public Companies And Listed Entities

Public Companies

- Nil

Listed Entities

- Nil

Working Experience And Occupation

With over 22 years of diverse experience covering both the private and public sector, she brings strong business leadership, partnerships, and industry sustainability and renewable energy.

Starting her career in 1998 with MEASAT Broadcast Network System Sdn Bhd as a broadcast journalist, she then joined Kontena Nasional in June 2010, driving the Business Development Unit in the CEO's Office. YM Tengku Loreta subsequently pursued her passion in sustainability by venturing into the government sector. She was a former Special Officer to the Group CEO of Malaysian Green Technology Corporation ("MGTC") (September 2014 to April 2017) and represented Malaysia at the EXPO 2017 in Astana, Kazakhstan (April 2017 to September 2017) as the Head of Protocol & Public Relations for the Malaysian Pavillion. After MGTC, YM Tengku Loreta returned to the private sector where she managed large scale renewable energy projects.

A strong champion of social and environmental sustainability, YM Tengku Loreta has been an active campaigner, president and member with honorary positions in numerous charitable

organisations. She was an active member of Soroptimist International Club of Ampang from 2004 to 2008 before she was elected the President of the Club (2008 to 2010). YM Tengku Loreta is also a lifetime member of Rumah Amal Cahaya Tengku Ampuan Rahimah ("RACTAR"). During her tenure at MGTC, she successfully launched the #MyButterflyEffect campaign, where every social media post supporting green growth during the EXPO 2017 in Astana would be matched with more solar panels by the Government.

In 2019, YM Tengku Loreta founded and officially launched MySayang Malaysia Organisation, a Non-Government Organisation that focuses on green initiatives in Malaysia as part of an effort to make Malaysia a more environmentally sustainable country.

Memberships

- President of the Soroptimist International Club of Ampang (2008 - 2010)
- Lifetime member of Rumah Amal Cahaya Tengku Ampuan Rahimah ("RACTAR")
- Founder of MySayang Malaysia Organisation
- Member of Malaysian Green Technology and Climate Change Centre (formerly known as Malaysian Green Technology Corporation) ("MGTC")
- Member of ICDM
- Deputy President of Education and Research Association For Consumers, Malaysia

Declaration

- YM Tengku Loreta does not have any family relationship with any Director and/or major shareholder of the Company, nor does she have any conflict of interest with the Company.
- YM Tengku Loreta has not been convicted for any offences within the past 5 years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Board of Directors' Profile

TUAN HAJI NOOR FAIZ BIN HASSAN

Independent Non-Executive Director

54 · Male · Malaysian

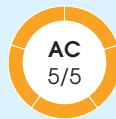
Date of appointment: 1 October 2020

Length of tenure as at 27 March 2024: 3 years and 6 months

Tuan Haji Noor Faiz bin Hassan was appointed to the Board of Puncak Niaga on 1 October 2020 as an Independent Non-Executive Director. He is a member of Puncak Niaga's Audit Committee, Nomination Committee, Remuneration Committee and Compliance, Internal Control and Risk Policy Committee.



Board and Board Committees' attendance:



Qualification

- Bachelor of Accounting (Honours) Degree, University Utara Malaysia (1995)

Other Directorships In Public Companies And Listed Entities

Public Companies

- Nil

Listed Entities

- Nil

Working Experience And Occupation

Tuan Haji Noor Faiz started his career with KB Wong & Co in 1995 as an Audit Senior and is presently an Audit Manager in KB Wong & Co. He has more than 27 years' experience in corporate audit and taxation.

Memberships

- Former Chairman of Board of Visitors for Bagan Specialist Centre in Butterworth
- Member of the National Autism Society of Malaysia ("NASOM")
- Member of Malaysian Institute of Accountants (C.A. (M))
- Member of ICDM

Declaration

- Tuan Haji Noor Faiz does not have any family relationship with any Director and/or major shareholder of the Company, nor does he have any conflict of interest with the Company.
- Tuan Haji Noor Faiz has not been convicted for any offences within the past 5 years nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Board of Directors' Profile

YBHG TAN SRI DR MADINAH BINTI MOHAMAD

Independent Non-Executive Director

68 • Female • Malaysian

Date of appointment: 1 December 2022

Length of tenure as at 27 March 2024: 1 year 4 months

YBhg Tan Sri Dr Madinah binti Mohamad was appointed to the Board of Puncak Niaga on 1 December 2022 as an Independent Non-Executive Director. She is a member of Puncak Niaga's Audit Committee, Nomination Committee, Remuneration Committee and Compliance Internal Control and Risk Policy Committee.



Board and Board Committees' attendance:



Qualification

- Bachelor's Degree in Social Sciences (Political Science) from Universiti Sains Malaysia
- Master's Degree in Human Resource Development, Universiti Putra Malaysia
- Doctorate in Human Resource Development, Universiti Putra Malaysia

Other Directorships In Public Companies And Listed Entities

Public Companies

- Nil

Listed Entities

- Independent Non-Executive Chairman of Ahmad Zaki Resources Berhad
- Independent Non-Executive Director of Tomei Consolidated Berhad

Working Experience And Occupation

YBhg Tan Sri Dr Madinah has over 35 years of experience in the public service, holding various positions in several ministries and departments as Secretary General of the Ministry of Science, Technology & Innovation (MOSTI) and Secretary General of the Ministry of Education ("MOE"). Her final leg in the public service was as Auditor General of Malaysia.

She was appointed the Auditor General of Malaysia on 22 February 2017 until her contract ended in 2019. She is the first woman to hold the position since the establishment of the National Audit Department.

YBhg Tan Sri Dr Madinah had served as the Secretary General of MOE before her retirement in September 2016. She held the position since June 2013. She was very much involved in policy guidance and administration of the Ministry, and was directly involved in driving the education transformation agenda. These included creating a clear vision and direction for the execution of the Malaysia Education Blueprint 2013-2025 to meet the new demands and expectations of stakeholders and the citizens.

Prior to that, she was appointed the Secretary General, MOSTI in April 2009, where she was instrumental in policy formulation and implementation, and held direct responsibility for the development of science, technology and innovation in Malaysia. The drafting and final National Space Policy and National Innovation Policy were her more significant contributions. The implementation and development of related policies which were already endorsed by the Government, such as Biotechnology Policy, ICT Policy and National Science, Technology and Innovation Policy as a whole also came under her purview.

She began her career as an Administrative and Diplomatic Officer in 1981 with the Ministry of Foreign Affairs.

YBhg Tan Sri Dr Madinah also served on multiple boards of GLCs during her tenure as Secretary General of MOSTI and as Secretary General of MOE, most notably on the boards of Securities Commission, Malaysia Digital Economy Corporation Sdn Bhd, Malaysian Communications and Multimedia Commission and many others. YBhg Tan Sri Dr Madinah is currently the Independent Non-Executive Chairman of Ahmad Zaki Resources Berhad and an Independent Non-Executive Director of Tomei Consolidated Berhad.

Memberships

- Member of Pengajian Program (JKPP) Program Bachelor Sains Pembangunan Sumber Manusia Dengan Keupujian, Fakulti Pengajian Pendidikan, Universiti Putra Malaysia
- Member of ICDM

Declaration

- YBhg Tan Sri Dr Madinah does not have any family relationship with any Director and/or major shareholder of the Company, nor does she have any conflict of interest with the Company.
- YBhg Tan Sri Dr Madinah has not been convicted for any offences within the past 5 years nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies in 2023.

Key Personnel Profile - Puncak Niaga Group

TUAN SYED BADLI SHAH BIN SYED MANSOOR

Executive Director, Operations Division/Managing Director,
Puncak Niaga Construction Sdn Bhd

57 · Male · Malaysian

Tuan Syed Badli Shah bin Syed Mansoor was appointed as the Executive Director, Operations Division of Puncak Niaga and Managing Director of Puncak Niaga Construction Sdn Bhd on 1 October 2021.

He graduated from Universiti Teknologi Malaysia in 1991 with a degree in Mechanical Engineering and has about 30 years of experience in the construction industry, water and wastewater operations and maintenance projects and solid waste management. Obtaining his MBA in 2022, he is a member of NIOSH and a graduate member of IEM and BEM.

He started his career as a Mechanical Engineer in JCM Sdn Bhd in 1991 before joining Perbadanan Kilang Feluda as Plant Engineer from July 1991 to 1993. In 1993, he served as the Chief Engineer for Johor Aluminium Processing Sdn Bhd. He then joined Linde Industrial Gases Sdn Bhd in 1996 as General Production Manager and was involved in the construction of three (3) acetylene plants and four (4) filling stations for industrial gases during his tenure. Thereafter, he joined Alam Flora Sdn Bhd in 2002 where he was appointed as the Plant/Facilities Planning Manager. In 2005, he joined WWE Holdings Bhd where he held the position of Business Development Manager/Jeddah Branch Manager and was a Project Director for Jeddah Sewer Networks.

He joined Puncak Niaga in 2013 as General Manager of the Non-Water Department, Engineering/Project Development Division. In 2019, he was given the responsibility to head the FMS Department, Z1P2, TR1plc Berhad and in year 2020, he was given the responsibility to head the D44 Project, Puncak Niaga Construction Sdn Bhd. Prior to his appointment as the Executive Director, Operations Division of Puncak Niaga and Managing Director of Puncak Niaga Construction Sdn Bhd on 1 October 2021, he was given the task to head the Business and Technical Department in handling new businesses/projects for the Company.

He was previously the Secretary for Corporate Safety and Health Puncak Niaga Holdings Berhad and the past Chairman of the Safety and Health Committee for Wisma Rozali. He is Puncak Niaga's and Puncak Niaga Construction Sdn Bhd's Management Representative in the implementation and maintenance of the Quality Management System ("QMS"), Environmental Management System ("EMS"), and Occupational Health, Safety ("QH&S") Management System, and Anti-Bribery Management Systems ("ABMS").

Tuan Syed Badli is a member of Puncak Niaga's EXCO, Puncak Niaga Construction Sdn Bhd's EXCO and TR1plc Berhad's EXCO. He also holds directorships in several subsidiary companies of Puncak Niaga Group.

MADAM LIM MUN LEE

Executive Director, Finance Division

49 · Female · Malaysian

Madam Lim Mun Lee graduated from Monash University, Australia with a Bachelor of Business (Major in Accounting). She is a member of CPA Australia and Malaysian Institute of Accountants ("MIA"). She has vast experience of more than 27 years in various areas covering auditing, accounting, taxation, finance, strategic financial management and corporate banking.

Madam Lim started her career in 1997 as an auditor in a well established accounting firm. She had served diligently and made her way up to management level at several public listed companies and multinational companies, including 6 years in Scomi Oilfield Limited (an oilfield services subsidiary under Scomi Group Bhd), 3 years in TR1plc Berhad and 2 years in SYABAS.

Madam Lim joined the Company in April 2015 as General Manager, Finance & Accounts Department and was appointed as Acting Executive Director, Finance Division of the Company on 9 June 2022, responsible for overseeing the overall finance and accounting functions of Puncak Niaga Group. She was then appointed as Executive Director, Finance of Danum Sinar Sdn Bhd, a sub-subsiidiary of Puncak Niaga Holdings Berhad on 1 September 2023 as part of the Group's internal re-organisation. Subsequently, on 21 January 2024, Madam Lim was appointed as the Executive Director, Finance Division of the Company overseeing the overall finance and accounting functions of Puncak Niaga Group.

Madam Lim is a member of Puncak Niaga's EXCO and Puncak Niaga Construction Sdn Bhd's EXCO. She also holds directorships in several subsidiary companies of Puncak Niaga Group.

Key Personnel Profile - Puncak Niaga Group

ENCIK TAUFIK AFENDY BIN OTHMAN

Managing Director, TRlplc Berhad

55 · Male · Malaysian

Encik Taufik Afendy bin Othman was appointed as Managing Director, TRlplc Berhad on 15 April 2023 and has been serving TRlplc Group of Companies since 2017.

Encik Taufik graduated from Universiti Teknologi Malaysia with a Bachelor's Degree in Chemical Engineering in 1992 and a Master's Degree in Industrial Safety Management from Universiti Kebangsaan Malaysia in 2000. He is a certified Safety and Health Officer, Lead Assessor for QMS (ISO 9002), SMS (OHSAS 18001), EMS (ISO 14001), Facilities Management Manager with CIDB and a Facility Management Specialist (Healthcare Services) with OTHM, UK.

Encik Taufik began his career in Malaysian Sheet Glass (M) Sdn Bhd and moved to H&R Johnson (M) Sdn Bhd as an Engineer from 1994 till 1997.

In 1997, Encik Taufik joined Puncak Niaga (M) Sdn Bhd and was promoted to Health, Safety and Quality Management Manager in year 2004. He subsequently joined SYABAS in June 2005 and served there until 2013 being the General Manager, Administration Department. In 2013, he joined Arena Terbaik Sdn Bhd as Managing Director for four years.

He then joined TRlplc Group in 2017 as General Manager, Human Resources & Administration and was promoted to Senior General Manager, Facility Management Services Z1P2 in 2019. He has more than 31 years of experience in the field of Engineering, Quality, Safety and Environment and Facilities Management.

Encik Taufik is a member of TRlplc Berhad's EXCO. He also holds directorship in several subsidiary companies of Puncak Niaga Group.

YBHG PROF DATO' DR MOHD ZAINUL FITHRI BIN OTHMAN

Executive Director, Public Relations Division

59 · Male · Malaysian

YBhg Prof Dato' Dr Mohd Zainul Fithri bin Othman was appointed as the Executive Director, Strategic Resource and Public Relations Division of PNSB on 4 March 2014. He is currently the Executive Director, Public Relations Division of Puncak Niaga Management Services Sdn Bhd and a member of Puncak Niaga's EXCO.

His passion in the field of education was evident since the early days of his career. YBhg Prof Dato' Dr Mohd Zainul Fithri started his profession as a lecturer at Universiti Sains Malaysia in 1994 and six years later, he was attached to Unitek College Malaysia as the President/Chief Executive Officer ("CEO"). He then served as the Director of Management Studies of the World Enterprise Institute at the International Medical University ("IMU") in 2000. In the same year, he was attached to 'Institut Kajian Pembangunan Bangsa' as the CEO and as an Associate Professor of the Faculty of Humanities and Social Sciences, Universiti Tun Abdul Razak and the Chairman of the International Society of Business Administration Center Malaysia.

YBhg Prof Dato' Dr Mohd Zainul Fithri held various prominent positions in Management & Science University ("MSU") and had served at the institution for a considerable number of years. During his stint, he was appointed as the Vice President/Deputy Vice Chancellor in 2003 and Dean at Centre of Flexible Learning. Simultaneously, a Director of Akademi Kaunseling Komuniti Malaysia ("AKKMA") in 2006. He was promoted as a Full Professor in Policy and Leadership Studies in 2008. During the same year, he also ventured into a new role where he became the Political Secretary to the Minister in the Prime Minister Department, YAB Dato' Seri Dr Ahmad Zahid bin Hamidi until 2009.

YBhg Prof Dato' Dr Mohd Zainul Fithri holds a Bachelor of Science majoring in Political Science from Oregon State University, Corvallis, United States in 1988 and a Master of Arts ("MA") in International Relations (Security and International Political Economy) from University of Hull, United Kingdom in 1990. He also holds a Doctor of Philosophy in Global Political Economy from University of Sheffield, United Kingdom since 1994.

Key Personnel Profile - Puncak Niaga Group

PUAN FARIDATULZAKIAH BINTI MOHD BAKHRY

Executive Director, Human Resources & Administration Division

48 · Female · Malaysian

Puan Faridatulzakiah holds a Degree in Law (LLB, Hons) from Hertfordshire University, United Kingdom. She started her legal career at Messrs Malek & Associate in 2003, handling civil and criminal cases. In 2006, she transitioned to the role of Legal Officer at Great Eastern Life Assurance (Malaysia) Berhad, gaining invaluable insights into Human Resources and Industrial Relations.

Her tenure at SYABAS began in 2008, where she initially served as Assistant Manager in the Legal Department. Rapidly ascending the ranks, she assumed the role of Manager of Industrial Relations in 2009, subsequently advancing to Senior Manager in 2010. In 2012, Puan Faridatulzakiah joined PNSB as Assistant General Manager of the Human Resources & Administration Division, orchestrating comprehensive Human Resources Management strategies. She capitalised on her legal acumen to spearhead strategic initiatives in industrial relations and human resources management. Her proficiency in interpreting labor laws and mitigating legal risks has been instrumental in fostering harmonious workplace environments and ensuring organisational compliance.

On 1 February 2013, Puan Faridatulzakiah assumed the position of Executive Director, Human Resources & Administration Division overseeing the overall administration of Puncak Niaga Group of Companies comprising Human Resources, Administration, Security and Staff Associations. As the President of Puncak Niaga Group's Staff Welfare Association ("PEKA"), she champions initiatives fostering welfare enhancement, team cohesion, and employee engagement across the organisation. She also serves as a key member of Puncak Niaga's EXCO, Puncak Niaga Construction Sdn Bhd's EXCO, and TRIpIc Berhad's EXCO. Puan Faridatulzakiah holds directorships in numerous subsidiaries within the Puncak Niaga Group.

PUAN WAN RAZMAH BINTI WAN ABD RAHMAN

Company Secretary

55 · Female · Malaysian

Puan Wan Razmah binti Wan Abd Rahman joined Puncak Niaga Management Services Sdn Bhd on 12 July 2021 as General Manager, Secretarial Department, Corporate Services Division. She was appointed as the Joint Company Secretary of Puncak Niaga Group on 21 July 2021. She is a Chartered Secretary and an Associate of the Malaysia Association of the Institute of Chartered Secretaries and Administrators (MAICSA).

Her career in public listed company began in 1996 when she joined Amcorp Properties Berhad as an Assistant Company Secretary. In 2010, she joined Idaman Unggul Berhad as the Company Secretary and Head of Human Resources. In 2014, she joined Malaysia Airports Holdings Berhad (MAHB) as Senior Manager, Company Secretarial Division and thereafter, in 2016, she joined Tune Group Sdn Bhd as the Corporate Affairs Manager. Prior to joining Puncak Niaga in 2021, she was also the Company Secretary for Damansara Realty Berhad and YLI Holdings Berhad.

Puan Wan Razmah has more than 25 years of corporate secretarial experience in both public listed and private limited companies. Over the years, her responsibilities have included attending all corporate secretarial matters as well as supporting the Board of Directors and Management of various organisations in a wide range of corporate secretarial and statutory matters.

Notes:

Save as disclosed above, none of the Key Personnel has:

- Any family relationship with any Director and/or major shareholder of the Company except for Puan Faridatulzakiah who is the niece of the Executive Chairman and cousin of the Managing Director of the Company.
- Any conflict of interest with the Company.
- Any conviction for offences within the past 5 years and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, other than traffic offences.

Corporate Governance Overview Statement

This Corporate Governance Overview Statement (the “Statement”) provides insights into the corporate governance practices of Puncak Niaga Group (the “Group”) under the leadership of the Board of Directors (the “Board”) of Puncak Niaga Holdings Berhad (“Puncak Niaga”) for the financial year ended 31 December 2023 (“FY2023”). This Statement set out the principles and features at the Group’s corporate governance framework during FY2023.

The Board of Puncak Niaga is responsible to its stakeholders, including the Company’s shareholders, for the approval and delivery of the Group’s strategic objectives. It ensures that the necessary financial, technical and human resources are in place for the Company to meet its objectives. The Board leads the Group within a framework of practical and effective controls which enables risks to be assessed and managed.

In recognition of the Company’s ongoing efforts to improve on its corporate governance practices, the Company’s commitment to the highest standards of annual report disclosure garnered a fifth consecutive Gold Award at the 2023 Australasian Reporting Award (“ARA Award”) in Australia on 16 June 2023. Subsequently, the Company was recognised as a winner at The Bizz 2023 in Lisbon, Portugal on 26 August 2023. The Company was also honoured with the Recognition Of Inspirational Company and YBhg Tan Sri Rozali bin Ismail, the Executive Chairman of the Company was awarded with the World Leader Businessperson Award at the World Confederation of Business.

Responsibility for the development and implementation of the Group’s strategy and overall commercial objectives is delegated to the Managing Director who is supported by Puncak Niaga’s Executive Committee (“EXCO”). The Group’s principal decision-making body is the Board. In line with both the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”), the Board Committees assist the Board by fulfilling their roles and responsibilities, focusing on their respective activities, reporting to the Board on decisions and actions taken, and making any necessary recommendations in line with their Terms of Reference. The Terms of Reference of the Board Committees comply with the provisions of the MCCG 2021 and was last updated on 23 September 2021.

GOVERNANCE FRAMEWORK

The Board Committees’ structure is detailed in the governance framework below and the key responsibilities of the Board and roles of the Directors of the Company are set out on pages 95 to 98 of this Annual Report.

<p>Board</p> <p>The Board’s roles are to understand and meet its obligations to the Company’s stakeholders; lead the Group within a framework of practical and effective controls which enable risks to be assessed and managed; approve the Group’s strategic objectives and ensure that sufficient resources are available to enable it to meet those objectives; and to monitor and review the operating and financial performance of the Group. It has responsibility and accountability for the proper conduct of the business and the long term success of the Group. Detailed roles and responsibilities of the Board can be found in our Board Charter, accessible online through www.puncakniaga.com.my.</p>	<p>Executive Chairman</p> <p>Leads our unified Board, ensuring that the principles and processes of the Board are maintained in line with our Board Charter which is available online at www.puncakniaga.com.my.</p>	<p>Remuneration Committee</p> <p>The Remuneration Committee determines the Company’s policy on the remuneration of Executive Directors, Senior Management and the Chairman of the Board.</p> <p> <i>More information can be found on pages 106 to 107.</i></p>
<p>Audit Committee</p> <p>The Audit Committee assists the Board in discharging its responsibilities for the integrity of the Company’s financial statements, the assessment of the effectiveness of the systems of Internal Controls, Risk Management and the internal and external Auditors.</p> <p> <i>More information can be found on pages 110 to 113.</i></p>	<p>Managing Director</p> <p>Delegated responsibility for the development and implementation of the Group’s strategy and overall commercial objectives. Responsible for the day-to-day management of the business and the communication of Board agreed objectives to employees. Reports directly to the Executive Chairman. Further details of the roles and responsibilities of the Managing Director can be found in our Board Charter, which is available online at www.puncakniaga.com.my.</p>	<p>ESG Sustainability Committee</p> <p>The ESG Sustainability Committee was established on 1 September 2022 to support the Board’s leadership and oversight on the integration of sustainability considerations in Puncak Niaga’s corporate strategy, governance and decision making processes as sustainability and its underlying ESG issues become increasingly material to Puncak Niaga’s ability to create durable and sustainable value and maintain confidence of its stakeholders.</p>
<p>Nomination Committee</p> <p>The Nomination Committee assists the Board by keeping the structure, size, composition and succession needs of the Board under review. It also assists the Board on issues of Directors’ conflicts of interest and independence.</p> <p> <i>More information can be found on pages 101 to 102.</i></p>	<p>Compliance, Internal Control and Risk Policy Committee</p> <p>The Compliance, Internal Control and Risk Policy Committee provides guidance and direction to the Company’s Compliance and Internal Control programmes. It also reviews the Group’s risks and opportunities.</p> <p> <i>More information can be found on pages 116 to 121.</i></p>	<p>Executive Committee</p> <p>The EXCO operates under the direction and authority of the Executive Chairman/Managing Director overseeing the development and execution of strategy. It also has accountability for achieving financial and operational performance.</p>

Malaysian Code on Corporate Governance 2021

The Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) is applicable to the current reporting period. The MCCG 2021 is available at Securities Commission’s website at www.sc.com.my.

This Corporate Governance Overview Statement is to be read in conjunction with the Corporate Governance Report, which is available online at www.puncakniaga.com.my. Puncak Niaga was generally compliant with the provisions set out in the MCCG 2021 for the period under review.

Corporate Governance Overview Statement

BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities And Roles Of The Executive Chairman, Managing Director, Executive Directors And Independent Non-Executive Directors Of The Company.

The Board is guided by the Board Charter which sets out the Board's strategic intent and the specific roles and responsibilities to be discharged by the Board members collectively in discharging its fiduciary and leadership functions, the individual roles expected from the Executive Chairman, Managing Director, Executive Directors and Independent Non-Executive Directors ("INEDs") and the roles of the respective Board Committees.

During the year, the Board comprises eight members of which six are the INEDs with two female INEDs; all with length of tenure of less than seven years.

The Board is responsible for the stewardship of the Company and in discharging its obligations.

The key responsibilities of the Board are:-

Providing leadership and vision to the Company that enhances shareholder value and also ensures long term sustainable development and growth of the Company.

Reviewing and adopting a strategic plan for the Company.

Overseeing the conduct of the Company's businesses and ensuring the appropriate corporate disclosure policies and procedures.

Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures and establishing a sound framework to manage risks and to prevent fraud.

Retaining full and effective control over the Company, and monitor the Management in implementing the Board's plans and strategies including the financial and non-financial performance measurements.

Succession planning.

Executive Chairman	Managing Director	Executive Directors	Independent Non-Executive Directors
<ul style="list-style-type: none"> Leadership of the Board and the Group Ensures Board effectiveness Represents the Board to the shareholders Ensures integrity and effectiveness of the corporate governance process of the Group Sets Board Agenda 	<ul style="list-style-type: none"> Implements policies and strategies as approved by the Board and reports to the Executive Chairman/Board In association with the Executive Chairman, is accountable to the Board for the achievement of the Company's goals and performance targets Ensures the assets of the Company are adequately maintained and protected, and not unnecessarily placed at risk 	<ul style="list-style-type: none"> Responsible for the operational and business units, organisational effectiveness and implementation of the Board's policies, directives, strategies and decisions 	<ul style="list-style-type: none"> Brings an external perspective and effective challenge to the Board Provides the relevant checks and balances, focusing on shareholders' and other stakeholders' interests Ensures effective corporate governance process is applied

Corporate Governance Overview Statement

COMPANY SECRETARY

The Company Secretary is responsible for advising the Board on regulatory compliance matters and providing good information flow and comprehensive practical support to Directors, both as individuals and collectively, with particular emphasis on supporting the Non-Executive Directors in maintaining the highest standards of probity and corporate governance. The Company Secretary is also responsible for ensuring the Group's compliance with the relevant statutory and regulatory requirements. All Directors have unrestricted access to the advice and services of the Company Secretary to facilitate the discharge of their duties.

The Company Secretary of Puncak Niaga is qualified to act under Section 235(2) of the Companies Act, 2016 and an associate (Chartered Secretary and Chartered Governance Professional) of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA").

MATTERS RESERVED FOR THE BOARD

The schedule of Matters Reserved for the Board sets out the processes in place regarding the Board's tasks and activities and matters specifically reserved for the Board's decision-making are set out in our Board Charter which is available online at www.puncakniaga.com.my.

The Matters Reserved for the Board's decision are:-

Financial	Regulatory	Statutory and Administrative	Manpower
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BOARD MEETINGS AND BOARD ACTIVITIES IN 2023

There were six Board Meetings held during the FY2023. The record of attendance for each Directors are set out below:-

Directors	No. of Board Meetings Attended/ Percentage of Attendances
YBhg Tan Sri Rozali bin Ismail <i>Executive Chairman</i>	5/6 (83%)
Encik Azlan Shah bin Tan Sri Rozali <i>Managing Director</i>	6/6 (100%)
YBhg Dato' Sri Adenan bin Ab. Rahman <i>Independent Non-Executive Director</i>	6/6 (100%)
YBhg Prof Emeritus Datuk Dr Marimuthu a/l Nadason <i>Independent Non-Executive Director</i>	5/6 (83%)
YBhg Datuk Sr Haji Johari bin Wahab <i>Independent Non-Executive Director</i>	6/6 (100%)
YM Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj <i>Independent Non-Executive Director</i>	6/6 (100%)
Tuan Haji Noor Faiz bin Hassan <i>Independent Non-Executive Director</i>	6/6 (100%)
YBhg Tan Sri Dr Madinah binti Mohamad <i>Independent Non-Executive Director</i>	6/6 (100%)

Corporate Governance Overview Statement

The Board primarily focused on strategic matters, in particular, various matters relating to the Group's businesses and finances. Significant time was spent on financial, business performance and sustainability as well as assessing and deliberating on the strategic direction of the Company. The Board Charter and Terms of Reference of the Board Committees comply with the provisions of the MCCG 2021 and were last updated on 23 September 2021.

Despite the Government's decision to lift the strict Standard Operating Procedures ("SOPs") to combat COVID-19, the Board continued to ensure preventive measures were observed, *inter alia*, physical distancing, regular use of hand sanitisers and face masks at the Board, Board Committees' Meetings and other Company meetings with the objective to ensure these practices become a regular SOP in the Company and the Group. The Company also leverage meetings via video conferencing to facilitate the Directors who are unable to attend a meeting in person, for any reason.

BOARD'S INDEPENDENCE

The independence of our INEDs is formally reviewed annually by the Nomination Committee. The Nomination Committee and the Board consider that there are no businesses or other circumstances that are likely to affect the independence of any INED and that all INEDs continue to demonstrate their independence.

As at the end of the financial year under review, our INEDs comprise more than 75% of the Board's composition and the length of service is less than seven years. This promotes the Board's quality and strengthens our Board's independence besides enabling the necessary checks and balances on the decision-making process of the Board. Our Directors hold integrity at the highest level and possess extensive experience and diverse skill sets to provide unbiased and independent views to the Board. They consistently challenge the Management and the Board in an effective and constructive manner and therefore, are able to function as a check and balance forming justified opinions to the Board. The Executive Chairman also encourages healthy debates on important issues and promotes active participation among the Board members at the Board Meetings and Board Committees' Meetings.

The Nomination Committee had reviewed and deliberated on the Self-Evaluation Forms of the Independence of the Independent Directors for the year 2023 completed by all six INEDs who served on the Board of Puncak Niaga for the full calendar year of 2023 at the 53rd Nomination Committee Meeting held on 19 February 2024 and had recommended the same to the Board of Directors of the Company for consideration at the 135th Board of Directors' Meeting held on 26 February 2024 wherein the Board had concluded the following findings:-

- Based on the confirmations given by the six INEDs who served on the Board of Puncak Niaga for the full calendar year of 2023 as evidenced in the duly completed Self-Evaluation Forms, the Company is satisfied that its INEDs have fulfilled the criteria as Independent Directors of the Company under the MMLR of Bursa Securities.
- All six INEDs who participated in the 2023 Self-Evaluation Form of the Independence of the Independent Directors for the year 2023 have indicated their willingness to continue in office as Independent Directors of the Company.

CONFLICTS

On 17 November 2023, the Board approved the Directors' And Key Senior Management's Conflict Of Interest Policy. The Company requires the Board and Key Senior Management of the Company to adhere to the procedures governing any conflict of interest ("COI"), potential COI and interest in competing business involving the Directors as stipulated under the relevant provisions of the Companies Act 2016 ("CA"), Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries issued by Securities Commission Malaysia, Guidance on Conflict of Interest (ICN 1/2023) issued by Bursa Securities, Corporate Governance Guide and the relevant requirements under the MMLR of Bursa Securities and any other relevant regulatory requirements, where applicable. Directors' And Key Senior Management's Conflict Of Interest Policy is accessible at the Company's website at www.puncakniaga.com.my.

BOARD DEVELOPMENT

The Board recognises the importance of continuous training programmes at the Board level in order to broaden their perspectives and to keep abreast with the developments in the market place and changes in new statutory requirements to ensure that the Board members are able to effectively discharge and fulfil their roles on the Board and the various Board Committees and contribute positively to discussions on technical and regulatory matters. These sessions also serve as an opportunity for the Board to discuss strategy and risks with the Management and gain better insight into the Group's businesses and management capability.

Corporate Governance Overview Statement

In 2023, the Directors attended the following courses:-

YBhg Tan Sri Rozali bin Ismail	<ul style="list-style-type: none"> • KPMG Asia Pacific Board Leadership Centre Webinar entitled "2023 Board and Audit Committee Priorities" • KPMG Asia Pacific Board Leadership Centre Webinar entitled "Navigating at Governance and ESG Reporting For The Future"
Encik Azlan Shah bin Tan Sri Rozali	<ul style="list-style-type: none"> • ICDM: A Dialogue with Bursa Malaysia - FTSE4GOOD ESG Rating for All PLCs • Bursa Malaysia "Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers" • Bursa Malaysia "Management of Cyber Risk"
YBhg Dato' Sri Adenan bin Ab. Rahman	<ul style="list-style-type: none"> • ICDM PowerTalk Sustainability Series – (Re) Building the Board for Innovation
YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason	<ul style="list-style-type: none"> • ICDM PowerTalk Sustainability Series – (Re) Building the Board for Innovation • ICDM Member's Engagement Activity: New Members Meet and Greet #2/2023 • ICDM Navigating The ESG Risk In The Supply Chain • ICDM Sustainability Transition – Innovation As Change Drivers • ICDM Board Sustainability Committee Dialogue & Networking: The ABC Soup of ESG and You (Boards) • ICDM BNRC Dialogue & Networking – 2023 • ICDM Mandatory Accreditation Programme Part II: Leading for Impact ("LIP")
YBhg Datuk Sr Haji Johari bin Wahab	<ul style="list-style-type: none"> • Persatuan Jurukur Tanah Bertauliah Malaysia "CEPD A/2023 Webinar Isu-Isu Perundangan Pentadbiran Tanah" • The Council of European Geodetic Surveyors "FIG Working Week, Orlando, Florida (US)" • Royal Institution of Surveyors Malaysia "25th International Surveyors' Congress" • ICDM Mandatory Accreditation Programme Part II: Leading for Impact ("LIP")
YM Tengku Lorefa binti Tengku Dato' Setia Ramli Alhaj	<ul style="list-style-type: none"> • ICDM PowerTalk Sustainability Series – (Re) Building the Board for Innovation • ICDM PowerTalk Series – Navigating ESG Data Into Decisions • ICDM Corporate Members Event: A 60-Minute Crisis Management Guide for Boards • ICDM Board Audit Committee (BAC) Dialogue & Networking #3/2023 : A Serious Allegation Is Reported – What Should Boards DO? • ICDM BNRC Dialogue & Networking – 2023 • ICDM Mandatory Accreditation Programme Part II: Leading for Impact ("LIP")
Tuan Haji Noor Faiz bin Hassan	<ul style="list-style-type: none"> • ICDM PowerTalk Sustainability Series – (Re) Building the Board for Innovation • ICDM PowerTalk Series – Navigating ESG Data Into Decisions • ICDM Powertalk : Generative AI – An Opportunity or Risk? • Bursa Malaysia "Management of Cyber Risk" • ICDM Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Securities Commission Malaysia "Audit Oversight Board's Conversation with Audit Committees"
YBhg Tan Sri Dr Madinah binti Mohamad	<ul style="list-style-type: none"> • ICDM PowerTalk Series – Navigating ESG Data Into Decisions • ICDM Corporate Members Event: A 60-Minute Crisis Management Guide for Boards • ICDM : A Dialogue with Bursa Malaysia - FTSE4GOOD ESG Rating for All PLCs • ICDM Board Audit Committee (BAC) Dialogue & Networking #3/2023 : A Serious Allegation Is Reported – What Should Boards DO?

Corporate Governance Overview Statement

SUPPLY OF INFORMATION AND ACCESS TO ADVICE

Each Board member is supplied with accurate, complete, adequate, unrestricted and quality information on a timely basis to enable them to effectively discharge their duties and responsibilities. Except under exceptional circumstances, Board members are given at least seven days' prior notice of any Board Meeting to be held. Since November 2021, all Board Meetings' materials are uploaded onto a board meeting automation solution system, BoardPAC which is accessible by the Directors via their personal tablets several days before the Board Meetings to facilitate the Directors to peruse the Meeting materials and to review the issues to be deliberated at the Board Meetings before the Meeting date. Where necessary, the Company's personnel will be called upon by the Board during the Board Meetings to present and to clarify any Board papers presented.

All Board members participate actively in the Board's deliberations and bring the benefit of their particular knowledge, skills and abilities to the Board. Where a potential conflict with the duties or of interests as Director arises, it is mandatory for the Director concerned to declare the fact and nature of his or her interests and the extent of the conflict at a Board Meeting and abstain from the deliberation and decision-making process. In the event the proposal requires shareholders' approval, the interested Board members shall abstain from voting on the resolution at the General Meeting and shall ensure that persons connected to them also abstain from voting on the proposal.

The above procedures are likewise practised at the various Board Committees' Meetings.

The Company Secretary organise and attend all Board Meetings and Board Committees' Meetings (except for the CICR Meeting whose the Secretary is the Head of Internal Audit Department) and ensure that all issues discussed with the conclusions are minuted accurately in the minutes of each Meeting and that all records are kept properly at the Registered Office of the Company.

The Board is regularly updated and kept informed by the Company Secretary and the Management of the requirements such as restriction in dealing with the securities of the Company and updates as issued by the various regulatory authorities including the latest developments in the legislations and regulatory framework affecting the Group. The Board has unrestricted and constant access to and interaction with the Senior Management of the Company. Each Board member has full and unrestricted access to the advice and services of the Company Secretary.

Where necessary, the Directors may, whether collectively as a Board or in their individual capacities, seek external and independent professional advice from experts on any matter in furtherance of their duties as they may deem necessary and appropriate at the Company's expense.

Corporate Governance Overview Statement

NOMINATION COMMITTEE REPORT

YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason
Chairman

3/3 

YBhg Dato' Sri Adenan bin Ab. Rahman
Member

3/3 

YBhg Datuk Sr Haji Johari bin Wahab
Member

3/3 

YM Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj
Member

3/3 

Tuan Haji Noor Faiz bin Hassan
Member

3/3 

YBhg Tan Sri Dr Madinah binti Mohamad
Member

3/3 

The members of the Nomination Committee (“NC”) comprise wholly of the INEDs of the Company. Only members of the NC have the right to attend NC Meetings. Other individuals such as the Managing Director, Executive Directors and external advisers may be invited to attend the NC Meetings as and when deemed appropriate.

RESPONSIBILITIES OF THE NOMINATION COMMITTEE

The responsibilities of the NC include:-

- To annually review the overall composition of the Board in terms of required mix of the expertise, skills, knowledge and experience and other qualities, including core competencies and adequacy of balance between Executive Directors and INEDs.
- To annually review the overall composition of the Board to achieve the best composition for diversity in terms of skills, experience, gender, age, professional background and cultural background to meet the needs of the Company. In this regard, the NC is to assist the Board in establishing a policy on Boardroom diversity.
- To assess and recommend to the Board, candidates for all directorships to be filled and to annually evaluate and appraise the Board taking into consideration the time required of the Directors to fulfil their duties. Any appointment that may cast doubt on the integrity and governance of the Company should be avoided.

In identifying Board candidates, the NC may rely on recommendation from the existing Board members, the Management or major shareholders. The NC may also consider to utilise independent sources to identify suitably qualified candidates, as appropriate.

If the selection of Board candidates was based on the recommendation of the existing Directors, Management or major shareholders of the Company, the NC should explain why these source(s) suffice and other sources were not used.

- To assess and recommend to the Board, candidates for the re-election of Directors under the annual re-election provisions or retirement, as the case may be and to provide a statement to the Board to support the appointment or re-election of the candidate(s).
- To assess and recommend to the Board, Directors to fill the seats on Board Committees, in consultation with the Chairman of those committees or with the Board, in the case of the Chairman’s position.
- To annually assess the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual Director and in respect of the INEDs of the Company, their capacity to bring an independent judgement on issues before the Board and that each Director in their individual capacity and as a collective Board are able to act in the best interests of the Company as a whole.

Corporate Governance Overview Statement

- To examine the size of the Board with a view to determining the impact of the number upon its effectiveness and to ensure that at least half of the Board comprises the INEDs of the Company.
- In the case of persons for the position of Independent Non-Executive Director, to evaluate the persons' ability to spend sufficient time to fulfil their duties to discharge such responsibilities/functions as expected from INEDs, in particular, for those who have served on the Board beyond nine years, to assess and evaluate whether the INED should remain independent or be re-designated or be replaced.
- To determine annually whether a Director is independent as defined in Bursa Securities' MMLR and to recommend a suitable INED for the role of Senior INED of the Company.
- To review matters relating to the continuation in office of any Director at any time.
- To ensure that all Directors receive appropriate induction and continuous training programmes in order to broaden their perspectives and to keep abreast with developments in the market place and changes in new statutory requirements including training, upskilling or development needs and continuous professional development programmes to keep abreast with corporate governance developments, enhancing financial literacy on financial statements and financial reporting standards and professional development on sustainability in order to drive the Company's future strategies and strengthen the Board's leadership and oversight on the Company's and Puncak Niaga Group's sustainability issues.
- To periodically assess and recommend to the Board on succession planning for the Board, Executive Chairman, Directors and Key Management personnel.
- To recommend to the Board the removal of a Director if he is ineffective, errant or negligent in discharging his responsibilities.
- To review and recommend to the Board, corporate governance principles and best practices to be implemented for Puncak Niaga Group, in compliance with the MCCG 2021.
- To assess and recommend to the Board, the Terms of Reference of the Board Committees and to review the adequacy of the structure of the Board Committees.
- The NC's Terms of Reference can be found at www.puncakniaga.com.my.

MATTERS DELIBERATED DURING THE YEAR

1

Summary on the Evaluation of Board Effectiveness for Year 2022.

2

Summary on the Evaluation of Audit Committee and Compliance, Internal Control and Risk Policy Committee Effectiveness for Year 2022 and Performance and Effectiveness of the Internal Audit Functions of the Company.

3

Summary on the Evaluation of the Independence of the Independent Directors for Year 2022.

4

Re-election of Directors Retiring by Rotation at the 26th Annual General Meeting.

5

Appointment of Plantation Director of Danum Sinar Sdn Bhd.

6

Confirmation of Appointment of Managing Director of TRIpIc Berhad.

7

Restructuring of Puncak Group's Finance Senior Management Line-Up.

8

Appointment of Chief Financial Officer of the Company.

9

Appointment of Executive Director, Finance of Danum Sinar Sdn Bhd.

10

Appointment of Managing Director of Danum Sinar Sdn Bhd.

Corporate Governance Overview Statement

BOARD DIVERSITY POLICY

PURPOSE AND SCOPE OF APPLICATION

The Board Diversity Policy sets out the approach for achieving diversity for Puncak Niaga Group’s Boards (“Board”).

The Policy applies to the Board of Puncak Niaga and its Group. It does not apply to diversity in relation to the employees of Puncak Niaga Group, all of whom are covered by Puncak Niaga’s Diversity Policy.

Puncak Niaga’s Board Diversity Policy and Diversity Policy are set out in pages 129 and 130 of this Annual Report.

POLICY STATEMENT

Puncak Niaga believes in diversity and values the benefits that diversity can bring to its Board. The Company seeks to maintain a Board comprising talented and competent Directors with a diverse mix of expertise, skills and backgrounds, which reflect the diverse nature of the business environment in which the Group operates.

In designing the Board’s composition, diversity includes but is not limited to skills, knowledge, industry experience, gender, age, cultural, education and socioeconomic backgrounds, ethnicity and expertise required to achieve effective stewardship and management.

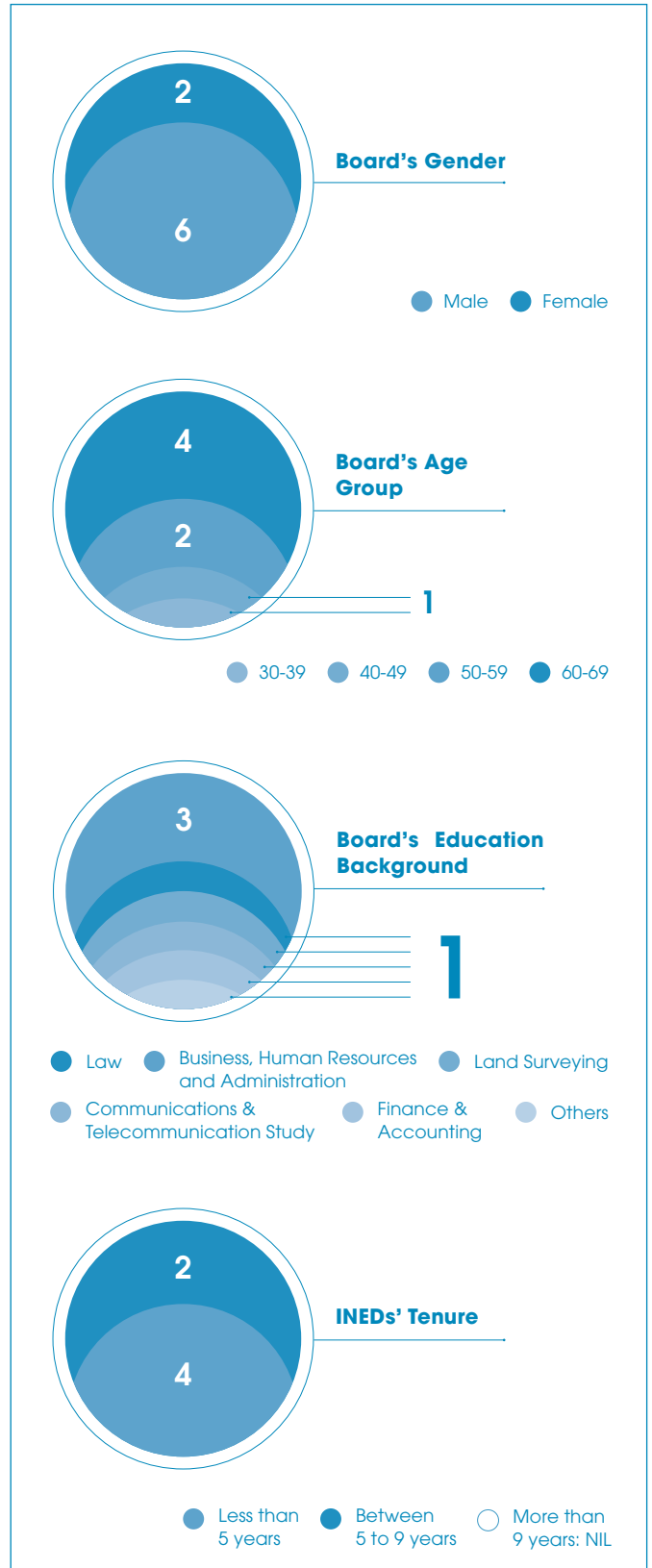
When assessing the Board’s composition and performance of the Board, as well as identifying suitable candidates for appointment or re-election to the Board, the Company will consider the benefits of diversity and the needs of the Board in order to maintain an optimum mix of skills, knowledge and experience on the Board.

The Board through the NC reviews this Policy and assesses its effectiveness in promoting a diverse Board which includes an appropriate number of women Directors on the Board. At any given time, the Board may seek to improve one or more aspects of its diversity.

DIRECTORS’ FIT AND PROPER POLICY

On 30 May 2022, the Board approved the Directors’ Fit And Proper Policy (“the Policy”) which is in line with paragraph 2.20A of Bursa Securities’ MMLR to be adopted by the Company with effect from 1 June 2022.

The Policy sets out the Fit and Proper Criteria on the fitness and propriety of the Company’s and the Group’s Directors including the appointment and re-election of Directors to the Company and the Group on an annual basis by ensuring that these individuals who are either a Board candidate or Director have demonstrated and met the fit and proper criteria relating to their appointment or re-election as Directors of the Company and the Group. The Policy is accessible at the Company’s website at www.puncakniaga.com.my.



Corporate Governance Overview Statement

BOARD CHANGES

During the year, no changes on the composition of the Board and Board Committees of the Company.

As at 31 December 2023, the INEDs comprise 75% of the Board's composition with two (2) female INEDs.

RE-ELECTION OF DIRECTORS

The following Directors of the Company shall retire at the forthcoming 27th AGM of the Company and being eligible, had offered themselves for re-election:-

Rule 100

1. YBhg Tan Sri Rozali bin Ismail

2. Encik Azlan Shah bin Tan Sri Rozali

3. YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason

The Nomination Committee and the Board had at their respective Meetings held on 19 February 2024 and 26 February 2024 concluded the following:-

Directors retiring under Rule 100

- The Directors retiring under Rule 100 of the Company's Constitution are recommended to be re-elected at the forthcoming 27th AGM of the Company since they have discharged their duties and responsibilities effectively as Directors of the Company as prescribed in Paragraph 2.20A of Bursa Securities' MMLR, have met the requisite criteria and qualities under the Company's Directors' Fit and Proper Policy and have been able to contribute positively to the Board and the Company with active participation at the Board/Board Committees' Meetings due to their vast experience and diverse skills set.
- They are effective as Executive Chairman, Managing Director and Chairman of Nomination Committee respectively.
- YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason has given his confirmation that he has met the criteria of Independent Director under Chapter 1 of Bursa Securities' MMLR and indicated his willingness to continue in office as INED of the Company as evidenced in his 2023 Independent Director Evaluation Form.

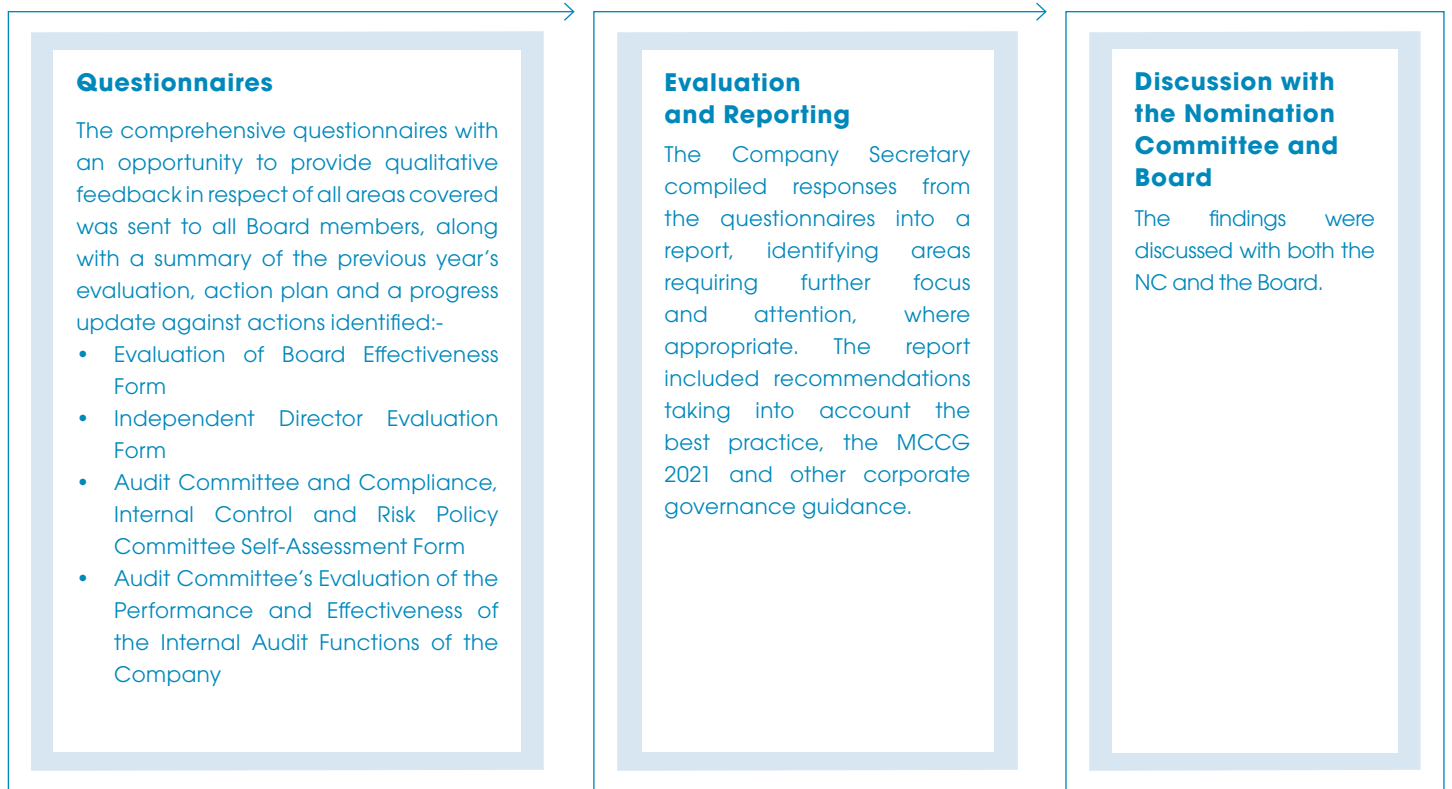
EVALUATION OF THE BOARD

As in the previous years, the Board has, with the assistance of the Company Secretary, conducted an annual peer evaluation of the Board's effectiveness in the following key areas:-

- (i) Compliance;
- (ii) Board Meetings;
- (iii) Board Functions;
- (iv) Board Structure;
- (v) Board Committees;
- (vi) Board Operations;
- (vii) Board Chairman's Roles and Responsibilities;
- (viii) Financial and Operational Reporting;
- (ix) Planning and Objectives;
- (x) Risk Assessment;
- (xi) New Business Opportunities and Projects;
- (xii) Human Resources;
- (xiii) Sustainability; and
- (xiv) Directors' Observations and Additional Comments.

The 2023 performance evaluation of the Board has been structured to ensure a balanced and objective review by the Directors for the above key areas.

Corporate Governance Overview Statement



The NC had reviewed and deliberated on the Evaluation of Board Effectiveness Forms for the year 2023 at the 53rd Nomination Committee Meeting held on 19 February 2024 and had recommended the same to the Board of Directors of the Company for consideration at the 135th Board of Directors' Meeting held on 26 February 2024 wherein the Board had concluded the following findings:-

- The Board of Puncak Niaga is a united Board with more than 75% INEDs (with 25% women Directors) comprising members who are individuals with the requisite qualities, diverse skills sets, experience, expertise, knowledge, competence and integrity to fully discharge their fiduciary duties and responsibilities as Directors of the Company and provide effective oversight on the Management of the Company.
- The length of tenure of the INEDs as at 31 December 2023 range between one year to seven years which are way below the maximum tenure limit of nine years under Practice 5.3 of the MCCG 2021.
- The Company's Board as a collective Board has acted in the best interests of the Company.

Corporate Governance Overview Statement

REMUNERATION COMMITTEE REPORT

YBhg Dato' Sri Adenan bin Ab. Rahman

Chairman

3/3 

YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason

Member

3/3 

YBhg Datuk Sr Haji Johari bin Wahab

Member

3/3 

YM Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj

Member

3/3 

Tuan Haji Noor Faiz bin Hassan

Member

3/3 

YBhg Tan Sri Dr Madinah binti Mohamad

Member

3/3 

The Remuneration Committee comprises wholly of the INEDs of the Company.

RESPONSIBILITIES OF THE REMUNERATION COMMITTEE

The primary objectives of the Remuneration Committee ("RC") are as follows:-

- To establish and annually review the remuneration packages for each individual Executive Directors such that the levels of remuneration are sufficient to attract and retain the Directors needed to run the Company successfully and aligned to the business strategy and long-term objectives of the Company.
- To establish and review the Directors' Remuneration Policy for the Board of Directors and Executive Directors who are the Senior Management taking into account the demands, complexities and performance of the Company as well as the merit, qualification, competence, skills and experience required.

- To review the fees and benefits payable to the Directors including any compensation for loss of employment of a Director or a former Director.
- The RC shall make its recommendation to the Board and the respective Directors shall abstain from the discussion of their own remuneration.
- The levels of remuneration of the Executive Directors should be based on merit and reflect their experience, level of responsibilities, expertise and complexity of the Company's activities and contribution to the Company.
- To consider and examine such other matters as the RC considers appropriate.

The RC's Terms of Reference can be found at www.puncakniaga.com.my.

MATTERS DELIBERATED DURING THE YEAR

- 1 Review of Remuneration Package of the Independent Non-Executive Directors of the Company.
- 2 Appointment of Plantation Director of Danum Sinar Sdn Bhd.
- 3 Confirmation of Appointment of Managing Director of TRIplic Berhad.
- 4 Restructuring of Puncak Group's Finance Senior Management Line-Up.
- 5 Appointment of Chief Financial Officer of the Company.
- 6 Appointment of Executive Director, Finance of Danum Sinar Sdn Bhd.
- 7 Appointment of Managing Director of Danum Sinar Sdn Bhd.

Corporate Governance Overview Statement

DIRECTORS' REMUNERATION POLICY

The Company has a formal procedure to determine the remuneration of each Board member which is reviewed, from time to time, against market practices.

The level and make-up of remuneration should be sufficient to attract and retain the Board members needed to run the Company successfully but the Company should avoid paying more than is necessary for this purpose. The remuneration packages of the Board and Executive Directors are determined based on merit, qualification and competence and the Company's/Group's performance including performance in managing sustainability risks and opportunities and operating results and industry standards.

The component parts of remuneration should be sufficient so as to link reward to corporate and individual performance, in the case of the Executive Directors. The Executive Directors shall not be involved in discussions to decide on their own remuneration. Executive Directors of the Company/Puncak Niaga Group who are the Senior Management of the Company/Puncak Niaga Group receive no fees but are paid as full-time employees of the Company and/or subsidiary companies of Puncak Niaga.

In the case of the INEDs, the level of remuneration should reflect the experience and level of responsibilities undertaken by the particular INED concerned. The remuneration package of the INEDs of the Company should not conflict with their obligations to bring an objective and independent judgement on matters discussed at the Board and Board Committees.

The Directors' Remuneration Policy was last updated on 23 September 2021 and can be found at www.puncakniaga.com.my.

The RC is responsible for recommending the remuneration packages of the Directors to the Board. No Board member, whether executive or non-executive, shall be involved in deciding his own remuneration.

The details of the remuneration of the Directors of the Company received and receivable from the Company and on Group basis for the financial year ended 31 December 2023 are set out in Note 29 of the Audited Financial Statements of the Company on pages 212 and 213 of this Annual Report.

The disclosures of the Senior Management's remuneration that include the top five Senior Management personnel is set out in Note 34C of the Audited Financial Statements of the Company on pages 234 and 235 of this Annual Report.

EFFECTIVE AUDIT, RISK MANAGEMENT AND INTERNAL CONTROL

FINANCIAL REPORTING

The Board is responsible for the quality and completeness of publicly disclosed financial reports. In presenting the annual financial statements, quarterly reports and the annual reports to the shareholders of the Company, the Board takes appropriate steps to present a clear and balanced assessment of the Group's position and prospects. This also applies to other price-sensitive public announcements and reports to the regulatory authorities.

The Group's financial statements and quarterly announcements, prepared using appropriate accounting policies, consistently and supported by reasonable and prudent judgements and estimates, will be reviewed and deliberated by the Audit Committee in the presence of the External Auditors and the Chief Financial Officer/Acting Executive Director, Finance Division prior to recommending them for adoption by the Board. The Audit Committee ensures that the information to be disclosed are accurate, adequate and in compliance with the various disclosure requirements imposed by the relevant authorities. The Board discusses and reviews the recommendations proposed by the Audit Committee prior to its adoption. The Board also ensures accurate and timely release of the Group's quarterly and annual financial results to Bursa Securities.

The Statement on Directors' Responsibility in respect of the preparation of the Annual Audited Financial Statements of the Group is set out on page 137 of this Annual Report.

RELATIONSHIP WITH EXTERNAL AUDITORS

The Board maintains a transparent and professional relationship with the Group's External Auditors. The Audit Committee, with the assistance of the Finance Division of the Company, has assessed the suitability and independence of the External Auditors of the Company in accordance with the Policy and Procedures on assessment of the External Auditors.

The External Auditors attended four out of five Audit Committee Meetings of the Company held during the financial year. These quarterly Meetings enabled the exchange of views on issues requiring attention. A formal mechanism has been established by the Audit Committee to ensure there is frank and candid dialogue with the External Auditors. The Audit Committee will meet the External Auditors twice a year without the presence of the Executive Directors and Management. This allows the Audit Committee and the External Auditors the exchange of free and honest views and opinions on matters related to External Auditors' audit and audit findings.

Corporate Governance Overview Statement

The Audit Committee has considered the provision of non-audit services rendered to the Group and Company which amounted to RM20,000.00 and RM12,000.00 respectively did not compromise the External Auditors' independence and objectivity.

 A report by the Audit Committee is set out on pages 110 to 113 of this Annual Report.

INTERNAL CONTROL

The Board acknowledges its overall responsibility for maintaining a sound system of internal controls, which provides reasonable assurance in ensuring the effectiveness and efficiency of the Group's operations and to safeguard shareholders' investment and its assets and interests in compliance with the relevant laws and regulations as well as the internal financial administration procedures and guidelines.

The effectiveness of the system of internal controls of the Group is reviewed by the Audit Committee. The Internal Audit Department, led by the Head of Internal Audit will conduct internal audit covering the financial, operational and compliance controls, processes to identify and evaluate the significant risks faced by the Group including the governance, risk management and internal control processes within the Company. The reports of the Internal Audit Department are tabled to the Audit Committee for review and deliberation.

 The Group's Statement on Risk Management and Internal Control is set out on pages 115 to 121 of this Annual Report.

RISK MANAGEMENT FRAMEWORK

The Board recognises that risk management involves a structured approach, combining the efforts of all functions within the Group, to minimise the possibility and impact of unexpected damages so as to contribute towards greater efficiency and better decision-making. The Group's Enterprise-Wide Risk Profile is reviewed annually to take into consideration changes in the business environment, strategies and functional activities of the Group for determining the Group's level of risk tolerance and identify, assess and monitor key business risks to safeguard shareholders' investments and the Company's assets.

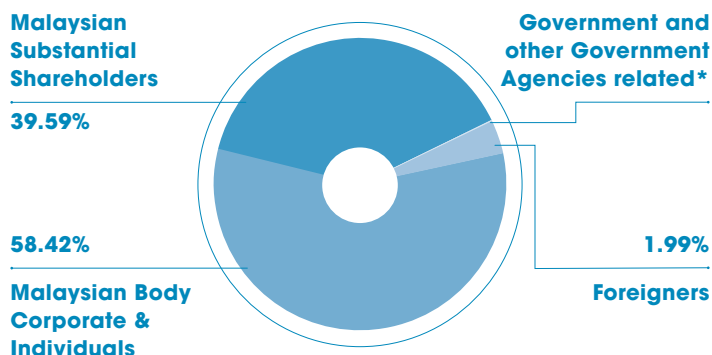
 The Group's Statement on Risk Management and Internal Control is set out on pages 115 to 121 of this Annual Report.

RELATIONS WITH STAKEHOLDERS

SHAREHOLDERS COMMUNICATION AND INVESTOR RELATIONS POLICY

The Board acknowledges the need for the Company's shareholders and investors to be informed of all material business and corporate developments concerning the Group in a timely manner. In addition to various announcements made during the year, the timely release of the Group's consolidated financial results on quarterly basis provides the shareholders and investors with an overview of the Group's financial and operational performances.

Composition of Shareholders as at 27 March 2024 as follows:



*Negligible

The Company maintains regular communication with its shareholders and stakeholders, attend to shareholders' and investors' e-mails and phone calls enquiries and during the Company's General Meetings and other events. The Notice for the Company's AGM contains relevant information including the shareholders' rights to demand for a poll vote to enable them to exercise their rights.

The Notice for the Company's AGM is posted at the Investor Relations link - Annual Report at the Company's website, www.puncakniaga.com.my.

The Annual Report of Puncak Niaga which is produced in line with best corporate governance practices also serves as a key channel of communication with our various stakeholders. Information on the Group is also accessible via the Company's website, www.puncakniaga.com.my.

The Company's Investor Relations Policy & Report is set out on pages 126 to 127 of this Annual Report and is also posted at the Investor Relations link - Corporate Governance at the Company's website, www.puncakniaga.com.my.

Corporate Governance Overview Statement

AGM

We encourage shareholders to participate in our Twenty-Sixth AGM ("26th AGM") and post questions to the Chairman and the Board. Puncak Niaga's 26th AGM held on 25th May 2023 was conducted entirely through live streaming from the Broadcast Venue at the Boardroom, 12th Floor, Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan and online remote voting using the Remote Participation and Voting facilities ("RPV") in the manner prescribed by Securities Commission Malaysia's Guidance on the Conduct of General Meetings for Listed Issuers.

At the 26th AGM of the Company, no substantive resolutions were put forth for the shareholders' approval, except for the routine resolutions pertaining to receiving the annual audited financial statements, re-appointment and re-election of Directors of the Company and re-appointment of Auditors of the Company. All resolutions were voted on by poll by the shareholders via the RPV provided by Tricor Investor & Issuing House Services Sdn Bhd and validated by the Independent Scrutineers, Coopers Professional Scrutineers Sdn Bhd.

Coopers Professional Scrutineers Sdn Bhd also acted as the Independent Observer for the Question & Answer Session at the 26th AGM to confirm that the Company has addressed all questions raised by Minority Shareholders Watch Group ("MSWG") and those raised during the proceedings of the virtual 26th AGM.

The Board was also in full attendances at the 26th AGM. The full minutes of the 26th AGM was published on our website at www.puncakniaga.com.my in a timely manner, together with the responses to queries posed by the MSWG.

For year 2024, the resolutions set out in the Notice of the Company's Twenty-Seventh AGM ("27th AGM") will also be conducted via poll voting as mandated in Paragraph 8.29A of the MMLR of Bursa Securities using the RPV.

This Corporate Governance Overview Statement has been approved by the Board of Puncak Niaga on 27 March 2024.

Audit Committee Report

The Board of Directors (“Board”) of Puncak Niaga Holdings Berhad (“Puncak Niaga”) is pleased to present the report of the Audit Committee for the financial year ended 31 December 2023.

1. MEMBERSHIP AND MEETINGS

The Audit Committee comprises wholly of the Independent Non-Executive Directors of the Company. The composition of the Audit Committee and their attendance at the Audit Committee Meetings for the year 2023 were as follows:-

Composition of Audit Committee	Attendance/Number of Meetings Held	Percentage (%)
YBhg Dato’ Sri Adenan bin Ab. Rahman <i>Independent Non-Executive Director/Chairman</i>	5/5	100
YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason <i>Independent Non-Executive Director/Member</i>	5/5	100
YBhg Datuk Sr Haji Johari bin Wahab <i>Independent Non-Executive Director/Member</i>	5/5	100
YM Tengku Loreta binti Tengku Dato’ Setia Ramli Alhaj <i>Independent Non-Executive Director/Member</i>	5/5	100
Tuan Haji Noor Faiz bin Hassan <i>Independent Non-Executive Director/Member</i>	5/5	100
YBhg Tan Sri Dr Madinah binti Mohamad <i>Independent Non-Executive Director/Member</i>	5/5	100

During the financial year, Puncak Niaga’s Managing Director, Chief Financial Officer/Executive Director, Finance Division, relevant Managing Directors of the subsidiaries, Executive Directors, Head of Internal Audit Department and related Head of Department attended the Audit Committee Meetings upon the invitation of the Chairman of the Audit Committee to ensure the Audit Committee were kept abreast of the matters and issues affecting the Group. The Group’s external auditors were also invited to attend the Audit Committee Meetings where matters relating to the audit of the statutory accounts, quarterly financial results and/or the external auditors were discussed.

The Secretary to the Audit Committee is the Company Secretary.

2. TERMS OF REFERENCE

- The proposed amendments to the terms of reference of the Audit Committee was deliberated at the 130th Audit Committee Meeting held on 28 August 2023 before recommending to the Board for approval.
- The amended terms of reference of the Audit Committee can be viewed at Puncak Niaga’s website, www.puncakniaga.com.my under the Investor Relations link.

Audit Committee Report

3. SUMMARY OF AUDIT COMMITTEE'S ACTIVITIES

During the financial year ended 31 December 2023, the Audit Committee discharged its duties as set out in its Terms of Reference. The main activities carried out by the Audit Committee during the financial year included the following:-

Financial Reporting

- Reviewed the quarterly and year-to-date unaudited financial results of the Company and Group before tabling to the Board for consideration and approval.
- Reviewed the reports and the audited financial statements of the Company and Group together with the external auditors prior to tabling to the Board for approval.
- Deliberated on matters relating to changes in accounting policies, significant and unusual events, compliance with accounting standards and other disclosure requirement and noted that the financial statements of Puncak Niaga Group have been prepared in accordance with the Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Internal Control

- Reviewed and discussed all internal audit reports issued by the Internal Audit Department which highlighted key internal control issues/weaknesses and the corresponding management responses and actions.
- Received the Statement of Assurance from the respective Heads of Divisions/Companies of the auditee Divisions/Companies to resolve all outstanding findings within a stipulated time committed in the internal audit report, improve all areas of operations consistent with the applicable rules and regulations, Standard Operating Procedures ("SOPs") and good industrial practice and ensure the risk management and internal control system is operating adequately and effectively.

External Audit

- Reviewed and discussed the external auditors' audit report and key audit matters for the financial year ended 31 December 2022 at the 127th Audit Committee Meeting held on 27 February 2023 before recommending to the Board for approval.
- Assessed the suitability and independence of the External Auditors based on the caliber of the external audit firm, quality processes/performance, audit team, scope, audit fees and mandated the Management to re-appoint the external auditors, Messrs. Grant Thornton Malaysian PLT at the 128th Audit Committee Meeting held on 30 March 2023 before recommending to the Board for approval.
- Reviewed the external auditors' scope of work, audit plan and audit focus areas for the financial year ended 31 December 2023 prior to the commencement of the 2023 Annual Audit at the 130th Meeting of the Audit Committee Meeting held on 28 August 2023.
- Held two informal discussions with the External Auditors without the presence of the Management of the Company at the 128th and 131st Audit Committee Meetings held on 30 March 2023 and 14 November 2023, respectively.
- Reviewed the extent of the assistance rendered by the Management to the External Auditors.

Audit Committee Report

Internal Audit

- Reviewed the competency, resources and assessed the performance of the Internal Audit Department for the year 2023 and approved the 2024 Annual Internal Audit Plan at the 131st Audit Committee Meeting held on 14 November 2023. The Internal Audit Department is manned by competent professionals from auditing, plantation, construction management and risk management disciplines with the requisite work experience and internal audit experiences.
- Reviewed the Internal Audit reports, which highlighted the audit issues, recommendations and the Management's responses and directed for follow up actions to be taken by the Management to rectify and improve on the weaknesses/shortcomings identified in the Internal Audit Reports.
- For the critical areas, the Audit Committee invited the relevant Heads of Divisions and/or the Managing Directors and/or the Executive Directors of the operating subsidiaries and/or the relevant Heads of Departments to attend the Audit Committee Meeting.
- Monitored the implementation of recommendations made by the Internal Audit Department arising from its audits in order to obtain assurances that all key risks and control concerns have been fully addressed.
- Reviewed the status of audit assignments reported by the Internal Audit Department at each Audit Committee Meeting to ensure that the progress is in line with the approved 2023 Audit Plan.

Working Site Visit

There is no working site visit conducted by the Audit Committee members during the financial year ended 31 December 2023.

Related Party Transactions

- Reviewed and reported to the Board all related party transactions, recurrent related party transactions and conflict of interest that may arise or entered into by the Company and the Group.
- Ascertained that transactions are conducted at arm's length prior to submission for the Board's consideration and where appropriate, shareholders' approval.

External Audit

- Reviewed the Statement on Risk Management and Internal Control and Audit Committee Report for the financial year ended 31 December 2023 and recommended the same for the Board's approval at the 133rd Audit Committee Meeting held on 27 March 2024.

4. INTERNAL AUDIT FUNCTIONS

Puncak Niaga has an established in-house and independent Internal Audit Department reporting directly to the Audit Committee. The Internal Audit Department assists the Audit Committee in discharging its duties and responsibilities. The Internal Audit Department's primary responsibility is to provide independent assurance on the adequacy and effectiveness of internal control systems, risk management and governance process. The Internal Audit Department focuses on regular and systematic review and has conducted an evaluation of the internal control, management information systems, and compliance with established procedures, including the system for compliance with applicable laws, regulations, rules, directives and guidelines.

Audit Committee Report

Resources and Continuous Development

During the year, there were changes in the Head of Internal Audit Department. From 2 January to 3 August 2023, the Internal Audit Department was led by a Senior Manager, who possesses the requisite qualifications as well more than 20 years working experience in various aspect auditing, risk management, governance and integrity. Following his resignation, the Internal Audit Department was then led by an Assistant General Manager, Madam Tay Bin Sze who is a Chartered Member of Malaysian Institute of Internal Auditors ("CMIIA"), Certified Internal Auditor ("CIA"), Certification in Risk Management Assurance ("CRMA"), IIA Accredited Internal Quality Assessor/Validator and ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Internal Auditor. She possesses over 23 years of auditing, risk management, governance, corporate advisory including Initial Public Offering ("IPO"), compliances, fraud investigation, ISO, Systems Applications and Products in Data Processing ("SAP") system implementation and enhancement experience gained from diversified industries involved in property development, construction, construction technology, manufacturing, timber, fertiliser, road maintenance, garment, IT services, hotel and financial institution.

The internal auditors have completed at least four (4) man-days of training in 2023 which consist of relevant professional courses, seminars and on-the-job training including industry related training. All internal auditors have signed the declaration that they were and have been independent, objective and in compliance with the Code of Ethics of the Institute of Internal Auditors in carrying out their duties for the financial year under review.

The total cost incurred by the Internal Audit Department in relation to the conduct of the internal audit functions of Puncak Niaga Group during the financial year ended 31 December 2023 was approximately RM699,023.

Guideline and Framework

The Internal Audit Department is guided by the Internal Audit Department's Department Manual which was duly approved by the Executive Committee and aligned to the International Professional Practices Framework issued by the Institute of Internal Auditors.

Internal Audit Scope and Coverage

The 2023 Annual Internal Audit Plan of the Internal Audit Department was developed based on a risk-based approach and covers the business units, projects and support services of the Group which were duly approved by the Audit Committee.

In line with the approved Annual Audit Plan, the Internal Audit Department completed a total of seven (7) audit assignments including ad hoc audit assignments requested by the Senior Management of the Company during the financial year ended 31 December 2023. All audits were performed in-house.

Key areas audited during the year included the following:

- Audit on Auxiliary Police – Administration of Firearms
- Audit on Account Payable Cycle at Finance Dept of TRIpIc Berhad
- Special Audit on Environmental, Safety and Health for Kuantan Project
- Annual MSPO Surveillance Audit 4 at Danum Sinar Sdn Bhd
- Follow Up Review on MSPO Surveillance Audit 3 at Danum Sinar Sdn Bhd
- Follow Up Review on Site Management of D44 Project
- Follow-up Audit Collaboration Review on Disaster Recovery Plan ("DRP") & Penetration Test

The relevant audit reports which comprise the audit findings and observations, recommendations, Management's responses and target deadlines for corrective action were presented to the Audit Committee for deliberation and notation. The Internal Audit Department also conducted follow-up reviews to determine the adequacy, effectiveness and timeliness of actions taken by the Management to rectify past audit findings and provide updates arising from the follow-up reviews to the Audit Committee for their deliberation and notation.

Additional Compliance Information

In accordance with Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad:-

(a) Utilisation of Proceeds Raised from Any Corporate Proposals

There were no proceeds raised from corporate proposals during the financial year.

(b) Audit and Non-Audit Fees

For the financial year ended 31 December 2023:-

- (a) The audit fees payable to the external auditors, Grant Thornton Malaysia PLT for services rendered to the Group and the Company amounted to RM326,000.00 and RM65,000.00 respectively; and
- (b) The non-audit fees payable to the external auditors, Grant Thornton Malaysia PLT for assurance services rendered to the Group and the Company amounted to RM20,000.00 and RM12,000.00 respectively.

(c) Recurrent Related Party Transaction

The Company did not enter into any recurrent related party transaction, which requires the shareholders' mandate during the financial year ended 31 December 2023.

(d) Material Contracts Involving Directors, Chief Executive who is not a Director or Major Shareholders

There were no material contracts entered into by the Company and the Group, which involve the interests of Directors, Chief Executive who is not a Director or major shareholders of the Company and its subsidiary companies which were still subsisting at the end of the financial year ended 31 December 2023 or entered into since the end of the previous financial year.

Statement on Risk Management and Internal Control

INTRODUCTION

The Board of Directors (“Board”) of Puncak Niaga Holdings Berhad (“Puncak Niaga”) Group is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2023 pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad that requires the Board to disclose in the Annual Report a statement on the state of risk management and internal control of the Group.

The Statement is prepared in accordance with Principle B of the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) and guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Public Listed Companies (“Guidelines”).

BOARD’S RESPONSIBILITY

The Board assumes overall responsibility in establishing a sound risk management and internal control system and for reviewing its adequacy and effectiveness so as to safeguard the shareholders’ investments and the Group’s assets. This internal control system, by its nature, can only provide reasonable and not absolute assurance against material financial misstatement, fraud or losses.

The Board affirms that there is an ongoing process for identifying, evaluating, monitoring and managing significant risks faced by the Group. The Board has mandated the Management to implement a control system designed to identify and manage risks facing the Group in pursuit of its business objectives. The outcome of this process is monitored by the Board via the Compliance, Internal Control and Risk Policy Committee (“CICR”), which dedicates its time on a quarterly basis for discussion on this matter. The reports of the CICR meetings are submitted for the Board’s deliberation and information.

RISK MANAGEMENT POLICY

The Board of Puncak Niaga has approved the Group’s Risk Management Policy Statement:-

Puncak Niaga Group’s Risk Management Policy is to identify, measure and control risks that may prevent the Group from achieving its objectives.

Our challenge is to apply risk management to all parts of our business to ensure business risks are minimised and opportunities enhanced.

We will achieve, maintain and review a proper risk management system which is implemented by the Management and extended to all employees of the Group. This is the commitment of the Board of Directors.

This policy statement assigns responsibility for risk management to all Puncak Niaga Group employees and acknowledges that corporate responsibility lies with the Board of Puncak Niaga Group.

RISK MANAGEMENT FRAMEWORK

Risk Management is firmly embedded in the Group’s management system and is every employee’s responsibility. The Board of Puncak Niaga has formally approved and implemented a systematic risk management structure and process for the Group which clearly defines the authority and accountability in implementing the framework. The risk management model is aligned to ISO 31000 Risk Management – Principle and Guideline standard of Puncak Niaga contained in the Risk Management Manual which has been approved by the Executive Committee and used as a framework in Risk Management training conducted for the Senior Management of Puncak Niaga Group. An overview of the Group’s Risk Management structure is shown below:-



Figure 1: Risk Management Structure

Statement on Risk Management and Internal Control

RISK MANAGEMENT PROCESS

The key features of the Puncak Niaga Group's risk management process are:-

- Puncak Niaga Group utilises a risk management tool, namely, the Q-Radar Corporate Risk Scorecard ("CRS") software to identify, measure and manage all risks affecting Puncak Niaga Group. The software is web-based and allows the authorised users to monitor their respective risks online from any location.
- Each key business unit/project/support service/company has its own Risk Scorecard and an assigned Risk Scorecard Owner, who is primarily responsible for identifying the risks and assessing the probability and impact of their occurrence as well as the effectiveness of controls/mitigating measures to determine the residual risks known as nett score in the Risk Scorecard. The risk and control owners are also identified to assign responsibility and ensure accountability.
- The Group's Risk Scorecards are reviewed on a quarterly basis by the respective Risk Scorecard Owners to ensure that the Group's risk profile and controls are updated based on the latest business environment and risk positions.
- In tandem with the quarterly reviews, the Risk Scorecard Owners are also required to submit their respective assurances that in relation to the risk management process:-
 - the risks, controls and management action plans in the Corporate Risk Scorecard are accurate and complete;
 - where the risk exposure is considered acceptable, the Risk Scorecard Owners have documented and validated that control activities are in place and are effective; and
 - where an individual risk has been evaluated as unacceptable, the management action plans have been formulated and individuals have been identified as owners with the accompanying due dates to address the risks.
- The Risk Management Section analyses and consolidates the Risk Scorecard reports submitted for the deliberation of the CICR at the quarterly meetings of the CICR.
- The CICR reviews and deliberates on the reports submitted and focuses on changes in the consolidated residual risk profile, new areas for risk identification and the key controls implemented by the Management to mitigate significant risks which affect the Group. The CICR also provides feedback to the Risk Scorecard Owners and/or moderates the risk profile prior to submitting the report to the Board on a quarterly basis. The key activities of the CICR are detailed on page 117 of this Annual Report.
- The Enterprise-Wide Risk profile of Puncak Niaga Group, which was deliberated by the Risk Management Scorecard Working Group ("RMSWG") is also reviewed on an annual basis at the beginning of each calendar year by the CICR.

COMPLIANCE, INTERNAL CONTROL AND RISK POLICY COMMITTEE ("CICR")

The CICR comprises wholly of the Independent Non-Executive Directors ("INEDs"). The composition of CICR and attendance at the CICR Meetings for the year 2023 are as follows:-

Composition of Audit Committee	Number of Meetings Attended in 2023
YBhg Dato' Sri Adenan bin Ab. Rahman <i>Independent Non-Executive Director/ Chairman</i>	4/4
YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason <i>Independent Non-Executive Director/ Member</i>	4/4
YBhg Datuk Sr Haji Johari bin Wahab <i>Independent Non-Executive Director/ Member</i>	4/4
YM Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj <i>Independent Non-Executive Director/ Member</i>	4/4
Tuan Haji Noor Faiz bin Hassan <i>Independent Non-Executive Director/ Member</i>	4/4
YBhg Tan Sri Dr Madinah binti Mohamad <i>Independent Non-Executive Director/ Member</i>	4/4

During the financial year, the Managing Director of Puncak Niaga, Managing Directors of the operating subsidiaries, Chief Financial Officer, the Executive Directors and the relevant Head of Departments of Puncak Niaga attended the CICR Meetings by invitation of the Chairman of the CICR to brief in detail the key risks facing the Group and the controls implemented to mitigate the risks. The Secretary of the CICR is the Head of the Internal Audit Department.

The Terms of Reference of the CICR can be viewed at Puncak Niaga's website, <https://www.puncakniaga.com.my> under the Investor Relations link.

Statement on Risk Management and Internal Control

COMPLIANCE, INTERNAL CONTROL AND RISK POLICY COMMITTEE'S ACTIVITIES

During the year 2023, the CICR held a total of four meetings. At its meetings, the CICR reviewed the Status Reports prepared by the Risk Management Section. The issues deliberated at the CICR Meetings included the following:-

- Puncak Niaga Group's "Statement on Risk Management and Internal Control".
- The progress of the risk assessment and risk monitoring exercises at Puncak Niaga Group and Enterprise-Wide levels. The main risks, controls and management action plans were highlighted by the Secretary of the CICR to the CICR for deliberation.
- The review of the assurance status and validations given by the Risk Scorecard Owners of Puncak Niaga Group via the Corporate Digital Assurance Module of the Q-Radar software.
- The effective utilisation of the Q-Radar Corporate Risk Scorecard software to identify, evaluate, monitor and report risks and internal controls identified within Puncak Niaga Group.
- The status of Self-Assessment Audit Forms submitted by the relevant Divisions/Departments in Puncak Niaga Group as to whether the key internal controls have been complied with.
- The CICR also deliberated on the following key matters:-
 - The consolidated risk position of Puncak Niaga Group which comprise the Top Ten (10) Residual Risks and its movement from quarter to quarter based on classifications into the Environmental, Social and Governance ("ESG") risks components particularly on the very significant risks and key controls implemented by the Management of Puncak Niaga Group.
 - The Statement on Risk Management and Internal Control for the Year 2022 which was presented by the Secretary of the CICR at the 143th CICR Meeting held on 13 February 2023.
 - The Top Ten (10) Enterprise-Wide Risks Facing Puncak Niaga Group for the Year 2022 which included its risks rankings, risks descriptions and key controls at the 143th CICR Meeting held on 13 February 2023. Subsequently, the risk profile was updated as the Top Ten (10) Enterprise-Wide Risks Facing Puncak Niaga Group based on the latest updates and assessments at the 146th CICR Meeting held on 14 November 2023.

- In year 2024, the CICR will continue to focus on providing oversight over the implementation of the Risk Management Framework based on the ESG risks components throughout Puncak Niaga Group as well as monitoring the key risk exposures and the resultant mitigating actions affecting Puncak Niaga Group.

PUNCAK NIAGA HOLDINGS BERHAD GROUP'S ENTERPRISE-WIDE RISKS

The Board recognises that Risk Management involves a structured approach, combining the efforts of all functions within the Puncak Niaga Group to minimise uncertainties in order to achieve Puncak Niaga Group's business objectives. In view of this, the RMSWG Meeting is held annually whereby Puncak Niaga Group's Enterprise-Wide Risks Profile is deliberated after taking into account Puncak Niaga Group's strategic business plan and existing business environments and business segments in which the Group operates including the current issues which may have risk impact on Puncak Niaga Group's operations.

The RMSWG Meeting which was chaired by Puncak Niaga's Managing Director and attended by Managing Directors of the operating subsidiaries, the Executive Directors and the relevant Head of Departments of Puncak Niaga Group was held on 23 January 2024 to deliberate on the risks highlighted by the respective Companies, Divisions and Business segments of Puncak Niaga Group and to determine Puncak Niaga Group's Enterprise-Wide Risks Profile for the year 2024.

The key risks which had been classified into Environmental, Social and Governance ("ESG") risks components. Their root cause, impact on the company's performance or condition and key controls identified were deliberated in the RMSWG Meeting and were reviewed by the CICR at the 147th CICR Meeting held on 19 February 2024. Subsequently, a Board Paper on the Group's "Top Ten (10) Enterprise Wide Risk Facing Puncak Niaga Group for the Year 2023" was tabled at the 135th Board of Directors Meeting held on 26 February 2024.

The year 2023 was yet another challenging year for the nation given the nation's economic and political developments. The Group will remain cautious and the Board will continuously assess the Group's strategic risks and deliberating actions in managing its risks.

Statement on Risk Management and Internal Control

INTERNAL CONTROL SYSTEM

The key elements of the Puncak Niaga Group's internal control system and assurance process, inter alia, encompass the following:-

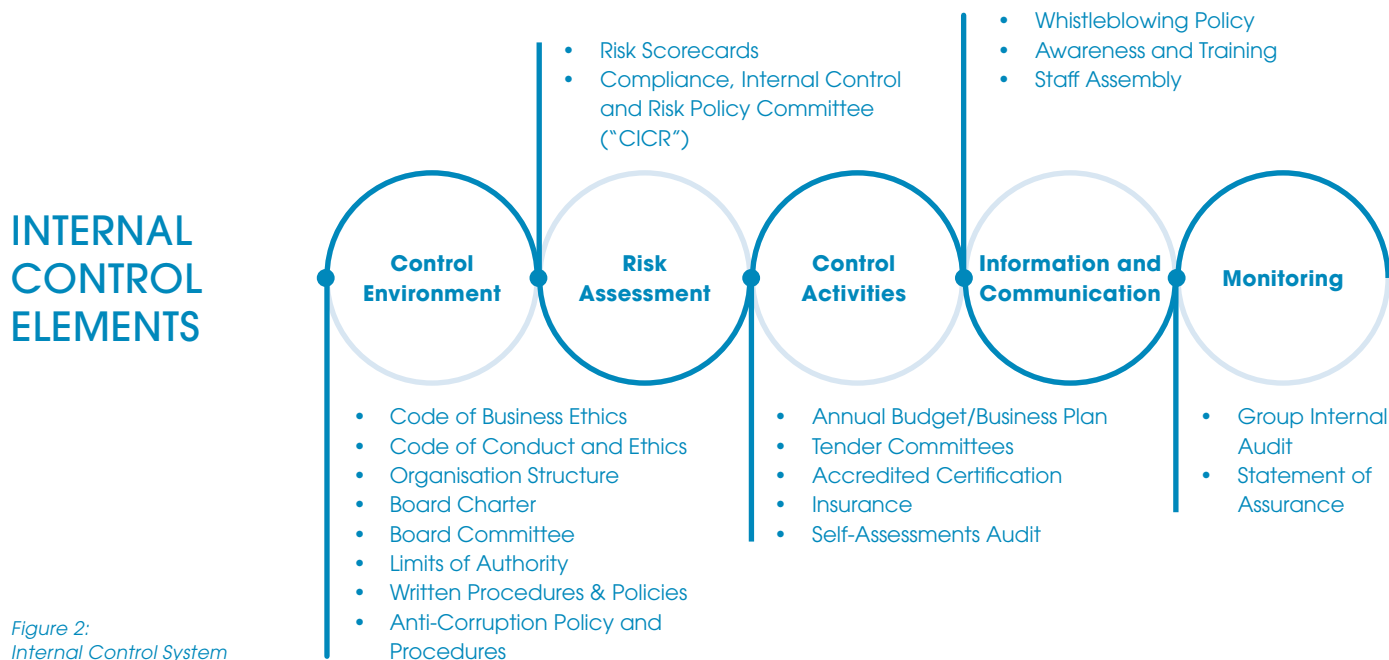


Figure 2:
Internal Control System

Control Environment

- The operating subsidiaries of Puncak Niaga Group have a formal organisation structure with clearly defined reporting structures and responsibilities. This promotes ownership and accountability of the duties assigned to the Directors, Management and employees of the operating subsidiaries.
- Puncak Niaga Group's Code of Conduct and Ethics covers the Board and employees of the Group and is found in Puncak Niaga's Employee Handbook. The Code of Conduct and Ethics sets out the principles and standards of good practice.
- Puncak Niaga Group's Code of Business Ethics for the Group provides guidance on business ethical issues in the conduct of business and standards of behaviour expected of all Directors and employees in fundamental areas such as dealings with stakeholders, gift, hospitality, favours or other advantages, conflict of interest and harassment as well as the policy and procedures for compliance.
- The Board Charter regulates how business is to be conducted by the Board in accordance with the principles of good corporate governance and the Directors' Code of Conduct sets out the code of conduct expected of a Director in the performance of his or her duties. The Board Charter also sets out the roles and responsibilities of the Board members.
- The Board Committees, namely the Audit Committee, Remuneration Committee, Nomination Committee, CICR, Executive Committee ("EXCO") and Board Tender Committee had been established to assist the Board in executing its fiduciary duties. The responsibility and authority of the Board Committees are governed by their respective Terms of Reference which are approved by the Board.
- All major decisions require the approval of the respective Boards/EXCOs within Puncak Niaga Group in line with the Group's Limits of Authority. The EXCO is established at Puncak Niaga, Puncak Niaga Construction Sdn Bhd ("PNCSB") and TRIpbc Berhad Group ("TRIpbc") and comprises the Heads of Divisions of the respective companies. The relevant Management of the Puncak Niaga Group is invited to attend the meeting, if required. The respective Boards/EXCOs are kept updated on information covering the Divisions/Departments in the respective companies within the Group at the Board/EXCO Meetings, as appropriate.
- Written procedures and policies by way of Standard Operating Procedures ("SOP") which incorporate control procedures and scope of responsibilities are in place for all the operating subsidiaries of Puncak Niaga Group. The written procedures and policies are updated where appropriate to incorporate elements necessitated by changes in the legislations, industry best practices and business dynamics.

Statement on Risk Management and Internal Control

- The Limits of Authority (“LOA”) of Puncak Niaga Group clearly set out the operational matters with the designated authority levels accorded to the Executive Chairman/Managing Directors/Executive Directors and critical matters which are reserved for the Board’s/EXCO’s approvals and matters which are delegated to Puncak Niaga’s subsidiaries’ Directors and Management. On November 2023, the Board has reviewed and approved the revised LOA to suite the Management and operation’s requirement.
- Puncak Niaga’s Anti-Corruption Policy of Zero Tolerance Towards Corruption and Corrupt Practices within and outside Puncak Niaga and Puncak Niaga Group which was established on 1 June 2020 and revised on 24 November 2022 are founded on Five Adequate Procedures Principles: TRUST as laid out in the Guidelines on Adequate Procedures issued by the Malaysian Anti-Corruption Commission (Amendment) Act 2019 (“MACC Act”) pursuant to Section 17A of the MACC Act.
- Puncak Niaga Group is fully committed to upholding the highest standards of business integrity and to comply with the relevant provisions of the MACC Act and its Anti-Corruption Policy and Procedures sets out the adequate procedures to be implemented to prevent the occurrence of corrupt practices in Puncak Niaga’s and Puncak Niaga Group’s business activities. This policy and procedures cover the giving and receiving of gifts, charitable donations, corporate social responsibility payments, sponsorships and memberships and political contributions. This Policy applies to all Directors, employees and third parties acting on behalf of Puncak Niaga and Puncak Niaga Group.
- Furthermore, an Integrity Unit has been set up and the Integrity Unit’s SOPs was approved at the 132nd Board of Director’s Meeting held on 29 May 2023 with immediate implementation.

Risk Assessment

- Risk Scorecards are created and maintained for each business unit and support services within Puncak Niaga Group to ensure risks affecting the businesses of the Group are properly identified and assessed in terms of likelihood and impact, adequacy of existing controls is evaluated and the residual risks are treated accordingly. A Risk Scorecard Owner is assigned for each risk scorecard and is responsible for evaluating the risk profile on a quarterly basis and to provide the relevant assurance to the Board.
- The CICR which is a Board Committee, closely monitors the risk management process within the Group and the extent of compliance with the Statement on Risk Management and Internal Control requirements.

Control Activities

- Annual Business Plans are prepared by the Management of the Group. The Annual Business Plans are presented and approved by the respective subsidiaries before tabling to Puncak Niaga’s EXCO and Board for ultimate approval.
- A detailed budgeting process has been established for Puncak Niaga Group to prepare their respective budgets annually. These budgets are then reviewed and approved by the respective Board’s/EXCO’s prior to actual implementation each year. The monitoring of actual performance versus budget with major variances being followed up is done on a monthly basis by the Finance Division and Management action is taken to rectify any shortcomings, where necessary.
- Tender Committees established at Puncak Niaga Group are accorded with their respective limits of authority of decision making and mandatory recommendations to the Board for approval, as appropriate. The Tender Committees play a critical role to ensure transparency and competitive pricing in the award of contracts within Puncak Niaga Group. During the year, there was a revision on Tender Committees’ structure and the LOA.
- Puncak Niaga Group obtained its accredited certification with the ISO 9001:2015 and ISO 37001:2016 Anti-Bribery Management System (“ABMS”) for the provision of project management, construction services for water-related infrastructure, including civil engineering, building mechanical and electrical works, and activities of the head office.
- PNCNSB obtained its accredited certification with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 for construction services for water related infrastructure including civil engineering, building, mechanical and electrical works. The compliance with ISO requirements and its related activities are being monitored by selected representatives from PNCNSB’s project office and various departments.
- TRPlc Berhad and its subsidiaries, TRPlc Resources Sdn Bhd and TRPlc Ventures Sdn Bhd obtained its accredited certification with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 Quality Management System on Project Management, Construction and Facility Management. The compliance with the ISO requirements and its related activities are being monitored by TRPlc Berhad’s ISO Committee.
- The Plantation Division, Danum Sinar Sdn Bhd obtained its accredited certification with Malaysian Sustainable Palm Oil (“MSPO”) certification on 6 August 2019 which is valid up to 5 August 2024. The MSPO certification is subject to a yearly surveillance audit which is monitored by the MSPO Committee of the Plantation Division.

Statement on Risk Management and Internal Control

- Puncak Niaga Group has insurance programmes in place to safeguard the Group's assets against any untoward incidents that could result in material losses.
- The Self-Assessment Audit Forms which list the key internal controls, have been developed in-house for the relevant Departments of the operating subsidiaries of Puncak Niaga. The respective Departments are required to submit a quarterly declaration to the Internal Audit Department as to whether key internal controls have been complied with.
- The Self-Assessment Audit Forms are submitted and monitored online through the Audit Monitoring System. For the year 2023, 100% of the key internal controls declared in the Self-Assessment Audit Forms was in compliance with the Company's SOPs and the applicable Regulations.
- On 22 November 2023, Puncak Niaga Group held a special ceremony in collaboration with the Malaysian Anti-Corruption Commission ("MACC"), wherein Puncak Niaga Group's Senior Management and employees have officially signed the Corruption-Free Pledge or better known as 'Ikrar Bebas Rasuah' ("IBR") as to reaffirming Puncak Niaga Group's commitment to ethical practices and transparency. This initiative further underscores Puncak Niaga Group's dedication to combating corruption and maintaining the highest standards of integrity.

Information and Communications

- New policies/procedures approved by the Management are communicated via Internal Memorandums which are circulated to all employees. Awareness training, as well as dissemination at the Monthly Staff Assemblies are conducted to ensure the policies/procedures are cascaded to the staff accordingly.
- Puncak Niaga Group has in place a Whistleblowing Policy which encourages our employees and external parties to disclose any wrongdoings, malpractices, or misconducts of which they become aware and to provide protection to the whistle-blower. This policy and procedures provide a foundation to support the culture of good corporate governance and integrity throughout the Group and create a conducive workplace that is based on trust, honesty, openness, transparency, and to eradicate unethical practices at the workplace.
- Awareness and Training programs were conducted internally and externally for the Directors, Senior Management and employees of Puncak Niaga Group to enhance their knowledge, skills and competency.
- All incidences of whistleblowing in Puncak Niaga Group shall report to the Audit Committee and Board of Puncak Niaga.
- Integrity briefings were conducted for new employees during the on-boarding program which covered the topics on offences under MACC Act 2009, Section 17A: Corporate Liability, Puncak Niaga's Anti-Corruption Policy and Procedure (Gift Policy) and Puncak Niaga's Whistleblowing Policy. As at 1st December 2023, the total new employees who attended the integrity briefing were 164 employees.

Monitoring

- The Internal Audit Department independently reviewed the control processes implemented by the Management according to the 2023 Annual Audit Plan and reported on its findings and recommendations to the Audit Committee of Puncak Niaga five times in 2023. The duties and responsibilities of Puncak Niaga's Audit Committee are detailed in the Terms of Reference of Puncak Niaga's Audit Committee. The Audit Committee, upon consideration of both the Internal and External Audit Reports, is able to gauge the effectiveness and adequacy of the Group's internal control system, for the presentation of its findings to the Board.
- The Internal Audit Department conducted audits of the declarations made in the Self-Assessment Audit Forms.
- All Heads of Divisions, the Managing Directors and the relevant Heads of Department of Puncak Niaga Group are required to give a written assurance ("Statement of Assurance") to the Executive Chairman in the Internal Audit Report that all issues highlighted would be rectified within the stipulated timelines.

Statement on Risk Management and Internal Control

BOARD'S ASSESSMENT

The Board has received assurances from the respective companies' Heads of Divisions, Managing Directors, Chief Financial Officer and Executive Directors that the Group's risk management and internal control system are operating adequately and effectively at the operating companies. Based on the assurances received and review of the risk management and internal control activities, the Board is of the view that the Group's risk management and internal control system for the year under review and as at the date of this Statement is sound and sufficient to safeguard the shareholders' investment and the Group's assets.

This Statement on Risk Management and Internal Control has been prepared in accordance with the Guidelines and has been approved by the Board of Puncak Niaga at the 133rd Audit Committee Meeting and 136th Board of Directors Meeting held on 27 March 2024, respectively.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2023 and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor
- is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control 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 including the assessment and opinion by the Board of Directors and management thereon.

The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

For and on behalf of the Board of Puncak Niaga Holdings Berhad

YBhg Dato' Sri Adenan bin Ab. Rahman

Chairman

Compliance, Internal Control and Risk Policy Committee

27 March 2024

Corporate Disclosure Policy

As a responsible corporate citizen, Puncak Niaga is totally committed to upholding the highest standards of transparency, accountability and integrity in the disclosure of all material information on the Company to the investing public in an accurate, clear, complete and timely manner in accordance with the corporate disclosure requirements as set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Primary Objectives of Puncak Niaga’s Corporate Disclosure Policy are:

- To promote and maintain market integrity and investor confidence.
- To provide equal access to the Company’s material information in an accurate, clear, timely and complete manner and to avoid selective disclosure to the investing public.
- To exercise due diligence such that information disseminated to the investing public will be as far as possible accurate, clear, timely and complete.
- To put in place an efficient management of information procedure that promotes accountability for the dissemination of material information to the investing public.
- To build good investor relations with the investing public based on the principles of trust, honesty, openness, transparency and sound understanding of the Company.

To achieve its objectives, the Company will endeavour to undertake the following:

1. ESTABLISH POLICIES AND PROCEDURES

- Ensure written policies and procedures of the Company (“Puncak Niaga’s Corporate Disclosure Policy and Procedure”) that encompass the Puncak Niaga’s Corporate Disclosure Policy and Procedure and other requirements relating to corporate disclosure as set out in the Main Market Listing Requirements of Bursa Securities.
- Appoint a senior officer of the Company to oversee and coordinate disclosures to ensure the Company complies with the Main Market Listing Requirements of Bursa Securities.
- Ensure that only designated persons are the Company’s spokespersons.
- Ensure due compliance with Puncak Niaga’s Corporate Disclosure Policy and Procedure.

2. EXERCISE DUE DILIGENCE AND PREPARATION

- Ensure that the persons responsible for disseminating material information to the investing public, exercise due diligence in ensuring that information to be released is accurate, clear, timely and complete.
- Ensure that due care is observed when briefing and responding to analysts, institutional investors, the media and the investing public.

3. USE OF INFORMATION TECHNOLOGY

- Take advantage of current information technology to disseminate information to the investing public.

Our commitment to the above Policy is driven by the Board of Directors of Puncak Niaga Group and implemented by the Management.

Corporate Sustainability Policy

At Puncak Niaga, sustainability is an integral component of our core corporate values. We are committed to promoting sustainability practices in the conduct of our business in a responsible manner for sustainable performance amidst continuing global urbanisation and an evolving environment with rising energy needs and depleting non-renewable resources. As an organisation, we will strive to continuously enhance our operational efficiency and reduce the environmental footprints of our business activities.

Our approach to sustainability is focused on:

PEOPLE

- Our employees whom we provide with a safe and conducive working environment.
- Our customers to whom we deliver quality services as part of our ongoing commitment to being their partner of choice.
- The communities where we operate in where we take corporate responsibility through the conduct of our business operations and foster rapport and engagement with the local communities.

PLANET

- We seek to deliver safe and energy-efficient solutions using innovative technology.
- We seek to reduce the environmental footprints of our activities and services as well as our supply chain and office premises.

PERFORMANCE

- We are committed to achieve sustainable growth and performance in a responsible manner whilst upholding the principles of good corporate governance and maintaining an open and transparent relationship with all of our stakeholders.

To create value for our stakeholders, it is our ongoing commitment to behave ethically in the conduct of our business and provide innovative solutions and quality services and continuously work to improve on our environmental performance, the quality of life of our employees and their families as well as the local communities and society at large and contribute positively to the economic development of our nation.

Our commitment to the above Policy is driven by the Board of Directors of Puncak Niaga Group and implemented by the Management.

Corporate Social Responsibility Policy

Puncak Niaga Holdings Berhad recognises the significance of being an organisation that practises the highest standard of work ethics. As a responsible company to its shareholders, business associates, suppliers, employees and various stakeholders, we therefore take our corporate social responsibility seriously as our vision is to be the leading regional integrated water, wastewater and environmental solutions provider with involvement in concession facilities management services, plantation and property development sectors.

ENVIRONMENTAL

We advocate sustainable environment through managing our daily operation and activities in a responsible manner to minimise activities that could harm the environment and nature. We support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibilities and encourage the development and diffusion of environmentally friendly technologies.

COMMUNITY

We support philanthropic and charitable giving, support for and active engagement with the local communities through volunteering and other programmes. We also support and encourage our employees to help local community organisations and activities in the areas where we operate in.

STAKEHOLDERS

We protect the interests and priorities of our stakeholders as well as managing risks in order to maximise profits for the success and growth of the Company.

EMPLOYEES

We respect the rights and diversity of our employees, irrespective of race and gender whilst providing a dynamic workplace and equal opportunities, improving employee satisfaction whilst enhancing the intellectual capital through continuous investment in training and development of employees' skills for the Company's quantum growth.

STRATEGIC COLLABORATION AND KNOWLEDGE ENHANCEMENT AT ALL LEVELS

We promote continuous education and knowledge enhancement at all levels through collaborations with local and international higher education institutions and corporations.

We are equally dedicated not only to maintaining the highest ethical standards but also to achieving sustainability, both in our operations and in our impact on the environment for the benefits of our customers, shareholders, stakeholders and business associates. We believe that responsible business practices can unlock value, increase competitiveness, enhance reputations, and increase brand and stakeholders' value for business excellence and corporate sustainability.

Health, Safety and Environmental Policy

It is the Policy of Puncak Niaga Holdings Berhad and its subsidiaries (“Puncak Niaga” or “the Group”) to provide, so far as is practicable a healthy, safe and environmental friendly workplace for all workers, contractors, visitors and interested parties. In the spirit of consultation and participation, the Management and workers will together strive to achieve the goals and objectives of this Policy.

Without prejudice to the generality of the above statement, the Policy of the Group is:

- To continuously emphasise on the prevention of injury, ill health and pollution in all activities by eliminating the hazards, reducing the risks and protecting the environment;
- To ensure health, safety and environmental objectives and targets are set and reviewed;
- To ensure consultation and participation of all workers and worker’s representatives in deciding how to perform their job safely and without risk to health and any harm to the environment;
- To investigate with the participation of all workers and worker’s representatives, on all occupational health, safety and environment incidents related to the Group’s business activities and to make corrective measures to ensure the incident will not recur;
- To comply with all legal requirements and other requirements on the environment, safety and health, and other good practices which the Group subscribes; and
- To review this Policy as and when appropriate with consultation of all workers and to ensure it is understood by all workers and is available to all interested parties.

Investor Relations Policy & Report

As a responsible corporate citizen, Puncak Niaga is totally committed to upholding the highest standards of transparency, accountability and integrity in the conduct of our business activities in the best interest of our shareholders as well as to allow potential investors to make careful and informed investment decisions based on full and transparent disclosure of information.

Puncak Niaga's Investor Relations Policy aims to build long-term relationships and credibility with our shareholders and potential investors based on trust, honesty, openness, transparency and sound understanding of the Company.

1. CREATING QUALITY DIALOGUE

➤ To create an environment where the effective bilateral communication between the Company and our shareholders and investors both inform and educate through regular, open and transparent provision of relevant and invaluable information over the long-term, which will build mutually beneficial long-term relationships vis-à-vis to foster a clearer understanding of the shareholders' and investors' expectations of the Company.

➤ To engage in quality dialogue with our shareholders and investors whereby the relationship is based on the principles of honesty, openness and transparency and to foster mutual understanding between the Company and our shareholders and investors.

To reap the benefits of engaging in quality dialogue:

- • Perception on our Company's risk is reduced;
- • Enhance feedback of our Company's performance;
- • Our Company's share valuation becomes more realistic;
- • Develop confidence in our Management team and management style; and
- • Works as a guide in the evaluation of our Company's business strategy.

2. INVESTOR COMMUNICATIONS STATEMENT

➤ To implement an efficient and effective Investor Relations Programme as part of our ongoing shareholders' and investors' communication obligations.

➤ To provide high quality, meaningful and timely information over and above that is required by law in order to improve the shareholders' and investors' understanding of our Company.

➤ To strive for key competence in the area of professional investor relations vide adequate resources and capabilities.

➤ To earn the trust, respect and confidence of our existing shareholders and investors.

➤ To build and maintain long-term relationships with our existing shareholders and investors.

➤ To initiate long-term relationship building with potential shareholders and investors.

Our commitment to the above Policy is driven by the Board of Directors of Puncak Niaga Group and implemented by the Management.

Investor Relations Policy & Report

INVESTOR RELATIONS REPORT

Investor relations is the means by which listed companies maintain dialogue with their existing shareholders and potential investors. It is a strategic management responsibility to present an accurate picture of corporate performance and prospects, thus enabling the investment community, through an informed market, to determine a realistic share price. As a result, investor relations can have a positive impact on the Company's market value and cost of capital relative to its industry sector and the overall economic climate.

The Board of Puncak Niaga is pleased to report on the Company's investor relations activities in 2023 as follows:

Investors' Access To Information

In line with our Investor Relations Policy (as set out on page 126 of this Annual Report), Puncak Niaga ensures timely disclosure of information over and above the regulatory authorities' disclosure requirements so as to enable the investment community to make careful and informed investment decisions on the Company's securities. Shareholders and investors can contact us at investors@puncakniaga.com.my and access the Group's information and corporate announcements at our website, www.puncakniaga.com.my.

All announcements made to Bursa Malaysia Securities Berhad ("Bursa Securities") are published shortly after the same is released on Bursa Securities' website. All shareholders' queries will be received by the Company Secretary who will provide the relevant feedback and responses to shareholders' queries where such information can be made available to the public.

Since 22 October 2004, the Group had adopted and implemented Puncak Niaga's Corporate Disclosure Policy (as set out on page 122 of this Annual Report), formulated in line with the 'Guide On Best Practices In Corporate Disclosure' issued by Bursa Securities' Task Force on Corporate Disclosure Best Practices.

Annual General Meeting ("AGM")

The Board of Puncak Niaga firmly believes that the AGM is the best forum to promote a closer relationship with our shareholders, enabling us to continue our engagement process with them.

Since 2003, our AGMs have been preceded by a Company Presentation followed by a Question and Answer Session. Our shareholders are updated on the Group's corporate and financial performances and latest developments. It is Puncak Niaga's way of saying 'We value your views' and 'We are here to serve you better'. At the same time, our shareholders' feedbacks, which are relevant to our operations, are taken into consideration in our business decisions. Puncak Niaga's Annual Report 2023 and AGM Notice are issued 28 days before the AGM.

To safeguard the health and wellbeing of our shareholders, the 27th AGM will be conducted entirely through live streaming from the Broadcast Venue at the Boardroom, 12th Floor, Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan on Wednesday, 29 May 2024 at 10.00 a.m. The Notice of 27th AGM is enclosed with this Annual Report. The results of all resolutions proposed at the 27th AGM will be posted on Bursa Securities' website and the Company's website on the evening of 29 May 2024.

Investor Relations Unit

The Investor Relations Unit ("IRU") maintains a database of shareholders and investors who wish to be updated on the Group's corporate developments and performances via e-mail.

Kindly e-mail us your contact details to the attention of Puan Wan Razmah binti Wan Abd Rahman, Company Secretary at investors@puncakniaga.com.my or by mail at Investor Relations Unit, c/o Secretarial Department, Puncak Niaga Holdings Berhad, 10th Floor, Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan, should you wish to be included in our database.

Quality Policy

It is the policy of Puncak Niaga Holdings Berhad and its subsidiaries (“Puncak Niaga” or “the Group”) to provide world-class quality services and products, technical expertise, management services and financial assistance to meet its client requirements and satisfaction.

Puncak Niaga Group shall strive to consistently adopt and maintain a quality management system (“QMS”) based on all regulated requirements, international recognised standards that ensure a planned, systematic, and proactive approach to quality in all aspects of its work.

Without prejudice to the generality of the above statement, the Quality Policy of the Group is:

- To provide a safe, harmonious and friendly working environment and continuously equip its employees with knowledge and skills in order to further improve its quality systematically;
- To promote the use of a process approach and risk-based thinking;
- To ensure the objectives and targets of quality are set;
- To satisfy its clients and to meet their standard requirements by continuously improving its processes in order to enhance clients’ satisfaction and loyalty;
- To achieve continuous improvement across all aspects of quality management system; and
- To review this Quality Policy as and when appropriate and to ensure it is understood by all employees and is available to all relevant parties and stakeholders.

Board Diversity Policy

1.0 PURPOSE AND SCOPE OF APPLICATION

The Policy sets out the approach for achieving diversity for Puncak Niaga Holdings Berhad's Group's Boards of Directors ("Board").

The Policy applies to the Board of Puncak Niaga Holdings Berhad and its Group ("Puncak Niaga" or "the Group"). It does not apply to diversity in relation to the employees of Puncak Niaga Holdings Berhad Group, all of whom are covered by Puncak Niaga Holdings Berhad's Diversity Policy.

2.0 POLICY STATEMENT

Puncak Niaga Holdings Berhad believes in diversity and values the benefits that diversity can bring to its Board. The Company seeks to maintain a Board comprised of talented and dedicated directors with a diverse mix of expertise, skills and backgrounds, which reflect the diverse nature of the business environment in which the Group operates.

In designing the Board's composition, diversity includes but is not limited to, skills, knowledge, industry experience, gender, age, cultural, education and socioeconomic backgrounds, ethnicity and expertise required to achieve effective stewardship and management. When assessing the Board's composition and performance of the Board, as well as identifying suitable candidates for appointment or re-election to the Board, the Company will consider the benefits of diversity and the needs of the Board in order to maintain an optimum mix of skills, knowledge and experience on the Board.

The Board through the Nomination Committee reviews this Policy annually and assesses its effectiveness in promoting a diverse Board which includes an appropriate number of women directors on the Board. At any given time, the Board may seek to improve one or more aspects of its diversity.

Diversity Policy

1.0 POLICY STATEMENT

Puncak Niaga Holdings Berhad and its Group of Companies (“Puncak Niaga” or “the Group”) is committed to incorporating diversity into every aspect of our organisation’s functions and objectives. The Group recognises diversity as a means of enhancing the Group’s performance, improving employee retention, accessing different perspectives and ideas.

Diversity includes, but is not limited to gender, age, ethnicity, religion, beliefs, origin, race and cultural background. It involves leveraging the diverse skills, experiences and talents from different backgrounds within our organisation.

2.0 MEASURABLE OBJECTIVES

The Group recognises diversity and supports national aspirations in providing equal opportunities to its employees regardless of gender, age, ethnicity, religion, beliefs, race and socioeconomic background. The Group believes that the Group’s success and competitiveness depends upon its ability to embrace diversity and realise the benefits that diversity brings to the Group, such as:

-  The Group is free from any form of discrimination where equal opportunity is given in hiring, training and career advancement of its employees at all levels.
-  A diverse workforce from various education backgrounds, experiences, skills, languages and cultural understanding can supply a greater variety of solutions to problems in the workplace and allows a company to provide service to customers on a global basis. It could drive the Group’s business success and sustain its competitiveness in all areas of business.
-  A diverse workforce inspires our people to perform to their highest ability and encourages them to express their ideas and opinions and attribute a sense of equal value to all.
-  In promoting diversity, we seek to identify, develop and implement the appropriate action plans to remove diversity barriers and obstacles in the workplace.

3.0 RESPONSIBILITIES

The Board is responsible to foster an inclusive workplace where each individual is respected and equal opportunity is given to all employees in respect of career development based on performance with a particular focus on participation of female employees on the Group’s Board and Senior Management. The Board may seek to improve and set a direction on diversity from time to time to achieve the objectives of this Policy.

Directors' Fit and Proper Policy

1.0 PURPOSE AND SCOPE OF APPLICATION

The Policy sets out Puncak Niaga Holdings Berhad's Directors' Fit and Proper Policy ("the Policy") in relation to the appointment and re-election of the Directors of Puncak Niaga Holdings Berhad and its Group ("Puncak Niaga" or "the Group") to ensure that the Directors of Puncak Niaga Holdings Berhad ("the Company") and its Group possess the requisite criteria and qualities to effectively discharge their duties as Directors of Puncak Niaga Holdings Berhad Group as prescribed in paragraph 2.20A of Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

The Policy shall be read in conjunction with the Board Charter and the Board Diversity Policy of the Company.

2.0 POLICY STATEMENT

Puncak Niaga Holdings Berhad is unreservedly committed to upholding the principles of good corporate governance and ensuring that the Directors of the Group are individuals with the requisite qualities, competence and integrity to discharge their fiduciary duties and responsibilities as Directors of the Group.

3.0 FIT AND PROPER CRITERIA

The Board and the Nomination Committee of the Company shall be responsible for conducting the assessments on the fitness and propriety of the Directors of the Company and its Group on a continuing basis, including the appointment and re-election of Directors of its Group on an annual basis by ensuring that these individuals who are either a Board candidate or Director have demonstrated and met the following fit and proper criteria relating to:-

3.1 Character, Personal Integrity and Reputation

Possesses personal qualities such as honesty, integrity, diligence, independence of mind and fairness and display an ongoing disciplined commitment to high ethical standards:

- Is not or has been the subject of any proceedings of a disciplinary or criminal nature or any investigation which might lead to such proceedings by the regulatory authorities or any court of law in Malaysia or elsewhere.
- Is not in contravention or convicted by a court of law of any written laws relating to dishonesty, bribery, fraud, corruption or malpractice in Malaysia or elsewhere where the conviction involved a finding that the Board candidate or Director had been personally found to have committed such acts.
- Is not in contravention of any requirements or standards of any regulatory body or professional body regulating the profession of the Board candidate or Director.
- Is not engaged or associated with any business practices which are deceitful, oppressive or other improper conduct which may discredit the Board candidate's or Director's personal professional conduct, honesty or integrity.
- Is not an individual who was a director or had held a position of responsibility in the management of a company that has gone into receivership, insolvency or involuntary liquidation or convicted by a court of law whether in Malaysia or elsewhere, of an offence in connection with the promotion, formation or management of a corporation.
- Is an individual with financial integrity who manages his or her own personal debts and personal financial affairs prudently and has not been the subject of a judgment debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.
- Is an individual of good reputation in the professional, financial, business community and industry.

Directors' Fit and Proper Policy

3.0 FIT AND PROPER CRITERIA (CONT'D)

3.2 Experience and Competence

- Possesses the requisite qualifications, skills, ability to carry out the duties and responsibilities as Directors and have the appropriate knowledge, understanding and experience of the conduct of the business, as well as the laws, customs and values that governs the activities of the Group.
- Possesses general management skills, financial literacy as well as understanding of good corporate governance, enterprise risk management and sustainability issues.
- Attends continuous training and professional development to keep abreast with the latest developments, best practises and knowledge in the industry, regulatory framework, global trends.
- Possesses the relevant skills, experience, professionalism and industry knowledge to meet the Company's strategic objectives and the demands of the evolving landscape of the business segments of the Group.

3.3 Time and Commitment

- Devotes the time and commitment to fully discharge the duties and responsibilities as a Director of the Group effectively after taking into consideration other external directorships or positions held or other commitments which are not within the Group, if any.
- Participates actively in the Board's activities.
- Objectively discharges duties and responsibilities at all times in the best interests of the Group and keeps abreast of the responsibilities as a Director of the Group and of the conduct, business activities and developments of the Company and its Group.
- Is committed to achieving the highest level of ethical business conduct and promotes a good corporate governance culture which reinforces ethical, prudent and professional behaviour within the Company and its Group.

Directors' and Key Senior Management's Conflict of Interest Policy

1.0 PURPOSE AND SCOPE OF APPLICATION

The Policy sets out Puncak Niaga Holdings Berhad's Directors' and Key Senior Management's Conflict of Interest Policy ("the Policy") to ensure that the Directors and Key Senior Management of Puncak Niaga Holdings Berhad ("Puncak Niaga" or "the Company") and its Group ("Puncak Niaga Holdings Berhad Group" or "the Group") adheres to the procedures governing any conflict of interest ("COI"), potential COI and interest in competing business involving the Directors and Key Senior Management of Puncak Niaga and the Group as stipulated under the relevant provisions of the Companies Act 2016 ("CA"), Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries issued by Securities Commission Malaysia, Guidance on Conflict of Interest (ICN 1/2023) issued by Bursa Malaysia Securities Berhad, Corporate Governance Guide and the relevant requirements under the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad and any other relevant regulatory requirements, where applicable.

The Policy applies to all Directors and all Key Senior Management (namely, Managing Directors, Executive Directors and Chief Financial Officer) of the Company and the Group.

The Policy shall be read in conjunction with the Board Charter, Directors' Code of Conduct and Employees' Code of Conduct and Ethics of the Company and shall be subject to periodic review from to time, where necessitated.

2.0 POLICY STATEMENT

Puncak Niaga Holdings Berhad is unreservedly committed to upholding the principles of good corporate governance and ensuring that all Directors and Key Senior Management of Puncak Niaga and the Group act in the best interests of the Company and the Group at all times and to avoid any COI or potential COI or interest in competing business involving the Directors or Key Senior Management of Puncak Niaga and the Group with the Company and the Group.

3.0 DEFINITION OF CONFLICT OF INTEREST AND POTENTIAL CONFLICT OF INTEREST

3.1 A Conflict of Interest ("COI") refers to situations where:

- 3.1.1 the interests of a Director or Key Senior Management of the Company or the Group who are persons in position of trust, interfere, or appear to interfere, with the interests of the Company or the Group; or
- 3.1.2 the said Director or Key Senior Management of the Company or the Group has interests that may make it difficult for him/her to perform his or her role objectively and effectively.

3.2 A potential COI is a COI that has yet to materialise or happen, but may arise subsequently due to, among others, prevailing relationships or interests of the said Director or Key Senior Management of the Company or the Group.

3.3 A COI situation occurs when a Director's or Key Senior Management's personal interests conflict with his/her duty to act in the best interests of the Company and the Group such that it could improperly influence the performance of his/her fiduciary duties and responsibilities to the Company and the Group.

Directors' and Key Senior Management's Conflict of Interest Policy

3.0 DEFINITION OF CONFLICT OF INTEREST AND POTENTIAL CONFLICT OF INTEREST (CONT'D)

3.4 The term “personal interests” may also arise from the interests of persons associated to a Director or Key Senior Management of the Company or the Group defined as “Close Relationship” in paragraph 5.2.2 of the Policy. A COI situation may be actual or potential and includes, but are not limited to, the following situations:

- 3.4.1 financial and pecuniary interest, or non-financial interest; and/or
- 3.4.2 legitimate private-capacity activities, personal affiliations and associations and family interests where the said interest could reasonably be considered likely to improperly influence the Director's or Key Senior Management's discharge of his/her fiduciary duties and responsibilities towards the Company and the Group.

4.0 CIRCUMSTANCES WHICH CONSTITUTE OR MAY GIVE RISE TO A CONFLICT OF INTEREST SITUATION

4.1 A COI may be actual or potential and may be financial or non-financial in nature.

4.2 Examples of COI situations involving a Director or Key Senior Management of the Company or the Group which are non-exhaustive are as follows:

- 4.2.1 has interest in a contract or proposed contract with the Company or the Group;
- 4.2.2 uses his or her position as a Director or Key Senior Management to gain a benefit for himself/herself or any other person or cause detriment to the Company or the Group;
- 4.2.3 uses the property or resources of the Company or the Group for his or her personal purpose or business;
- 4.2.4 channels benefits or resources meant for the Company or the Group to a company in which he or she has an interest;
- 4.2.5 discloses trade secrets of the Company or the Group to a competitor where he or she has an interest;
- 4.2.6 engages in a business which is in competition with the Company or the Group;
- 4.2.7 prioritises his or her private venture by depriving the Company or the Group from an identified business opportunity of the Company or the Group;
- 4.2.8 leverages on the Company's or the Group's business proposals or development plans of the Company's or the Group's lands by disclosing the Company's or the Group's business proposals to a competitor or his/her private company or acquiring adjacent lands to the Company's or the Group's lands using the said Director's or Key Senior Management's private company;
- 4.2.9 is involved in a business which offers similar products or services that are likely to replace or substitute the products or services offered by the Company or the Group;
- 4.2.10 holds an office or directorship in companies who are competitors of the Company or the Group; or
- 4.2.11 provides financial assistance to, or receives financial assistance from, the Company or the Group on terms and conditions which are more favourable to the said Director or Key Senior Management than normal commercial terms.

Directors' and Key Senior Management's Conflict of Interest Policy

4.0 CIRCUMSTANCES WHICH CONSTITUTE OR MAY GIVE RISE TO A CONFLICT OF INTEREST SITUATION (CONT'D)

4.3 Examples of potential COI situations involving a Director or Key Senior Management of the Company or the Group which are non-exhaustive are as follows:

- 4.3.1 The said Director or Key Senior Management of the Company or the Group has a similar business with the Company or the Group in a geographical location where the Company or the Group is not currently operating in, but which the Company or the Group may expand its venture in subsequently; or
- 4.3.2 The said Director or Key Senior Management of the Company or the Group purchases substantial building materials for the construction of his or her own personal property at a massive discount from a contractor which had been shortlisted as one of the contractors for the Company's or the Group's projects. There could be a potential COI as the said Director or Key Senior Management of the Company or the Group may favour awarding the Company or the Group's projects to the contractor that gave him/her the discount.

5.0 STEPS TO OBSERVE IN DEALING WITH CONFLICT OF INTEREST SITUATIONS

5.1 Contracts with the Company and the Group

- 5.1.1 Directors and Key Senior Management of the Company and the Group are permitted to deal with the Company or the Group provided that full disclosure of the relevant facts are made to the Company or the Group and the shareholders' approval is obtained, where required under the provisions of the CA and the LR and/or any other relevant regulatory requirements and the specific criteria and thresholds stipulated in the CA and LR which, if triggered, shall require the consent or ratification of the shareholders of the Company at a general meeting for the said transaction.
- 5.1.2 A Declaration on COI or potential COI shall be served by the said Director or Key Senior Management of the Company or the Group to the Board of Directors of the Company and/or EXCO of the Company, as the case may be, by way of a written notice to all members of the Board of Directors and copied to the Company Secretary; and, if the transaction or arrangement is to be deliberated at the Board Meeting and/or EXCO Meeting, as the case may be, such Declaration on COI shall be served before the commencement of the said Board Meeting and/or EXCO Meeting, as the case may be.

5.2 Duty to disclose

- 5.2.1 A Director or Key Senior Management of the Company or the Group who has an interest, direct or indirect, in any material transaction or arrangement with the Company or the Group, or, holds an office or possesses any property where his/her duties or interests as a Director or a Key Senior Management of the Company or the Group may create a conflict with his/her duties or interests as a Director or a Key Senior Management of the Company or the Group, shall, as soon as practicable after the facts have come to the Director's or Key Senior Management's knowledge, or, after possessing the property (as the case may be), shall:
 - a) make a declaration of the full facts and nature of his/her interests at a Board Meeting and/or EXCO Meeting, as the case may be;
 - b) abstain and not participate in any discussion and decision making on the contract or proposed contract at the Board Meeting and/or EXCO Meeting, as the case may be; and
 - c) not vote on the contract or proposed contract.

Directors' and Key Senior Management's Conflict of Interest Policy

5.0 STEPS TO OBSERVE IN DEALING WITH CONFLICT OF INTEREST SITUATIONS (CONT'D)

5.2 Duty to disclose (CONT'D)

5.2.2 The Director or Key Senior Management of the Company or the Group is also required to make full disclosure where a material transaction or arrangement of the Company or the Group involves the interest of the Director's or Key Senior Management's Close Relationship.

"Close Relationship" means:

- i) a person who is a family member of the Director or Key Senior Management of the Company or the Group, where "family" shall have the same as stipulated in Bursa Malaysia Securities Berhad's Main Market Listing Requirements:
 - a) spouse;
 - b) parent;
 - c) child including an adopted child and step-child;
 - d) brother or sister; and
 - e) spouse of the person referred to in (c) and (d) above.
- ii) a person who is a director, major shareholder, partner, or a person with executive powers of an entity or organisation;
- iii) is a family member of the person referred in paragraph 5.2.2 (ii) above; and
- iv) is a person who is accustomed or is under an obligation, whether formal or informal, to act in accordance with the directions, instructions, or wishes of that other person.

5.2.3 Where there is any change in the nature and extent of the Director's or Key Senior Management's interest subsequent to the disclosure, that Director or Key Senior Management shall make further disclosure of such changes to the Company or the Group.

5.2.4 The interested Director or Key Senior Management of the Company or the Group shall not be present during the deliberations at the Board Meeting and/or EXCO Meeting, as the case may be, to consider the material transaction or arrangement and shall not participate in the discussions or voting of the resolution to approve the transaction or arrangement. If he or she is present at the start of the Board Meeting and/or EXCO Meeting, as the case may be, that interested Director or Key Senior Management concerned shall take leave from the Board Meeting and/or EXCO Meeting, as the case may be, and leave the Meeting Room. The remaining members of the Board of Directors and/or remaining members of the EXCO, as the case may be, can then proceed to deliberate and vote on the resolution to approve the said transaction or arrangement.

The interested Director or Key Senior Management may however be counted to meet the quorum at the Board Meeting and/or EXCO Meeting, as the case may be, save and except where the sole agenda at the Board Meeting and/or EXCO Meeting, as the case may be, relates to the said material transaction or arrangement.

5.3 Oversight of the Audit Committee of the Company

5.3.1 The Audit Committee of the Company shall review and report any COI or potential COI situations to the Board of Directors of the Company on any related party transactions, COI and/or potential COI situations that arose, persist or may arise within the Company or the Group including a transaction, procedure or course of conduct that raises questions of the interested Director's or Key Senior Management's integrity and the measures taken by the Company or the Group to resolve, eliminate, or mitigate such COI situations.

5.3.2 The Audit Committee Report of the Company shall disclose any COI or potential COI situations, if any, which have been reviewed by the Audit Committee of the Company (excluding related party transactions which are subject to specific disclosure requirements pursuant to Chapter 10 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements), and the measures taken by the Company or the Group to resolve, eliminate, or mitigate such COI situations for inclusion in the Annual Reports of the Company which are published on an annual basis.

Statement on Directors' Responsibility For Preparation of Financial Statements

The financial statements of the Group and of the Company have been drawn up in accordance with the applicable approved accounting standards in Malaysia and the requirements of the Companies Act 2016. The Directors take responsibility in ensuring that the financial statements give a true and fair view of the financial position of the Group and of the Company as of 31 December 2023 and of the financial performance and the cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements, the Directors have:

- Selected suitable accounting policies and applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Ensured that all applicable accounting standards have been followed; and
- Made an assessment of the Group's and of the Company's ability to continue as a going concern.

The Board has the overall responsibility to take all steps as are reasonably open to them to safeguard the assets of the Group to prevent and detect frauds and other irregularities.

Approaching Our Financial Statements

The purpose of financial statements is to communicate the Group's financial information to its stakeholders. This section is to assist and guide the readers to understand our financial information by explaining the functions and relationships between the essential financial statements: the statements of profit or loss and other comprehensive income, the statements of financial position and the statements of cash flows. For comprehensive and authoritative definitions and explanations, readers should refer to the relevant accounting standards.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Financial performance measured by recording the flow of income and expenses over a period of time

This statement is to present all income or expenses in a performance statement during the financial year.

Please refer to Statements of Profit or Loss and Other Comprehensive Income on page 147.

STATEMENTS OF FINANCIAL POSITION

A snapshot of all the assets the company owns and all the claims against those assets, as at a point in time

This statement sums up the Group's non-current assets and working capital, debts and other non-current liabilities and owners' equity at 31 December 2023.

Please refer to Statements of Financial Position on pages 145 to 146.

STATEMENTS OF CASH FLOWS

A statement that provides an overview of the cash inflows and outflows of the Company over a period of time

This statement divides the cash flows during the financial year into operating, investing and financing cash flows.

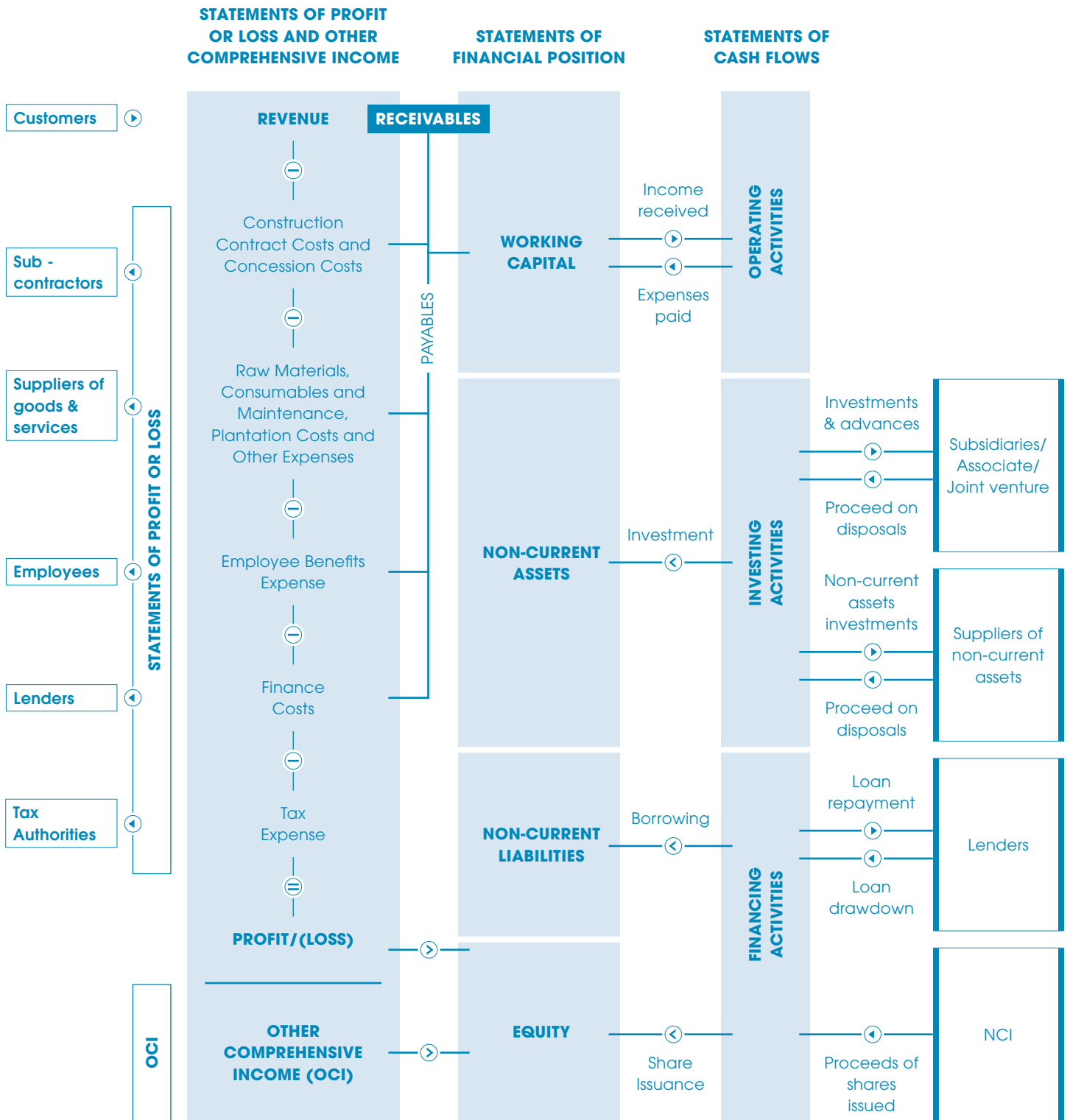
Operating cash flows are the cash inflows and outflows from working capital.

Investing cash flows are the cash flows arising from the purchase or disposal of non-current assets.

Financing cash flows represent the cash flows between the Group, its lenders and Non-Controlling Interest ("NCI").

Please refer to Statements of Cash Flows on pages 151 to 154.

Approaching Our Financial Statements



➡ Cash Flow
 ➡ Accounting Flow
 ⊖ Minus
 ⊕ Equates

Definitions

Except where the context otherwise requires, the following definitions shall apply throughout the Directors' Report and Audited Financial Statements for the financial year ended 31 December 2023:

"CGU"	<ul style="list-style-type: none"> • Cash Generating Unit
"Company", "PNHB" or "Puncak"	<ul style="list-style-type: none"> • Puncak Niaga Holdings Berhad
"DSSB"	<ul style="list-style-type: none"> • Danau Semesta Sdn. Bhd.
"Danum Sinar"	<ul style="list-style-type: none"> • Danum Sinar Sdn. Bhd.
"D44 Project"	<ul style="list-style-type: none"> • Pakej D44 - Pembinaan Rangkaian Paip Pembentungan di Bunus, Kuala Lumpur (Reka dan Bina)
"Federal Government"	<ul style="list-style-type: none"> • Government of Malaysia
"Genbina"	<ul style="list-style-type: none"> • Genbina Sdn. Bhd.
"GOM Resources"	<ul style="list-style-type: none"> • GOM Resources Sdn. Bhd.
"Group"	<ul style="list-style-type: none"> • Puncak Niaga Holdings Berhad and its subsidiaries
"KHEC"	<ul style="list-style-type: none"> • Kris Heavy Engineering & Construction Sdn. Bhd.
"Kuantan Project"	<ul style="list-style-type: none"> • Projek Pembinaan Loji Rawatan Kumbahan Serantau dan Rangkaian Paip Pembentungan di Bandar Kuantan, Pahang (Reka dan Bina)
"MESB"	<ul style="list-style-type: none"> • Murni Estate Sdn. Bhd.
"NCI"	<ul style="list-style-type: none"> • Non-controlling interests
"PASSB"	<ul style="list-style-type: none"> • Pengurusan Air Selangor Sdn. Bhd.
"PNCSB"	<ul style="list-style-type: none"> • Puncak Niaga Construction Sdn. Bhd.
"PNMSSB"	<ul style="list-style-type: none"> • Puncak Niaga Management Services Sdn. Bhd.
"PBSB"	<ul style="list-style-type: none"> • Pujian Bayu Sdn. Bhd.
"POG"	<ul style="list-style-type: none"> • Puncak Oil & Gas Sdn. Bhd.
"Purnama Persada"	<ul style="list-style-type: none"> • Purnama Persada Sdn. Bhd.
"RM"	<ul style="list-style-type: none"> • Ringgit Malaysia
"SGD"	<ul style="list-style-type: none"> • Singapore Dollar
"State Government"	<ul style="list-style-type: none"> • The State Government of Selangor
"SYABAS"	<ul style="list-style-type: none"> • Syarikat Bekalan Air Selangor Sdn. Bhd.
"TRIpIc"	<ul style="list-style-type: none"> • TRIpIc Berhad
"TRIpIc Group"	<ul style="list-style-type: none"> • TRIpIc Berhad and its subsidiaries
"USD"	<ul style="list-style-type: none"> • United States Dollar

Directors' Report

For the Year Ended 31 December 2023

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding, whilst the principal activities of the subsidiaries are disclosed in Note 8 to the financial statements. There has been no significant change in the nature of the principal activities.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	3,703	32,296
Profit/(Loss) attributable to:		
Owners of the Company	8,845	32,296
Non-controlling interests	(5,142)	-
	3,703	32,296

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

DIVIDEND

No dividend was paid during the financial year ended 31 December 2023 and the Directors do not recommend the payment of any dividend for the financial year under review.

DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Directors

Tan Sri Rozali bin Ismail
 Azlan Shah bin Rozali
 Dato' Sri Adenan bin Ab. Rahman
 Prof Emeritus Datuk Dr Marimuthu a/I Nadason
 YM Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj
 Datuk Sr Haji Johari bin Wahab
 Haji Noor Faiz bin Hassan
 Tan Sri Dr Madinah binti Mohamad

Directors' Report

For the Year Ended 31 December 2023

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

Name of Director	Number of ordinary shares			31.12.2023
	1.1.2023	Acquired	Sold	
<i>Direct Interest:</i>				
<i>Ordinary shares of the Company</i>				
Tan Sri Rozali bin Ismail	1,901,900	-	-	1,901,900
Azlan Shah bin Rozali	389,400	-	-	389,400
<i>Deemed Interest:</i>				
<i>Ordinary shares of the Company</i>				
Tan Sri Rozali bin Ismail *	175,140,824	-	-	175,140,824
Datuk Sr Haji Johari bin Wahab **	1,050	-	-	1,050

* Deemed interest by virtue of 100% shareholding interest in Central Plus (M) Sdn. Bhd. and Corporate Line (M) Sdn. Bhd., both are substantial corporate shareholders of the Company, of which 5% is held in his own name and 95% in his spouse's and children's names.

** Deemed interest by virtue of shares held in his brother's name.

By virtue of his interests in the shares of the Company, Tan Sri Rozali bin Ismail is also deemed interested in the shares of the subsidiaries during the financial year to the extent that Puncak Niaga Holdings Berhad has an interest.

None of the other Directors holding office at 31 December 2023 had any interest in the shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Total Directors' remuneration incurred by the Group and the Company for the financial year ended 31 December 2023 was RM3,841,000 (2022: RM3,744,000) and RM714,000 (2022: RM603,000) respectively. Further details are disclosed in Note 29 to the financial statements.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown in Note 29 to the financial statements) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except 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 34(A) to the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

ISSUE OF SHARES AND DEBENTURES

During the financial year, there were no changes in the issued and paid-up capital of the Company. The Company has not issued any debentures during the financial year.

Directors' Report

For the Year Ended 31 December 2023

OPTIONS GRANTED OVER UNISSUED SHARES

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

INDEMNITY AND INSURANCE COSTS

During the financial year, there was no indemnity cost for Directors or Officers of the Company. The insurance cost for Directors and Officers liability of the Group and of the Company was RM140,195.

QUALIFICATION OF SUBSIDIARIES' FINANCIAL STATEMENTS

There is no qualification for the auditors' report on the audit of the financial statements of the Company's subsidiaries.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- (i) action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (ii) any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company 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:

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

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

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

In the opinion of the Directors:

- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (ii) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

Directors' Report

For the Year Ended 31 December 2023

LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows:

Faridatulzakiah binti Mohd Bakhry
 Syed Badli Shah bin Syed Mansoor
 Taufik Afendy bin Othman
 Lim Mun Lee
 Prof Dato' Dr Mohd Zainul Fithri bin Othman
 YBM Dato' Tengku Rozanna Petri binti Tengku Mohamed Nasrun
 YM Tengku Mohamad Ridzman
 Tan Sri Datuk Ling Chiong Ho
 Dato' Syed Danial bin Syed Ariffin
 Dato' Borhan bin Mohd Doya
 Faizal bin Zaharudin
 Mohammad Shahree bin Shamsuddin
 Mohd Sukrie bin Mat Zin
 Wong Ko Hock
 Dr Gabriel Peter Salgo
 Johanna Sammet
 Chandran s/o Urath Sankaran Nair
 Iffat Saqeef bin Borhan (Appointed on 20 March 2023)
 Chan Yit Hwa (Resigned on 10 February 2023)
 Dato' Azlinda binti Zainal Abidin (Resigned on 20 March 2023)
 Tan Bee Lian (Resigned on 22 November 2023)

AUDITORS

The Auditors, Grant Thornton Malaysia PLT have expressed their willingness to continue in office.

The amount of audit and other fees paid and payable to the auditors by the Group and the Company for the financial year ended 31 December 2023 are as follows:

	Group RM'000	Company RM'000
Grant Thornton Malaysia PLT	346	77
Other auditors	112	12
	458	89

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the provision of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors.

.....
Tan Sri Rozali bin Ismail
 Director

Shah Alam

Date: 27 March 2024

.....
Azlan Shah bin Rozali
 Director

Statements of Financial Position

As at 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Assets					
Non-current assets					
Property, plant and equipment	4	471,678	472,310	7	15
Investment properties	5	554,127	848,844	54,000	270,800
Bearer biological assets	6	310,448	311,447	-	-
Concession asset	7	4,167	4,567	-	-
Investment in subsidiaries	8	-	-	1,136,614	890,848
Investment in associate	9	-	13	-	29
Deferred tax assets	10	38,017	45,205	-	-
Trade and other receivables	14	784,166	822,255	-	-
		2,162,603	2,504,641	1,190,621	1,161,692
Current assets					
Inventories	11	3,317	4,890	-	-
Fresh fruits bunches	12	5,062	5,837	-	-
Contract assets	13	21,791	5,015	-	-
Trade and other receivables	14	204,183	184,398	1,342	192,969
Short-term investments	15	98,857	59,088	34,193	5,072
Tax recoverable		721	1,745	-	-
Cash and cash equivalents	16	143,140	194,693	20,112	31,475
		477,071	455,666	55,647	229,516
Assets held for sale	17	306,066	-	204,949	-
		783,137	455,666	260,596	229,516
Total assets		2,945,740	2,960,307	1,451,217	1,391,208

Statements of Financial Position

As at 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Equity and liabilities					
Equity attributable to owners of the Company					
Share capital		554,663	554,663	554,663	554,663
Treasury shares		(5,941)	(5,941)	(5,941)	(5,941)
Reserves		97,931	93,320	-	-
Retained earnings		659,424	650,579	845,469	813,173
	18	1,306,077	1,292,621	1,394,191	1,361,895
Non-controlling interests	8.3	19,462	24,604	-	-
Total equity		1,325,539	1,317,225	1,394,191	1,361,895
Non-current liabilities					
Loans and borrowings	19	900,844	956,660	-	-
Concession liability	7	91,368	96,073	-	-
Deferred tax liabilities	10	156,330	164,873	18,145	20,644
		1,148,542	1,217,606	18,145	20,644
Current liabilities					
Loans and borrowings	19	251,351	218,538	-	-
Trade and other payables	20	189,818	162,057	38,848	8,669
Contract liabilities	13	171	3,906	-	-
Provision for foreseeable loss	21	29,099	39,404	-	-
Tax payable		1,220	1,571	33	-
		471,659	425,476	38,881	8,669
Total liabilities		1,620,201	1,643,082	57,026	29,313
Total equity and liabilities		2,945,740	2,960,307	1,451,217	1,391,208

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

Statements of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	22	241,779	220,928	20,000	680
Other income		88,995	18,035	46,945	5,353
Finance income		6,544	5,712	841	7,710
Items of expense					
Raw materials, consumables and maintenance		(2,237)	(1,662)	-	-
Construction contract costs		(65,657)	(56,751)	-	-
Plantation costs		(35,509)	(36,692)	-	-
Concession costs		(40,077)	(11,994)	-	-
Employee benefits expense	23	(48,639)	(43,191)	(1,502)	(1,264)
Impairment losses on other assets		(20,609)	-	(162,601)	-
Net reversal/(loss) on impairment of financial instruments and contract assets		2,110	2,109	142,824	(11,953)
Reversal for foreseeable loss	21	10,305	4,177	-	-
Depreciation and amortisation expenses		(22,138)	(19,801)	(8)	(8)
Other expenses		(33,426)	(32,108)	(16,234)	(15,891)
Finance costs	24	(72,156)	(72,390)	(398)	(8)
Share of results of equity accounted entities		(32)	(58)	-	-
Profit/(Loss) before tax	25	9,253	(23,686)	29,867	(15,381)
Tax (expense)/credit	26	(5,550)	4,455	2,429	(460)
Profit/(Loss) for the year		3,703	(19,231)	32,296	(15,841)
Other comprehensive (expense)/income					
Item that is or may be reclassified subsequently to profit or loss					
Foreign currency translation	27	(13)	46	-	-
Item that will not be reclassified subsequently to profit or loss					
Revaluation of land and buildings, net of tax		4,624	-	-	-
Total comprehensive income/(expense) for the year		8,314	(19,185)	32,296	(15,841)
Profit/(Loss) attributable to:					
Owners of the Company		8,845	(15,900)	32,296	(15,841)
Non-controlling interests	8.3	(5,142)	(3,331)	-	-
		3,703	(19,231)	32,296	(15,841)
Total comprehensive income/(expense) attributable to:					
Owners of the Company		13,456	(15,854)	32,296	(15,841)
Non-controlling interests		(5,142)	(3,331)	-	-
		8,314	(19,185)	32,296	(15,841)
Earnings/(loss) per ordinary share (sen per share):					
Basic/Diluted	28	1.98	(3.56)		

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

Statements of Changes in Equity

For the Year Ended 31 December 2023

Group	Note	Attributable to owners of the Company		
		Share capital RM'000	Treasury shares RM'000	Foreign currency translation reserve RM'000
At 1 January 2022		554,663	(5,941)	898
Foreign currency translation		-	-	46
Total other comprehensive income	27	-	-	46
Loss for the year		-	-	-
Total comprehensive income/(expense)		-	-	46
At 31 December 2022		554,663	(5,941)	944
At 1 January 2023		554,663	(5,941)	944
Foreign currency translation		-	-	(13)
Revaluation of land and buildings, net of tax	18.4	-	-	-
Total other comprehensive (expense)/income	27	-	-	(13)
Profit/(Loss) for the year		-	-	-
Total comprehensive (expense)/income		-	-	(13)
At 31 December 2023		554,663	(5,941)	931

Statements of Changes in Equity

For the Year Ended 31 December 2023

Revaluation reserve RM'000	Other reserve RM'000	Distributable		Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Retained earnings RM'000				
112,390	(20,014)	666,479		1,308,475	27,935	1,336,410
-	-	-		46	-	46
-	-	-		46	-	46
-	-	(15,900)		(15,900)	(3,331)	(19,231)
-	-	(15,900)		(15,854)	(3,331)	(19,185)
112,390	(20,014)	650,579		1,292,621	24,604	1,317,225
112,390	(20,014)	650,579		1,292,621	24,604	1,317,225
-	-	-		(13)	-	(13)
4,624	-	-		4,624	-	4,624
4,624	-	-		4,611	-	4,611
-	-	8,845		8,845	(5,142)	3,703
4,624	-	8,845		13,456	(5,142)	8,314
117,014	(20,014)	659,424		1,306,077	19,462	1,325,539

Statements of Changes in Equity

For the Year Ended 31 December 2023

Company	← Attributable to owners of the Company →			
	← Non-distributable →		Distributable	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	
At 1 January 2022	554,663	(5,941)	829,014	1,377,736
Loss and total comprehensive expense for the year	-	-	(15,841)	(15,841)
At 31 December 2022	554,663	(5,941)	813,173	1,361,895
Profit and total comprehensive income for the year	-	-	32,296	32,296
At 31 December 2023	554,663	(5,941)	845,469	1,394,191

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

Statements of Cash Flows

For the Year Ended 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash flows from operating activities					
Receipts from customers		246,329	279,793	-	-
Other income		49,126	3,389	45,044	752
Payments for operating expenses		(147,575)	(122,947)	(6,540)	(4,693)
Payments to contractors		(51,756)	(87,828)	-	-
Payment of management fee to a subsidiary		-	-	(10,244)	(11,774)
Cash from/(used in) operations		96,124	72,407	28,260	(15,715)
Tax paid		(7,690)	(8,942)	(38)	-
Interest income		6,243	5,953	510	805
Net cash generated from/(used in) operating activities		94,677	69,418	28,732	(14,910)
Cash flows from investing activities					
Investment in redeemable preference shares of a subsidiary	8.1(a)	-	-	(37,316)	-
Acquisition of investment properties	(ii)	-	(9,900)	-	-
Acquisition of property, plant and equipment	(iii)	(5,231)	(8,541)	-	(5)
Additions of bearer biological assets	(iv)	(5,024)	(4,489)	-	-
Dividends received from a subsidiary	22	-	-	20,000	680
Net advances from/(to) subsidiaries		-	-	6,054	(17,066)
Net advance to associate		-	(3)	-	(3)
Net advance to joint venture		-	-	(53)	(56)
Net (additions of)/proceeds from short-term investments		(39,430)	35,921	(28,782)	5,085
Proceeds from disposal of property, plant and equipment		396	794	-	-
Net cash (used in)/from investing activities		(49,289)	13,782	(40,097)	(11,365)
Cash flows from financing activities					
Proceeds from loans and borrowings		43,892	40,600	-	-
Interest paid		(69,334)	(69,273)	-	-
Decrease/(increase) in pledged deposit		4,763	(3,959)	1,413	(215)
Repayment of loans and borrowings		(67,400)	(97,132)	-	-
Repayment of lease liabilities		(4,080)	(3,403)	-	-
Net cash (used in)/from financing activities		(92,159)	(133,167)	1,413	(215)
Net decrease in cash and cash equivalents		(46,771)	(49,967)	(9,952)	(26,490)
Effects of exchange rate changes on cash held		(3)	11	2	6
Cash and cash equivalents at 1 January		149,872	199,828	18,072	44,556
Cash and cash equivalents at 31 December	(i)	103,098	149,872	8,122	18,072

Statements of Cash Flows

For the Year Ended 31 December 2023

(i) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deposits with licensed banks	16	68,688	110,670	16,016	25,365
Cash and bank balances	16	74,452	84,023	4,096	6,110
		143,140	194,693	20,112	31,475
Less:					
Cash and bank balances pledged	16	(40,033)	(44,796)	(11,990)	(13,403)
Bank overdraft	19	(9)	(25)	-	-
		103,098	149,872	8,122	18,072

(ii) Acquisition of investment properties

During the financial year, the Group has made the following cash payments to acquire investment properties:

	Note	Group	
		2023 RM'000	2022 RM'000
Purchase of investment properties	5	-	11,554
Deposit and direct expenditure paid		-	(1,654)
Cash payments on purchase of investment properties		-	9,900

(iii) Acquisition of property, plant and equipment

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

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Purchase of property, plant and equipment	4	7,293	9,984	-	5
Financed by lease agreements		(2,062)	(1,027)	-	-
Other non-cash adjustment		-	(416)	-	-
Cash payments on purchase of property, plant and equipment		5,231	8,541	-	5

Statements of Cash Flows

For the Year Ended 31 December 2023

(iv) Additions of bearer biological assets

During the financial year, the Group has made the following cash payments to acquire bearer biological assets:

	Note	Group	
		2023 RM'000	2022 RM'000
Additions of bearer biological assets	6	8,483	7,911
Depreciation of property, plant and equipment	6.1	(1,238)	(1,665)
Finance cost	6.1	(2,221)	(1,757)
Cash payments on additions of bearer biological assets		5,024	4,489

(v) Cash outflows for leases as a lessee

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Included in net cash from operating activities:				
Payment relating to short-term leases	808	890	-	-
Payment relating to leases of low-value assets	373	295	72	29
Interest paid in relation to lease liabilities	371	393	-	-
Included in net cash used in financing activities:				
Repayment of lease liabilities	4,080	3,403	-	-
Total cash outflows for leases	5,632	4,981	72	29

Statements of Cash Flows

For the Year Ended 31 December 2023

(vi) Reconciliation between movements of liabilities to cash flows arising from financing activities

	At 1 January 2022 RM'000	Net changes used in financing cash flows RM'000	Other non-cash flow changes RM'000	At 31 December 2022 RM'000	Net changes used in financing cash flows RM'000	Other non-cash flow changes RM'000	At 31 December 2023 RM'000
Group							
Tawarruq term loan	130,883	(2,400)	-	128,483	(2,400)	-	126,083
Revolving credit facilities	150,000	-	-	150,000	492	-	150,492
Medium Term Notes	291,353	(25,000)	648	267,001	(25,000)	567	242,568
Senior Sukuk Murabahah	620,120	(40,000)	2,407	582,527	(40,000)	2,258	544,785
Sukuk Murabahah	-	40,600	-	40,600	43,400	-	84,000
Bank overdraft	2,618	(2,593)	-	25	(16)	-	9
Lease liabilities	8,881	(3,403)	1,084	6,562	(4,080)	1,776	4,258
	1,203,855	(32,796)	4,139	1,175,198	(27,604)	4,601	1,152,195

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

Notes to the Financial Statements

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

PRINCIPAL PLACE OF BUSINESS

Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan.

REGISTERED OFFICE

10th Floor, Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan.

The consolidated financial statements as at and for the financial year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in associate and joint ventures. The financial statements of the Company as at and for the financial year ended 31 December 2023 do not include any other entities.

The principal activity of the Company is investment holding whilst the principal activities of the other Group entities are as disclosed in Note 8 to the financial statements. There has been no significant change in the nature of the principal activities.

These financial statements were authorised for issue by the Board of Directors on 27 March 2024.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

At the beginning of the current financial year, the Group and the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2023.

Adoption of Standards, Amendments and Annual Improvements to Standards

- MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts
- Amendments to MFRS 17 - Initial Application of MFRS 17 and MFRS 9 - Comparative Information
- Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
- Amendments to MFRS 112 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112 Income Taxes - International Tax Reform: Pillar Two Model Rules

Initial application of the amendments/improvements to the standards did not have material impact to the financial statements. The details of the amendments are disclosed below:

Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies

The amendments change the requirements in MFRS 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant' with 'material'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Notes to the Financial Statements

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies (continued)

The supporting paragraphs in MFRS 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Malaysian Accounting Standards Board ("MASB") has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in MFRS Practice Statement 2.

The amendments have had an impact on the Group's disclosures of accounting policies but not on the measurement, recognition or presentation of any items in the Group's financial statements.

The following are accounting standards, amendments and interpretations that have been issued by the MASB but have not been adopted by the Group and the Company:

Effective for annual period beginning on or after 1 January 2024

- Amendments to MFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Presentation of Financial Statements - Non-Current Liabilities with Covenants
- Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current
- Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

Effective for annual period beginning on or after 1 January 2025

- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Deferred to a date to be determined by the MASB

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company upon their first adoption.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2 to the financial statements.

(c) Functional and presentation currency

These financial statements are presented in RM, which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand (RM'000), unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the Financial Statements

1. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgements (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 4.3 - Revaluation of freehold land, leasehold land and buildings
- Note 5.1 - Fair value of investment properties
- Note 8.2 - Impairment loss on investment in subsidiaries
- Note 10 - Deferred tax assets/liabilities
- Note 12.1 - Fair value of fresh fruit bunches
- Note 14.5 - Impairment of amounts due from subsidiaries
- Note 17 - Fair value of assets held for sale
- Note 21 - Provision for foreseeable loss
- Note 22 - Revenue
- Note 26 - Tax credit/expense
- Note 31.4 - Provision for expected credit losses

2. MATERIAL ACCOUNTING POLICIES INFORMATION

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(a) Basis of consolidation (continued)

(ii) Business combinations (continued)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising from the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or a financial asset depending on the level of influence retained.

(iv) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint venture are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Financial instruments

(i) Recognition and initial measurement

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

A financial asset or financial liability is initially measured at fair value plus or minus, for a financial asset or financial liability not measured at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(b) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

The categories of financial assets at initial recognition are as follows:

(a) **Amortised cost**

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) **Fair value through profit or loss**

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment (see Note 2(k)(i)).

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

(a) **Amortised cost**

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) **Financial guarantee contracts**

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

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15, Revenue from Contracts with Customers.

Liabilities arising from financial guarantees are presented together with other provisions.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost/revaluation less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

Property, plant and equipment under the revaluation model

The Group revalue its properties comprising land and buildings every 3 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surpluses arising from revaluation are dealt with in the revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(c) Property, plant and equipment (continued)

(iii) Depreciation (continued)

The estimated useful lives for the current and comparative periods are as follows:

• Buildings	10 to 50 years
• Plantation buildings	10 to 50 years
• Infrastructure	50 years
• Plant and machinery	4 to 25 years
• Computers, software and equipment	3 to 10 years
• Furniture and fittings	5 to 10 years
• Motor vehicles	5 to 10 years
• Renovations	3 to 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period and adjusted as appropriate.

Right-of-use assets

The below accounting policies for property, plant and equipment applies to leasehold land, plantation land, leasehold improvement, plant and machinery, computers, software and equipment and motor vehicles.

The estimated useful lives for:

• Long-term leasehold land	over the leasehold period of 82 to 99 years
• Plantation land	over the leasehold period of 86 years
• Leasehold improvement	10 years
• Plant and machinery	4 to 25 years
• Computers, software and equipment	5 to 10 years
• Motor vehicles	5 to 10 years

(d) Bearer biological assets

Bearer biological assets comprise oil palm plants which are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the plants and any other costs directly attributable to bringing the plants to maturity. The cost also includes the cost of planting, upkeep and maintenance, direct labour and estate overheads. For immature plants, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Upon maturity of the plants, accumulated cost will be depreciated over estimated production life of the plants of approximately 25 years from date of maturity.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(d) Bearer biological assets (continued)

The depreciation method of the plants is the units of production method, which results in a charge based on the expected yield of the plants. The depreciation method of the bearer plants (determined by fields of planting or replanting) is reviewed at the end of each reporting period, and any change in estimate is applied prospectively over the remaining useful life of the plants, commencing in the current period.

When the plants reach the end of their useful lives and are replanted, the carrying amount of the plants is derecognised.

(e) Investment properties

Investment properties carried at fair value

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

Investment properties are measured at fair value with any changes therein recognised in profit or loss for the period in which they arise.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

(f) Concession arrangements

Where the Group performs more than one service (i.e. construction contract and maintenance services) under a single contract or arrangement, the consideration receivable is allocated by reference to the relative fair values of the services delivered, when the amounts are separately identifiable.

Concession asset/(liability)

Concession asset/(liability) is amortised subsequent to initial recognition on a straight-line basis over the remaining tenure of the concession arrangements.

(g) Inventories

Inventories other than agriculture produce are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

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

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(h) Fresh fruit bunches

Fresh fruit bunches, which have yet to be harvested, are measured at fair value less costs to sell.

(i) Contract assets/Contract liabilities

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, Financial Instruments (see Note 2(k)(i)).

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

(j) Contract cost

(i) Incremental cost of obtaining a contract

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs.

(ii) Costs to fulfil a contract

The Group recognises a contract cost that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group, will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(k) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(k) Impairment (continued)

(i) Financial assets (continued)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets, investment properties measured at fair value, deferred tax asset and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to group of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount.

An impairment loss shall be recognised immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease. An impairment loss on a non-revalued asset is recognised in profit or loss. However, an impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that asset.

Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amounts of the other assets in the CGU (groups of CGUs) on a pro rata basis.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(l) Revenue and other income

(i) Revenue

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

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

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

(ii) Dividend income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iii) Finance Income

Finance income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(iv) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(m) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(n) Assets held for sale

Classification of the asset (or disposal group) as held for sale occurs only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary and the sale must be highly probable. Management must be committed to a plan to sell the assets which are expected to qualify for recognition as a completed sale within one year from the date of classification. Action required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.

Notes to the Financial Statements

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

(o) Deferred tax

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences arising from the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against which the unutilised tax incentive can be utilised.

3. AWARD OF CONCESSIONS

(a) Concession Agreement UiTM-Zone 1 Phase 2, Puncak Alam Campus (“CA-Z1P2”)

On 4 May 2010, TRIplic Ventures Sdn. Bhd. (“TVSB”), a wholly-owned sub-subsidiary of the Company entered into the CA-Z1P2 Concession Agreement with the Government of Malaysia (“Government”), represented by the Ministry of Higher Education (“MOHE”) and University Teknologi MARA (“UiTM”). Under the CA-Z1P2, TVSB was granted a 23-year concession to undertake the planning, design, financing, development, construction, landscaping, equipping, installation, completion, testing, commissioning and maintenance of specified facilities and infrastructure for Z1P2 of UiTM Puncak Alam Campus. The specified facilities and infrastructure include academic facilities for three faculties, namely the Faculty of Accountancy, Faculty of Business Administration and Faculty of Hotel and Tourism Management, common facilities, student accommodation, multipurpose hall, maintenance centre, prayer hall, library, student centre, cafeteria and health centre.

The principal terms of the CA-Z1P2 are as follows:

- (i) the Concession Period shall be for a period of twenty-three (23) years commencing from the Construction Commencement Date or Effective Date whichever is later and ending on twenty-third (23rd) anniversary of the date. The commencement date of the construction was 11 April 2011.
- (ii) the maintenance works will commence upon the issuance of Certificate of Acceptance by UiTM and expire on the last date of the Concession Period (“Maintenance Period”).

Notes to the Financial Statements

3. AWARD OF CONCESSIONS (CONTINUED)

(a) Concession Agreement UiTM-Zone 1 Phase 2, Puncak Alam Campus (“CA-Z1P2”) (continued)

The construction was completed and the Certificate of Acceptance was issued by UiTM on 11 April 2014. The issuance of Certificate of Acceptance was to confirm the acceptance of the availability of Facilities and Infrastructure by UiTM and to confirm the commencement of the Maintenance Period was from 11 April 2014.

UiTM shall pay TVSB throughout the Maintenance Period the following charges:

- (i) Availability Charges for the availability of the Facilities and Infrastructure; and
- (ii) Maintenance Charges for the provision of maintenance works in accordance with the provision of the Concession Agreement.

The Group, through another wholly-owned sub-subsidiary commenced with the facilities management services for a period of twenty (20) years from 2014 to 2034.

(b) Concession Agreement UiTM-Zone 1 Phase 3, Puncak Alam Campus (“CA-Z1P3”)

On 18 February 2016, TRIpIc Medical Sdn. Bhd. (“TMSB”), a wholly-owned sub-subsidiary of the Company was awarded a concession to undertake the planning, finance, design, development, construction, landscaping, equipping, installation, completion, testing and commissioning of the facilities and infrastructure in relation to the Teaching Hospital and Medical Academic Centre at UiTM Puncak Alam Campus and thereafter, to carry out the asset management services of the facilities and infrastructure in accordance with the terms and conditions of the Concession Agreement dated 18 February 2016 entered into between the Government, MOHE, UiTM and TMSB.

The principal terms of the CA-Z1P3 are as follows:

- (i) the concession granted is for a period of twenty-five (25) years and ten (10) months (“Concession Period”) which consists of three (3) years and ten (10) months for construction works and twenty-two (22) years for asset management services. The commencement date of the construction was 11 April 2017;
- (ii) the asset management services had commenced on 1 February 2021 upon completion of the construction works and expiring on the last date of the Concession Period (“Asset Management Services Period”); and
- (iii) throughout the Asset Management Services Period, UiTM shall pay TMSB the Availability Charges for the availability of the Facilities and Infrastructure and the Asset Management Services Charges for the provision of maintenance services and asset replacement program.

The concession is for a period of twenty-five (25) years and ten (10) months starting from 11 April 2017; three (3) years and ten (10) months for construction and twenty-two (22) years for asset management services.

TMSB was granted extensions of time from 10 April 2020 to 1 February 2021 to complete the CA-Z1P3 construction works. TMSB completed the construction works on time and successfully handed over on 1 February 2021 upon receipt of the Certificate of Acceptance (“COA”) by UiTM. Accordingly, the Asset Management Services Period and the payment of the Availability Charges (for the availability of the Facilities and Infrastructure) and Asset Management Services Charges (for the provision of maintenance services and asset replacement programme) of the Concession Agreement had commenced on 1 February 2021 over the next twenty-two (22) years.

Agreement between UiTM and TMSB to supply additional medical equipment for Hospital Al-Sultan Abdullah UiTM

On 25 October 2022, TMSB entered into an agreement with UiTM for UiTM to appoint TMSB as the Contractor to supply additional medical equipment for Hospital Al-Sultan Abdullah UiTM at a contact sum of RM44,135,698.08.

Notes to the Financial Statements

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Buildings RM'000	Plantation buildings RM'000	Infrastructure RM'000	Plant and machinery RM'000
	← At valuation →				
Group					
Cost/Valuation					
At 1 January 2022	2,550	27,600	13,085	106,687	2,447
Additions	-	-	2,600	292	101
Reclassification	-	-	-	-	-
Disposal	-	-	-	-	-
At 31 December 2022	2,550	27,600	15,685	106,979	2,548
Additions	-	-	251	-	189
Revaluation	-	2,042	-	-	-
Reclassification	-	-	1,886	-	-
Disposal	-	-	-	-	-
Written off	-	-	-	-	-
Elimination of accumulated depreciation on revaluation	-	(2,042)	-	-	-
At 31 December 2023	2,550	27,600	17,822	106,979	2,737
Accumulated depreciation					
At 1 January 2022	-	681	1,426	9,198	1,445
Charge for the year	-	681	282	2,249	230
Reclassification	-	-	-	-	-
Disposal	-	-	-	-	-
At 31 December 2022	-	1,362	1,708	11,447	1,675
Charge for the year	-	680	332	2,258	314
Reclassification	-	-	-	-	-
Disposal	-	-	-	-	-
Written off	-	-	-	-	-
Elimination of accumulated depreciation on revaluation	-	(2,042)	-	-	-
At 31 December 2023	-	-	2,040	13,705	1,989
Carrying amounts					
At 31 December 2022	2,550	26,238	13,977	95,532	873
At 31 December 2023	2,550	27,600	15,782	93,274	748

Notes to the Financial Statements

Computers, software and equipment RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Renovations RM'000	Work in progress RM'000	Right-of- use assets RM'000	Total RM'000
At cost						
29,174	6,155	40,143	18,547	1,409	360,773	608,570
938	483	2,533	717	1,072	1,248	9,984
-	-	4,405	776	(776)	(4,405)	-
(30)	(10)	(2,469)	-	-	(623)	(3,132)
30,082	6,628	44,612	20,040	1,705	356,993	615,422
346	163	336	190	3,366	2,452	7,293
-	-	-	-	-	4,043	6,085
1,258	-	534	-	(3,144)	(534)	-
-	-	(4,161)	-	-	(134)	(4,295)
(167)	-	(392)	-	-	-	(559)
-	-	-	-	-	(1,243)	(3,285)
31,519	6,791	40,929	20,230	1,927	361,577	620,661
27,039	5,948	36,676	17,050	-	31,091	130,554
890	194	5,320	332	-	5,113	15,291
-	-	3,070	-	-	(3,070)	-
(30)	(2)	(2,383)	-	-	(318)	(2,733)
27,899	6,140	42,683	17,382	-	32,816	143,112
1,085	216	1,959	350	-	6,700	13,894
-	-	511	-	-	(511)	-
-	-	(4,161)	-	-	(24)	(4,185)
(161)	-	(392)	-	-	-	(553)
-	-	-	-	-	(1,243)	(3,285)
28,823	6,356	40,600	17,732	-	37,738	148,983
2,183	488	1,929	2,658	1,705	324,177	472,310
2,696	435	329	2,498	1,927	323,839	471,678

Notes to the Financial Statements

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computers, software and equipment RM'000	Renovations RM'000	Total RM'000
Company			
Cost			
At 1 January 2022	899	1,928	2,827
Additions	5	-	5
At 31 December 2022/ At 31 December 2023	904	1,928	2,832
Accumulated depreciation			
At 1 January 2022	881	1,928	2,809
Depreciation for the year	8	-	8
At 31 December 2022	889	1,928	2,817
Depreciation for the year	8	-	8
At 31 December 2023	897	1,928	2,825
Carrying amounts			
At 31 December 2022	15	-	15
At 31 December 2023	7	-	7

4.1 Right-of-use assets

	Long-term leasehold land RM'000	Plantation land RM'000	Leasehold improvement RM'000	Plant and machinery RM'000	Computers, software and equipment RM'000	Motor vehicle RM'000	Total RM'000
	At valuation ←			At cost →			
Group							
Cost/Valuation							
At 1 January 2022	39,001	293,144	5,160	1,740	-	21,728	360,773
Additions	-	-	-	-	545	703	1,248
Reclassification	-	-	-	-	-	(4,405)	(4,405)
Disposal	-	(265)	-	-	-	(358)	(623)
At 31 December 2022	39,001	292,879	5,160	1,740	545	17,668	356,993
Additions	-	-	-	-	-	2,452	2,452
Revaluation	4,043	-	-	-	-	-	4,043
Reclassification	-	-	-	-	-	(534)	(534)
Disposal	-	-	-	-	-	(134)	(134)
Elimination of accumulated depreciation on revaluation	(1,243)	-	-	-	-	-	(1,243)
At 31 December 2023	41,801	292,879	5,160	1,740	545	19,452	361,577

Notes to the Financial Statements

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

4.1 Right-of-use assets (continued)

	Long-term leasehold land RM'000	Plantation land RM'000	Leasehold improvement RM'000	Plant and machinery RM'000	Computers, software and equipment RM'000	Motor vehicle RM'000	Total RM'000
	At valuation ←			At cost →			
Group (continued)							
Accumulated depreciation							
At 1 January 2022	414	15,418	2,564	348	-	12,347	31,091
Charge for the year	414	3,448	502	229	32	488	5,113
Reclassification	-	-	-	-	-	(3,070)	(3,070)
Disposal	-	-	-	-	-	(318)	(318)
At 31 December 2022	828	18,866	3,066	577	32	9,447	32,816
Charge for the year	415	3,448	502	120	58	2,157	6,700
Reclassification	-	-	-	-	-	(511)	(511)
Disposal	-	-	-	-	-	(24)	(24)
Elimination of accumulated depreciation on revaluation	(1,243)	-	-	-	-	-	(1,243)
At 31 December 2023	-	22,314	3,568	697	90	11,069	37,738
Carrying amounts							
At 31 December 2022	38,173	274,013	2,094	1,163	513	8,221	324,177
At 31 December 2023	41,801	270,565	1,592	1,043	455	8,383	323,839

4.2 Breakdown of depreciation charge for the year are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Recognised in profit or loss	12,656	13,626	8	8
Capitalised in bearer biological assets (Note 6.1)	1,238	1,665	-	-
Depreciation charged for the year	13,894	15,291	8	8

Notes to the Financial Statements

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

4.3 Revaluation of freehold land, leasehold land and buildings

During the financial year, the freehold land, leasehold land and buildings were revalued to fair values. Their fair values were arrived at by reference to market evidence of transaction prices for similar properties and were performed by registered independent valuers having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The fair value measurement of the freehold land, leasehold land and buildings was based on the highest and best use, which did not differ from their actual use.

Valuation processes applied by the Group for Level 3 fair value

The following table showed the valuation technique used in the determination of fair values classified within Level 3, as well as the significant unobservable inputs used in the valuation model.

Description of valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<p>Comparison approach: The method involved determining the market value by directly comparing the property under valuation with similar properties, which have been sold, and estimating the fair value from these transactions. This method was based on the principle that the market value of a property would be in line with the market values of similar properties in the same locality as the subject property, the values being indicated through sales transactions of these properties. In arriving at the valuation, the independent professional valuer had made adjustment for factors, which would affect the market value of the investment property including but not limited to location, size, facilities available, market conditions and other factors in order to arrive at a common basis for comparison.</p>	Adjusted market value per square foot.	The estimated fair value would increase/ (decrease) if adjusted market value per square foot were higher/ (lower).

If the leasehold land and buildings were measured using the cost model, the carrying amounts would have been as follows:

	Group	
	2023 RM'000	2022 RM'000
Buildings at 31 December:		
Cost	28,552	28,552
Accumulated depreciation	(5,764)	(5,455)
Carrying amount	22,788	23,097
Right-of-use asset		
Leasehold land at 31 December:		
Cost	12,394	12,394
Accumulated depreciation	(2,572)	(2,432)
Carrying amount	9,822	9,962
	32,610	33,059

Notes to the Financial Statements

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

4.4 Security

- (a) As at the end of the reporting period, the carrying amount of the plantation land, plantation buildings and infrastructure of the Group of RM379,621,000 (2022: RM383,522,000) are charged to secure the banking facilities granted to a subsidiary of the Company as disclosed in Notes 19.1.1(a) and 19.4.1(b)(i) to the financial statements.
- (b) As at the end of the reporting period, the carrying amount of the leasehold land and buildings of the Group of RM67,800,000 (2022: RM62,889,000) has been charged to secure the banking facility granted to a subsidiary of the Company.

5. INVESTMENT PROPERTIES

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	848,844	836,380	270,800	266,200
Fair value gain/(loss) recognised during the year	31,953	910	(2,400)	4,600
Additions during the year	-	11,554	-	-
Transfer to assets held for sale (Note 17)	(326,670)	-	(214,400)	-
At 31 December	554,127	848,844	54,000	270,800

Included in the above are:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At fair value				
Freehold land	4,900	4,825	-	-
Buildings	27,540	32,470	-	-
Long-term leasehold land (Right-of-use assets)	521,687	811,549	54,000	270,800
	554,127	848,844	54,000	270,800

Notes to the Financial Statements

5. INVESTMENT PROPERTIES (CONTINUED)

5.1 Fair value of investment properties

The fair values of the investment properties during the current and previous financial year are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered independent valuers having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. The fair value measurement of the investment properties is based on the highest and best use, which does not differ from their actual use.

The following table shows the valuation technique used in the determination of fair values, classified within Level 3, as well as the significant unobservable inputs used in the valuation model in the current and previous financial year.

Description of valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<p>Comparison approach: The method involves determining the market value by directly comparing the property under valuation with similar properties which have been sold, and estimating the fair value from these transactions. This method is based on the principle that the market value of a property would be in line with the market values of similar properties in the same locality as the subject property, the values being indicated through sales transactions of these properties. In arriving at the valuation, the independent professional valuer has made adjustment for factors, which would affect the market value of the investment property including but not limited to location, size, facilities available, market conditions and other factors in order to arrive at a common basis for comparison.</p>	Adjusted market value per square foot.	The estimated fair value would increase/ (decrease) if adjusted market value per square foot were higher/ (lower).

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

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Rental income	941	897	-	-
Direct operating expenses				
- income generating investment properties	(778)	(669)	-	-
- non-income generating investment properties	(1,696)	(1,715)	(296)	(307)

5.3 Security

- (a) As at the end of the reporting period, certain parcels of leasehold land of a wholly-owned sub-subsidiary of the Company, Suasa Integrasi Sdn. Bhd., with a fair value of RM26,860,000 (2022: RM26,860,000) have been charged as security for bank overdraft facility granted to the Group as disclosed in Note 19.5(a)(i) to the financial statements.
- (b) As at the end of the reporting period, certain parcels of leasehold land of a wholly-owned subsidiary of the Company, PNMSSB, with a fair value of RM53,632,000 (2022: RM Nil) have been charged as security for Sukuk Murabahah II granted to the Group as disclosed in Notes 19.4.2(b)(ii) to the financial statements.

Notes to the Financial Statements

6. BEARER BIOLOGICAL ASSETS

	Note	Matured area RM'000	Oil palm Immature area RM'000	Total RM'000
Group				
Cost				
At 1 January 2022		302,900	39,254	342,154
Reclassification		7,220	(7,220)	-
Additions	6.1	-	7,911	7,911
At 31 December 2022		310,120	39,945	350,065
Reclassification		7,297	(7,297)	-
Additions	6.1	-	8,483	8,483
At 31 December 2023		317,417	41,131	358,548
Accumulated amortisation				
At 1 January 2022		32,443	-	32,443
Charge for the year		6,175	-	6,175
At 31 December 2022		38,618	-	38,618
Charge for the year		9,482	-	9,482
At 31 December 2023		48,100	-	48,100
Carrying amounts				
At 31 December 2022		271,502	39,945	311,447
At 31 December 2023		269,317	41,131	310,448

6.1 Included in the additions during the year are as follows:

	Note	Group	
		2023 RM'000	2022 RM'000
Finance cost *	24	2,221	1,757
Depreciation of property, plant and equipment	4.2	1,238	1,665

* Finance cost is capitalised at the borrowing cost rates range within 5.80% to 6.10% (2022: 4.75% to 5.80%) per annum.

6.2 Risk management objectives, policies and processes for managing the bearer biological assets

The Group has obtained borrowings to finance the development expenditures for bearer biological assets (see Note 19.1.1). The bearer biological assets comprise oil palm plants which take three to four years to mature and bear fruits, upon which the bearer biological assets will begin to generate cash inflows from the sale of fresh fruit bunches. The repayments of these borrowings take into consideration the timing of cash inflows to be generated by these bearer biological assets.

The Group is also exposed to risk of market price changes of fresh fruit bunches due to supply and demand changes. The market price risk is monitored by the Group on an ongoing basis.

6.3 Security

As at the end of the reporting period, the carrying amount of the bearer biological assets of RM310,448,000 (2022: RM311,447,000) is charged to secure the banking facilities granted to a sub-subsidiary of the Company as disclosed in Notes 19.1.1(a) and 19.4.1(b)(i) to the financial statements.

Notes to the Financial Statements

7. CONCESSION ASSET/(LIABILITY)

	Note	Group	
		2023 RM'000	2022 RM'000
Concession asset	7.1	4,167	4,567
Concession liability	7.2	(91,368)	(96,073)

7.1 Concession asset

The concession asset represents the fair value adjustment on CA-Z1P2 concession pursuant to the acquisition of TRIpIc Berhad and its subsidiaries. During the current financial year, a total of RM400,000 (2022: RM400,000) was amortised to profit or loss of the Group.

7.2 Concession liability

The concession liability represents the fair value adjustment on CA-Z1P3 concession pursuant to the acquisition of TRIpIc Berhad and its subsidiaries. During the current financial year, a total of RM4,705,000 (2022: RM4,705,000) was amortised to profit or loss of the Group.

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2023 RM'000	2022 RM'000
Cost		
Unquoted shares	1,608,917	1,210,001
Less: Accumulated impairment losses	(472,303)	(319,153)
	1,136,614	890,848

Details of the subsidiaries are as follows:

Name	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
Principal place of business/ Incorporated in Malaysia			
PNMSSB	Provision of management, advisory and consultancy services	100	100
PNCBSB	Construction work, general contracts and related activities	100	100
TRIpIc	Investment holding and engaged in property construction and related activities	100	100

Notes to the Financial Statements

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
Principal place of business/ Incorporated in Malaysia (continued)			
Subsidiaries of TRIpIc			
TMSB	Concession relates to design, development, construction and completion of the facilities and infrastructure and asset management services activities	100	100
TVSB	Concession relates to design, development, construction and completion of the facilities and infrastructure and maintenance works activities	100	100
TRIpIc Resources Sdn. Bhd.	Property construction and related activities	100	100
TRIpIc FMS Sdn. Bhd.	Provision of facilities management services and related activities	100	100
Central Challenger (M) Sdn. Bhd.	Property development, provision of project management services and property management	100	100
TRIpIc Industries Sdn. Bhd.	Property construction and related activities	100	100
Prinsip Barisan (M) Sdn. Bhd.	Property investment	100	100
Insa Alliance Sdn. Bhd.	Property development and provision of project management services	100	100
Zuriat Watan Sdn. Bhd.	Property development	100	100
PBSB	To raise funds and/or to issue debentures and/or Islamic securities for and in connection with TRIpIc Group	100	100
Samasys Sdn. Bhd. *	Property development	100	100
Layar Kekal (M) Sdn. Bhd. *	Property development	100	100
Tirai Gemilang Sdn. Bhd. *	Property development	100	100
Usahasewa Sdn. Bhd. *	Property development	100	100
Suasa Integrasi (M) Sdn. Bhd. *	Property development	100	100
MESB	Investment holding and oil palm plantation business	100	100

Notes to the Financial Statements

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
Principal place of business/ Incorporated in Malaysia (continued)			
Subsidiaries of MESB			
DSSB	Investment holding and oil palm plantation business	91.22	90.00
Subsidiary of DSSB			
Danum Sinar	Oil palm plantation business	100	100
Subsidiary of Danum Sinar			
Aneka Suriamas Sdn. Bhd.*	Operate the grocery stores in the plantation estates	100	100
POG	Investment holding and provision of services for offshore logistics and marine management	100	100
Subsidiaries of POG			
GOM Resources	Ceased operations	100	100
KGL Ltd.	Ceased operations	100	100
Puncak Seri (M) Sdn. Bhd.*	Dormant	100	100
Puncak Research Centre Sdn. Bhd.*	Research and development and technology development for water, wastewater and environment sectors	100	100
Magnum Nature Sdn. Bhd. *	Dormant	100	100
Ideal Water Resources Sdn. Bhd. *	To raise funds and/or to issue debentures and/or Islamic securities for and in connection with PNHB Group	100	100
Unggul Raya (M) Sdn. Bhd.*	Dormant	100	100
Aspen Streams Sdn. Bhd.	Dormant	60	60
Puncak Communication Sdn. Bhd. *	Mobile dealer, telecommunication and other related services	100	100
Puncak Patem Konsortium Sdn. Bhd.	Development, construction and management of water supply system, water treatment and other related services	60	60
Principal place of business/ Incorporated in Singapore			
Sino Water Pte. Ltd.	Investment holding in water and wastewater projects	98.65	98.65

Notes to the Financial Statements

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (continued):

Name	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
Principal place of business/ Incorporated in Hong Kong			
Jadekind Ltd *	Development, manufacturing and distribution of supplement product in People's Republic of China	50 [^]	50 [^]

* Audited by firms other than Grant Thornton Malaysia PLT.

[^] Although the Group owns only half of the ownership interest in Jadekind Ltd, the Directors have determined that the Group controls this entity.

8.1 Increase in investment of subsidiaries

During the current financial year, the Company:

- subscribed Musharakah Redeemable Preference Shares of RM37,316,000 in MESB with cash payment of RM37,316,000. The additional capital injection into MESB was used by MESB for the subscription of Class A Musharakah Cumulative Convertible Redeemable Preference Shares ("Musharakah CCRPS-A") of RM12,060,000 ("Preference A") and ordinary shares of RM25,256,000 in DSSB. In turn, DSSB subscribed Musharakah Redeemable Preference Shares of RM37,316,000 ("Preference B") in Danum Sinar.
- subscribed Redeemable Preference Shares ("RPS") of RM153,000,000 and RM208,600,000 in PNCBSB and PNMSSB respectively, by way of capitalisation of the amounts due from these subsidiaries.

8.2 Impairment loss on investment in subsidiaries

Management reviews the material investment in subsidiaries for impairment when there is an indication of impairment.

The recoverable amounts of the investments in subsidiaries are assessed by reference to the value-in-use or fair value less cost to sell of the respective subsidiaries, whichever is higher.

During the year, an impairment loss of RM153,150,000 (2022: RM Nil) was recognised in "Impairment Losses on Other Assets" line item of statements of profit or loss and other comprehensive income. The impairment loss arising from irrecoverable investment costs is recognised up to the recoverable amounts of investments in subsidiaries. The recoverable amounts are determined based on fair value less costs of disposal.

The movement during the year is as follows:

	Company	
	2023 RM'000	2022 RM'000
Balance at 1 January	319,153	319,153
Impairment loss for the financial year	153,150	-
Balance at 31 December	472,303	319,153

Notes to the Financial Statements

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

8.2 Impairment loss on investment in subsidiaries (continued)

Fair value less costs of disposal

The fair value less costs of disposal of the assets and liabilities is determined based on the adjusted net assets of the subsidiary company.

Details of the Level 3 fair value method used in obtaining the recoverable amounts are as follows:

Description of valuation technique and input used	Significant unobservable assets and liabilities	Relationship of unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity instruments by reference to the fair value of its assets and liabilities.	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value

8.3 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material NCI are as follows:

	2023		
	DSSB RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
NCI percentage of ownership interest and voting interest	8.78%		
Carrying amount of NCI	22,188	(2,726)	19,462
Loss allocated to NCI	(4,340)	(802)	(5,142)
Summarised financial information before intra-group elimination As at 31 December 2023			
Non-current assets	698,734		
Current assets	16,943		
Non-current liabilities	(270,098)		
Current liabilities	(164,324)		
Net assets	281,255		
Year ended 31 December 2023			
Revenue	29,076		
Loss and comprehensive expense for the year	(45,418)		
Cash flows used in operating activities	(15,262)		
Cash flows used in investing activities	(9,235)		
Cash flows from financing activities	21,282		
Net decrease in cash and cash equivalents	(3,215)		

Notes to the Financial Statements

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

8.3 Non-controlling interests in subsidiaries (continued)

The Group's subsidiaries that have material NCI are as follows (continued):

	2022		
	DSSB RM'000	Other subsidiaries with immaterial NCI RM'000	Total RM'000
NCI percentage of ownership interest and voting interest	10.00%		
Carrying amount of NCI	26,528	(1,924)	24,604
Loss allocated to NCI	(3,197)	(134)	(3,331)
Summarised financial information before intra-group elimination			
As at 31 December 2022			
Non-current assets	704,871		
Current assets	22,235		
Non-current liabilities	(271,099)		
Current liabilities	(166,650)		
Net assets	289,357		
Year ended 31 December 2022			
Revenue	41,744		
Loss and comprehensive expense for the year	(31,965)		
Cash flows used in operating activities	(21,650)		
Cash flows used in investing activities	(9,922)		
Cash flows from financing activities	33,883		
Net increase in cash and cash equivalents	2,311		

Notes to the Financial Statements

9. INVESTMENT IN ASSOCIATE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Advances to associate	-	29	-	29
Share of post-acquisition reserves	5	(16)	-	-
	5	13	-	29
Less: Accumulated impairment losses	(5)	-	-	-
	-	13	-	29

Name	Principal activities	Effective ownership interest and voting interest	
		2023 %	2022 %
Principal place of business/ Incorporated in Malaysia			
Purnama Persada *	Struck off on 23 January 2024 (Note 9.1)	50	50

* Audited by firms other than Grant Thornton Malaysia PLT.

The summarised financial information of the Group's associate is not presented as it is not material to the Group.

9.1 Striking Off of Purnama Persada

On 13 October 2023, Purnama Persada, a dormant associate company of the Company submitted an application to strike off the name of Purnama Persada from the Register of Companies Commission of Malaysia pursuant to Section 550 of the Companies Act 2016.

On 6 February 2024, the Company received a letter dated 31 January 2024 from the Companies Commission of Malaysia notifying that Purnama Persada had been struck off from the Register of Companies Commission of Malaysia pursuant to Section 550 of the Companies Act 2016 on 23 January 2024. Accordingly, Purnama Persada ceased to be an associate company of the Company on 23 January 2024.

During the financial year, the impairment loss on investment in associate amounting to RM5,000 (2022: RM Nil) was recognised due to irrecoverable cost of the investment.

Notes to the Financial Statements

10. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Group						
Property, plant and equipment	-	-	(85,776)	(86,251)	(85,776)	(86,251)
Investment properties	-	-	(36,294)	(59,852)	(36,294)	(59,852)
Assets held for sale	-	-	(21,281)	-	(21,281)	-
Bearer biological assets	-	-	(71,740)	(73,886)	(71,740)	(73,886)
Fresh fruit bunches	-	-	(1,215)	(1,401)	(1,215)	(1,401)
Receivables from concession customer	-	-	(30,094)	(24,675)	(30,094)	(24,675)
Concession asset/(liability)	21,929	23,058	(1,000)	(1,096)	20,929	21,962
Unabsorbed tax losses	27,599	27,599	-	-	27,599	27,599
Unabsorbed capital allowances	55,773	54,491	-	-	55,773	54,491
Unabsorbed agriculture allowances	3,491	2,645	-	-	3,491	2,645
Unabsorbed industrial building allowances	19,092	18,841	-	-	19,092	18,841
Other temporary differences	1,203	859	-	-	1,203	859
Net tax assets/(liabilities)	129,087	127,493	(247,400)	(247,161)	(118,313)	(119,668)
Company						
Investment properties	-	-	(18,145)	(20,644)	(18,145)	(20,644)
Net tax liabilities	-	-	(18,145)	(20,644)	(18,145)	(20,644)

Notes to the Financial Statements

10. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)**Unrecognised deferred tax assets**

Deferred tax assets have not been recognised for the following items (stated at net):

	Group	
	2023 RM'000	2022 RM'000
Unabsorbed tax losses	205,375	189,482
Unabsorbed capital allowances	24,002	23,881
Provisions	26,823	30,241
Other temporary differences	(710)	(717)
	255,490	242,887

The comparative figures of the Group have been revised to reflect the previous year final tax submission.

Effective Year of Assessment 2019 as announced in the Annual Budget 2022, the unabsorbed tax losses of the Group as of 31 December 2018 and thereafter will be available for carry forward for a period of 10 consecutive years. Upon expiry of the 10 years, the unabsorbed tax losses will be disregarded.

The unabsorbed tax losses of the Group are available for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act 1967 and guidance issued by the tax authority as follows (net of tax):

	Group	
	2023 RM'000	2022 RM'000
Utilisation period		
Within 10 years from unabsorbed tax losses	205,375	189,482

11. INVENTORIES

	Group	
	2023 RM'000	2022 RM'000
Cost		
Stores and consumables	3,150	4,299
Others	167	591
	3,317	4,890

During the year, the amount of inventories recognised in the profit or loss of the Group was RM23,042,000 (2022: RM22,164,000) and is included in plantation costs and raw materials, consumables and maintenance in the statements of profit or loss and other comprehensive income.

During the year, the amount of inventories written off recognised in the profit or loss of the Group was RM1,025,000 (2022: RM Nil) and is included in other expenses in the statements of profit or loss and other comprehensive income.

Notes to the Financial Statements

12. FRESH FRUIT BUNCHES

12.1 Fair value of fresh fruit bunches

	Group	
	2023 RM'000	2022 RM'000
Fair value less cost to sell		
Fresh fruit bunches	5,062	5,837

The following table shows the valuation technique used in the determination of fair values, classified within Level 3, as well as significant unobservable inputs used in the valuation model.

Description of valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Income approach: The method involves forecasting the income to be generated by the fresh fruit bunches on the trees at year end by using 4 months projected sales less cost of harvesting and collection to estimate the fresh fruit bunches on the trees as the black bunches normally require 4 to 5 months to reach maturity. In arriving at the valuation, a transformation growth factor was included.	Maturity period of the fresh fruit bunches and transformation growth factor.	The estimated fair value would increase/(decrease) if: (a) the fresh fruit bunches take (shorter)/longer time to reach maturity. (b) the transformation growth factor is higher/ (lower).

The following table shows a reconciliation of the fair value of fresh fruit bunches:

	Group	
	2023 RM'000	2022 RM'000
At 1 January	5,837	5,811
Change in fair value recognised in profit or loss	(775)	26
At 31 December	5,062	5,837

During the financial year, Danum Sinar harvested approximately 42,997 MT (2022: 46,419 MT). The quantity of unharvested fresh fruit bunches ("FFB") as at 31 December 2023 included in the fair valuation of unharvested FFB was 14,549 MT (2022: 16,000 MT).

If the FFB selling price changes by 5%, profit or loss would have equally increased or decreased by approximately RM253,000 (2022: RM292,000).

Notes to the Financial Statements

13. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2023 RM'000	2022 RM'000
Contract assets	21,791	5,015
Contract liabilities	(171)	(3,906)

13.1 Contract assets/(liabilities)

The contract assets primarily relate to the Group's rights to consideration for work completed on construction contracts but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 60 days.

The contract liabilities primarily relate to the advance consideration received from a customer for construction contract, which the revenue is recognised over time during the construction period.

14. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-current					
Trade					
Receivables from concession customer	14.1	766,757	802,083	-	-
Non-trade					
Prepayments	14.2	17,409	20,172	-	-
		784,166	822,255	-	-
Current					
Trade					
Trade receivables	14.3	6,714	11,337	-	-
Receivables from concession customer	14.1	108,716	97,141	-	-
Advances to subcontractors	14.4	4,796	4,796	-	-
		120,226	113,274	-	-
Non-trade					
Amounts due from subsidiaries	14.5	-	-	450	192,383
Prepayments	14.2	58,414	44,802	25	102
Other receivables		8,428	10,716	840	457
Deposits	14.6	17,115	15,606	27	27
		83,957	71,124	1,342	192,969
		204,183	184,398	1,342	192,969
		988,349	1,006,653	1,342	192,969

Notes to the Financial Statements

14. TRADE AND OTHER RECEIVABLES (CONTINUED)

14.1 Receivables from concession customer

(a) CA-Z1P2

The receivables from the concession customer of CA-Z1P2 are pledged to Bank Pembangunan Malaysia Berhad and Junior Notes as disclosed in Note 19.2.1(d)(viii) to the financial statements.

(b) CA-Z1P3

The receivables from the concession customer of CA-Z1P3 are pledged to the Security Trustee for the Al-Kafalah Facility, Senior Sukuk Murabahah and Junior Sukuk Murabahah granted to TMSB as disclosed in Note 19.3(e)(v) to the financial statements as part of the assignment of the Concession Agreement.

14.2 Prepayments

(a) Included in prepayments of the Group is prepaid guarantee premium fees of RM678,000 (2022: RM917,000) in respect of the Medium Term Notes, prepaid guarantee premium fees and prepaid interest expense of RM4,721,000 (2022: RM5,254,000) and RM41,535,000 (2022: RM42,214,000) respectively in respect of the Senior Sukuk Murabahah.

(b) Included in prepayment of the Group is prepaid interest expense of RM3,635,000 (2022: RM4,525,000) paid on the redemption of Junior Notes issued by TVSB.

14.3 Trade receivables

Trade receivables are non-interest bearing and are generally on a range of 15 to 90 days (2022: 30 to 90 days) terms. Credit terms are assessed and approved on a case-by-case basis.

14.4 Advances to subcontractors

Advances are paid to subcontractors upon request by subcontractors, as per contract. Advances are non-interest bearing and are recouped progressively and proportionately from subsequent progress billings from the subcontractors upon supply of the works attaining a certain percentage of the contract sum.

14.5 Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured and repayable on demand. During the current financial year, the interest charged to these amounts ranged from 1.99% - 3.28% (2022: 1.88% - 2.55%) per annum.

Included in amounts due from subsidiaries is net reversal on impairment of RM142,823,000 (2022: net loss on impairment of RM11,975,000) during the year. The impairment loss is recognised in the amount due from subsidiaries was due to estimated recovered amount of the subsidiaries. Refer to Note 31.4.5 to the financial statements.

14.6 Deposits

Included in deposits of the Group are deposits paid to various regulatory authorities in regards to the on-going construction project of RM7,502,000 (2022: RM7,109,000) and deposits of the net adjudicated amount of RM6,315,000 (2022: RM6,315,000) which is currently held by the solicitor of Genbina and its receiver cum co-plaintiff, namely Malaysia Debt Ventures Berhad in regards to the notice of adjudication as disclosed in Note 36(IV) to the financial statements.

Notes to the Financial Statements

15. SHORT-TERM INVESTMENTS

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Short-term investments	15.1	34,193	5,072	34,193	5,072
Fixed deposits placed with licensed banks	15.2	64,664	54,016	-	-
		98,857	59,088	34,193	5,072

15.1 Short-term investments

Short-term investments represent unit trust and cash fund placements in financial institutions and are categorised as financial assets at fair value through profit or loss.

15.2 Fixed deposits placed with licensed banks

The fixed deposits placed with licensed banks have maturity of more than three (3) months and are measured at amortised cost.

- (a) Included in the Group's short-term investments are restricted monies amounting to RM10,644,000 (2022: RM9,206,000) held under the Revenue Accounts, Medium Term Notes Debt Service Reserve Account ("MTN DSRA") and Junior Notes Debt Service Reserve Account ("JN DSRA"), representing securities assigned and charged with Security Agent for the Financial Guarantee Insurance ("FGI"), Medium Term Notes I and Junior Notes as disclosed in Note 19.2.1(d)(vii) to the financial statements.
- (b) Included in the Group's short-term investments are restricted monies amounting to RM46,182,000 (2022: RM38,391,000) held under Disbursement Account, Revenue Account, Senior Sukuk Finance Service Reserve Account ("Senior Sukuk FSRA"), Senior Sukuk Trustees' Reimbursement Account ("Senior Sukuk TRA") and Junior Sukuk Trustees' Reimbursement Account ("Junior Sukuk TRA"). The Group's Disbursement Account, Revenue Account and Senior Sukuk FSRA are securities pledged, assigned and charged with Security Agent, licensed banks and/or licensed financial institutions for Senior Sukuk Murabahah and Junior Sukuk Murabahah as disclosed in Note 19.3(e)(ii),(iii) and (iv) to the financial statements.
- (c) Included in the Group's short-term investments are restricted monies amounting to RM6,277,000 (2022: RM6,118,000) held under the Liquidity Reserve Account ("LRA") and Trustee Reimbursement Account ("TRA"). The LRA is a security assigned and charged with Security Trustee for the Medium Term Notes II as disclosed in Note 19.2.2(d)(iv) to the financial statements.
- (d) Included in the Group's short-term investments are restricted monies amounting to RM307,000 (2022: RM301,000) as a security assigned and charged to lender of bank overdraft to TRIplic Berhad as disclosed in Note 19.5(a)(ii) to the financial statements.
- (e) Included in the Group's short-term investments are restricted monies amounting to RM1,254,000 (2022: RM Nil) pledged with a licensed bank to secure the issuance of bank guarantees.

Notes to the Financial Statements

16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deposits with licensed banks	68,688	110,670	16,016	25,365
Cash and bank balances	74,452	84,023	4,096	6,110
	143,140	194,693	20,112	31,475

- (a) Included in the cash and cash equivalents of the Group is an amount of RM27,484,000 (2022: RM29,909,000) held under the Group's Proceeds Account, Debt Service Reserve Account ("DSRA") and LRA. The Group's Proceeds Account, DSRA and LRA are pledged with a licensed financial institution as disclosed in Note 19.2.2(d)(iv) to the financial statements.
- (b) Included in cash and cash equivalents of the Group is an amount of RM3,029,000 (2022: RM2,964,000) held under the Group's Escrow Account pledged with a licensed bank to secure the loan facilities as disclosed in Note 19.1.1(c) to the financial statements.
- (c) Included in the cash and cash equivalents of the Group is an amount of RM13,199,000 (2022: RM15,271,000) held under the Group's Revenue Account, Operating Account and MTN DSRA ("Designated Accounts"). The Group has assigned and charged to the Security Agent, all its rights, title, interest, and benefits in and under the Designated Accounts as securities for the repayment of the total secured amount for the FGI Facility and Junior Notes. The repayment shall rank in the order of priority as disclosed in Note 19.2.1(d)(viii) to the financial statements.
- (d) Included in the cash and cash equivalents of the Group is an amount of RM17,000 (2022: RM16,000) held under the JN DSRA. The Group has assigned and charged to the Security Agent all its rights, title, interest and benefits in and under the JN DSRA as security for the payment of the outstanding under the Junior Notes.
- (e) Included in the cash and cash equivalents is an amount of RM43,064,000 (2022: RM61,903,000) held under the Group's Disbursement Account, Revenue Account, Operating Account, Senior Sukuk FSRA, Junior Sukuk Finance Service Reserve Account ("Junior Sukuk FSRA"), Senior Sukuk TRA and Junior Sukuk TRA. The Group's Disbursement Account, Revenue Account, Operating Account, Senior Sukuk FSRA and Junior Sukuk FSRA are pledged, assigned and charged to the Security Trustee, all its rights, title, interest and benefits under these accounts as disclosed in Note 19.3(e)(ii),(iii) and (iv) to the financial statements.
- (f) Included in cash and cash equivalents of the Group and of the Company is an amount of RM12,096,000 (2022: RM13,589,000) and RM11,910,000 (2022: RM13,403,000) respectively pledged with a licensed bank to secure the issuance of bank guarantees.
- (g) Included in cash and cash equivalents of the Group is an amount of RM746,500 (2022: RM Nil) held under the Group's Escrow Account pledged with a licensed bank to secure the loan facilities as disclosed in Note 19.4.2(b)(iii) to the financial statements.
- (h) Included in cash and cash equivalents of the Group is an amount of RM3,000 (2022: RM Nil) held under the Group's Revenue Account as a security assigned and charged to the lender of revolving credit facility II as disclosed in Note 19.1.2(b)(iii) to the financial statements.

Notes to the Financial Statements

17. ASSETS HELD FOR SALE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	-	-	-	-
Transfer from investment properties (Note 5)	326,670	-	214,400	-
Impairment loss recognised during the year	(20,604)	-	(9,451)	-
At 31 December	306,066	-	204,949	-

On 17 August 2023, the Company and its wholly owned subsidiary, PNMSSB entered into three separate conditional sale and purchase agreements ("Conditional SPAs") to dispose three parcels of land in Ijok, Selangor for RM306.07 million to be paid in cash progressively over fifty-three (53) months from the date of the execution of the respective Conditional SPAs in accordance with the terms and conditions as stipulated in the respective Conditional SPAs.

During the year, the amount of impairment loss on initial classification as assets held for sale recognised in the profit or loss of the Group and of the Company was RM20,604,000 (2022: RM Nil) and RM9,451,000 (2022: RM Nil) respectively. The impairment loss recognised in the assets held for sales was due to the asset is measured at the fair value less costs to sell.

18. CAPITAL AND RESERVES

18.1 Share capital

	Group and Company			
	2023		2022	
	Amount RM'000	Number of shares RM'000	Amount RM'000	Number of shares RM'000
Ordinary shares, issued and fully paid with no par value:				
At 1 January/31 December	554,663	449,285	554,663	449,285

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Company (Note 18.2), all rights are suspended until those shares are reissued.

18.2 Treasury shares

Treasury shares comprise solely the ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance. There was no repurchase of issued share capital in the current financial year.

As at 31 December 2023 and 2022, the Company held 2,036,800 of the Company's ordinary shares as treasury shares, amounting to RM5,941,000.

18.3 Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Notes to the Financial Statements

18. CAPITAL AND RESERVES (CONTINUED)

18.4 Revaluation reserve

The revaluation reserve relates to the revaluation of property, plant and equipment and also for those properties reclassified from property, plant and equipment to investment properties. Details of the revaluation reserve are as follows:

	Group	
	2023 RM'000	2022 RM'000
At 1 January, gross	126,209	126,209
Less:		
Revaluation surplus of land and buildings, recognised in other comprehensive income	6,084	-
At 31 December, gross	132,293	126,209
At 1 January, deferred tax	(13,819)	(13,819)
Add:		
Recognised in other comprehensive income for revaluation surplus of land and buildings (Note 10)	(1,460)	-
At 31 December, deferred tax	(15,279)	(13,819)
At 31 December, net	117,014	112,390

18.5 Other reserve

Other reserve represents the premium paid on the acquisition of the non-controlling interests in KGL Ltd. and GOM Resources respectively.

Notes to the Financial Statements

19. LOANS AND BORROWINGS

	Note	Group	
		2023 RM'000	2022 RM'000
Non-current			
Tawarruq term loan	19.1	123,683	126,083
Medium Term Notes	19.2	217,860	242,293
Senior Sukuk Murabahah	19.3	507,043	544,785
Sukuk Murabahah	19.4	50,000	40,600
Lease liabilities	31.5	2,258	2,899
		900,844	956,660
Current			
Tawarruq term loan	19.1	2,400	2,400
Revolving credit facilities	19.1	150,492	150,000
Medium Term Notes	19.2	24,708	24,708
Senior Sukuk Murabahah	19.3	37,742	37,742
Sukuk Murabahah	19.4	34,000	-
Bank overdraft	19.5	9	25
Lease liabilities	31.5	2,000	3,663
		251,351	218,538
		1,152,195	1,175,198

19.1 Tawarruq term loan and revolving credit facilities

19.1.1 Tawarruq term loan and revolving credit facility I

Tawarruq term loan facility and Tawarruq revolving credit facility I were granted to Danum Sinar to refinance its previous banking facilities, for working capital purposes and to finance the expansion of the plantation development activities in Sarawak, Malaysia.

The Tawarruq term loan facility I is for a period of 180 months inclusive of twenty-four (24) months' grace period and subject to a yearly review. The principal repayment commenced on the 25th month end from the date of initial drawdown in November 2017. The profit is payable on a monthly basis at a profit rate of Islamic Cost of Fund plus margin of 1.60% per annum.

The Tawarruq revolving credit facility I is for a period of one (1), two (2) or three (3) months and subject to yearly review. The profit is payable at the end of each profit period at a profit rate of Islamic Cost of Fund plus margin of 1.60% per annum.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.1 Tawarruq term loan and revolving credit facilities (continued)

19.1.1 Tawarruq term loan and revolving credit facility I (continued)

The facilities were secured via the following:

- (a) first charge on plantation land, plantation buildings and infrastructure as disclosed in Note 4.4(a) to the financial statements and bearer biological assets as disclosed in Note 6.3 to the financial statements;
- (b) debenture over present and future assets of Danum Sinar;
- (c) charge and assignment over a designated Escrow Account;
- (d) corporate guarantee from the Company; and
- (e) undertaking letter from Company to finance any cash flow deficiency in Danum Sinar and to top up any shortfall in the Minimum Required Balance in the Escrow Account.

The key financial covenants of the facilities are as follows:

- (a) Danum Sinar shall maintain a minimum Finance Service Coverage Ratio ("FSCR") of 1.20 times at all times. FSCR shall be computed as the ratio of net operating and investing cash flow and operating cash balance to the annual principal and profit payment obligations;
- (b) PNHB Group's consolidated net finance to equity ("FE") ratio shall not be more than 1.20 times at all times; and
- (c) no further indebtedness in Danum Sinar, save for hire purchase machinery or equipment financing with total limit up to RM30.0 million only.

19.1.2 Revolving credit facility II

- (a) During the financial year, TRIpIc FMS Sdn. Bhd. ("TFSB") was granted with revolving credit facility II to finance the supply of medical equipment work for Hospital Al-Sultan Abdullah UiTM under the CA-Z1P3 as disclosed in Note 3(b) to the financial statements.
- (b) The facility was secured against the following securities:
 - (i) corporate guarantee from the Company;
 - (ii) assignment by TFSB on payment from TMSB to a Designated Account controlled by the lender;
 - (iii) assignment of Designated Account by TFSB; and
 - (iv) undertaking letter from the Company to cover any deficiency by TFSB's contribution to the project cost and any shortfall of payment of the facility.
- (c) Revolving credit facility II bears interest at a rate of 0.15% (2022: Nil) per month.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.2 Medium Term Notes

	Group	
	2023 RM'000	2022 RM'000
At 1 January	270,000	295,000
Repayment during the financial year	(25,000)	(25,000)
At 31 December	245,000	270,000
Accretion of discount		
At 1 January	2,999	3,647
Less: Recognised in profit or loss	(567)	(648)
At 31 December	2,432	2,999
	242,568	267,001
<i>Represented as:</i>		
Current	24,708	24,708
Non-current	217,860	242,293
	242,568	267,001

19.2.1 Medium Term Notes I

- (a) On 10 October 2011, TVSB issued RM240 million nominal value Medium Term Notes I under a MTN programme for the following purpose:
- (i) to part finance the construction cost under the CA-Z1P2; and
 - (ii) to finance the payment of coupons under the Medium Term Notes I during the construction period of the said Facilities and Infrastructure and to prefund the debt service reserve account require under the financial guarantee facility up to such amount equivalent to the minimum required balance.
- (b) The Medium Term Notes I of the Group bears coupon at a rate of 3.00% per annum for the first three (3) years of the tenure and at rates ranging from 5.40% to 5.93% per annum for the subsequent years of the tenure.
- (c) The Medium Term Notes I is repayable as follows:
- (i) repayment of RM20 million instalments each to be made from the fifth year to the tenth year from the issue date;
 - (ii) repayment of RM25 million instalments each to be made from the eleventh to the fourteenth year from the issue date; and
 - (iii) final repayment of RM20 million to be made at the end of the fifteenth year from the issue date.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.2 Medium Term Notes (continued)

19.2.1 Medium Term Notes I (continued)

- (d) Medium Term Notes I is secured by the FGI facility. The FGI facility is secured by:
- (i) debenture over present and future assets of TVSB;
 - (ii) assignment of all rights, title, interests and benefits in and under the CA;
 - (iii) assignment of all rights, title, interests and benefits in and under the insurances and the performance bonds;
 - (iv) corporate guarantee from TRIpIc;
 - (v) charge over investment in a sub-subsidiary, TVSB with a carrying amount of RM26,650,000 (2022: RM26,650,000);
 - (vi) undertaking by PNHB and TRIpIc;
 - (vii) assignment and charge of all rights, title, interests and benefits in and under the Designated Accounts; and
 - (viii) repayment of the secured amount shall rank in the following order of priority;
 - (1) Firstly, Bank Pembangunan Malaysia Berhad in respect of FGI facility;
 - (2) Secondly, the trustee for the benefit of holders of Junior Notes.
- (e) Significant covenants for the Medium Term Notes I is as follows:
- (i) debt service cover ratio (annual) of not less than 1.30 times throughout the tenure of the credit facilities of TVSB for the covenant of Medium Term Notes I; and
 - (ii) debt service cover ratio (restricted distribution) of not less than 1.50 times after payment of Junior Notes interest and dividend throughout the tenure of the credit facilities of TVSB for the covenant of Medium Term Notes I.

As at the end of the financial year, the debt service cover ratio for item (i) and (ii) remains not less than 1.30 times and 1.50 times respectively.

19.2.2 Medium Term Notes II

- (a) On 31 July 2019, PBSB issued RM200 million nominal value Medium Term Notes II under a MTN programme for the following purpose:
- (i) advance to TRIpIc as and when required to part finance the construction costs pursuant to the CA-Z1P3;
 - (ii) advance to TRIpIc to partially repay the term loan facility to part finance the construction costs of the CA-Z1P3 Project;

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.2 Medium Term Notes (continued)

19.2.2 Medium Term Notes II (continued)

- (a) On 31 July 2019, PBSB issued RM200 million nominal value Medium Term Notes II under a MTN programme for the following purpose: (continued)
- (iii) purchase RM35 million in nominal value of Junior Notes issued by TVSB;
 - (iv) to finance the payment obligations in respect of the initial pre-fund amount for the purpose of making coupon payments of the Medium Term Notes II and meet the minimum requirement for debt service reserve account and liquidity reserve account; and
 - (v) to pay fees and expenses in connection with the issuance of Medium Term Notes II.
- (b) The Medium Term Notes II of the Group bears coupon at a rate ranging from 6.05% to 6.70% per annum.
- (c) The Medium Term Notes II is repayable as follows:
- (i) repayment of RM60 million instalment to be made for the tenth year from the issue date;
 - (ii) repayment of RM30 million instalment to be made for the eleventh year from the issue date;
 - (iii) repayment of RM25 million instalments to be made from the twelfth to thirteenth year from the issue date; and
 - (iv) final repayment of RM30 million instalments to be made from the fourteenth to fifteenth year from the issue date.
- (d) The Medium Term Notes II is secured by:
- (i) a second ranking charge by TRIpIc over the entire issued and fully paid up share capital of TVSB ("Share Charge"). Such Share Charge shall rank after the charge over the TVSB Shares given by TRIpIc in favour of Malaysian Trustees Berhad as Security Agent in respect of the TVSB Medium Term Notes I and Junior Notes;
 - (ii) an assignment by TRIpIc over all dividends declared or to be declared by TVSB from time to time;
 - (iii) a charge by PBSB over the rights, interest, title and benefits under the Junior Notes of RM35 million in nominal value issued by TVSB as disclosed in Note 19.2.1(e) to the financial statements;
 - (iv) an assignment and charge by PBSB over the Designated Accounts and the credit balances;
 - (v) a debenture by PBSB by way of a first ranking fixed and floating charge over all the present and future assets, rights and interests of PBSB;
 - (vi) an assignment by PBSB over the rights, interests, titles and benefits of the debt receivables from TRIpIc pursuant to the advance granted to TRIpIc by PBSB; and
 - (vii) undertaking by the Company.
- (e) Significant covenants for the Medium Term Notes II is as follows:
- PBSB shall maintain a sub-debt service coverage ratio ("Sub-DSCR") of at least 1.20 times throughout the tenure of the Medium Term Notes II.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.3 Senior Sukuk Murabahah

	Group	
	2023 RM'000	2022 RM'000
At 1 January	599,000	639,000
Repayment during the financial year	(40,000)	(40,000)
At 31 December	559,000	599,000
Accretion of discount		
At 1 January	16,473	18,880
Less: Recognised in profit or loss	(2,258)	(2,407)
At 31 December	14,215	16,473
	544,785	582,527
<i>Represented as:</i>		
Current	37,742	37,742
Non-current	507,043	544,785
	544,785	582,527

- (a) On 23 October 2017, a wholly-owned sub-subsidiary of the Company, TMSB issued the Senior Sukuk Murabahah of up to RM639 million in nominal value based on the Shariah principle of Murabahah (via Tawarruq arrangement) with tenure from five (5) years up to eighteen (18) years from the date of issuance for the following purposes:
- to part finance the construction cost of the CA-Z1P3;
 - to finance the payment obligations in respect of the initial pre-fund amount for the Senior Sukuk FSRA for the purpose of making profit payments of the Senior Sukuk Murabahah and guarantee fee payments under the Al-Kafalah Facility; and
 - the balance shall be utilised to pay and/or reimburse the fees and expenses incidental to CA-Z1P3.
- (b) The Senior Sukuk Murabahah bears coupon at profit rates ranging from 4.75% to 5.90% per annum.
- (c) The Senior Sukuk Murabahah was guaranteed by both guarantors, Danajamin Nasional Berhad and Bank Pembangunan Malaysia Berhad ("Al-Kafalah Providers") for a period of forty-eight (48) months from the date of issuance of Senior Murabahah or upon issuance of the Certificate of Acceptance ("Al-Kafalah Period"), whichever is earlier.

The guarantee fee is charged at 1.75% per annum for the first three (3) years and 2.00% for the fourth (4th) year.

The Al-Kafalah Facilities and Al-Kafalah policy was cancelled effective 1 February 2021 upon issuance of the Certificate of Acceptance by UiTM.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.3 Senior Sukuk Murabahah (continued)

- (d) The Senior Sukuk Murabahah is repayable as follows:
- (i) repayment of RM40 million instalments each to be made from the fifth year to the ninth year from the issue date;
 - (ii) repayment of RM44 million instalment to be made for the tenth year from the issue date;
 - (iii) repayment of RM45 million instalment to be made for the eleventh year from the issue date; and
 - (iv) repayment of RM50 million instalments each to be made from the twelfth year to the eighteenth year from the issue date.
- (e) TMSB has executed the following security documents being securities for the Senior Sukuk Murabahah and Junior Sukuk Murabahah:
- (i) the debenture by TMSB;
 - (ii) the assignment and charge over Disbursement Account, Revenue Account and Operating Account;
 - (iii) the assignment and charge over Senior Sukuk FSRA;
 - (iv) the assignment and charge over Junior Sukuk FSRA;
 - (v) the assignment of CA-Z1P3;
 - (vi) the assignment of performance bonds and completion guarantee;
 - (vii) the assignment of Project Documents;
 - (viii) the assignment of takaful/insurances; and
 - (ix) the fixed charge over the shares of TMSB.
- (f) The rights of the above security documents and any proceeds of realisation thereof as stated in the Priority and Security Sharing Agreement ("PSSA") shall now rank as follows:
- (i) Firstly, the Senior Sukuk Trustee on behalf of the Senior Sukuk holders; and
 - (ii) Secondly, the Junior Sukuk Trustee on behalf of the Junior Sukuk holders.
- (g) Significant financial covenants for the Senior Sukuk Murabahah and Junior Sukuk Murabahah are as follows:
- (i) finance service cover ratio of at least 1.65 times during the Asset Management Services Period; and
 - (ii) permitted distribution finance service cover ratio of at least 1.65 times following any distribution made after the permitted distribution conditions are met.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.4 Sukuk Murabahah

	Group	
	2023 RM'000	2022 RM'000
At 1 January	40,600	-
Drawdown during the financial year	43,400	40,600
At 31 December	84,000	40,600
<i>Represented as:</i>		
Current	34,000	-
Non-current	50,000	40,600
	84,000	40,600

19.4.1 Sukuk Murabahah I

- a) On 23 December 2021, Danum Sinar made a lodgement with the Securities Commission Malaysia ("SC") for Islamic Medium Term Notes Programme of up to RM300 million in nominal value under the Shariah Principle of Murabahah via Tawarruq Arrangement ("Sukuk Murabahah Programme I"). In the previous financial year, Danum Sinar issued the first tranche of RM50 million in nominal value under the Sukuk Murabahah Programme I.

The proceeds from the issuance of the Sukuk Murabahah Programme I, from time to time, shall be utilised by Danum Sinar for the following Shariah-compliant purposes:

- (i) to pay all fees and expenses in relation to the Sukuk Murabahah Programme I; and
 - (ii) to part finance Danum Sinar's new plantation development expenditure, construction of plantation mill and for working capital requirements.
- (b) The Sukuk Murabahah Programme I will be issued in tranches and the security/collateral to be pledged for each of the tranches will only be determined and agreed with the relevant subscribers of the respective tranches prior to issuance of such tranche.

Tranche 1 shall be secured against the following security:

- (i) first charge on plantation land, plantation buildings and infrastructure as disclosed in Note 4.4(a) to the financial statements and bearer biological assets as disclosed in Note 6.3 to the financial statements;
- (ii) debenture over present and future assets of Danum Sinar;
- (iii) assignment and charge over Tranche 1 Designated Account;
- (iv) corporate guarantee from the Company; and
- (v) undertaking by the Company.

The security under item (i), (ii) and (v) shall be shared on a pari passu basis between the Sukukholders under Tranche 1 and financier to the existing Tawarruq term loan facility and revolving credit facilities as disclosed in Note 19.1.1 to the financial statements via the security sharing agreement ("Security Sharing Agreement").

- (c) The profit is payable on a monthly basis at a profit rate of Islamic Cost of Fund plus margin of 1.60% per annum.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.4 Sukuk Murabahah (continued)

19.4.1 Sukuk Murabahah I (continued)

- (d) The key financial covenants for the Sukuk Murabahah Programme I are as follows:
- (i) Danum Sinar shall maintain a minimum FSCR of 1.20 times at all times; and
 - (ii) PNHB Group's consolidated net FE ratio shall not be more than 1.20 times at all times.

19.4.2 Sukuk Murabahah II

- (a) On 7 September 2023, Ideal Water Resources Sdn Bhd ("IWR"), a wholly-owned subsidiary of the Company made a lodgement with the SC for Islamic Medium Term Notes Programme of RM1 billion in nominal value under the Shariah Principle of Murabahah via Tawarruq arrangement ("Sukuk Murabahah Programme II").

On 9 October 2023, IWR issued the First Tranche Sukuk Murabahah of RM34 million under the Sukuk Murabahah Programme II.

The proceeds raised from the First Tranche Sukuk Murabahah are utilised by Puncak and its Group of Companies ("Puncak Group") for the following purposes:

- (i) to fund general working capital requirements of Puncak Group;
 - (ii) to fund identified projects undertaken by PNCSB; and/or
 - (iii) payment of fees and costs in relation to the establishment of the Sukuk Murabahah Programme II and the issuance of the First Tranche Sukuk Murabahah.
- (b) The First Tranche Sukuk Murabahah is unrated, has a tenure of one (1) year from the issue date and shall be secured against the following security:
- (i) third party first legal assignment and charge over the rights, titles and interests over all proceeds receivable by PNCSB under the contract agreements signed between the PNCSB and the respective contract awarders of the identified projects;
 - (ii) third party first legal charge on certain parcels of leasehold land of a subsidiary of the Company as disclosed in Note 5.3(b) to the financial statements;
 - (iii) assignment and charge of all rights, title, interest and benefits under the First Tranche Designated Accounts; and
 - (iv) corporate guarantee from the Company.
- (c) The profit is payable on a quarterly basis using the floating profit rate.
- (d) The key financial covenants for the First Tranche Sukuk Murabahah are as follows:
- (i) PNHB Group shall maintain a net gearing ratio of not more than 1.25 times at all times; and
 - (ii) IWR shall maintain a minimum security cover ratio of 1.50 times at all times.

Notes to the Financial Statements

19. LOANS AND BORROWINGS (CONTINUED)

19.5 Bank overdraft

- (a) Bank overdraft of TRIpIc, a wholly-owned subsidiary of the Company is secured by:
- (i) a third party first legal charge over a leasehold land as disclosed in Note 5.3(a) to the financial statements; and
 - (ii) pledged of first party fixed deposit of RM307,000 (2022: RM301,000) as disclosed in Note 15.2(d) to the financial statements.
- (b) Bank overdraft of the Group bears interest at a rate of 7.82% (2022: 6.57%) per annum.

20. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Trade					
Trade payables	20.1	123,118	104,230	-	-
		123,118	104,230	-	-
Non-trade					
Other payables and accruals	20.2	66,700	57,827	996	2,918
Amount due to subsidiaries		-	-	37,852	5,751
		66,700	57,827	38,848	8,669
		189,818	162,057	38,848	8,669

20.1 Trade payables

These amounts are non-interest bearing. Trade payables are normally settled on 30 - 60 days (2022: 30 - 60 days) terms.

20.2 Other payables and accruals

During the current financial year, included in the other payables and accruals are accrued interest expense on Medium Term Notes, accrued interest expense on Junior Notes and provision for replacements costs relating to CA-Z1P2 amounting to RM5,638,000 (2022: RM4,793,000), RM6,974,000 (2022: RM8,209,000) and RM23,199,000 (2022: RM21,471,000) respectively.

Included in other payables and accruals is an amount owing to a Director of the Company of RM5,306,000 (2022: RM5,306,000). The amount owing to a Director represents advances which are unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

21. PROVISION FOR FORESEEABLE LOSS

	Group	
	2023 RM'000	2022 RM'000
At 1 January	39,404	43,581
Provision utilised during the year	(10,305)	(4,177)
At 31 December	29,099	39,404

Provision for foreseeable loss of the Group, which arose from a subsidiary, PNCSB was made as the total contract costs of one of its contracts, D44 Project, is expected to exceed the total estimated contract revenue as a result of cost increase subsequent to the termination of the previous sub-contractor for non-performance and slow work progress.

The provision for foreseeable loss that was utilised during the year reflects the actual work that was realised upon revenue and cost recognition.

22. REVENUE

	Group	
	2023 RM'000	2022 RM'000
Revenue from contracts with customers	239,203	219,327
Other revenue		
- Others	2,576	1,601
	241,779	220,928

	Company	
	2023 RM'000	2022 RM'000
Other revenue		
- Dividend income	20,000	680

Notes to the Financial Statements

22. REVENUE (CONTINUED)

22.1 Disaggregation of revenue

Group	Construction		Plantation		Concession		Other revenue		Total	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Primary geographical markets	58,422	55,017	29,076	41,744	154,262	124,132	19	35	241,779	220,928
Malaysia										
Major products and service lines	58,422	55,017	-	-	-	-	-	-	58,422	55,017
Construction contracts										
CA-ZIP2 – maintenance service	-	-	-	-	39,662	46,023	-	-	39,662	46,023
CA-ZIP3 – asset management services	-	-	-	-	77,243	78,109	-	-	77,243	78,109
CA-ZIP3 – supply of medical equipment	-	-	-	-	37,357	-	-	-	37,357	-
Sale of fresh fruits bunches	-	-	26,519	40,178	-	-	-	-	26,519	40,178
Others	-	-	2,557	1,566	-	-	19	35	2,576	1,601
	58,422	55,017	29,076	41,744	154,262	124,132	19	35	241,779	220,928
Timing of recognition										
At a point in time	-	-	29,076	41,744	37,357	-	19	35	66,452	41,779
Over time	58,422	55,017	-	-	116,905	124,132	-	-	175,327	179,149
	58,422	55,017	29,076	41,744	154,262	124,132	19	35	241,779	220,928
Revenue from contract with customers	58,422	55,017	26,519	40,178	154,262	124,132	-	-	239,203	219,327
Other revenue	-	-	2,557	1,566	-	-	19	35	2,576	1,601
Total revenue	58,422	55,017	29,076	41,744	154,262	124,132	19	35	241,779	220,928

Notes to the Financial Statements

22. REVENUE (CONTINUED)

22.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Construction contract	Revenue is recognised over time using the cost incurred method.	Based on agreed milestones, certified by architects. Credit period of 30 days from invoice date.	Not applicable.	Not applicable.	Defect liability period of 2 years is given to the customer.
CA-Z1P2					
1. Construction contract	Revenue is recognised over time using the cost incurred method. The construction of the building and faculties are on land owned by the customer.	A fixed monthly payment will be received after the completion of the construction works. Credit period of 30 days from invoice date.	Not applicable.	Not applicable.	TVSB to make good defects throughout maintenance period.
2. Maintenance service	Revenue is recognised over time when the services are rendered.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
CA-Z1P3					
1. Construction contract	Revenue is recognised over time using the cost incurred method. The construction of the building and faculties are on land owned by the customer.	A fixed monthly payment will be received after the completion of the construction works. Credit period is of 30 days from invoice date.	Not applicable.	Not applicable.	TMSB to make good defects throughout asset management services period.
2. Supply of medical equipment	Revenue is recognised at a point in time when the goods are delivered.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
3. Asset management services	Revenue is recognised over time when the services are rendered.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Sale of fresh fruit bunches	Revenue is recognised at a point in time when the goods are delivered.	Credit period of 15 days from invoice date.	Not applicable.	Not applicable.	Not applicable.

Notes to the Financial Statements

22. REVENUE (CONTINUED)

22.3 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have a direction of more than one (1) year.

	Year	Total RM'000
Construction segment		
- Construction contract	2024 to 2025	19,075
Concession segment		
- CA-Z1P2 – Availability charges	2024 to 2034	238,735
- CA-Z1P2 – Maintenance service	2024 to 2034	153,389
- CA-Z1P3 – Availability charges	2024 to 2043	744,681
- CA-Z1P3 – Asset management services	2024 to 2043	767,228
		1,923,108

22.4 Significant judgements and assumptions arising from revenue recognition

The Group applied the following judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers:

Construction contract

Significant judgement is involved in determining the costs to completion of the construction contract of the Group as at the reporting date, which has bearing on the computation of the stage of completion and the provision for foreseeable loss as disclosed in Note 21 to the financial statements. The stage of completion requires management to make reasonably dependable estimates of progress towards completion of projects.

These construction works are subject to final approval by respective customers. There is time lag between the final approval and the completion of construction work done by the Group. Hence, the actual costs could only be determined reliably on the completion of contracts, which may result in adjustments to the recognised profit or loss of the contracts.

CA-Z1P2

The Group applied the following approach to allocate the transaction price of the identified performance obligations:

Construction contract : Expected cost-plus margin approach
 Maintenance service : Residual approach

In applying the above, the Group assumed an appropriate gross profit margin for the construction contract. A change in the gross profit margin will directly affect the transaction price, the amounts allocated to the identified performance obligations and the timing of the revenue recognised.

Upon completion of the construction works, the Group is entitled to fixed payments throughout the tenure of the concession period, as per the concession agreement. The discount rate used for the purpose of computation of the concession revenue comprising revenue from construction contract require significant judgements. A change in the discount rate will directly affect the amount and timing of revenue recognised.

Notes to the Financial Statements

22. REVENUE (CONTINUED)

22.4 Significant judgements and assumptions arising from revenue recognition (continued)

CA-ZIP3

The Group applied the following approach to allocate the transaction price of the identified performance obligations:

Construction contract	: Expected cost-plus margin approach
Supply of medical equipment	: Expected cost-plus margin approach
Asset management services	: Residual approach

In applying the above, the Group assumed an appropriate gross profit margin for the construction contract and supply of medical equipment. A change in the gross profit margin will directly affect the transaction price, the amounts allocated to the identified performance obligations and the timing of the revenue recognised.

Upon completion of the construction works, the Group is entitled to fixed payments throughout the tenure of the concession period, as per the concession agreement. The discount rate used for the purpose of computation of the concession revenue comprising revenue from construction contract require significant judgements. A change in the discount rate will directly affect the amount and timing of revenue recognised.

23. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages and salaries	37,806	33,844	1,022	905
Defined contribution plan	4,852	4,250	53	52
Other staff related expenses	5,981	5,097	427	307
	48,639	43,191	1,502	1,264

Included in employee benefits expense of the Group are the Executive Directors' remuneration (excluding benefits-in-kind) amounting to RM3,037,000 (2022: RM3,037,000). Further details are disclosed in Note 29 to the financial statements.

Notes to the Financial Statements

24. FINANCE COSTS

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Tawarruq term loan interest	7,602	6,631	-	-
Revolving credit interest	8,979	7,706	-	-
Medium Term Notes interest	11,313	11,183	-	-
Senior Sukuk Murabahah interest	40,277	42,686	-	-
Sukuk Murabahah interest	3,298	778	-	-
Overdraft interest	67	96	-	-
Term loan interest	-	723	-	-
Cashline-I interest	-	486	-	-
Lease liabilities interest	371	393	-	-
Guarantee fees	2,275	3,152	-	-
Facility fee	-	264	-	-
Commitment fees	56	5	-	-
Bank charges	139	44	8	8
Interest on amount due to a subsidiary company	-	-	390	-
	74,377	74,147	398	8
Recognised in profit or loss	72,156	72,390	398	8
Capitalised in bearer biological assets (Note 6.1)	2,221	1,757	-	-
	74,377	74,147	398	8

Notes to the Financial Statements

25. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax from continuing operations is arrived at:

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
After charging:					
Auditors' remunerations	25.1	458	438	89	83
Short-term lease payment for:					
- buildings		808	890	-	-
Lease payment for low-value asset:					
- photocopier machine		301	266	-	-
- automated teller machine		72	29	72	29
Realised foreign exchange loss (net)		35	55	-	-
Fair value loss on investment properties		2,400	7,250	2,400	-
Fair value loss on fresh fruit bunches		775	-	-	-
Property, plant and equipment written off		6	-	-	-
and after crediting:					
Gain on disposal of property, plant and equipment		286	395	-	-
Fair value gain on investment properties		34,353	8,160	-	4,600
Gain on disposal of short-term investment		-	12	-	-
Fair value gain on short-term investment		339	117	339	117
Fair value gain on fresh fruit bunches		-	26	-	-
Finance income		6,204	5,583	497	643
Finance income charged on amount due from subsidiaries		-	-	5	6,949
Unrealised foreign exchange gain (net)		1	275	18	344
Amortisation of concession assets and liabilities	7	4,305	4,305	-	-

25.1 Auditors' remunerations

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Grant Thornton Malaysia PLT				
- Statutory audit	326	311	65	60
- Other non-audit services	20	20	12	12
Other auditors				
- Statutory audit	94	89	7	6
- Other non-audit services	18	18	5	5
	458	438	89	83

Notes to the Financial Statements

26. TAX EXPENSE/(CREDIT)

Recognised in profit or loss

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Total income tax expense/(credit)	5,550	(4,455)	(2,429)	460
Major components of income tax expense include:				
Current income tax				
- Current financial year	7,398	7,537	70	-
- Under/(Over) provision in respect of prior years	967	(17)	-	-
	8,365	7,520	70	-
Deferred income tax (Note 10)				
- Origination and reversal of temporary differences	(7,528)	(3,971)	(1,185)	460
- Under/(Over) provision in respect of prior years	4,713	(8,004)	(1,314)	-
	(2,815)	(11,975)	(2,499)	460
Total income tax expense/(credit)	5,550	(4,455)	(2,429)	460

Reconciliation of tax expense/(credit)

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit/(Loss) before tax	9,253	(23,686)	29,867	(15,381)
Taxation at Malaysian statutory tax rate of 24%	2,221	(5,685)	7,168	(3,691)
Income not subject to tax	(29,034)	(8,376)	(16,068)	(918)
Expenses not deductible for tax purposes	14,080	9,847	7,785	5,069
Under/(Over) provision of current tax expenses in prior years	967	(17)	-	-
Under/(Over) provision of deferred tax in prior years	4,713	(8,004)	(1,314)	-
Movement of deferred tax assets not recognised	12,603	7,780	-	-
Income tax expense/(credit) recognised in profit or loss	5,550	(4,455)	(2,429)	460

Notes to the Financial Statements

27. OTHER COMPREHENSIVE (EXPENSE)/INCOME

	2023			2022		
	Before tax RM'000	Tax expense RM'000	Net of tax RM'000	Before tax RM'000	Tax expense RM'000	Net of tax RM'000
Item that is or may be reclassified subsequently to profit or loss						
Foreign currency translation differences for foreign operations						
- (Loss)/Gain arising during the year	(13)	-	(13)	46	-	46
Item that will not be reclassified subsequently to profit or loss						
Revaluation of land and buildings, net of tax (Note 18.4)	6,084	(1,460)	4,624	-	-	-
	6,071	(1,460)	4,611	46	-	46

28. EARNINGS/(LOSS) PER ORDINARY SHARE

Basic earnings/(loss) per ordinary share

The calculation of basic earnings/(loss) per ordinary share for the year ended 31 December 2023 was based on the profit or loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2023	2022
Profit/(Loss) attributable to ordinary shareholders (RM'000)	8,845	(15,900)
Weighted average number of ordinary shares ('000)	447,248	447,248
Basic earnings/(loss) per ordinary share (sen)	1.98	(3.56)

Diluted earnings/(loss) per ordinary share

The calculation of diluted earnings/(loss) per ordinary share at 31 December 2023 was based on profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

The diluted earnings/(loss) per ordinary share has not been disclosed as it does not have dilutive potential ordinary shares.

Notes to the Financial Statements

29. DIRECTORS' REMUNERATION

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Executive Directors:				
Wages and salaries	1,776	1,776	-	-
Defined contribution plan	493	490	-	-
Other emoluments	768	771	-	-
Total Executive Directors' remuneration (excluding benefits-in-kind)	3,037	3,037	-	-
Estimated money value of benefits-in-kind	115	129	25	25
Total Executive Directors' remuneration (including benefit-in-kind)	3,152	3,166	25	25
Non-Executive Directors:				
Other emoluments	670	563	670	563
Total Non-Executive Directors' remuneration (excluding benefits-in-kind)	670	563	670	563
Estimated money value of benefits-in-kind	19	15	19	15
Total Non-Executive Directors' remuneration (including benefit-in-kind)	689	578	689	578
Total Directors' remuneration (including benefits-in-kind)	3,841	3,744	714	603

	Group			Company		
	Salaries and/or other emoluments* RM'000	Benefits- in-kind RM'000	Total RM'000	Salaries and/or other emoluments* RM'000	Benefits- in-kind RM'000	Total RM'000
2023						
Executive Directors						
Tan Sri Rozali bin Ismail	2,594	90	2,684	-	-	-
Azlan Shah bin Rozali	443	25	468	-	25	25
	3,037	115	3,152	-	25	25
Non-Executive Directors						
Dato' Sri Adenan bin Ab. Rahman	144	4	148	144	4	148
Prof Emeritus Datuk Dr Marimuthu a/l Nadason	110	3	113	110	3	113
Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj	104	5	109	104	5	109
Haji Noor Faiz bin Hassan	104	-	104	104	-	104
Datuk Sr Haji Johari bin Wahab	104	4	108	104	4	108
Tan Sri Dr Madinah binti Mohamad	104	3	107	104	3	107
	670	19	689	670	19	689
	3,707	134	3,841	670	44	714

* Includes defined contribution plan and meeting allowances

Notes to the Financial Statements

29. DIRECTORS' REMUNERATION (CONTINUED)

2022	Group			Company		
	Salaries and/or other emoluments* RM'000	Benefits-in-kind RM'000	Total RM'000	Salaries and/or other emoluments* RM'000	Benefits-in-kind RM'000	Total RM'000
Executive Directors						
Tan Sri Rozali bin Ismail	2,594	104	2,698	-	-	-
Azlan Shah bin Rozali	443	25	468	-	25	25
	3,037	129	3,166	-	25	25
Non-Executive Directors						
Dato' Sri Adenan bin Ab. Rahman	142	4	146	142	4	146
Prof Emeritus Datuk Dr Marimuthu a/l Nadason	110	3	113	110	3	113
Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj	102	4	106	102	4	106
Haji Noor Faiz bin Hassan	102	4	106	102	4	106
Datuk Sr Haji Johari bin Wahab	102	-	102	102	-	102
Tan Sri Dr Madinah binti Mohamad	5	-	5	5	-	5
	563	15	578	563	15	578
	3,600	144	3,744	563	40	603

* Includes defined contribution plan and meeting allowances

Notes to the Financial Statements

30. OPERATING SEGMENTS

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the continuing operations and discontinued operations in each of the Group's reportable segments:

- Construction Includes construction activities.
- Plantation Includes oil palm plantation activities.
- Concession Includes construction and maintenance related activities relating to the concession agreements between TRIPIC, UITM and the Government.

Other non-reportable segments comprise mainly investment holding and management-related activities.

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Board of Directors. Segment total assets is used to measure the return on assets of each segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment as included in the internal management reports that are reviewed by the Board of Directors.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and other tangible assets.

Notes to the Financial Statements

30. OPERATING SEGMENTS (CONTINUED)

	Construction			Plantation			Concession			Total	
	2023	2022	2022	2023	2022	2022	2023	2022	2023	2023	2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	58,422	55,017	41,744	29,076	41,744	154,262	124,132	241,760	220,893		
Finance income	28	249	59	56	59	4,486	3,587	4,570	3,895		
Other income	84	-	397	229	397	134	222	447	619		
Fair value (loss)/gain on fresh fruit bunches	-	-	26	(775)	26	-	-	(775)	26		
Operating expenses	58,534	55,266	42,226	28,586	42,226	158,882	127,941	246,002	225,433		
Reversal for foreseeable loss	(70,881)	(61,397)	(47,083)	(45,416)	(47,083)	(61,108)	(27,424)	(177,405)	(135,904)		
Depreciation and amortisation	10,305	4,177	-	-	-	-	-	10,305	4,177		
Segment results	(8)	(22)	(15,987)	(17,650)	(15,987)	(1,317)	(813)	(18,975)	(16,822)		
Finance costs	(2,050)	(1,976)	(20,844)	(34,480)	(20,844)	96,457	99,704	59,927	76,884		
(Loss)/Profit before tax	(594)	(669)	(13,735)	(17,525)	(13,735)	(63,110)	(65,498)	(81,229)	(79,897)		
	(2,644)	(2,645)	(34,579)	(52,005)	(34,579)	33,347	34,211	(21,302)	(3,013)		
Assets and liabilities											
Segment assets	68,031	49,055	729,724	718,337	729,724	1,150,864	1,194,231	1,937,232	1,973,010		
Included in the measure of segment assets are:											
Additions to non-current assets other than financial instruments and deferred tax assets	3	10	13,643	12,751	13,643	2,224	1,315	14,978	14,968		
Segment liabilities	(143,539)	(274,891)	(384,167)	(387,479)	(384,167)	(983,471)	(1,022,217)	(1,514,489)	(1,681,275)		

Notes to the Financial Statements

30. OPERATING SEGMENTS (CONTINUED)

Reconciliations of reportable segment revenue, profit or loss, assets, liabilities and other material items

	2023 RM'000	2022 RM'000
Profit or loss		
Total profit or loss for reportable segments	(21,302)	(3,013)
Other non-reportable segments and elimination	23,067	(23,090)
Unallocated income	7,488	2,417
Profit/(Loss) before tax	9,253	(23,686)

2023	External revenue RM'000	Depreciation and amortisation RM'000	Finance cost RM'000	Finance income RM'000	Segment assets RM'000	Additions to non-current assets RM'000	Segment liabilities RM'000
Total reportable segments	241,760	(18,975)	(81,229)	4,570	1,937,232	14,978	(1,514,489)
Other non-reportable segments	19	(3,163)	8,678	2,369	2,165,994	798	(196,329)
Elimination of inter-segment transactions or balances	-	-	395	(395)	(1,196,224)	-	248,168
Unallocated assets	-	-	-	-	38,738	-	-
Unallocated liabilities	-	-	-	-	-	-	(157,551)
Consolidated total	241,779	(22,138)	(72,156)	6,544	2,945,740	15,776	(1,620,201)
2022							
Total reportable segments	220,893	(16,822)	(79,897)	3,895	1,973,010	14,968	(1,681,275)
Other non-reportable segments	35	(2,979)	558	8,766	2,051,134	14,480	(344,296)
Elimination of inter-segment transactions or balances	-	-	6,949	(6,949)	(1,110,787)	-	548,932
Unallocated assets	-	-	-	-	46,950	-	-
Unallocated liabilities	-	-	-	-	-	-	(166,443)
Consolidated total	220,928	(19,801)	(72,390)	5,712	2,960,307	29,448	(1,643,082)

Notes to the Financial Statements

30. OPERATING SEGMENTS (CONTINUED)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the customers while segment assets are based on the geographical location of the assets. The geographical location of the customers for segment revenue are disclosed in Note 22.1 to the financial statements. The amounts of non-current assets do not include financial instruments (including investment in associate) and deferred tax assets.

Geographical information	Group	
	External revenue RM'000	Non-current assets RM'000
2023		
Malaysia	241,779	1,336,253
2022		
Malaysia	220,928	1,632,601

Major customers

The following are major customers with revenue of more than 10% of the Group's total revenue:

	Revenue		Segment
	2023 RM'000	2022 RM'000	
All common control companies of:			
- Customer A	36,613	46,177	Construction
- Customer B	154,262	124,132	Concession
- Customer C	26,519	40,178	Plantation

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS

31.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 December 2023 categorised as follows:

- (a) Amortised cost ("AC")
- (b) Fair value through profit or loss ("FVTPL")
 - Designated upon initial recognition ("DUIR")

2023	Carrying amount RM'000	AC RM'000	FVTPL-DUIR RM'000
Group			
Financial assets			
Trade and other receivables	907,730	907,730	-
Short-term investments	98,857	64,664	34,193
Cash and cash equivalents	143,140	143,140	-
	1,149,727	1,115,534	34,193
Financial liabilities			
Trade and other payables	(189,818)	(189,818)	-
Loans and borrowings	(1,147,937)	(1,147,937)	-
	(1,337,755)	(1,337,755)	-
Company			
Financial assets			
Other receivables	1,317	1,317	-
Short-term investments	34,193	-	34,193
Cash and cash equivalents	20,112	20,112	-
	55,622	21,429	34,193
Financial liability			
Other payables	(38,848)	(38,848)	-

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.1 Categories of financial instruments (continued)

The table below provides an analysis of financial instruments as at 31 December 2022 categorised as follows:

- (a) Amortised cost ("AC")
 (b) Fair value through profit or loss ("FVTPL")
 - Designated upon initial recognition ("DUIR")

2022	Carrying amount RM'000	AC RM'000	FVTPL-DUIR RM'000
Group			
Financial assets			
Trade and other receivables	936,883	936,883	-
Short-term investments	59,088	54,016	5,072
Cash and cash equivalents	194,693	194,693	-
	1,190,664	1,185,592	5,072
Financial liabilities			
Trade and other payables	(162,057)	(162,057)	-
Loans and borrowings	(1,168,636)	(1,168,636)	-
	(1,330,693)	(1,330,693)	-
Company			
Financial assets			
Other receivables	192,867	192,867	-
Short-term investments	5,072	-	5,072
Cash and cash equivalents	31,475	31,475	-
	229,414	224,342	5,072
Financial liability			
Other payables	(8,669)	(8,669)	-

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.2 Net gains/(losses) arising from financial instruments

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Net gains/(losses) on:				
Financial assets at fair value through profit or loss:				
<i>Designated upon initial recognition</i>	339	129	339	117
Financial assets at amortised cost	8,175	7,648	143,317	(4,369)
Financial liabilities at amortised cost	(71,961)	(72,341)	(390)	-
	(63,447)	(64,564)	143,266	(4,252)

31.3 Financial risk management

The Group and the Company have exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors regularly reviews and agrees on policies and procedures for the management of these risks.

The following sections provide details on the Group's and the Company's exposure to the abovementioned financial risks and the objectives and policies for the management of these risks.

31.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers, short-term investments and cash and cash equivalents.

The Company's exposure to credit risk arises primarily from loans and advances to subsidiaries, financial guarantees given to banks for credit facilities granted to subsidiaries, short-term investments and cash and cash equivalents. There are no significant changes as compared to prior periods.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

The Group manages its credit risk by establishing credit controls with the view to ensuring that overdue debts are within an acceptable level. For other financial assets, the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Credit risk concentration profile

At the reporting date, the Group's trade receivables were mainly due from four (2022: four) customers.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30-60 days.

The Group uses an allowance matrix to measure ECLs of trade receivables for all segments except for construction and concession segment. Consistent with the debt recovery process, invoices which are past due 90 days will be considered as credit impaired.

Management has taken reasonable steps to ensure that trade receivables and contract assets that are neither past due nor impaired are stated at their recoverable values. A significant portion of these trade receivables and contract assets are arising from a few individual customers. The Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.1 Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December 2023 which are grouped together as they are expected to have similar risk nature.

Group	2023			2022		
	Gross carrying amount RM'000	Net remeasurement of loss allowance RM'000	Net balance RM'000	Gross carrying amount RM'000	Net remeasurement of loss allowance RM'000	Net balance RM'000
Unbilled	887,169	(9,102)	878,067	919,272	(9,426)	909,846
Not past due	11,898	(112)	11,786	6,785	(35)	6,750
1-30 days past due	5,745	(57)	5,688	3,541	(36)	3,505
	904,812	(9,271)	895,541	929,598	(9,497)	920,101
Credit impaired						
More than 90 days past due	13,433	(200)	13,233	337	(66)	271
Individually impaired	6,780	(6,780)	-	8,827	(8,827)	-
	925,025	(16,251)	908,774	938,762	(18,390)	920,372
Trade receivables	891,772	(9,585)	882,187	920,417	(9,856)	910,561
Advances to subcontractors	11,211	(6,415)	4,796	13,248	(8,452)	4,796
Contract assets	22,042	(251)	21,791	5,097	(82)	5,015
	925,025	(16,251)	908,774	938,762	(18,390)	920,372

The movements in the allowance for impairment in respect of trade receivables and contract assets during the year are shown below.

Group	Trade Receivables			Contract assets RM'000	Total RM'000
	Lifetime ECL RM'000	Credit impaired RM'000			
Balance at 1 January 2022	9,926	10,393		38	20,357
Net remeasurement of loss allowance	(511)	(1,500)		44	(1,967)
Balance at 31 December 2022	9,415	8,893		82	18,390
Net remeasurement of loss allowance	(295)	(2,013)		169	(2,139)
Balance at 31 December 2023	9,120	6,880		251	16,251

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.2 Short-term investments

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

As at the end of the reporting period, the Group and the Company have only invested in unit trust and cash fund. The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

There is no history of default on the unit trust and cash fund and there are no indicators that these fund may default. The Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

31.4.3 Cash and cash equivalents

Cash and cash equivalents are placed with financial institutions which are regulated.

As at the end of the reporting period, the maximum exposure to credit risk of the Group and of the Company are represented by the carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

31.4.4 Other receivables

Risk management objectives, policies and processes for managing the risk

Credit risks on non-current other receivables are mainly arising from receivables from contract with customer which represents financial assets from the concession agreements for the UiTM project.

Credit risks on current other receivables are mainly on sundry debtors and deposits paid.

Expected credit loss of other receivables is determined individually after considering the financial strength of the other receivables.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk are represented by their carrying amounts in the statements of financial position.

Recognition and measurement of impairment loss

In managing credit risk of other receivables, the Group and the Company manage their sundry debtors and take appropriate actions (including but not limited to legal actions) to recover long overdue balances.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.4 Other receivables (continued)

The movements in the allowance for impairment in respect of other receivables during the year are shown below:

Group	Lifetime ECL Other receivables RM'000
Balance at 1 January 2022	7,854
Net remeasurement of loss allowance	(142)
Balance at 31 December 2022	7,712
Net remeasurement of loss allowance	29
Balance at 31 December 2023	7,741
Company	
Balance at 1 January 2022	31
Net remeasurement of loss allowance	(22)
Balance at 31 December 2022	9
Net remeasurement of loss allowance	(1)
Balance at 31 December 2023	8

31.4.5 Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

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

Loans and advances are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- the subsidiary is unlikely to repay its loan or advance to the Company in full; or/and
- the subsidiary is continuously loss making and is having a deficit shareholders' fund.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.5 Inter-company loans and advances (continued)

Recognition and measurement of impairment loss (continued)

The Company determines the probability of default for these loans and advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for the subsidiaries' loans and advances as at 31 December 2023:

Company	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
2023			
Low credit risk	235	-	235
Significant increase in credit risk	102	-	102
Credit impaired	206,827	(206,714)	113
	207,164	(206,714)	450
2022			
Low credit risk	582	-	582
Significant increase in credit risk	194,018	(2,235)	191,783
Credit impaired	347,320	(347,302)	18
	541,920	(349,537)	192,383

The movement in the allowance for impairment in respect of the subsidiaries' loans and advances during the year is as follows:

Company	Lifetime ECL RM'000	Credit Impaired RM'000	Total RM'000
Balance at 1 January 2022	2,027	335,535	337,562
Net remeasurement of loss allowance	208	11,767	11,975
Balance at 31 December 2022	2,235	347,302	349,537
Net remeasurement of loss allowance	(2,235)	(140,588)	(142,823)
Balance at 31 December 2023	-	206,714	206,714

The significant decrease in net measurement of loss allowance during the year is primarily due to the Company subscribed RPS in certain subsidiaries by way of capitalisation of the amounts due from subsidiaries as disclosed in Note 8.1(b) to the financial statements.

In the previous financial year, increase in net measurement of loss allowance is primarily due to a subsidiary in the construction segment where the subsidiary is continuously loss making and is having a deficit shareholder's fund. The subsidiary is unlikely to repay its loan and advance to the Company.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.4 Credit risk (continued)

31.4.6 Financial guarantees

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM693,242,000 (2022: RM700,232,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period which are guaranteed by the Company.

The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- the subsidiary is unlikely to repay its credit obligation to the bank in full; or/and
- the subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available. As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

31.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arise principally from its various payables, loans and borrowings.

The Group and the Company manages liquidity risk by establishing budget with the view to ensure sufficient bank balances and have sufficient liquidity to meet its liabilities when they fall due. In addition, the Group and the Company negotiate with financial institutions to reschedule and/or restructure the existing credit facilities to coincide with the present operating environment.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM'000	Contractual interest rate/coupon	Contractual cash flows RM'000	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000
2023						
Financial liabilities						
Tawarruq term loan	126,083	5.80% - 6.10%	170,880	10,045	67,067	93,768
Revolving credit facilities	150,492	1.80% - 6.10%	151,244	151,244	-	-
Medium Term Notes	242,568	6.05% - 8.93%	316,041	31,856	111,230	172,955
Senior Sukuk Murabahah	544,785	4.75% - 5.90%	767,193	69,891	337,719	359,583
Sukuk Murabahah	84,000	5.05% - 6.05%	104,956	38,107	17,203	49,646
Bank overdraft	9	7.82%	9	9	-	-
Lease liabilities	4,258	2.43% - 4.52%	4,356	2,170	2,186	-
Trade and other payables	189,818	-	189,818	189,818	-	-
Total undiscounted financial liabilities	1,342,013		1,704,497	493,140	535,405	675,952
2022						
Financial liabilities						
Tawarruq term loan	128,483	4.75% - 5.80%	176,310	9,469	54,608	112,233
Revolving credit facility	150,000	4.75% - 5.80%	150,000	150,000	-	-
Medium Term Notes	267,001	3.00% - 6.70%	348,720	33,227	143,086	172,407
Senior Sukuk Murabahah	582,527	4.75% - 5.90%	838,836	71,643	338,260	428,933
Sukuk Murabahah	40,600	4.80% - 5.70%	58,766	2,334	10,238	46,194
Bank overdraft	25	6.57% - 7.57%	25	25	-	-
Lease liabilities	6,562	2.43% - 4.52%	7,025	3,966	3,059	-
Trade and other payables	162,057	-	162,057	162,057	-	-
Total undiscounted financial liabilities	1,337,255		1,741,739	432,721	549,251	759,767

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.5 Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments (continued):

Company	Carrying amount RM'000	Contractual interest rate/coupon	Contractual cash flows RM'000	On demand or within one year RM'000
2023				
Financial liability				
Other payables	38,848	-	38,848	38,848
Total undiscounted financial liability	38,848		38,848	38,848
Financial guarantees (Note 31.4.6)	-		693,242	693,242
2022				
Financial liability				
Other payables	8,669	-	8,669	8,669
Total undiscounted financial liability	8,669		8,669	8,669
Financial guarantees (Note 31.4.6)	-		700,232	700,232

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.6 Market risk

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

31.6.1 Currency risk

The Group is exposed to various currencies, mainly USD and SGD. Foreign currency denominated assets and liabilities together with expected cash flows from expenses, give rise to foreign exchange exposures.

Risk management objectives, policies and processes for managing the risk

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

Exposure to foreign currency risk

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

	Denominated in	
	USD RM'000	SGD RM'000
Group		
As at 31 December 2023		
Cash and cash equivalents	139	197
Other payables	(4)	(43)
	135	154
As at 31 December 2022		
Cash and cash equivalents	142	185
Other payables	(7)	(67)
	135	118
Company		
As at 31 December 2023		
Cash and cash equivalents	133	197
As at 31 December 2022		
Cash and cash equivalents	128	185

Currency risk sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.6 Market risk (continued)

31.6.2 Interest rate risk

Risk management objectives, policies and processes for managing the risk

The Group's and the Company's investments in fixed deposits and its fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings and receivables are exposed to a risk of change in cash flows due to changes in interest rates. Investments in short-term receivables and payables are not significantly exposed to interest rate risk.

The Company's loans and advances to subsidiaries are exposed to a risk of change in cash flows due to changes in interest rates charged. Short-term loans and advances to subsidiaries are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fixed rate instruments				
Financial assets	133,353	164,686	16,016	25,365
Financial liabilities	(792,103)	(856,090)	-	-
	(658,750)	(691,404)	16,016	25,365
Floating rate instruments				
Financial assets	34,193	5,072	34,193	5,072
Financial liabilities	(360,092)	(319,108)	-	-
	(325,899)	(314,036)	34,193	5,072

The Group's and the Company's income and operating cash flows on fixed interest rate instruments are substantially independent on changes in market interest rates.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.6 Market risk (continued)

31.6.2 Interest rate risk (continued)

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rates instruments

At the reporting date, if interest rates had been 25 (2022:100) basis points higher, with all other variables held constant, the Group's pre-tax loss would have been higher by the amount of RM815,000 (2022: RM3,140,000) and the Company's pre-tax loss would have been lower by the amount of RM85,000 (2022: RM51,000). If the interest rates had been 25 (2022: 100) basis points lower, with all other variables held constant, the Group's pre-tax loss would have had equal but opposite effect.

31.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate fair values due to the relatively short-term nature of these financial instruments.

The following are the analyses of the carrying amount and fair value of those financial instruments not carried at fair value. These fair values are categorised under Level 3 of the fair value hierarchy.

Group	Carrying amount 2023 RM'000	Fair value 2023 RM'000	Carrying amount 2022 RM'000	Fair value 2022 RM'000
Financial liabilities				
Loans and borrowings				
- Tawarruq term loan	(126,083)	(126,083)	(128,483)	(128,483)
- Revolving credit facilities	(150,492)	(150,492)	(150,000)	(150,000)
- Medium Term Notes	(242,568)	(242,568)	(267,001)	(267,001)
- Senior Sukuk Murabahah	(544,785)	(544,785)	(582,527)	(582,527)
- Sukuk Murabahah	(84,000)	(84,000)	(40,600)	(40,600)
- Bank overdraft	(9)	(9)	(25)	(25)

Short-term investments (comprise of unit trust and cash fund) of the Group and of the Company amounted to RM34,193,000 (2022: RM5,072,000). These short-term investments which are carried at fair value are categorised under Level 2 of the fair value hierarchy.

Fair values of financial guarantees of the Company amounted to RM693,242,000 (2022: RM700,232,000) are not expected to be material due to low credit risk exposure.

Notes to the Financial Statements

31. FINANCIAL INSTRUMENTS (CONTINUED)

31.7 Fair value information (continued)

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfer between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2022: no transfer in either direction).

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation methods.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Loans and borrowings	Discounted cash flows using rates based on the current market rate of borrowings of the respective Group entities at the reporting date.
Financial guarantees	Probability weighted discounted cash flows taking into account the likelihood of the guaranteed party defaulting and the estimated loss exposure if the party guaranteed were to default.

32. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to support the Group's growth strategy and maximise shareholder value with optimal capital structure.

The Group and the Company are not subject to externally imposed capital requirements other than the financial covenant as disclosed in Note 19 to the financial statements.

The Group manages capital using a gearing ratio, which is net debt divided by total capital being the equity attributable to equity holders of the Group plus net debt. Included within net debts of the Group are loans and borrowings.

At year end, the Group has a net debt of RM1,152,195,000 (2022: RM1,175,198,000) and a total capital of RM2,458,272,000 (2022: RM2,467,819,000) giving rise to a gearing ratio of approximately 47% (2022: 48%).

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

Notes to the Financial Statements

33. CAPITAL AND OTHER COMMITMENTS

Capital expenditure as at the reporting date is as follows:

	Group	
	2023 RM'000	2022 RM'000
Contracts approved and contracted for		
- Property, plant and equipment	535	2,619
- Bearer biological assets	252	252
	787	2,871

34. RELATED PARTIES

Identity of related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. Key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Group has related party relationship with its holding companies, significant investors, subsidiaries, associates and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company are shown below. Information regarding outstanding balances arising from related party transactions are disclosed in Notes 14 and 20 to the financial statements.

Notes to the Financial Statements

34. RELATED PARTIES (CONTINUED)

Significant related party transactions (continued)

A. Directors-related corporation

	Group	
	2023 RM'000	2022 RM'000
Acquisition of Land		
- Puncak Alam Housing Sdn Bhd		
Balance cost of investment property acquired	-	9,900

Acquisition of Land

On 23 July 2021, PNMSB entered into a sale and purchase agreement pertaining to a related party transaction with Puncak Alam Housing Sdn Bhd to acquire three (3) adjoining plots of vacant building land designated for commercial use with 99 years leasehold expiring on 12 April 2109 located along Persiaran Puncak Alam 4, Bandar Puncak Alam, Ijok, Kuala Selangor, Selangor Darul Ehsan for a total cash consideration of RM11,000,000. The transaction has been completed on 16 March 2022.

B. Subsidiaries

	Company	
	2023 RM'000	2022 RM'000
Dividend income (Note 22)	20,000	680
Interest expense on amount due to a subsidiary company (Note 24)	(390)	-
Interest income charged on amount due from subsidiaries	5	6,949
Management fees charged by PNMSB	(10,244)	(11,774)

C. Key management personnel

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Employee benefits		4,964	5,245	-	-
Defined contribution plan		975	1,012	-	-
Other staff related expenses		1,741	1,563	670	563
Estimated money value of benefits-in-kind		223	278	44	40
		7,903	8,098	714	603
Included in the total key management personnel are:					
Directors' remuneration	29	3,841	3,744	714	603

Notes to the Financial Statements

34. RELATED PARTIES (CONTINUED)

Significant related party transactions (continued)

C. Key management personnel (continued)

The top five senior management's remuneration in bands of RM50,000 for the current and the previous financial year are as follows:

Range of remuneration	Tan Sri Rozali bin Ismail	Tan Bee Lian	Azlan Shah bin Rozali	Faridatulzakiah binti Mohd Bakhry	Lim Mun Lee
2023					
RM450,001 to RM500,000			√	√	√
RM650,001 to RM700,000		√			
RM2,650,001 to RM2,700,000	√				

Range of remuneration	Tan Sri Rozali bin Ismail	Tan Bee Lian	Wong Ley Chan	Azlan Shah bin Rozali	Faridatulzakiah binti Mohd Bakhry
2022					
RM450,001 to RM500,000				√	√
RM500,001 to RM550,000			√		
RM700,001 to RM750,000		√			
RM2,650,001 to RM2,700,000	√				

35. SIGNIFICANT EVENTS

- (i) **Sub-Contract Agreement dated 28 March 2023 between PNCSB and Jalur Cahaya Sdn. Bhd. ("JCSB") in relation to PNCSB's appointment as Principal Sub-Contractor for a project known as "Program Penggantian Paip Lama Bagi Tahun 2020 Di Negeri Johor Pakej 2 - Daerah Johor Bahru, Kulai, Pontian, Kota Tinggi & Mersing" ("Johor Project") ("Sub-Contract Agreement I")**

On 28 March 2023, PNCSB entered into a Sub-Contract Agreement I with JCSB on PNCSB's appointment as the Principal Sub-Contractor by JCSB for the Johor Project at a sub-contract sum of RM82,857,328.90 with an expected completion date of 17 January 2024.

On 27 November 2023, PNCSB obtained Extension of time ("EoT") No. 1 from 17 January 2024 to 14 December 2024 to complete the Johor Project from JCSB.

- (ii) **Sub-Contract Agreement dated 14 July 2023 between PNCSB and Pembinaan Era Dinamik Sdn Bhd ("PED") in relation to PNCSB's appointment as Principal Sub-Contractor for a project known as "Cadangan Membina Loji Rawatan Air Bukit Chupak (10JLH) dan Menaiktaraf Sistem Agihan Di Jajahan Gua Musang, Kelantan" ("Kelantan Project") ("Sub-Contract Agreement II")**

On 14 July 2023, PNCSB entered into a Sub-Contract Agreement II with PED on PNCSB's appointment as the Principal Sub-Contractor by PED for the Kelantan Project at a sub-contract sum of RM47,213,077.22 with an expected completion date of 28 May 2024.

On 4 September 2023, PNCSB obtained EoT No. 1 from 28 May 2024 to 26 December 2024 to complete the Kelantan Project from PED.

Notes to the Financial Statements

35. SIGNIFICANT EVENTS (CONTINUED)

(iii) EoT for D44 Project

Jabatan Perkhidmatan Pembetungan ("JPP") had vide its letter dated 21 February 2023, granted EoT No. 5 from 1 March 2023 to 22 November 2023 for PNCSB to complete the D44 Project.

JPP had vide its letter dated 9 November 2023, granted EoT No. 6 from 22 November 2023 to 11 July 2024 for PNCSB to complete the D44 Project.

(iv) EoT for Kuantan Project

On 30 March 2023, PNCSB obtained EoT No. 3 from 4 April 2023 to 13 January 2024 to complete the Kuantan Project from JCSB.

On 1 February 2024, PNCSB obtained EoT No. 4 from 13 January 2024 to 26 June 2025 to complete the Kuantan Project from JCSB.

36. MATERIAL LITIGATIONS

(I) KHEC

(i) The First Arbitration Proceedings

KHEC, a sub-contractor for the Chennai Water Supply Augmentation Project 1 - Package III ("Chennai Project"), had initially referred certain disputed claims totalling Rs8,44,26,981 (equivalent to approximately RM6.75 million) against PNHB-LANCO-KHEC JV ("the Consortium"), a jointly controlled entity of the Company in India.

Arising from the arbitration proceedings initiated by KHEC, both KHEC and the Consortium had each appointed a qualified civil engineer as their arbitrator respectively, and both arbitrators had selected a retired Judge of the High Court in Chennai, India as the third arbitrator who will also act as the presiding arbitrator of the arbitral tribunal. The arbitral tribunal was officially constituted on 24 September 2005.

On 28 September 2005, the Company was informed that the arbitral tribunal had fixed the following dates for the filing of the arbitration cause papers as part of the preliminary procedural formalities:

- (i) claim by the claimant, KHEC to be filed before 4 October 2005;
- (ii) rejoinder by the respondent, the Consortium to be filed before 18 November 2005; and
- (iii) reply rejoinder by the claimant, KHEC to be filed before 5 December 2005.

The Consortium had on 2 January 2006, filed its counter-claim amounting to Rs13,61,61,931 (equivalent to approximately RM10.89 million) against KHEC's claim of Rs8,44,26,981 (equivalent to approximately RM6.75 million) to the arbitral tribunal in India.

The Statement of Claim lodged by KHEC was subsequently revised from Rs8,44,26,981 (equivalent to approximately RM6.75 million) to Rs9,84,58,245 (equivalent to approximately RM7.88 million) whilst the counter-claim submitted by the Consortium, was also revised as per the rejoinder, from Rs13,61,61,931 (equivalent to approximately RM10.89 million) to Rs13,63,39,505 (equivalent to approximately RM10.91 million).

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(I) KHEC (continued)

(i) The First Arbitration Proceedings (continued)

The Company was notified on 4 March 2009 by solicitors acting on behalf of Consortium that the Arbitration Panel had at its meeting held on 26 February 2009 accepted the letter of withdrawal from the Arbitration Panel dated 18 February 2009 from the arbitrator nominated by KHEC. As such, the date for further meeting of the Arbitration Panel was to be communicated after the appointment of the substitute arbitrator to be nominated by KHEC under Section 15(2) of the Arbitration and Conciliation Act, 1996 of India.

The Company was notified on 25 June 2009 that the first sitting of the newly formed Arbitration Panel for the First Arbitration Proceedings comprising the Presiding Arbitrator, the arbitrator nominated by the Consortium and the substitute arbitrator nominated by KHEC was held on 20 June 2009.

The continued hearing date for the First Arbitration Proceedings were fixed on 31 August 2013, 28 September 2013 and 29 September 2013, 9 November 2013 and 10 November 2013.

At the hearing held on 10 November 2013, the Arbitration Panel tentatively fixed the continued hearing of the First Arbitration Proceedings on 4 January 2014 and 5 January 2014.

The continued hearing tentatively scheduled on 4 January 2014 and 5 January 2014 did not proceed as scheduled.

On 29 January 2014, the Arbitration Panel fixed the continued hearing of the First Arbitration Proceedings on 8 February 2014 and 9 February 2014, respectively.

The continued hearing proceeded on 8 February 2014 but the hearing date of 9 February 2014 was vacated due to non-availability of the Chief Arbitrator. The Arbitration Panel fixed the continued hearing dates for the First Arbitration Proceedings on 29 May 2014 and 30 May 2014.

The hearing for the First Arbitration Proceedings fixed on 29 May 2014 and 30 May 2014 did not proceed as scheduled and was fixed by the Arbitration Panel on 4 July 2014 to be fixed on 16 August 2014 and 17 August 2014.

The hearing of the First Arbitration Proceedings fixed on 16 August 2014 and 17 August 2014 proceeded as scheduled.

The Arbitration Panel tentatively fixed the next continued hearing dates on 24 October 2014 and 25 October 2014 which proceeded as scheduled.

On 17 November 2014, the Arbitration Panel fixed the continued hearing dates for the First Arbitration Proceedings on 6 and 7 December 2014 respectively.

On 26 November 2014, the Arbitration Panel rescheduled the continued hearing dates for the First Arbitration Proceedings originally scheduled on 6 December 2014 and 7 December 2014 to 24 January 2015 and 25 January 2015, respectively.

On 7 January 2015, the Arbitration Panel postponed the continued hearing dates for the First Arbitration Proceedings originally scheduled on 24 January 2015 and 25 January 2015.

On 14 December 2015, the counsel of the Consortium notified the Presiding Arbitrator that the Arbitrator in charge was unable to continue as Arbitrator in view of his continued ill-health. An alternative Arbitrator will be appointed in due course.

On 3 March 2016, the name of the replacement Arbitrator was submitted by the counsel of the Consortium to the Panel for consideration and decision.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(I) KHEC (continued)

(i) The First Arbitration Proceedings (continued)

On 20 April 2016, the name of the replacement Arbitrator was accepted by the Panel. The Panel did not schedule new dates for the continued hearing for the First Arbitration Proceedings.

On 2 June 2016, KHEC's Arbitrator resigned and a new arbitrator was nominated for the Panel's consideration and decision before the Panel schedules new dates for the continued hearing for the First Arbitration Proceedings.

On 11 July 2016, the Panel fixed 30 July 2016 for the continued hearing of the First Arbitration Proceedings.

At the hearing on 30 July 2016, the Panel fixed 17 September 2016 and 18 September 2016 for the continued hearing of the First Arbitration Proceedings.

On 19 September 2016, the Company updated that the hearing of the First Arbitration Proceedings will be continued on 2 October 2016.

On 4 October 2016, the Company updated that the hearing of the First Arbitration Proceedings will be continued on 12 November 2016 and 13 November 2016.

On 11 November 2016, the Company notified that the hearing fixed on 11 November 2016 and 12 November 2016 had been cancelled as the Chief Arbitrator had resigned due to health reasons. The remaining Panel was in the process of selecting a suitable replacement for the Chief Arbitrator before the Panel schedules the new dates for the continued hearing for the First Arbitration Proceedings.

On 21 November 2016, the Company was notified that the Panel had approved the replacement for the Chief Arbitrator for the First Arbitration Proceedings. The new dates for the continued hearing for the First Arbitration Proceedings had yet to be scheduled by the Panel.

On 4 January 2017, the Company was notified that the Panel had fixed the continued hearing for the First Arbitration Proceedings on 10 January 2017.

On 11 January 2017, the Company was notified at the hearing held on 10 January 2017 that the Chief Arbitrator had withdrawn himself from the Panel and the remaining Panel will have to find a replacement for the Chief Arbitrator before the Panel schedules new dates for the continued hearing for the First Arbitration Proceedings.

The newly constituted Panel fixed the hearing for the First Arbitration Proceedings on 7 March 2017 and the continued hearing on 11 April 2017 and 22 April 2017.

At the hearing held on 11 April 2017, the Panel fixed the next continued hearing date of the First Arbitration Proceedings on 17 June 2017 and vacated the earlier date fixed on 22 April 2017.

On 17 June 2017, the Panel fixed the continued hearing dates of the First Arbitration Proceedings on 15 July 2017 and 16 July 2017, respectively which were subsequently cancelled by the Panel.

The next continued hearing date of the First Arbitration Proceedings which was fixed by the Panel on 10 September 2017 was subsequently adjourned and held on 18 November 2017.

At the hearing held on 18 November 2017, the Panel fixed the next continued hearing dates of the First Arbitration Proceedings on 6 and 7 January 2018.

The continued hearing proceeded on 6 January 2018 but the hearing date of 7 January 2018 was vacated and the Panel fixed the next continued hearing of the First Arbitration Proceedings on 24 February 2018, 25 February 2018, 24 March 2018 and 25 March 2018, respectively.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(I) KHEC (continued)

(i) The First Arbitration Proceedings (continued)

At the hearings held on 24 February 2018 and 25 February 2018, the Panel fixed the next continued hearing of the First Arbitration Proceedings on 24 March 2018, 25 March 2018, 5 May 2018, 6 May 2018 and 8 May 2018, respectively.

The next continued hearing date of the First Arbitration Proceedings which was fixed by the Panel on 24 March 2018 and 25 March 2018 were subsequently adjourned. The Panel fixed the next hearing of the First Arbitration Proceedings on 5 May 2018, 6 May 2018 and 7 May 2018, respectively.

The continued hearing proceeded on 5 May 2018 and 6 May 2018 but the hearing date of 7 May 2018 was vacated. The Panel fixed the next continued hearing date on 23 June 2018 and 24 June 2018.

The hearing proceeded on 23 June 2018 and the Panel vacated the hearing scheduled on 24 June 2018. The Panel fixed the next continued hearing of First Arbitration Proceedings on 30 June 2018 and 1 July 2018.

The hearing proceeded on 30 June 2018 and 1 July 2018. The Panel fixed the next continued hearing of the First Arbitration Proceedings on 11 August 2018 and 12 August 2018.

The hearing proceeded on 11 August 2018. The Panel vacated the hearing scheduled on 12 August 2018 and fixed the next continued hearing of the First Arbitration Proceedings on 15 September 2018.

The continued hearing proceeded on 15 September 2018 and parties were directed to submit written submissions on or before 15 October 2018.

The Arbitration Panel of India delivered the Final Award dated 13 November 2019 (which was notified to the Company on 16 November 2019) in relation to the First Arbitration Proceedings, allowing only the following 3 out of the 34 claims brought by the Claimant against PNHB-LANCO-KHEC JV ("the JV") totalling Rs50,51,786 (equivalent to RM293,708.48 at RM1 = Rs17.2 exchange rate) out of the total claim sum of Rs9,84,58,245 (equivalent to RM5.72 million at RM1 = Rs17.2 exchange rate) with interest at 18% from the date of the award to full and final payment of the Final Award sum. The Arbitration Panel further dismissed the counter claim by the JV in the Final Award.

Claim No	Description	Final Award (Rs)
2	Extra charges for making holes on the pipe	2,44,750
19	Release of Final Bill	36,43,463
22	Refund of Security Deposit (Retention amount)	11,41,703*
	Total three (3) claims awarded	50,29,916
	Additional Expense for Services as per award	21,870
	Final Arbitration Award amount	50,51,786

Note:-

* The Total Retention amount due to the Claimant is Rs61,41,703. The Fixed Deposit of Rs50,00,000 deposited by the JV with the Arbitration Panel will be handed over to the Claimant after the appeal time is over or after the disposal of the appeal, if any.

The JV sought advice from its solicitors in India on the next course of action.

On 8 June 2020, the Claimant's counsel served on the counsel for the JV, a copy of the Petition filed at the Madras High Court to appeal against the decision of the Arbitration Panel dated 13 November 2019.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(I) KHEC (continued)

(i) The First Arbitration Proceedings (continued)

On 12 August 2020, the Claimant's Petition filed at the Madras High Court to appeal against the decision of the Arbitration Panel dated 13 November 2019 was returned by the Registrar pending the Claimant's representation with compliance. The hearing of the appeal was adjourned to 9 September 2020 and did not proceed as scheduled as it was not listed at the Madras High Court.

The Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings were jointly heard at the Madras High Court on 9 February 2022 where the Consortium's counsel clarified on certain technicalities raised by the Madras High Court and directions were given by the Madras High Court and further joint hearings were held on 17 February 2022 and 23 February 2022. The hearing was subsequently adjourned to 16 March 2022, 21 April 2022, 16 June 2022, 14 July 2022, 21 July 2022, 11 August 2022, 8 September 2022, 15 September 2022 and 21 September 2022.

The joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings continued at the Madras High Court on 27 September 2022, 18 October 2022, 1 November 2022, 15 November 2022, 24 November 2022 and were completed on 1 December 2022.

The Madras High Court issued an Interim Order dated 1 December 2022 (which was notified to the Company on 16 December 2022) in relation to the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings whereby PNHB-LANCO-KHEC JV ("the JV" or "the Respondent") was directed by the Madras High Court to pay the sum of Rs50,51,786 (equivalent to approximately RM269,585.25 at RM1 = Rs18.74 exchange rate) directly to the Claimant within a maximum period of twelve (12) weeks from the date of the Interim Order.

In the meantime, the Madras High Court reserved the final judgement on the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings to be notified in due course.

At the final order joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings on 8 February 2023, the Madras High Court delivered the final oral judgements in dismissing the appeals filed by the Claimant in relation to the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings with no order as to costs since the Claimant had failed to establish its case for both appeals. The written judgements were obtained on 10 February 2023 by the counsel to PNHB-LANCO-KHEC JV ("the JV" or "the Respondent").

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(I) KHEC (continued)

(ii) The Second Arbitration Proceedings

KHEC had commenced a second arbitration proceedings against the PNHB-Lanco members of the Consortium (“the Second Arbitration Proceedings”) on the basis of the terms of the Joint Venture Agreement (“JVA”) dated 13 February 2003 and the Supplemental Agreement to the JVA dated 26 March 2003 respectively, entered into between the Company, Lanco Infratech Limited (“Lanco”) and KHEC whereby KHEC is claiming for loss of profit (inclusive of interest and other cost) amounting to Rs5,44,32,916 (equivalent to approximately RM4.35 million) as they alleged that they, despite being a 10% share owner, received only 4.31% out of the total value of the contract works of the Chennai Project. Subsequently, KHEC had filed in an amended claim for damages and loss of profit from Rs5,44,32,916 to Rs55,44,32,916 (equivalent to approximately RM4.35 million to RM44.3 million).

PNHB-Lanco’s counsel had filed an interim application to dismiss the claim of Rs50,00,00,000 (equivalent to approximately RM39.9 million) for compensation for loss of opportunity on the basis that it is frivolous and unreasonable.

The Second Arbitration Proceedings which was heard by a single arbitrator was completed wherein the parties submitted their respective written submissions on 1 December 2012.

On 1 April 2013, PNHB-Lanco members of the Consortium received the Arbitrator’s Final Award dated 29 March 2013 wherein the PNHB-Lanco members of the Consortium are to pay interest for the delayed payment of enabling cost of Rs58 Lakhs amounting to Rs14,62,503 (approximately RM83,627.38) only to the Claimant, KHEC on or before 30 April 2013 and all other claims by the Claimant were rejected.

PNHB-Lanco member of consortium had on 27 April 2013 complied with the Final Award of the Arbitration dated 29 March 2013 by paying the interest for the delayed payment of enabling cost of Rs58 Lakhs amounting to Rs14,62,503 to KHEC.

KHEC had on 4 November 2013 served the PNHB-Lanco members of the Consortium with a copy of the Petition filed at the Madras High Court to appeal against the decision of the Arbitrator dated 29 March 2013. The Madras High Court fixed the Petition for hearing on 2 December 2013.

On 2 December 2013, the Madras High Court postponed the hearing of the Petition filed by KHEC to 3 December 2013.

On 3 December 2013, the Madras High Court fixed the continued hearing of the Petition filed by KHEC on 10 December 2013.

On 10 December 2013, the Madras High Court postponed the hearing of the Petition filed by KHEC, wherein the new hearing date had yet to be fixed by the Madras High Court.

On 29 June 2018, the Madras High Court fixed the continued hearing on 27 July 2018 for the Second Arbitration Proceedings.

At the hearing held on 27 July 2018, the Madras High Court adjourned the next hearing for the Second Arbitration Proceedings to 27 August 2018.

On 27 August 2018, the Madras High Court adjourned the hearing for the Second Arbitration Proceedings to a later date to be advised in due course due to the change in the sitting judge.

On 12 September 2018, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to the first week of October 2018.

On 3 October 2018, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to the third week of October 2018.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(I) KHEC (continued)

(ii) The Second Arbitration Proceedings (continued)

On 1 November 2018, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to a later date to be advised in due course.

On 7 March 2019, the Madras High Court adjourned the hearing of the Second Arbitration Proceedings to a later date to be advised in due course.

On 9 April 2019, the Madras High Court adjourned the hearing to a later date to be advised in due course.

On 24 April 2019, the Madras High Court adjourned the hearing to a later date to be advised in due course.

On 12 June 2019, the Madras High Court fixed the next hearing on 26 June 2019.

On 26 June 2019, the Madras High Court adjourned the hearing to a later date to be advised in due course.

The Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings were jointly heard at the Madras High Court on 9 February 2022 where the Consortium's counsel clarified on certain technicalities raised by the Madras High Court and directions were given by the Madras High Court and further joint hearings were held on 17 February 2022 and 23 February 2022. The hearing was subsequently adjourned to 16 March 2022, 21 April 2022, 16 June 2022, 14 July 2022, 21 July 2022, 11 August 2022, 8 September 2022, 15 September 2022 and 21 September 2022.

The joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings continued at the Madras High Court on 27 September 2022, 1 November 2022, 15 November 2022, 24 November 2022 and were completed on 1 December 2022.

At the final order joint hearing of the Claimant's appeal against the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the Claimant's appeal against the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings on 8 February 2023, the Madras High Court delivered the final oral judgements in dismissing the appeals filed by the Claimant in relation to the decision of the Arbitration Panel dated 13 November 2019 in respect of the First Arbitration Proceedings and the decision of the Arbitrator dated 29 March 2013 in respect of the Second Arbitration Proceedings with no order as to costs since the Claimant had failed to establish its case for both appeals. The written judgements were obtained on 10 February 2023 by the counsel to PNHB-LANCO-KHEC JV ("the JV" or "the Respondent").

On 2 December 2023, KHEC served the PNHB-Lanco member of the Consortium with a private notice dated 31 November 2023 pertains to the appeal OSA (CAD) No.152 of 2023, challenging the Fair and Decretal Order dated 8 February 2023 passed in O.P. 488 of 2020 before the Madras High Court. The Court has fixed a hearing date on 19 December 2023.

On 19 December 2023, the Madras High Court adjourned the hearing of the appeal to a later date to be advised in due course.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(II) Pengurusan Air Selangor Sdn. Bhd. (“PASSB”)

Shah Alam High Court Suit No: BA-22NCVC-228-04/2017 Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) vs Puncak Niaga Holdings Berhad & 5 Others (“the Suit”)

The Company had, on the evening of 9 May 2017, received a sealed copy of the Amended Writ together with an Amended Statement of Claim both dated 28 April 2017 from the solicitors of PASSB.

The Suit arose from alleged breaches on the Sale and Purchase Agreement dated 11 November 2014 (“SPA”) between the Company and PASSB relating to the disposals of Puncak Niaga (M) Sdn. Bhd. (“PNSB”) and 70% equity interest and RM212.0 million nominal value of redeemable convertible loan stocks held in SYABAS by the Company to PASSB for RM1,555.3 million in line with the consolidation/ restructuring of the water industry in the State of Selangor and the Federal Territories of Kuala Lumpur and Putrajaya by the State Government and the Federal Government. The disposals of PNSB and SYABAS were completed on 15 October 2015.

The Company is named as the First Defendant in the Suit. The relief sought by PASSB against the Company is as follows:

- (i) a sum of RM63,237,583.05 (“Sum”) to be paid within 14 days from the date of the Honourable Court judgement.
- (ii) interests on the Sum at the rate of 5% per annum to be calculated from 22 August 2016 until full payment thereof.
- (iii) a declaration that the Company continues to indemnify PASSB for all losses which arises after the filing of this claim that PASSB may suffer as a result of the breaches in this action, including but not limited to future RPGT relation to the transfer of properties of PNSB to the Company Group under the SPA.
- (iv) general damages to be assessed (“Assessed Damages”) and interests on the Assessed Damages at the rate of 5% per annum to be calculated from the date of assessment until full payment thereof.
- (v) an order that the Company do deliver to PASSB the original or photocopies of PNSB’s documents within seven (7) days from the date of the Honourable Court order.
- (vi) costs and interests at the rate of 5% and other reliefs or orders that the Honourable Court may deem fit and proper to grant.

The alleged breaches are said to arise from a breach of the SPA, amongst others, Clauses 7.2(c), 7.2(d) and the Representations and Warranties of Puncak in Schedule 2, Clause 10.1.5.

The Sum of RM63,237,583.05 is made out of, amongst others, alleged payments made in respect of the Non-CA Related Business.

The Company had instructed its solicitors to contest the matter and to file an appearance at the pre-trial case management on 17 May 2017.

On 17 May 2017, the Court fixed another pre-trial case management on 18 July 2017. Meanwhile, the Company filed an appearance on 16 May 2017.

The Company filed its Defence on 20 June 2017 and a copy of the Defence was served on PASSB’s solicitors on 21 June 2017. Puncak received a copy of PASSB’s reply to the Defence on 14 July 2017.

On 5 July 2017, PASSB served a sealed application to restrain Puncak’s solicitors from acting in the proceeding for the Suit.

At the case management held on 18 July 2017, the Court scheduled PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit on 24 August 2017. Meanwhile, Puncak and Puncak’s solicitors filed and served their affidavit in replies to oppose the said application by PASSB on 17 July 2017.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(II) Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) (continued)

Shah Alam High Court Suit No: BA-22NCVC-228-04/2017 Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) vs Puncak Niaga Holdings Berhad & 5 Others (“the Suit”) (continued)

At the case management held on 21 August 2017, the Court adjourned the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit to 14 September 2017. Meanwhile, the respective submission in reply is due on 4 September 2017.

At the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit held on 14 September 2017, the Court adjourned the hearing of the said application to 26 September 2017.

At the hearing held on 26 September 2017, the Court adjourned the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit to 30 November 2017.

At PASSB’s request, the Court brought forward the hearing of PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit to 9 November 2017.

PASSB’s application to restrain Puncak’s solicitors from acting in the proceeding for the Suit was part heard on 9 November 2017, 30 November 2017, 29 December 2017 and completed on 15 January 2018.

On 27 February 2018, the Judge allowed PASSB’s application to restrain Puncak’s solicitors from acting in the proceedings with costs. Having consulted Puncak’s solicitors, Puncak had given instructions to them to lodge an appeal to the Court of Appeal against this decision. Meanwhile, the Judge fixed the PASSB’s claim for case management on 29 March 2018.

On 14 March 2018, the Judge recorded a stay of the Order dated 27 February 2018 to restrain Puncak’s solicitors from acting in the proceedings with costs until the hearing and final disposal of Puncak’s appeal to the Court of Appeal against the said decision. Meanwhile, Puncak’s application to stay further proceedings in the High Court pending the disposal of Puncak’s appeal is fixed for hearing on 29 March 2018.

Puncak’s Notice of Appeal to appeal against the decision of the High Court dated 27 February 2018 to restrain its solicitors from acting in the proceedings had been filed and served on 14 March 2018. The Court of Appeal has fixed the matter for case management on 30 May 2018 before the Deputy Registrar of the Court of Appeal.

On 29 March 2018, the Judge recorded a stay of all further proceedings in the High Court pending the hearing and final disposal of Puncak’s appeal against the Order dated 27 February 2018 to restrain Puncak’s solicitors from acting in the proceedings with costs, except for any interlocutory applications by the other defendants in the action. The matter is fixed for case management on 2 May 2018.

The case management originally fixed on 2 May 2018 has been postponed to 1 June 2018 by the High Court.

On 30 May 2018, Puncak’s appeal to the Court of Appeal against the decision to restrain Puncak’s solicitors from acting was called up for case management. The appeal will be further case managed on 3 July 2018 before the Deputy Registrar of the Court of Appeal pending receipt of the High Court’s grounds of judgement and notes of proceedings.

On 1 June 2018, the case management adjourned to 4 July 2018 for parties to update the High Court on the status of Puncak’s appeal to the Court of Appeal against the decision to restrain Puncak’s solicitors from acting.

On 3 July 2018, Puncak’s appeal to the Court of Appeal against the decision to restrain Puncak’s solicitors from acting was called up for further case management. The appeal will be further case managed on 18 July 2018 before the Deputy Registrar of the Court of Appeal pending the filing of the Supplementary Record of Appeal and to fix a hearing date for the appeal.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(II) Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) (continued)

Shah Alam High Court Suit No: BA-22NCVC-228-04/2017 Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) vs Puncak Niaga Holdings Berhad & 5 Others (“the Suit”) (continued)

The case management which was fixed on 4 July 2018 was subsequently adjourned by the High Court to 18 September 2018 for parties to update the Court on the status of Puncak’s appeal to the Court of Appeal against the decision to restrain Puncak’s solicitors from acting.

Puncak’s appeal to the Court of Appeal against the decision to restrain Puncak’s solicitors from acting was called up for case management on 18 July 2018. The appeal was fixed for final case management on 8 October 2018 before the Deputy Registrar of the Court of Appeal, and the appeal was fixed for hearing on 18 October 2018.

On 18 September 2018, the case management was adjourned to 24 October 2018 for parties to update the Court on the outcome of Puncak’s appeal to the Court of Appeal against the decision to restrain solicitors from acting from Puncak.

Puncak’s appeal to the Court of Appeal against the decision to restrain Puncak’s solicitors from acting which was fixed for hearing on 18 October 2018, was taken-off by the Court of Appeal and the hearing of the appeal was adjourned to 8 January 2019.

The case management scheduled on 24 October 2018 was adjourned to 14 January 2019 for parties to update the Court on the outcome of Puncak’s appeal to the Court of Appeal against the decision to restrain solicitors from acting for Puncak.

On 8 January 2019, the Court of Appeal dismissed Puncak’s appeal with costs against the decision to restrain Puncak’s solicitors from acting. Puncak will consider the next course of action in defending the suit by PASSB.

On 14 January 2019, the High Court fixed the next case management on 28 January 2019 for parties to update the High Court on whether Puncak was appealing the Court of Appeal’s decision dated 8 January 2019 in respect of the Disqualification Application.

On 28 January 2019, the case management before the Shah Alam High Court Judge was adjourned to 12 February 2019 for parties to update the Court on whether PNHB was appealing the Court of Appeal’s dismissal of PNHB’s appeal against the High Court’s decision to restrain PNHB’s current solicitors from acting for PNHB.

The case management on 12 February 2019 before the Shah Alam High Court Judge was postponed to 1 March 2019.

On 1 March 2019, Puncak’s new solicitors attended the case management and the High Court fixed the next case management on 9 April 2019.

At the case management held on 9 April 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 27 May 2019.

At the case management held on 27 May 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 4 July 2019.

At the case management held on 4 July 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 6 August 2019.

At the case management held on 6 August 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 11 September 2019.

At the case management held on 11 September 2019, the High Court directed the parties to comply with the pre-trial directions and fixed the next case management on 3 October 2019.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(II) Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) (continued)

Shah Alam High Court Suit No: BA-22NCVC-228-04/2017 Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) vs Puncak Niaga Holdings Berhad & 5 Others (“the Suit”) (continued)

At the case management held on 3 October 2019, the plaintiff filed an application to amend the Amended Statement of Claim and the said application was fixed for hearing on 21 October 2019. The High Court further directed the parties to comply with the pre-trial directions. The trial dates in November 2019 were maintained.

At the case management held on 21 October 2019, the plaintiff withdrew the application to amend the Amended Statement of Claim. The Court allowed the withdrawal and fixed the next case management on 22 October 2019. The trial dates in November 2019 were maintained.

At the case management held on 22 October 2019, the High Court directed the parties to comply with the pre-trial directions. The trial dates in November 2019 were maintained.

On 4 November 2019, the Court vacated the trial dates scheduled on 4 November 2019 to 6 November 2019 because the Judge was on medical leave.

At the trial held on 18 November 2019, the Court fixed the continued trial on 7 March 2020, 17 April 2020, 11 August 2020, 12 August 2020, 13 August 2020, 8 September 2020, 10 September 2020, 15 September 2020, 17 September 2020, 22 September 2020, 23 September 2020, 24 September 2020, 29 September 2020, 30 September 2020, 6 October 2020, 7 October 2020, 8 October 2020, 13 October 2020, 14 October 2020 and 15 October 2020.

The Court also fixed 23 June 2020, 24 June 2020, 25 June 2020, 8 July 2020 and 9 July 2020 tentatively for continued trial pending confirmation from all the parties.

The Court subsequently confirmed that the tentative continued trial dates on 23 to 25 June 2020 are confirmed whilst the tentative continued trial dates on 8 to 9 July 2020 were taken off.

At the case management held on 22 January 2020, the plaintiff filed an application to amend the Amended Statement of Claim and the said application was fixed for hearing on 9 March 2020.

At the case management on 27 February 2020, the Court maintained the hearing date fixed on 9 March 2020 for the plaintiff's application to amend the Amended Statement of Claim. The Court also vacated the trial date fixed on 17 March 2020.

At the hearing for the plaintiff's application to amend the Amended Statement of Claim on 9 March 2020, the Court fixed the matter for decision on 30 March 2020.

Due to the Extended Movement Control Order imposed by Government due to the COVID-19 outbreak, the Court subsequently fixed the matter for decision on 14 May 2020.

On 14 May 2020, the High Court dismissed the plaintiff's application to amend the Amended Statement of Claim with costs and vacated the trial dates fixed in June 2020.

The trial dates on 11 August 2020 to 13 August 2020 were vacated by the High Court as the Judge was unwell.

The trial proceeded as scheduled in September 2020 and October 2020 except for the trial dates on 22 September 2020 to 24 September 2020, 6 October 2020 to 8 October 2020 and 13 October 2020 to 15 October 2020 which were vacated by the Court. The trial date on 2 November 2020 was subsequently vacated due to the extended Conditional Movement Control Order (“CMCO”).

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(II) Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) (continued)

Shah Alam High Court Suit No: BA-22NCVC-228-04/2017 Pengurusan Air Selangor Sdn. Bhd. (“PASSB”) vs Puncak Niaga Holdings Berhad & 5 Others (“the Suit”) (continued)

The next trial dates will be on 4 January 2021 and 5 January 2021.

The Shah Alam High Court vacated the trial dates fixed on 14 January 2021, 18 January 2021, 2 February 2021 and 3 February 2021.

The trial proceeded on 4 January 2021, 5 January 2021, 8 March 2021, and 9 March 2021 respectively. The trial dates fixed on 13 April 2021 and 14 April 2021 were vacated because the trial judge will be transferred with effect on 5 April 2021 and the parties need to wait for further directions from the Shah Alam High Court with regards to the continued trial. The Shah Alam High Court fixed a case management on 13 April 2021.

On 19 March 2021, the Company announced that the trial will be continued before the current trial judge on 4 May 2021 to 6 May 2021. The Shah Alam High Court vacated the case management fixed on 13 April 2021 and vacated the trial date fixed on 3 May 2021.

The trial date on 5 May 2021 was subsequently vacated by the Court and the trial continued on 4 May 2021 and 6 May 2021. The trial dates fixed in June 2021 were maintained.

On 3 June 2021, the Company announced that in light of the full Movement Control Order (“FMCO”) imposed by the Government, the trial dates fixed on 11 June 2021 and 14 June 2021 have been vacated.

The continued trial dates for the Suit fixed on 6 October 2021 and 11 November 2021 were subsequently vacated by the Shah Alam High Court.

The Shah Alam High Court fixed the continued trial dates of the Suit on 24 March 2022, 25 March 2022 and 18 April 2022. The continued trial dates of the Suit fixed on 24 March 2022 and 25 March 2022 were subsequently vacated by the Shah Alam High Court and the trial proceeded on 18 April 2022 and 22 June 2022.

The Shah Alam High Court fixed the continued trial dates of the Suit on 22 September 2022, 18 October 2022, 19 October 2022, 31 October 2022 and 17 November 2022.

The hearing scheduled for 22 September 2022, 18 October 2022, 19 October 2022 and 31 October 2022 were vacated by the Shah Alam High Court. The hearing date of the Suit fixed on 17 November 2022 was vacated and converted into a case management.

The continued trial dates of the Suit on 16 February 2023, 27 to 28 March 2023 and 6 April 2023 were subsequently vacated by the Shah Alam High Court.

At the case management on 4 April 2023, the Shah Alam High Court fixed the next case management for the Suit on 25 May 2023.

At the case management on 25 May 2023, the Shah Alam High Court fixed the next case management for the Suit on 27 June 2023.

At the case management for the Suit on 27 June 2023, the Shah Alam High Court fixed a further case management on 24 August 2023.

On 25 September 2023, Puncak announced that the plaintiff, Pengurusan Air Selangor Sdn Bhd had withdrawn its claim against the defendants, of which Puncak is a defendant. The Shah Alam High Court had struck off the Suit with no order as to costs and with no liberty to file afresh.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(III) Puncak Niaga Holdings Berhad (“Puncak”)

Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad (“Plaintiff”) vs 1. Tan Sri Dato’ Seri Khalid bin Ibrahim 2. Dato’ Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively “Defendants”)

The solicitors of Puncak as the Plaintiff (“Plaintiff”) served the sealed Writ of Summons vide Shah Alam High Court Suit No. BA-21NCvC-72-10/2017 together with the Statement of Claim dated 27 October 2017 on:-

- (i) the solicitors of Tan Sri Dato’ Seri Abdul Khalid bin Ibrahim (“Tan Sri Khalid”), as the former Menteri Besar of Selangor on 2 November 2017;
- (ii) Dato’ Seri Mohamed Azmin bin Ali (“Dato’ Seri Azmin”), as the present Menteri Besar of Selangor on 21 November 2017; and
- (iii) The Selangor State Government (“Selangor State Government”) on 6 November 2017; collectively “the Defendants”.

The suit is initiated by Puncak against the Defendants including the Selangor State Government, who Puncak asserts is vicariously liable for the tortious acts of Tan Sri Khalid and Dato’ Seri Azmin in abusing their powers in public office/misfeasance by threatening to cause and/or requesting or attempting to cause the Federal Government to invoke use of the Water Services Industry Act 2006 (“WSIA”) to force a take-over of the State’s water industry.

Puncak claims damages, interest on damages and costs of:-

- (i) the difference between the value of PNSB Water Sdn. Bhd. (formerly known as Puncak Niaga (M) Sdn. Bhd.) (“PNSB”) and Syarikat Bekalan Air Selangor Sdn. Bhd. (“SYABAS”) at the range of RM2,081,000,000 to RM2,353,000,000 and the actual purchase consideration of RM1,555,300,000 under the Share Purchase Agreement dated 11 November 2014 between Puncak and Pengurusan Air Selangor Sdn. Bhd. (“PASSB”); and
- (ii) loss of business opportunities (local and foreign) totalling RM13,496,009,000.

At the case management held on 28 November 2017, the Judge made directions for the filing of pleadings, the exchange of affidavits and submissions in respect of the 1st Defendant’s (“Tan Sri Khalid”) application to strike out the claim (“Striking out Application”) as well as pre-trial case management directions as follows:-

- (i) Tan Sri Khalid’s Striking out Application is fixed for decision on 23 January 2018.
- (ii) The next case management before the Judge for parties to comply with pre-trial case management directions is on 12 February 2018.
- (iii) The trial dates are scheduled on 28 March 2018 to 30 March 2018.

Meanwhile, the Judge directed parties to attempt mediation in January 2018.

The Selangor State Government’s sealed Striking Out Application together with the Affidavit in Support was served on Puncak’s solicitors on 19 December 2017.

At the case management of the Selangor State Government’s application to strike out the claim on 20 December 2017, the Judge made directions for the filing of pleadings, the exchange of affidavits and submissions in respect of the same with a date for delivery of decision on 23 January 2018. Meanwhile, both Tan Sri Khalid and Dato’ Seri Azmin filed and served their respective Defences, with Dato’ Seri Azmin also filing a Counterclaim against Puncak by alleging that the claim is an abuse of process, and in turn, he claims for general damages, interest and costs.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(III) Puncak Niaga Holdings Berhad (“Puncak”) (continued)

Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad (“Plaintiff”) vs 1. Tan Sri Dato’ Seri Khalid bin Ibrahim 2. Dato’ Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively “Defendants”) (continued)

Dato’ Seri Azmin’s sealed Striking Out Application with the Affidavit in Support was served on Puncak’s solicitors in 12 January 2018 and the matter was fixed for hearing on 23 January 2018.

At the hearing on 23 January 2018, the Judge fixed both Tan Sri Khalid’s and the Selangor State Government’s application to strike out the claim for oral arguments on 26 January 2018. As for Dato’ Seri Azmin’s application to strike out the claim, the Judge made directions for the exchange of affidavits and submissions with a date for delivery of decision on 22 February 2018. The Judge also adjourned the case management of the suit from 12 February 2018 to 22 February 2018.

On 26 January 2018, the Judge reserved decision on both striking out applications to 22 February 2018 after hearing the oral arguments on both Tan Sri Khalid’s and the Selangor State Government’s application to strike out the claim.

At the hearing on 22 February 2018, the Judge allowed the Defendants’ applications and struck out the claim with costs. Accordingly, the Judge vacated all pre-trial directions and the trial dates from 28 March 2018 to 30 March 2018. As for the Counterclaim filed by Dato’ Seri Azmin, the Judge directed the parties to file and exchange submissions with a date for delivery of decision on 13 March 2018 in respect of the Counterclaim.

Puncak gave instructions to its solicitors to lodge an appeal with the Court of Appeal against this decision.

On 26 February 2018, Puncak lodged an appeal with the Court of Appeal against the High Court’s decision in allowing the Defendants’ applications and striking out the claim with costs.

On 12 March 2018, the Judge granted the application by Dato’ Seri Azmin’s solicitors to adjourn the delivery of decision in respect of the Counterclaim filed by Dato’ Seri Azmin (“Dato’ Seri Azmin’s Counterclaim”). The decision in respect of Dato’ Seri Azmin’s Counterclaim which was originally set on 13 March 2018 was adjourned to 15 March 2018.

On 15 March 2018, the Judge dismissed Dato’ Seri Azmin’s Counterclaim with costs.

Puncak’s appeal to the Court of Appeal against the decision of High Court in allowing the Defendant’s applications and striking out claim with costs were all fixed for case management on 23 May 2018 before the Registrar of the Court of Appeal.

On 6 April 2018, Puncak’s solicitors received a copy of Dato’ Seri Azmin’s Notice of Appeal to the Court of Appeal against the decision of the High Court in dismissing the Counterclaim with costs. The matter was fixed for case management on 25 May 2018 before the Registrar of the Court of Appeal.

On 18 May 2018, Dato’ Seri Azmin’s appeal to the Court of Appeal against the High Court’s decision in dismissing his Counterclaim against Puncak was fixed for case management on 25 May 2018 before the Registrar of the Court of Appeal.

On 23 May 2018, Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim was fixed for hearing on 30 August 2018 at the Court of Appeal.

On 25 May 2018, the Registrar of the Court of Appeal fixed Dato’ Seri Azmin’s appeal to the Court of Appeal against the High Court’s decision in dismissing his Counterclaim against Puncak for further case management on 2 July 2018 pending the receipt of the grounds of judgement from the High Court and the filing of the Record of Appeal.

On 2 July 2018, Dato’ Seri Azmin’s appeal to the Court of Appeal against the High Court’s decision in dismissing his Counterclaim against Puncak was called up for case management. The Registrar of the Court of Appeal fixed the said appeal for further case management on 18 July 2018 pending the filing of the Record of Appeal.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(III) Puncak Niaga Holdings Berhad (“Puncak”) (continued)

Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad (“Plaintiff”) vs 1. Tan Sri Dato’ Seri Khalid bin Ibrahim 2. Dato’ Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively “Defendants”) (continued)

At the case management on 18 July 2018, the Registrar of the Court of Appeal fixed Dato’ Seri Azmin’s appeal to the Court of Appeal against the High Court’s decision in dismissing his Counterclaim against Puncak for hearing on 5 November 2018.

The hearing of Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim which was scheduled on 30 August 2018 was adjourned to 15 January 2019 at the Court of Appeal.

On 8 October 2018, Puncak’s solicitors received notification from the Court of Appeal that Puncak’s appeal against the High Court’s decision in allowing Tan Sri Khalid’s application to strike out the claim was scheduled for case management on 21 November 2018 before the Deputy Registrar at the Court of Appeal.

The hearing of Dato’ Seri Azmin’s appeal to the Court of Appeal against the High Court’s decision in dismissing his Counterclaim against Puncak that was scheduled on 5 November 2018 was vacated as Dato’ Seri Azmin had withdrawn the said appeal.

Puncak’s solicitors received notification from the Court of Appeal that Puncak’s appeals against the High Court’s decision in allowing Tan Sri Khalid, Dato’ Seri Azmin and the Selangor State Government’s applications to strike out the claim which were scheduled on 21 November 2018 were now rescheduled for case management on 10 December 2018 before the Deputy Registrar at the Court of Appeal.

On 10 December 2018, the Court of Appeal adjourned the hearing of Puncak’s appeals to 8 March 2019 which was originally fixed on 15 January 2019.

On 8 March 2019, the Court of Appeal adjourned the matter for case management on 30 April 2019.

On 30 April 2019, the Court of Appeal adjourned the matter for the further case management on 28 June 2019.

The case management of Puncak’s appeals against the High Court’s decision in allowing the defendant’s applications and striking out the claim was adjourned for further case management on 20 August 2019 at the Court of Appeal.

On 20 August 2019, the case management of Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim was adjourned for further case management on 25 September 2019 at the Court of Appeal.

On 25 September 2019, the case management of Puncak’s appeal against the High Court’s decision in allowing the defendants’ applications and striking out the claim was adjourned for further case management on 18 November 2019 at the Court of Appeal.

On 18 November 2019, the case management of Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim was adjourned for further case management on 22 January 2020 at the Court of Appeal.

On 28 November 2019, Puncak was informed that the case management of Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim which was previously fixed on 22 January 2020 had been brought forward to 6 December 2019 at the Court of Appeal.

On 6 December 2019, the case management of Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim was adjourned for further case management on 20 December 2020 at the Court of Appeal.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(III) Puncak Niaga Holdings Berhad (“Puncak”) (continued)

Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad (“Plaintiff”) vs 1. Tan Sri Dato’ Seri Khalid bin Ibrahim 2. Dato’ Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively “Defendants”) (continued)

On 20 December 2019, the case management of Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim was adjourned for further case management on 10 January 2020 at the Court of Appeal.

Subsequently, the case management of Puncak’s appeals against the High Court’s decision in allowing the defendants’ applications and striking out the claim which was scheduled on 10 January 2020 was vacated. The next case management fixed on 7 February 2020 at the Court of Appeal was also vacated.

At the case management of Puncak’s appeals at the Court of Appeal on 13 February 2020, the Court of Appeal fixed the Hearing of Puncak’s appeals on 22 June 2020.

The Hearing of Puncak’s appeals at the Court of Appeal on 22 June 2020 was vacated and in lieu thereof, a case management was held. The Court of Appeal fixed another case management date on 8 July 2020 for the re-scheduling of the Hearing of Puncak’s appeals.

At the Hearing of Puncak’s appeals at the Court of Appeal on 11 February 2021, the Court of Appeal decided as follows:-

- (i) The appeal against Tan Sri Dato’ Seri Khalid bin Ibrahim and the Selangor State Government were allowed with costs in the cause. The matter was remitted for trial at the Shah Alam High Court. A case management was fixed on 18 February 2021.
- (ii) The appeal against Dato’ Seri Mohamed Azmin bin Ali was dismissed with costs of RM10,000.00.

On 18 February 2021, the case management of Puncak’s claim at the Shah Alam High Court against Tan Sri Dato’ Seri Khalid bin Ibrahim and the Selangor State Government was vacated and re-scheduled to 5 March 2021.

At the case management of Puncak’s claim at the Shah Alam High Court on 5 March 2021, the Shah Alam High Court fixed the next case management on 8 April 2021 for Tan Sri Khalid and the Selangor State Government to update the Shah Alam High Court on the status of their respective Defences and Tan Sri Khalid’s intended appeal to the Federal Court.

At the case management of Puncak’s claim at the Shah Alam High Court on 8 April 2021, the Shah Alam High Court gave directions for the filing and exchange of affidavits and submissions vis-à-vis the Selangor State Government’s application to amend its Defence and fixed the next case management on 8 June 2021 to monitor these matters. The Shah Alam High Court also fixed a separate case management date on 7 May 2021 for Tan Sri Khalid to update the Shah Alam High Court on the status of his motion for leave to appeal to the Federal Court and his intended application to amend his Defence.

At the case management of Puncak’s claim at the Shah Alam High Court against Tan Sri Khalid and the Selangor State Government on 7 May 2021, the Selangor State Government withdrew its application to amend its Defence with liberty to file afresh and with no orders as to costs. The Shah Alam High Court vacated the case management originally fixed on 8 June 2021 and fixed the next case management on 25 June 2021 pending the outcome of Tan Sri Khalid’s motion for leave to appeal to the Federal Court.

At the case management of Puncak’s claim at the Shah Alam High Court on 25 June 2021, the Court directed the Selangor State Government to file its amendment application and supporting affidavit within a week after the Movement Control Order is lifted or after law firms are allowed to operate. Puncak is directed to file its reply affidavit within 14 days after receipt of the Selangor State Government’s affidavit in support. The High Court also directed Tan Sri Khalid to file his amendment application on or before the next case management on 22 July 2021.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(III) Puncak Niaga Holdings Berhad (“Puncak”) (continued)

Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad (“Plaintiff”) vs 1. Tan Sri Dato’ Seri Khalid bin Ibrahim 2. Dato’ Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively “Defendants”) (continued)

At the case management of Puncak’s claim at the Shah Alam High Court on 22 July 2021, the High Court fixed a further case management on 9 August 2021 for Puncak to inform the High Court whether it agrees with Tan Sri Khalid’s proposed amendments to his Defence and for the Selangor State Government to update the High Court on the status of its amendment application.

At the case management of Puncak’s claim at the Shah Alam High Court on 9 August 2021, the High Court fixed another case management on 20 August 2021 to give further directions on the Selangor State Government’s application to amend its Defence.

At the case management of Puncak’s claim at the Shah Alam High Court on 20 August 2021, the High Court fixed another case management on 10 September 2021 for Puncak to update the High Court on its reply affidavit (if any) to the Selangor State Government’s amendment application and Puncak’s amended reply to Tan Sri Khalid’s amended defence.

At the case management of Puncak’s claim at the Shah Alam High Court on 10 September 2021, the High Court fixed the Selangor State Government’s amendment application for hearing on 24 September 2021 and the next case management of Puncak’s claim on 24 September 2021. Puncak was directed to file its Amended Reply to Tan Sri Khalid’s Amended Defence by 1 October 2021.

At the hearing of the Selangor State Government’s amendment application and case management of Puncak’s claim at the Shah Alam High Court on 24 September 2021, the High Court allowed the Selangor State Government’s amendment application with no orders as to costs, as agreed between the parties. The High Court gave further directions on the filing and service of pleadings between Puncak and the Selangor State Government and fixed the next case management of Puncak’s claim on 16 November 2021 which was subsequently rescheduled to 21 December 2021.

At the case management of Puncak’s claim on 21 December 2021, the Shah Alam High Court gave further directions regarding pre-trial documents and fixed the next case management on 7 February 2022 which was subsequently rescheduled to 17 March 2022.

The case management on 17 March 2022 was vacated and rescheduled to 18 April 2022 by the Shah Alam High Court.

At the case management of Puncak’s claim on 18 April 2022, the Shah Alam High Court fixed the next case management on 22 April 2022.

At the case management of Puncak’s claim on 22 April 2022, the Shah Alam High Court gave pre-trial directions to parties and fixed the next case management on 30 June 2022.

At the case management of Puncak’s claim on 30 June 2022, the Shah Alam High Court fixed the next case management on 6 October 2022 and also fixed the trial dates on 14 to 17 August 2023, 2 to 5 October 2023 and 9 to 12 October 2023.

At the case management of Puncak’s claim on 6 October 2022, the Shah Alam High Court was informed that Puncak will proceed with the action against the Defendants despite the demise of Tan Sri Dato’ Seri Khalid bin Ibrahim on 31 July 2022. The Shah Alam High Court fixed the next case management on 30 November 2022 for his solicitors on record to update on the estate’s status and for parties to discuss the pre-trial documents.

At the case management of Puncak’s claim on 30 November 2022, the Shah Alam High Court was informed that Tan Sri Dato’ Seri Khalid bin Ibrahim’s family require some time to appoint solicitors for the case. The Shah Alam High Court fixed the next case management on 3 February 2023.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(III) Puncak Niaga Holdings Berhad (“Puncak”) (continued)

Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad (“Plaintiff”) vs 1. Tan Sri Dato’ Seri Khalid bin Ibrahim 2. Dato’ Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively “Defendants”) (continued)

At the case management of Puncak’s claim on 3 February 2023, the Shah Alam High Court directed Puncak to file the relevant application to substitute Tan Sri Dato’ Seri Khalid bin Ibrahim with the administrators of his estate by 20 February 2023. Tan Sri Khalid’s estate’s solicitors were directed to provide Puncak’s solicitors with the requisite documents and information to do so. The Shah Alam High Court fixed the next case management on 20 February 2023.

The Shah Alam High Court was informed at the case management on 20 February 2023 that Puncak had filed an ex-parte application to substitute the late Tan Sri Dato’ Seri Khalid bin Ibrahim with the administrator of his estate. The case management was stood down until 21 February 2023 for the administrator of the estate to inform the Shah Alam High Court of its position vis-à-vis Puncak’s substitution application.

At the case management of Puncak’s application to substitute the late Tan Sri Dato’ Seri Abdul Khalid bin Ibrahim with the administrator of his estate on 21 February 2023, the Shah Alam High Court fixed the matter for hearing on 27 February 2023 to be followed by a case management of Puncak’s claim thereafter.

On 27 February 2023, the Shah Alam High Court allowed Puncak’s application to substitute the late Tan Sri Dato’ Seri Abdul Khalid bin Ibrahim with the administrator of his estate as a party to Puncak’s claim. The case management of Puncak’s claim before the Registrar of the Shah Alam High Court commenced on 27 February 2023 and continued until 2 March 2023 wherein the Registrar directed parties to comply with the filling of the documents of the pre-trial case management directions and fixed the next case management on 28 April 2023.

At the continued case management of Puncak’s claim at the Shah Alam High Court on 3 March 2023, the Registrar directed Tan Sri Dato’ Seri Abdul Khalid bin Ibrahim’s estate to follow up with Puncak on his proposed amendments to his defence and to file an amendment application, if necessary, by 17 March 2023.

At the case management of Puncak’s claim on 28 April 2023, the Shah Alam High Court fixed the next case management on 27 June 2023.

At the case management of Puncak’s claim on 27 June 2023, the Shah Alam High Court vacated the trial dates fixed previously on 14 to 17 August 2023 and maintained the trial dates on 2 to 5 October 2023 and 9 to 12 October 2023 respectively. A case management is also fixed on 27 July 2023 during which the Shah Alam High Court may direct parties to comply with pre-trial directions.

The case management of Puncak’s claim at the Shah Alam High Court which commenced on 27 July 2023 and had yet to be concluded was deferred to 31 July 2023 by the Deputy Registrar of the Shah Alam High Court.

At the case management of Puncak’s claim at the Shah Alam High Court on 31 July 2023, the Shah Alam High Court fixed the next case management on 25 August 2023 during which the Shah Alam High Court may direct parties to comply with pre-trial directions.

At the case management of Puncak’s claim on 25 August 2023, the Shah Alam High Court fixed a further case management date on 21 September 2023 and vacated the trial dates previously fixed on 2 to 5 October 2023 and 9 to 12 October 2023.

On 25 September 2023, Puncak announced that the Company’s solicitors had filed the Notice of Discontinuation of Puncak’s claim at the Shah Alam High Court with no order as to costs and without liberty to file afresh. Hence, the Shah Alam High Court had struck off the case.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(III) Puncak Niaga Holdings Berhad (“Puncak”) (continued)

Shah Alam High Court Suit No: BA-21NCvC-72-10/2017 Puncak Niaga Holdings Berhad (“Plaintiff”) vs 1. Tan Sri Dato’ Seri Khalid bin Ibrahim 2. Dato’ Seri Mohamed Azmin bin Ali (subsequently withdrawn by Puncak) 3. Selangor State Government (1st and 3rd Defendants collectively “Defendants”) (continued)

The discontinuation of Puncak’s claim was made after careful consideration of the following: -

- (i) Puncak’s claim was initiated in October 2017 which was 6 years ago and had yet to proceed to trial at the Shah Alam High Court.
- (ii) The discontinuation of Puncak’s claim will enable Puncak to reduce incurring more resources and further costs to pursue the matter in court.
- (iii) Due to evolving changes in the challenging business environments regulating Puncak and Puncak Group of Companies where the Company’s/ Group’s operations are entirely in Malaysia, the discontinuation of Puncak’s claim will allow Puncak to focus on the pursuit of its business objectives and strategies towards the long-term sustainable growth of Puncak Group of Companies.

Tan Sri Dato’ Seri Khalid bin Ibrahim’s appeal to the Federal Court (Dismissed on 23 June 2021)

Tan Sri Khalid subsequently filed an application for leave at the Federal Court to appeal against the Court of Appeal’s decision dated 11 February 2021 in allowing Puncak’s appeal. The leave application was fixed for case management on 8 April 2021.

On 8 April 2021, the Federal Court fixed the next case management on 13 April 2021.

At the case management at the Federal Court on 13 April 2021, the Federal Court scheduled the said motion for an online hearing on 23 June 2021. A further case management was fixed on 4 June 2021 for parties to file written submissions for the said motion.

On 23 April 2021, a further case management of Tan Sri Khalid’s motion for leave to appeal to the Federal Court was fixed on 28 April 2021.

At the case management of Tan Sri Khalid’s motion for leave to appeal to the Federal Court on 28 April 2021, the Federal Court maintained the Hearing of the said motion on 23 June 2021.

At the case management of Tan Sri Khalid’s motion for leave to appeal to the Federal Court on 4 June 2021, the Federal Court directed parties to file written submissions on 8 June 2021. The next case management is fixed on 16 June 2021.

At the case management of Tan Sri Khalid’s motion for leave to appeal to the Federal Court on 16 June 2021, the Federal Court maintained the hearing date for the matter on 23 June 2021.

At the case management of Tan Sri Khalid’s motion for leave to appeal to the Federal Court on 23 June 2021, the Federal Court dismissed the motion with costs of RM30,000.00 to be paid by Tan Sri Khalid to Puncak within 14 days. The said sum was subsequently paid to Puncak.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(IV) PNCSB

Two (2) Notices of Arbitration issued under the KLRCa in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to PNCSB

(i) Notice of Arbitration dated 17 June 2016 issued under KLRCa in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to PNCSB

On 20 June 2016, PNCSB received a Notice of Arbitration dated 17 June 2016 from Genbina to refer the disputes or differences arising from the termination of the contract contained in a Letter of Award and its Addendums ("Contract") and an Operate, Maintain and Service Agreement under the Contract ("OMSA") for the D44 Project to arbitration under KLRCa in accordance to the Arbitration Act 2005 and the Arbitration (Amendment) Act 2011 for the alleged sum of RM119,699,168.11 together with the damages, interest, costs as such other relief as the learned arbitrator deems fit or proper and PNCSB instructed its solicitor to contest the matter.

On 18 July 2016, PNCSB issued a response to Genbina's Notice of Arbitration dated 17 June 2016 through its solicitors. In summary, PNCSB's response denied the claims asserted by Genbina in its Notice of Arbitration dated 17 June 2016 as well as raised numerous set-offs and/or counterclaim against Genbina's claims in its Notice of Arbitration dated 17 June 2016.

(ii) Notice of Arbitration dated 17 June 2016 issued under the KLRCa in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to PNCSB

On 20 June 2016, PNCSB received a Notice of Arbitration dated 17 June 2016 from Genbina to refer the disputes or differences arising from the termination of the Contract and an OMSA for the D44 Project to arbitration under KLRCa in accordance to the Arbitration Act 2005 and the Arbitration (Amendment) Act 2011 for the alleged sum of RM24,171,671.43 together with the damages, interest, costs as such other relief as the learned arbitrator deems fit or proper and PNCSB has instructed its solicitor to contest the matter.

On 18 July 2016, PNCSB issued a response to Genbina's Notice of Arbitration dated 17 June 2016 through its solicitors. In summary, PNCSB's response denied the claims asserted by Genbina in its Notice of Arbitration dated 17 June 2016 as well as raised numerous set-offs and/or counterclaim against Genbina's claims in its Notice of Arbitration dated 17 June 2016.

Three (3) Notices of Arbitration issued under the KLRCa in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 by PNCSB

PNCSB had on 18 July 2016 issued three (3) separate Notices of Arbitration dated 18 July 2016 to Genbina to refer the disputes or differences arising from the termination of the Contract, an OMSA and Workers' Agreement dated 12 October 2015 ("Workers' Agreement") relating to the D44 Project to arbitration.

The details of the Notices of Arbitration dated 18 July 2016 issued by PNCSB to Genbina are as follows:

- (i) In respect of the Notice of Arbitration arising from the Contract, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's breaches under the Contract which led to PNCSB's termination of the Contract. PNCSB seeks to recover the loss and damage suffered by PNCSB from Genbina in the arbitration;
- (ii) In respect of the Notice of Arbitration arising from the OMSA, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's wrongful acts under the OMSA over Genbina's failure to return the Machineries & Equipment belonging to PNCSB under the OMSA, unlawfully removing the said Machineries & Equipment from the D44 Project site and wrongfully detaining them. PNCSB seeks to recover the loss and damage suffered by PNCSB from Genbina in the arbitration; and

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(IV) PNCSB (continued)

Three (3) Notices of Arbitration issued under the KLRCA in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 by PNCSB (continued)

The details of the Notices of Arbitration dated 18 July 2016 issued by PNCSB to Genbina are as follows: (continued)

- (iii) In respect of the Notice of Arbitration arising from the Workers' Agreement, PNCSB has suffered loss and damage and continues to incur loss and damage arising from Genbina's breach of the Workers' Agreement over Genbina's failure and/or refusal to pay the foreign workers' salaries and to bear all direct and incidental costs for their repatriation, amongst others. PNCSB seeks to recover its loss and damage suffered from Genbina in the arbitration.

PNCSB has asserted that it has suffered losses and damage arising from Genbina's breaches and wrongful acts under the Contract, OMSA and Workers' Agreement and is preparing a counterclaim against Genbina, which PNCSB has assessed and estimated to be in the region of RM152.2 million.

The two (2) separate arbitrations initiated by Genbina and the three (3) separate arbitrations initiated by PNCSB had been consolidated into a single arbitration proceeding. The arbitral tribunal was constituted and a preliminary meeting was called on 5 July 2017 wherein parties were given directions to move the arbitration forward.

The arbitral tribunal confirmed the hearing dates for the arbitration on 24 May 2021, 25 May 2021, 27 May 2021, 28 May 2021 and 31 May 2021 which were subsequently vacated and the arbitral tribunal fixed the new hearing dates on 20 December 2021 to 23 December 2021 and 28 December to 31 December 2021.

At the case management held on 13 December 2021, the Arbitral Panel vacated the hearing dates fixed on 20 December 2021 to 23 December 2021 and 31 December 2021. The Arbitral Panel further fixed a new hearing date on 27 December 2021 and maintained the hearing dates of 28 December 2021 to 30 December 2021 fixed previously for the arbitration proceeding.

The Arbitral Panel subsequently vacated the hearing dates fixed on 27 December 2021 to 30 December 2021. A case management was held by the Arbitral Panel on 27 December 2021 for further directions to be given in the arbitration proceedings.

No further directions were given by the Arbitral Panel at the case management held on 27 December 2021 as parties are to propose mutual hearing dates for the Arbitral Panel's consideration by 31 December 2021.

The continued hearing dates for the arbitration have been scheduled on 20 December 2022 to 23 December 2022, 30 January 2023 to 31 January 2023 and 2 February 2023 to 3 February 2023.

The hearing dates for the arbitration previously fixed on 20 December 2022 to 23 December 2022 were vacated by the Arbitral Tribunal. The hearing on 21 December 2022 was converted to a case management wherein the Arbitral Tribunal has fixed additional hearing dates in 2023 on 16 October 2023 to 20 October 2023 and 30 October 2023 to 3 November 2023.

The Arbitral Tribunal has vacated the hearing dates previously fixed on 30 and 31 January 2023 for the arbitration proceeding.

The hearing proceeded on 2 February 2023 to 3 February 2023.

The Arbitral Tribunal has fixed additional hearing dates on 11 to 12 April 2023 for the arbitration proceeding.

The continued hearing dates for the arbitration previously fixed on 16 October 2023 to 20 October 2023 and 30 October 2023 to 3 November 2023 are maintained.

Upon the request of Genbina Sdn Bhd, the Arbitral Tribunal vacated the hearing dates fixed on 16 October 2023 to 17 October 2023 and maintained the remaining hearing dates previously fixed on 18 October 2023 to 20 October 2023 and 30 October 2023 to 3 November 2023.

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36. MATERIAL LITIGATIONS (CONTINUED)

(IV) PNCSB (continued)

Three (3) Notices of Arbitration issued under the KLRC Act in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 by PNCSB (continued)

The hearing dates fixed on 2 November 2023 to 3 November 2023 were taken off by the Arbitral Tribunal and the next hearing dates are fixed on 16 February 2024 and 3 May 2024.

The hearing for the arbitration proceeding proceeded as scheduled on 16 February 2024. The continued hearing date scheduled on 3 May 2024 is maintained.

Notice of Arbitration dated 26 October 2020 issued under AIAC in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to Mersing Construction and Engineering Sdn. Bhd.

Puncak Niaga Construction Sdn Bhd ("PNCSB"), a wholly-owned subsidiary of Puncak had on 26 October 2020 issued a Notice of Arbitration dated 26 October 2020 against one of its sub-contractors for the D44 Project, Mersing Construction and Engineering Sdn Bhd ("Mersing"), to refer disputes relating to the true value of works carried out by Mersing up to 30 September 2020 as well as the value of PNCSB's entitlement to backcharges and/or deductions to be determined by the arbitral tribunal.

The details of the Notice of Arbitration issued by PNCSB are as follows:

- (i) To seek a determination of the true value of work carried out by Mersing up to 30 September 2020, to determine the value of PNCSB's entitlement to backcharges and/or deductions, a declaration that Mersing is not entitled to any payment as determined in the adjudication decision dated 4 August 2020 ("Adjudication Decision") together with damages, interest and costs; and
- (ii) Further to the above and in the event any payment has been made pursuant to the Adjudication Decision, that such payment (or any sum thereto) shall be refunded to PNCSB.

PNCSB had subsequently issued a commencement request to the Asian International Arbitration Centre ("AIAC") to commence the arbitration on 27 October 2020 and had also applied to the Kuala Lumpur High Court to stay the Adjudication Decision dated 4 August 2020 pending final determination of the dispute between PNCSB and Mersing by arbitration ("Stay Application").

The Stay Application was fixed for case management on 30 October 2020.

On 30 October 2020, the Kuala Lumpur High Court fixed the hearing of the Stay Application on 26 November 2020.

At the hearing on 26 November 2020, the Kuala Lumpur High Court reserved its decision to be delivered on 24 December 2020.

On 24 December 2020, the Kuala Lumpur High Court dismissed the Stay Application with costs of RM5,000.00 to Mersing.

On 12 January 2021, PNCSB's solicitors had, on behalf of PNCSB, filed an appeal on the Kuala Lumpur High Court's Decision on Stay Application, at the Court of Appeal ("PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application").

On 2 February 2021, the Court of Appeal fixed the case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 4 March 2021.

On 4 March 2021, the Court of Appeal fixed the next case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 5 May 2021.

On 5 May 2021, the Court Appeal fixed next case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 4 August 2021. On 4 August 2021, the Court Appeal fixed next case management on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 6 October 2021.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(IV) PNCSB (continued)

Notice of Arbitration dated 26 October 2020 issued under AIAC in accordance with the Arbitration Act 2005 and Arbitration (Amendment) Act 2011 to Mersing Construction and Engineering Sdn. Bhd. (continued)

At the case management of PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 6 October 2021, the Court of Appeal fixed the next case management on 15 March 2022. The Court of Appeal also fixed the hearing date on PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application on 30 March 2022.

On 25 October 2021, Puncak announced that PNCSB has withdrawn PNCSB's Appeal on Kuala Lumpur High Court's Decision on Stay Application vide the filling of the Notice of Discontinuance at the Court of Appeal on 21 October 2021 and duly confirmed by the Court of Appeal on 22 October 2021.

Notice of Adjudication issued under the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") to PNCSB

On 16 October 2023, PNCSB received a Notice of Adjudication dated 16 October 2023 to refer disputes arising from alleged payment claim under Sections 7 and 8 under the Construction Industry Payment & Adjudication Act 2012 ("CIPAA") from its sub-contractor, City Tunnelling Sdn Bhd ("CTSB").

The alleged payment claim is for the sum of RM6,660,665.71 for the project "To Carry Out Supply and Lay Network Sewerage Pipe at Zone 3 and 3A (Retender) for D44 Project" together with interest and cost in relation to the adjudication proceedings.

On 26 October 2023, CTSB confirmed its acceptance to the Proposed Payment Schedule and to halt the adjudication proceedings vide CTSB's execution of the Confirmation of Acceptance to PNCSB's letter dated 25 October 2023.

On 6 November 2023, CTSB confirmed that WE Project Management PLT (CTSB's claims consultant) had been notified accordingly to the agreed Proposed Payment Schedule as an amicable settlement between the parties.

Two (2) Notices of Assessment issued by the Inland Revenue Board ("IRB") in accordance with the Income Tax Act 1967 ("ITA") to PNCSB

On 3 December 2020, a wholly-owned subsidiary of Puncak, PNCSB filed a judicial review application at the Kuala Lumpur High Court ("Judicial Review Application") to challenge the notices of assessment known as Form G which PNCSB received from the IRB on 23 November 2020 for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively (hereinafter referred to as "Notices"). These Notices were issued by the IRB under Section 44A(9) of the ITA consequent to the IRB's decision to disallow the losses surrendered by PNCSB to another related company which is also a wholly-owned subsidiary of Puncak, namely PNMSSB under the group relief scheme.

Based on the legal advice obtained from its tax solicitors, PNCSB is of the view that it has good basis in law to contend that the Notices were erroneously and arbitrarily raised by the IRB. Accordingly, PNCSB had commenced the legal avenues available to challenge the Notices including the Judicial Review Application which commenced on 3 December 2020 against the Minister of Finance.

On 16 December 2020, the Kuala Lumpur High Court fixed PNCSB's Judicial Review Application for leave hearing on 7 January 2021.

On 7 January 2021, the Kuala Lumpur High Court fixed PNCSB's Judicial Review Application for hearing on 2 March 2021. The Kuala Lumpur High Court also granted an interim stay of enforcement of the Form G on PNCSB until the hearing date on 2 March 2021. In the meantime, no taxes are payable by PNCSB since the interim stay had been granted.

The hearing of PNCSB's Judicial Review Application which was initially fixed on 2 March 2021 at the Kuala Lumpur High Court was vacated. The Kuala Lumpur High Court granted an interim stay of the enforcement on the Form G on PNCSB until the hearing of PNCSB's Judicial Review Application and the case management for the Inland Revenue Board's application to intervene on 20 April 2021. In the meantime, no taxes are payable by PNCSB since the interim stay had been granted.

At the case management for PNCSB's Judicial Review Application on 20 April 2021, the Kuala Lumpur High Court dismissed the inland Revenue Board's application to intervene and subsequently granted an interim stay of the enforcement of the Form G on PNCSB until the hearing of PNCSB's Judicial Review Application on 2 June 2021. In the meantime, no taxes are payable by PNCSB since the interim stay have been granted.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(IV) PNCSB (continued)

Two (2) Notices of Assessment issued by the Inland Revenue Board (“IRB”) in accordance with the Income Tax Act 1967 (“ITA”) to PNCSB (continued)

The Director General of Inland Revenue (“DGIR”) subsequently filed an appeal to the Court of Appeal in relation to the Kuala Lumpur High Court’s decision dated 20 April 2021 to dismiss the Inland Revenue Board’s application to intervene in PNCSB’s Judicial Review Application. A copy of DGIR’s notice of appeal dated on 5 May 2021 was served to PNCSB solicitors on 10 May 2021.

In light of the Movement Control Order that is in force, the hearing of PNCSB Judicial Review Application which were initially fixed on 2 June 2021 and 16 August 2021 were vacated. The Kuala Lumpur High Court granted an interim stay of enforcement of Form G on PNCSB until the hearing of PNCSB’s Judicial Review Application on 17 January 2022. In the meantime, no taxes are payable by PNCSB since the interim stay have been granted.

The hearing of PNCSB’s Judicial Review Application fixed on 17 January 2022 was vacated and the Kuala Lumpur High Court fixed a new hearing date on 13 June 2022. An interim stay of the enforcement of Form G on PNCSB was granted by the Kuala Lumpur High Court until the hearing of PNCSB’s Judicial Review Application on 13 June 2022. In the meantime, no taxes are payable by PNCSB.

The hearing of PNCSB’s Judicial Review Application which was initially fixed on 13 June 2022 was converted into a case management upon the respondent’s, the Ministry of Finance’s request. At the case management, the Kuala Lumpur High Court directed parties to attend the leave hearing fixed on 20 October 2022. An interim stay of the enforcement of Form G on PNCSB was granted by the Kuala Lumpur High Court until the hearing of PNCSB’s Judicial Review Application on 20 October 2022. In the meantime, no taxes are payable by PNCSB.

Upon the Kuala Lumpur High Court’s instruction, the hearing of PNCSB’s Judicial Review Application which was initially fixed on 20 October 2022 has been rescheduled to 30 November 2022. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the hearing of PNCSB’s Judicial Review Application on 30 November 2022. In the meantime, no taxes are payable by PNCSB.

Upon the Kuala Lumpur High Court’s instruction, the hearing of PNCSB’s Judicial Review Application which was fixed on 30 November 2022 was rescheduled to 30 March 2023. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the hearing of PNCSB’s Judicial Review Application on 30 March 2023. In the meantime, no taxes are payable by PNCSB.

Upon the Kuala Lumpur High Court’s instruction, the hearing of PNCSB’s Judicial Review Application was rescheduled from 30 March 2023 to 13 July 2023. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the hearing of PNCSB’s Judicial Review Application on 13 July 2023. In the meantime, no taxes are payable by PNCSB.

The hearing of PNCSB’s Judicial Review Application which was fixed on 13 July 2023 was converted to a case management wherein the Kuala Lumpur High Court directed parties to attend the leave hearing on 3 October 2023. An interim stay of the enforcement of the Form G on PNCSB was also granted by the Kuala Lumpur High Court until the leave hearing of PNCSB’s Judicial Review Application on 3 October 2023. In the meantime, no taxes are payable by PNCSB since the interim stay has been granted.

The hearing of PNCSB’s Judicial Review Application which was fixed on 3 October 2023 was converted into a case management upon the application by the Director General of Inland Revenue (“DGIR”). The Kuala Lumpur High Court directed parties to attend the leave hearing on 21 November 2023. An interim stay of the enforcement of the Form G on PNCSB was also granted by the Kuala Lumpur High Court until the leave hearing of PNCSB’s Judicial Review Application on 21 November 2023. In the meantime, no taxes are payable by PNCSB since the interim stay has been granted.

At the leave hearing of PNCSB’s Judicial Review Application on 21 November 2023, the Kuala Lumpur High Court directed parties to attend the leave decision fixed on 22 January 2024. An interim stay of the enforcement of Form G on PNCSB was also granted by the Kuala Lumpur High Court until the leave decision date on 22 January 2024. In the meantime, no taxes are payable by PNCSB since the interim stay has been granted.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(IV) PNCSB (continued)

Two (2) Notices of Assessment issued by the Inland Revenue Board (“IRB”) in accordance with the Income Tax Act 1967 (“ITA”) to PNCSB (continued)

Pursuant to the leave decision fixed on 22 January 2024 and concluded on 23 January 2024, the Kuala Lumpur High Court disallowed PNCSB’s leave application for Judicial Review.

PNCSB filed a Notice of Appeal dated 20 February 2024 to the Court of Appeal against the Kuala Lumpur High Court’s decision of not allowing the leave application for Judicial Review on 22 January 2024.

Pursuant to the Notice of Appeal dated 20 February 2024 filed by PNCSB, the Court of Appeal has fixed for first case management on 20 May 2024.

Application to the Court of Appeal by IRB to Intervene in PNCSB’s Judicial Review Application (“IRB’s Application to Intervene in PNCSB’s Judicial Review Application”)

At the first case management of the IRB’s Application to Intervene in PNCSB’s Judicial Review Application at the Court of Appeal on 18 August 2021, the IRB requested for more time to file an additional record of appeal. Thereafter, the Court of Appeal directed parties to attend the next case management fixed on 28 September 2021.

At the case management of the IRB’s Application to Intervene in PNCSB’s Judicial Review Application at the Court of Appeal on 28 September 2021, PNCSB’s solicitor requested for more time to finalise the notes of proceedings as the IRB had sent the draft notes of proceedings to PNCSB’s solicitor on 27 September 2021. Thereafter, the Court of Appeal directed parties to attend the next case management fixed on 2 November 2021.

At the case management of the IRB’s Application to Intervene in PNCSB’s Judicial Review Application at the Court of Appeal on 2 November 2021, the Court of Appeal directed that the case be heard together with another similar IRB appeal case at the Court of Appeal at the hearing fixed on 14 December 2021. The Court of Appeal also fixed the next case management on 23 November 2021 for parties to update the Court on the filing of the written submissions.

At the hearing of the IRB’s Application to Intervene in PNCSB’s Judicial Review Application at the Court of Appeal on 14 December 2021, the Court of Appeal allowed the DGIR’s appeal with costs to the cause. Since the interim stay of the enforcement of the Form G on PNCSB granted by the Kuala Lumpur High Court is still in force until the hearing of PNCSB’s Judicial Review Application, no taxes are payable by PNCSB in the meantime.

PNCSB’s Appeal to the Federal Court in relation to the Court of Appeal’s Decision Dated 14 December 2021 in relation to the IRB’s Application to intervene in PNCSB’s Judicial Review Application

PNCSB had filed a notice of motion on 12 January 2022 to the Federal Court for leave to appeal against the Court of Appeal’s decision on 14 December 2021 in allowing the IRB’s Application to intervene in PNCSB’s Judicial Review Application against the Minister of Finance (“PNCSB’s Appeal to the Federal Court”).

At the case management on 11 February 2022, the Federal Court directed parties to attend the next case management on 18 February 2022 to fix the hearing date of PNCSB’s Appeal to the Federal Court.

At the case management on 18 February 2022, the Federal Court directed parties to attend the next case management on 9 May 2022 and fixed the hearing date of PNCSB’s Appeal to the Federal Court on 24 May 2022.

At the hearing of PNCSB’s Appeal to the Federal Court on 24 May 2022, the Federal Court dismissed PNCSB’s motion for leave with cost of RM15,000.00 to be given to IRB subject to allocator fee.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(IV) PNCSB (continued)

Two (2) Notices of Assessment issued by the Inland Revenue Board (“IRB”) in accordance with the Income Tax Act 1967 (“ITA”) to PNCSB (continued)

PNCSB’s Tax Appeal to the Special Commissioners of Income Tax (“SCIT”) (“PNCSB’s Tax Appeal to SCIT”) (Appeal No. MOF.PKCP.700.7/1/1303-1304(2021))

At the first mention on 28 September 2021 before the Special Commissioners of Income Tax (“SCIT”) in respect of the tax appeal by PNCSB against the notices of assessment known as Form G issued by the IRB to PNCSB for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively (“PNCSB’s Tax Appeal to SCIT”), the SCIT directed parties to file the cause papers by 28 December 2021 and fixed the next case management on 28 December 2021.

At the case management on 28 December 2021, the SCIT fixed the next case management on 2 March 2022 to update the SCIT on the filing of the cause papers.

At the case management on 2 March 2022, the SCIT fixed the next case management on 17 May 2022 to update the SCIT on the filing of the cause papers.

At the case management on 17 May 2022, the SCIT fixed the next case management on 19 July 2022 to update the SCIT on the filing of the cause papers.

At the case management on 19 July 2022, the SCIT fixed the next case management on 20 September 2022 for parties to update the SCIT on the filing of the cause papers.

At the case management on 20 September 2022, the SCIT fixed the next case management on 20 December 2022 for parties to update the filing of the cause papers.

The case management which was originally fixed on 20 December 2022 was brought forward to 15 December 2022 by the SCIT. The SCIT has fixed the next case management on 17 January 2023 for parties to update the filing of the cause papers.

At the case management on 17 January 2023 on PNCSB’s Tax Appeal to SCIT, the SCIT fixed the trial dates on 28 and 29 February 2024.

On 26 February 2024, the SCIT vacated the Trial previously fixed on 28 February 2024 and 29 February 2024. The SCIT has fixed the next case management on 27 May 2024.

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”)

Three (3) Bills of Demand issued under the Royal Malaysian Customs Department Selangor (“RMCD”) in accordance with the Goods and Services Tax Act 2014 to PNMSSB

(i) Bill of Demand dated 21 October 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB

On 23 October 2019, a wholly-owned subsidiary, PNMSSB received a Bill of Demand from RMCD dated 21 October 2019, demanding for Goods and Services Tax in the sum of RM850,645.23 for the period between 1 January 2018 and 31 August 2018 (“Demand”). PNMSSB sought advice from its tax agent and solicitors on the next course of action. Based on the preliminary advice received, PNMSSB will contest and appeal against the Demand.

On 31 October 2019, PNMSSB filed to commence a judicial review application (“Application”) against RMCD to set aside the Bill of Demand dated 21 October 2019.

At the case management on 5 November 2019, the Court fixed the hearing of the Application on 8 January 2020 and granted an interim order to stay the enforcement and effect of Bill of Demand pending the disposal of the Application.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Three (3) Bills of Demand issued under the Royal Malaysian Customs Department Selangor (“RMCD”) in accordance with the Goods and Services Tax Act 2014 to PNMSSB (continued)

(i) Bill of Demand dated 21 October 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB (continued)

At the hearing on 8 January 2020, the Court granted leave for the Application and an order to stay the enforcement and effect of the Bill of Demand pending the disposal of the substantive hearing of the Application.

At the case management on 5 February 2020, the Registrar directed parties to attend another case management on 17 April 2020 to obtain the Court’s directions on the filling of cause papers in respect of the Application.

At the case management on 17 June 2020, the Court maintained the interim stay previously granted by Court of all further proceedings including the enforcement and effect of the Bill of Demand dated 21 October 2019 as the Application is currently put on hold pending the disposal of the other Application against RMCD for the two (2) Bills of Demand dated 18 December 2019.

At the case management on 7 October 2020, the Court fixed the next case management of the Application on 18 January 2021.

At the case management on 18 January 2021, the Court fixed the case management of the Application on 8 March 2021.

At the case management on 8 March 2021, the Court fixed the case management of the Application on 3 June 2021.

The Court vacated the case management of the Application fixed on 3 June 2021 and fixed the next case management of the Application on 16 June 2021.

At the case management on 16 June 2021, the Court fixed the hearing of the Application against RMCD on 27 September 2021 and granted the interim stay order to stay the enforcement and effect of the Bill of Demand dated 21 October 2019 until 27 September 2021.

The Court subsequently vacated the hearing of the Application originally fixed on 27 September 2021 and fixed a case management on 23 September 2021 for parties to fix a new hearing date for the Application against RMCD.

At the case management on 23 September 2021, the Court fixed the hearing of the Application against RMCD on 16 December 2021 and granted the interim stay order to stay the enforcement and effect of the Bill of Demand dated 21 October 2019 until 16 December 2021.

The hearing of the Application against RMCD fixed on 16 December 2021 was vacated as the presiding judge for the matter has been transferred out of the Shah Alam High Court to the Kuala Lumpur High Court.

In the meantime, at the hearing of PNMSSB’s application to extend the interim stay order to stay the enforcement and effect of the Bill of Demand dated 21 October 2019 in light of the substantive hearing of the Application against RMCD being vacated at the Shah Alam High Court on 16 December 2021 before a different judge, the Shah Alam High Court granted PNMSSB an interim stay of all further proceedings until the disposal of the Application against RMCD.

The Shah Alam High Court has fixed the hearing of PNMSSB’s Application against RMCD on 23 May 2022 before a new judge. The Shah Alam High Court had previously granted PNMSSB an interim stay of all further proceedings until the disposal of the hearing of the Application against RMCD.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Three (3) Bills of Demand issued under the Royal Malaysian Customs Department Selangor (“RMCD”) in accordance with the Goods and Services Tax Act 2014 to PNMSSB (continued)

(i) Bill of Demand dated 21 October 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB (continued)

At the hearing of PNMSSB’s Application against RMCD on 23 May 2022, the Shah Alam High Court fixed the matter for decision on 26 August 2022. In the meantime, the interim stay against the enforcement of the Bill of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

The decision fixed for 26 August 2022 was postponed to 19 October 2022 and subsequently postponed again to 22 November 2022 by the Shah Alam High Court. The decision fixed on 22 November 2022 was subsequently converted to a clarification before the Shah Alam High Court Judge on 24 November 2022. The Shah Alam High Court has fixed the decision of PNMSSB’s Application against RMCD on 29 December 2022. In the meantime, the interim stay against the enforcement of the Bill of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

On 29 December 2022, the Shah Alam High Court had decided in favour of PNMSSB by allowing PNMSSB’s Application against RMCD with no order as to costs.

Following the Shah Alam High Court’s decision made on 29 December 2022 in favour of PNMSSB by allowing PNMSSB’s Application against RMCD, the Attorney General’s Chambers had filed an appeal to the Court of Appeal on 26 January 2023 (“Appeal”) and the sealed copy of the Appeal was received by PNMSSB’s solicitors, on behalf of PNMSSB, on 30 January 2023.

Civil Appeal No: B-01(A)-44-01/2023

The Attorney General’s Chambers has served a copy of the Record of Appeal which was received by PNMSSB’s solicitors, on behalf of PNMSSB, on 24 March 2023. The Court of Appeal has fixed the case management for the Appeal on 26 April 2023.

At the case management for the Appeal on 26 April 2023, the Court of Appeal fixed the next case management on 10 July 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 10 July 2023, the Court of Appeal fixed the next case management on 11 September 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 11 September 2023, the Court of Appeal fixed the next case management on 6 November 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 6 November 2023, the Court of Appeal fixed the next case management on 17 January 2024 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 17 January 2024, the Court of Appeal fixed the Hearing for the Appeal on 5 July 2024.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Three (3) Bills of Demand issued under the Royal Malaysian Customs Department Selangor (“RMCD”) in accordance with the Goods and Services Tax Act 2014 to PNMSSB (continued)

(ii) Bills of Demand dated 18 December 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB

PNMSSB had on 18 December 2019 received two (2) Bills of Demand both dated 18 December 2019 from RMCD, demanding for Goods and Services Tax in the aggregate sum of RM5,268,924.68 for the period between 1 February 2016 to 31 December 2017.

On 30 December 2019, PNMSSB filed a judicial review application (“Application”) against RMCD to set aside the Bill of Demand.

At the case management on 7 January 2020, the Registrar fixed a further case management before the learned Judge on 14 January 2020 for parties to record an interim order to stay the enforcement and effect of the Bills of Demand pending the hearing of the Application.

At the case management on 14 January 2020, the learned Judge granted an interim stay order to stay the enforcement and effect of the Bills of Demand pending the hearing of the Application. The learned Judge also directed both parties to attend a case management on 5 February 2020 to fix a hearing date for the Application.

At the case management held on 5 February 2020, the Registrar fixed the hearing of the Application on 17 April 2020. The Registrar also fixed another case management on 31 March 2020 for parties to update the Registrar on the filling of the relevant cause papers.

The Court subsequently vacated the hearing scheduled on 17 April 2020 and fixed a case management before the Registrar on 29 April 2020 for parties to fix a new hearing date for the Application.

Due to the Extended Movement Control Order imposed by the Government due to the COVID-19 outbreak, the Court subsequently fixed the case management on 4 June 2020.

At the case management on 4 June 2020, the Registrar directed the parties to attend another case management on 17 June 2020 for the parties to fix a hearing date for the Application.

At the case management on 17 June 2020, the Court fixed the hearing of the Application on 28 August 2020. The interim stay of all further proceedings including the enforcement and effect of the Bills of Demand previously granted by the Court remain in force pending the disposal of the Application.

The Court had subsequently vacated the hearing date of the Application on 28 August 2020 and fixed a new hearing date on 24 September 2020. The interim stay of all further proceedings including the enforcement and effect of the Bills of Demand previously granted by the Court remain in force pending the disposal of the Application.

On 24 September 2020, the Court fixed the next case management of the Application on 7 October 2020.

At the case management on 7 October 2020, the Court renewed the interim order to stay the enforcement and effect of the two (2) Bills of Demand dated 18 December 2019 which was previously granted on 24 September 2020. The Court fixed the next case management of the Application on 18 January 2021. In the meantime, the interim stay order will be renewed every two (2) weeks until the hearing date.

At the case management on 18 January 2021, the Court fixed the case management of the Application on 8 March 2021.

On 8 March 2021, the Court fixed the next case management of the Application on 3 June 2021.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Three (3) Bills of Demand issued under the Royal Malaysian Customs Department Selangor (“RMCD”) in accordance with the Goods and Services Tax Act 2014 to PNMSSB (continued)

(ii) Bills of Demand dated 18 December 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB (continued)

On 15 April 2021, the Court vacated the case management of the Application fixed on 3 June 2021 and fixed the next case management of the Application on 16 June 2021.

At the case management on 16 June 2021, the Court fixed the hearing of the Application against RMCD on 27 September 2021 and granted the interim stay order to stay the enforcement and effect of the two (2) Bills of Demand dated 18 December 2019 until 27 September 2021.

The Court subsequently vacated the hearing of the Application originally fixed on 27 September 2021 and fixed a case management on 23 September 2021 for parties to fix a new hearing date for the Application against RMCD.

At the case management on 23 September 2021, the Court fixed the hearing of the Application against RMCD on 16 December 2021 and granted the interim stay order to stay the enforcement and effect of the two (2) Bills of Demand dated 18 December 2019 until 16 December 2021.

The hearing of the Application against RMCD fixed on 16 December 2021 was vacated as the presiding judge for the matter had been transferred out of the Shah Alam High Court to the Kuala Lumpur High Court.

In the meantime, at the hearing of PNMSSB’s application to extend the interim stay order to stay the enforcement and effect of the two (2) Bills of Demand dated 18 December 2019 in light of the substantive hearing of the Application against RMCD being vacated at the Shah Alam High Court on 16 December 2021 before a different judge, the Shah Alam High Court granted PNMSSB an interim stay of all further proceedings until the disposal of the Application against RMCD.

The Shah Alam High Court fixed the hearing of PNMSSB’s Application against RMCD on 23 May 2022 before a new judge. The Shah Alam High Court had previously granted an interim stay of all further proceedings until the disposal of the hearing of the Application against RMCD.

At the hearing of PNMSSB’s Application against RMCD on 23 May 2022, the Shah Alam High Court fixed the matter for decision on 26 August 2022. In the meantime, the interim stay against the enforcement of the Bills of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

The decision fixed for 26 August 2022 was postponed to 19 October 2022 and subsequently postponed again to 22 November 2022 by the Shah Alam High Court. The decision fixed on 22 November 2022 was subsequently converted to a clarification before the Shah Alam High Court Judge on 24 November 2022. The Shah Alam High Court fixed the decision of PNMSSB’s Application against RMCD on 29 December 2022. In the meantime, the interim stay against the enforcement of the Bills of Demand previously granted by the Shah Alam High Court will continue to be in effect until the disposal of the matter.

On 29 December 2022, the Shah Alam High Court had decided in favour of PNMSSB by allowing PNMSSB’s Application against RMCD with no order as to costs.

Following the Shah Alam High Court’s decision made on 29 December 2022 in favour of PNMSSB by allowing PNMSSB’s Application against RMCD, the Attorney General’s Chambers had filed an appeal to the Court of Appeal on 26 January 2023 (“Appeal”) and the sealed copy of the Appeal was received by PNMSSB’s solicitors, on behalf of PNMSSB, on 30 January 2023.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Three (3) Bills of Demand issued under the Royal Malaysian Customs Department Selangor (“RMCD”) in accordance with the Goods and Services Tax Act 2014 to PNMSSB (continued)

(ii) Bills of Demand dated 18 December 2019 issued under RMCD in accordance with the GST Act 2014 to PNMSSB (continued)

Civil Appeal No: B-01(A)-45-01/2023

The Attorney General’s Chambers has served a copy of the Record of Appeal which was received by PNMSSB’s solicitors, on behalf of PNMSSB, on 24 March 2023. The Court of Appeal has fixed the case management for the Appeal on 26 April 2023.

At the case management for the Appeal on 26 April 2023, the Court of Appeal fixed the next case management on 10 July 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 10 July 2023, the Court of Appeal fixed the next case management on 11 September 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 11 September 2023, the Court of Appeal fixed the next case management on 6 November 2023 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 6 November 2023, the Court of Appeal fixed the next case management on 17 January 2024 for the appellant to update the Court on the status of the Grounds of Judgement from the Shah Alam High Court.

At the case management for the Appeal on 17 January 2024, the Court of Appeal fixed the Hearing for the Appeal on 5 July 2024.

Two (2) Notices of Assessment issued by the Inland Revenue Board (“IRB”) in accordance with the Income Tax Act 1967 (“ITA”) to PNMSSB

On 3 December 2020, a wholly-owned subsidiary of Puncak, PNMSSB filed a judicial review application at the Kuala Lumpur High Court (“Judicial Review Application”) to challenge the notices of assessment known as Form J which PNMSSB received from the IRB for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively (hereinafter referred to as “Notices”). These Notices were issued by the IRB under Section 44A(9) of the ITA consequent to the IRB’s decision to disallow the losses claimed by Puncak under the group relief scheme. The losses were surrendered by one of Puncak’s wholly-owned subsidiary, PNCSB, which is a related company of PNMSSB, to PNMSSB.

Based on the legal advice obtained from its tax solicitors, PNMSSB was of the view that it has good basis in law to contend that the Notices were erroneously and arbitrarily raised by the IRB. Accordingly, PNMSSB commenced the legal avenues available to challenge the Notices including the Judicial Review Application which commenced on 3 December 2020 against the Minister of Finance.

On 10 December 2020, the Kuala Lumpur High Court fixed PNMSSB’s Judicial Review Application for case management on 16 December 2020.

At the case management on 16 December 2020, the Kuala Lumpur High Court granted PNMSSB an interim stay until the next mention date on 13 January 2021.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Two (2) Notices of Assessment issued by the Inland Revenue Board (“IRB”) in accordance with the Income Tax Act 1967 (“ITA”) to PNMSSB (continued)

At the case management on 13 January 2021, the Kuala Lumpur High Court granted an interim stay of the enforcement of the Form J on PNMSSB until the next case management on 18 January 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management on 18 January 2021, the Kuala Lumpur High Court granted an interim stay of enforcement of the Form J on PNMSSB until the hearing of the IRB’s application to intervene on 6 May 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the hearing on PNMSSB’s Judicial Review Application on 6 May 2021, the Kuala Lumpur High Court granted an interim stay of enforcement of the Form J on PNMSSB until the case management fixed on 19 May 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management of PNMSSB’s Judicial Review Application on 19 May 2021, the Kuala Lumpur High Court granted an interim stay of enforcement of the Form J on PNMSSB until the case management fixed on 10 June 2021. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

The case management on PNMSSB’s Judicial Review Application which was initially fixed on 10 June 2021 was vacated and the matter was fixed for case management on 6 September 2021. The Kuala Lumpur High Court granted an interim stay of enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management of PNMSSB’s Judicial Review Application on 6 September 2021, the Kuala Lumpur High Court fixed the next case management on 18 November 2021. As the Kuala Lumpur High Court previously granted an interim stay of enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application. In the meantime, no taxes are payable by PNMSSB since the interim stay had been granted.

At the case management of PNMSSB’s Judicial Review Application on 18 November 2021, the Kuala Lumpur High Court fixed the next case management on 21 December 2021. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management of PNMSSB’s Judicial Review Application on 21 December 2021, the Kuala Lumpur High Court fixed the next case management on 17 March 2022. On 17 March 2022, the Kuala Lumpur High Court fixed the next case management on 1 June 2022. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management on 1 June 2022, the Kuala Lumpur High Court fixed the hearing of IRB’s application to intervene in PNMSSB’s Judicial Review Application on 5 September 2022. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

The hearing of IRB’s application to intervene in PNMSSB’s Judicial Review Application at the Kuala Lumpur High Court which was fixed for 5 September 2022 was converted into a case management and the Kuala Lumpur High Court has fixed the hearing of the IRB’s application to intervene in PNMSSB’s Judicial Review Application on 7 December 2022. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Two (2) Notices of Assessment issued by the Inland Revenue Board (“IRB”) in accordance with the Income Tax Act 1967 (“ITA”) to PNMSSB (continued)

At the hearing of IRB’s application to intervene in PNMSSB’s Judicial Review Application at the Kuala Lumpur High Court in 7 December 2022, the Kuala Lumpur High Court fixed the matter for decision on 16 February 2023. As the Kuala Lumpur High Court had previously granted on interim stay of the enforcement of the Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

On 16 February 2023, the Kuala Lumpur High Court allowed the IRB’s application to intervene in PNMSSB’s Judicial Review Application with an order of cost in the cause. The Kuala Lumpur High Court also directed parties to attend a case management fixed on 28 March 2023 to obtain further instructions. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Form J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management on 28 March 2023, the Kuala Lumpur High Court fixed the IRB’s application to intervene in PNMSSB’s Judicial Review Application for leave hearing on 18 September 2023. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Forms J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

At the case management on 18 September 2023, the Kuala Lumpur High Court fixed the IRB’s application to intervene in PNMSSB’s Judicial Review Application for leave hearing on 8 November 2023. As the Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Forms J on PNMSSB until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application, no taxes are payable by PNMSSB since the interim stay has been granted.

On 8 November 2023, the Kuala Lumpur High Court disallowed the leave application in relation to PNMSSB’s Judicial Review Application and directed PNMSSB to file a formal stay application to the Kuala Lumpur High Court. The Kuala Lumpur High Court granted an interim stay of the enforcement of Forms J on PNMSSB until the filing and disposal of the stay application before the Kuala Lumpur High Court. In the meantime, no taxes are payable by PNMSSB since the interim stay has been granted by the Kuala Lumpur High Court.

PNMSSB filed a stay application dated 7 November 2023 to the High Court Kuala Lumpur against the Kuala Lumpur High Court’s decision dated 8 November 2023 and the Kuala Lumpur High Court fixed a case management on 21 December 2023.

PNMSSB filed a Notice of Appeal dated 24 November 2023 to the Court of Appeal against the Kuala Lumpur High Court’s decision of not allowing the leave application for Judicial Review on 8 November 2023.

At the case management on 21 December 2023 for the stay application filed by PNMSSB, the Kuala Lumpur High Court directed PNMSSB to attend the next case management fixed on 22 February 2024. The Kuala Lumpur High Court granted an interim stay of the enforcement of Forms J on PNMSSB until the filing and disposal of the stay application before the Kuala Lumpur High Court. In the meantime, no taxes are payable by PNMSSB since the interim stay has been granted by the Kuala Lumpur High Court.

On 22 February 2024, the Kuala Lumpur High Court directed PNMSSB to attend the hearing for the stay application fixed on 30 May 2024. The Kuala Lumpur High Court had previously granted an interim stay of the enforcement of Forms J on PNMSSB until the filing and disposal of the stay application before the Kuala Lumpur High Court. In the meantime, no taxes are payable by PNMSSB since the interim stay has been granted by the Kuala Lumpur High Court.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Kuala Lumpur High Court Suit No.: WA-24NCVC-1885-10/2021 Director General of Inland Revenue (“Plaintiff”) vs PNMSSB (“Defendant”)

The Director General of Inland Revenue (“DGIR”) had on 6 October 2021 applied to set aside the interim stay order that was granted to PNMSSB on 10 June 2021 by the Kuala Lumpur High Court (“Interim Stay Order dated 10 June 2021”) until the disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application. The matter is fixed for case management at the Kuala Lumpur High Court on 18 October 2021. PNMSSB has instructed its solicitors to represent PNMSSB in the matter and to oppose the DGIR’s application to set aside the Interim Stay Order dated 10 June 2021.

At the case management at the Kuala Lumpur High Court on 18 October 2021, the Court fixed the next case management of the DGIR’s Application to Set Aside the Interim Stay Order dated 10 June 2021 on 26 November 2021 for parties to update the Court on the status of the filing of affidavits.

At the case management at the Kuala Lumpur High Court on 26 November 2021, the Court fixed the hearing of the DGIR’s Application to Set Aside the Interim Stay Order dated 10 June 2021 on 18 March 2022.

The hearing of the DGIR’s Application to Set Aside the Interim Stay Order dated 10 June 2021 on 18 March 2022 was converted into a case management and the Kuala Lumpur High Court allowed the Plaintiff’s withdrawal of the case with cost of RM1,000 to be given to PNMSSB subject to allocator fee.

PNMSSB’s Tax Appeal to the Special Commissioners of Income Tax (“SCIT”) (“PNMSSB’s Tax Appeal to SCIT”) (Appeal No. MOF.PKCP.700.7/1/1301-1302(2021))

At the first mentioned on 28 September 2021 before the Special Commissioners of Income Tax (“SCIT”) in respect of the tax appeal by PNMSSB against the notices of assessment known as Form J issued by the IRB to PNMSSB for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively (“PNMSSB’s Tax Appeal to SCIT”), the SCIT directed parties to file the cause paper by 28 December 2021 and fixed the next case management on 28 December 2021.

At the case management on 28 December 2021, the SCIT fixed the next case management on 2 March 2022 to update the SCIT on the filing of the cause papers.

At the case management on 2 March 2022, the SCIT fixed the next case management on 17 May 2022 to update the SCIT on the filing of the cause papers.

At the case management on 17 May 2022, the SCIT fixed the next case management on 19 July 2022 to update the SCIT on the filing of the cause papers.

At the case management on 19 July 2022, the SCIT fixed the next case management on 20 September 2022 for parties to update the SCIT on the filing of the cause papers.

At the case management on 20 September 2022, the SCIT fixed the next case management on 20 December 2022 for parties to update the filing of the cause papers.

The case management which was originally fixed on 20 December 2022 was brought forward to 15 December 2022 by the SCIT. The SCIT has fixed the next case management on 17 January 2023 for parties to update the filing of the cause papers.

At the case management on 17 January 2023 on PNMSSB’s Tax Appeal to SCIT, the SCIT fixed the trial dates on 26 and 27 February 2024.

On 26 February 2024, the SCIT vacated the Trial previously fixed on 26 February 2024 and 27 February 2024. The SCIT has fixed the next case management on 27 May 2024.

Notes to the Financial Statements

36. MATERIAL LITIGATIONS (CONTINUED)

(V) Puncak Niaga Management Services Sdn. Bhd. (“PNMSSB”) (continued)

Shah Alam High Court Suit No: BA-21NCVC-80-07/2021 Government of Malaysia vs PNMSSB

On 6 August 2021, Puncak announced that IRB, on the behalf of the Government of Malaysia, had commenced a civil action against Puncak Niaga Management Services Sdn Bhd (“PNMSSB”) to recover the purported unpaid taxes under the Notices of Assessment known as Form J for the Years of Assessment 2017 and 2018 amounting to RM2,292,182.64 and RM1,988,472.96 respectively (“Notice”) despite the interim stay on the enforcement of the Form J granted by the Kuala Lumpur High Court on 10 June 2021 as disclosed above. The IRB had served a copy of the Writ of Summons dated on 29 July 2021 on PNMSSB on 5 August 2021.

As the Kuala Lumpur High Court had granted an interim stay of the enforcement of the Form J on PNMSSB until disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application on 10 June 2021, the IRB has no basis to initiate the civil recovery proceedings on PNMSSB. As such, PNMSSB solicitor had written to IRB on 6 August 2021 to demand the IRB withdraw its Writ of Summons on PNMSSB within 7 days.

On 16 August 2021, Puncak announced that the IRB, on the behalf of the Government of Malaysia, did not respond to PNMSSB’s solicitors letter dated 6 August 2021 to withdraw its Writ of Summons on 29 July 2021 served on PNMSSB on 5 August 2021. Upon PNMSSB’s instruction, its solicitor filled the Memorandum of Appearance in relation to the suit on behalf of PNMSSB at the Shah Alam High Court on 13 August 2021 and the same had been served on IRB.

At the first case management of the suit at the Shah Alam High Court on 30 August 2021, the IRB informed the Court that they do not have any objections towards PNMSSB’s application to strike out the suit (“PNMSSB’s Application to Strike Out”) and PNMSSB’s application for extension of time to file its defence (“PNMSSB’s Application for Extension of Time to File Defence”). The Shah Alam High Court fixed the next management on 4 October 2021.

At the case management of the suit at the Shah Alam High Court on 4 October 2021, the Court granted PNMSSB’s Application for Extension of Time to File Defence until the disposal of PNMSSB’s Application to Strike Out the suit. The Shah Alam High Court fixed the next case management on 1 November 2021.

At the case management of the suit at the Shah Alam High Court on 1 November 2021, the Court fixed the hearing of PNMSSB’s Application to Strike Out the suit 7 March 2022 and fixed the case management of the suit by IRB on 8 March 2022.

At the hearing of PNMSSB’s Application to Strike Out the suit on 7 March 2022, the Shah Alam High Court fixed the matter for decision on 18 March 2022 and vacated the case management of the suit by IRB fixed on 8 March 2022.

On 18 March 2022, the Shah Alam High Court delivered its decision on PNMSSB’s Application to Strike Out the suit wherein the Court granted a stay of proceedings in respect of the enforcement of the civil suit commenced by IRB against PNMSSB until the full disposal of the leave hearing in respect of PNMSSB’s Judicial Review Application with no order as to costs.

On 15 November 2023, the Shah Alam High Court fixed a case management on 21 December 2023 for PNMSSB to update the Shah Alam High Court on the status of the stay application and the appeal by PNMSSB before the Court of Appeal.

At the case management held on 21 December 2023, the Shah Alam High Court fixed the next case management on 26 February 2024 for PNMSSB to update the status of the stay application before the Kuala Lumpur High Court and the appeal before the Court of Appeal.

On 26 February 2024, the Shah Alam High Court fixed a case management on 6 June 2024 for PNMSSB to update the Shah Alam Court on the status of the stay application before the Kuala Lumpur High Court.

Statement by Directors

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

In the opinion of the Directors, the financial statements set out on pages 145 to 270 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2023 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Tan Sri Rozali bin Ismail

Director

.....
Azlan Shah bin Rozali

Director

Shah Alam

Date: 27 March 2024

Statutory Declaration

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

I, **Lim Mun Lee**, the Officer primarily responsible for the financial management of Puncak Niaga Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 145 to 270 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 provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Lim Mun Lee (MIA CA: 18214), at Shah Alam in the State of Selangor on 27 March 2024.

.....
Lim Mun Lee

Before me:

Independent Auditors' Report

To the Members of Puncak Niaga Holdings Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Puncak Niaga Holdings Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies information as set out on pages 145 to 270.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report

To the Members of Puncak Niaga Holdings Berhad

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

The Group

Key Audit Matter	How the matter was addressed in the audit
1) Revenue Recognition	
Refer to Note 22 to the financial statements.	
<p>Construction revenue</p> <p>As at 31 December 2023, the Group recognised approximately RM58.4 million of revenue from construction division.</p> <p>The construction revenue is recognised over time by reference to the cost incurred over the estimated cost of each individual contract. The construction revenue is considered a key audit matter as it requires us to exercise significant judgement to evaluate the estimate of the total costs to be incurred, which inherently is uncertain.</p> <p>Concession revenue</p> <p>As at 31 December 2023, the Group recognised approximately RM154.3 million of revenue from concession division. The revenue is considered a key audit matter as it requires significant judgement in determining the appropriate discount rates to compute the concession revenue from maintenance services, finance income and asset management services.</p>	<p>Our audit procedures included, among others:</p> <p>Construction revenue:</p> <ul style="list-style-type: none"> Performed site visits for individually significant on-going projects to arrive at an overall assessment towards stage of completion. Reviewed information provided by the entity and inquired management as to whether they had determined the completeness of the budgets, if there were any disputes with the customers/sub-contractors and if there would be any delays in the projects which would render additional costs. Selected samples of estimated costs and compared them with contracts or letter of awards. Performed a re-computation of the actual costs to budgeted cost to determine if the percentage of completion was computed appropriately, and subsequently, performed a re-computation to determine if the revenue was recognised appropriately. Re-assessed the foreseeable losses had been recognised in accordance with the requirements of the accounting standards. <p>Concession revenue:</p> <ul style="list-style-type: none"> Reviewed the agreements and assessed whether these agreements had been appropriately identified to be service concession agreements within the scope of MFRS 15. Evaluated the appropriateness of discount rates applied in discounting the receivables from the customers.

Independent Auditors' Report

To the Members of Puncak Niaga Holdings Berhad

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

The Group (continued)

Key Audit Matter	How the matter was addressed in the audit
<p>2) Impairment assessment of plantation assets and bearer biological assets</p> <p>Refer to Notes 4 and 6 to the financial statements.</p> <p>As at 31 December 2023, a subsidiary within the Group holding plantation assets and bearer biological assets with carrying amounts of RM381.2 million and RM310.4 million respectively has been reporting significant losses for consecutive years. During the year, the subsidiary incurred a loss of RM45.4 million.</p> <p>As such, this is an indication that the plantation assets and bearer biological assets may be subject to impairment.</p> <p>The management had carried out an impairment assessment to determine whether the recoverable amount of plantation assets and bearer biological asset is less than its carrying amount using the value-in-use ("VIU") method.</p> <p>The management had concluded that there was no impairment required in respect of the plantation assets and bearer biological assets for the current financial year.</p> <p>We considered this as a key audit matter due to the significance of carrying amount of the plantation assets and bearer biological assets involved and significant management judgement and estimates involved in forecasting the future cash inflows and outflows that will be derived from the plantation assets and bearer biological assets and discounting them at an appropriate rate to determine the recoverable amount.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Performed physical sighting of the plantation assets and estate visit of the bearer biological assets. • Reviewed the management's impairment assessment of plantation assets and bearer biological assets by evaluating and challenging the reasonableness of the key assumptions used in cash flows projections. • Involved our internal valuation specialist in assessing the discount rate used in the cash flows projections in determining the recoverable amount. • Checked the mathematical accuracy of the VIU cash flow projections. • Reviewed the adequacy of the disclosures in the financial statements.

Independent Auditors' Report

To the Members of Puncak Niaga Holdings Berhad

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

The Company

Key Audit Matter	How the matter was addressed in the audit
3) Impairment assessment of cost of investment in subsidiaries	
<p>Refer to Note 8 to the financial statements.</p> <p>As at 31 December 2023, the carrying amount of investment in subsidiaries was RM1,136.6 million. During the financial year, the Company has recognised an impairment loss of approximately RM153.2 million in investment in subsidiaries.</p> <p>A recent history of losses and significant accumulated losses recorded by certain subsidiaries have resulted in indications that the carrying amount of investment in subsidiaries may be impaired.</p> <p>The management had estimated the recoverable amounts of the investment in subsidiaries based on either fair value less costs of disposal or VIU method.</p> <p>We considered this as a key audit matter due to the significance of the carrying amount of investment in subsidiaries at the Company level as at year end. The recoverable amount of the Company's investment in subsidiaries also involves significant management judgement.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Challenged the assessment for indications of impairment performed by the management by considering whether it had factored or considered relevant internal and external information. • Assessed the recoverable amounts estimated by the management were in accordance with applicable accounting standard. • Assessed the adjusted net assets of the subsidiaries in deriving the recoverable amount of the investment in subsidiaries. • Reviewed the management's impairment assessment of investment in subsidiaries by evaluating and challenging the reasonableness of key assumptions used in VIU cash flow projections. • Involved our internal valuation specialist in assessing the discount rate used in the cash flows projections in determining the recoverable amount. • Checked the mathematical accuracy of the VIU cash flow projections. • Reviewed the adequacy of the disclosures in the financial statements.

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 do not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Statements

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

Independent Auditors' Report

To the Members of Puncak Niaga Holdings Berhad

Report on the Audit of the Financial Statements (continued)

Responsibilities of the Directors for the Financial Statements (continued)

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditors' Report

To the Members of Puncak Niaga Holdings Berhad

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

Report on Other Legal and Regulatory Requirements

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

Other Matter

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.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

Kuala Lumpur
27 March 2024

ANTONY LEONG WEE LOK
(NO: 03381/06/2024 J)
CHARTERED ACCOUNTANT

Analysis on Securities of Company

As at 27 March 2024

ANALYSIS OF SHAREHOLDINGS

Share Capital	: RM554,662,777.00
Total Number of Issued Shares	: 449,284,556
Class of Shares	: Ordinary Shares
Voting Rights	: One vote per ordinary share
No. of Shareholders	: 10,329

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders						No. of Issued Shares Held					
	Malaysian		Foreigner		Total		Malaysian		Foreigner		Total	
	No.	%#	No.	%#	No.	%#	No.	%#	No.	%#	No.	%#
Less than 100	696	6.74	5	0.05	701	6.79	13,624	*	135	*	13,759	*
100-1,000	1,570	15.20	15	0.15	1,585	15.35	1,006,760	0.23	10,550	*	1,017,310	0.23
1,001-10,000	5,300	51.31	45	0.44	5,345	51.75	23,868,050	5.34	220,687	0.05	24,088,737	5.39
10,001-100,000	2,266	21.93	38	0.37	2,304	22.30	74,335,874	16.62	1,381,380	0.31	75,717,254	16.93
100,001-22,362,386 (less than 5% of the issued share capital)	375	3.63	17	0.16	392	3.79	187,496,047	41.92	7,285,900	1.63	194,781,947	43.55
22,362,387 and above (5% and above of the issued share capital)	2	0.02	0	*	2	0.02	151,628,749	33.90	0	*	151,628,749	33.90
TOTAL	10,209	98.83	120	1.17	10,329	100.00	438,349,104	98.01	8,898,652	1.99	447,247,756	100.00

Notes:

* Negligible

Excluding a total of 2,036,800 Puncak Niaga Shares bought back by Puncak Niaga and retained as treasury shares as at 27 March 2024.

Analysis on Securities of Company

27 March 2024

LIST OF TOP THIRTY SECURITIES ACCOUNT HOLDERS AS PER RECORD OF DEPOSITORS

(Without aggregating the securities from different securities accounts belonging to the same Registered Holder)

No.	Name of Shareholder	No. of Issued Shares Held	% of Issued Shares*
1.	Central Plus (M) Sdn Bhd	103,798,260	23.21
2.	Corporate Line (M) Sdn Bhd	47,830,489	10.69
3.	Corporate Line (M) Sdn Bhd	21,600,000	4.83
4.	Nusmakmur Development Sdn Bhd	8,600,000	1.92
5.	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Goh Tai Siang)	7,690,000	1.72
6.	Lee Kuang Chong	6,500,000	1.45
7.	Ng Choi	3,638,500	0.81
8.	Lee Chee Beng	3,064,000	0.69
9.	Goh Tai Siang	2,718,300	0.61
10.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Wong Sui Yuing (E-BTL))	2,674,400	0.60
11.	Lee Pa Wei	2,608,800	0.58
12.	Lin Thean Fatt	2,594,000	0.58
13.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Lee Pa Wei (E-SJA))	2,488,000	0.56
14.	Kalayarasu a/I Subramaniam	2,400,000	0.54
15.	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Stefanie Ng Xiao Wen)	2,385,100	0.53
16.	Lim Mok Leng	2,232,000	0.50
17.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Zulkifli bin Ismail)	2,000,000	0.45
18.	Central Plus (M) Sdn Bhd	1,912,075	0.43
19.	Rozali bin Ismail	1,901,900	0.43
20.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Chong Ken Min (8042243))	1,710,000	0.38
21.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd (Pledged Securities Account For Ng Chai Hock (MY0972))	1,685,100	0.38
22.	Yeo Kian Joo	1,650,500	0.37
23.	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Tee Kim Hew (E-KLG/ BTG))	1,637,800	0.37
24.	Kong Tiong Kian	1,632,000	0.36
25.	Lim Teik Hoe	1,479,000	0.33
26.	Lin Thean Fatt	1,479,000	0.33
27.	Khor Keng Saw @ Khaw Ah Soay	1,401,200	0.31
28.	Goh Teck Yiew	1,351,100	0.30
29.	Kenanga Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Tony Ngu Ket Ping)	1,270,000	0.28
30.	Chin Yun Fen	1,221,000	0.27
	Total	245,152,524	54.81

* Excluding 2,036,800 Puncak Niaga Shares bought back by Puncak Niaga and retained as treasury shares as at 27 March 2024.

Analysis on Securities of Company

As at 27 March 2024

DIRECTORS' INTEREST IN ORDINARY SHARES AS PER THE REGISTER OF THE DIRECTORS' SHAREHOLDINGS

No.	Name of Director	No. of Issued Shares Held in The Company			
		Direct Interest	%*	Indirect Interest	%*
1.	YBhg Tan Sri Rozali bin Ismail	1,901,900	0.43	175,140,824 ⁺	39.16 ⁺
2.	Encik Azlan Shah bin Rozali	389,400	0.09	-	-
3.	YBhg Dato' Sri Adenan bin Ab. Rahman	-	-	-	-
4.	YBhg Datuk Dr Marimuthu a/l Nadason	-	-	-	-
5.	YBhg Datuk Sr Haji Johari bin Wahab	-	-	1,050	*^^
6.	YM Tengku Loreta binti Tengku Dato' Setia Ramli Alhaj	-	-	-	-
7.	Tuan Haji Noor Faiz bin Hassan	-	-	-	-
8.	YBhg Tan Sri Dr Madinah binti Mohamad	-	-	-	-

Notes:

* Negligible

⁺ Deemed interest by virtue of 100% shareholding interest each in Central Plus (M) Sdn Bhd (198901006230 (183535-W)) and Corporate Line (M) Sdn Bhd (198801005332 (172689-H)) of which 5% is held in his own name and 95% is held in his spouse's and children's names, respectively.

^{^^} Deemed interest by virtue of shares held in his brother's name.

[#] Excluding a total of 2,036,800 Puncak Niaga Shares bought back by Puncak Niaga and retained as treasury shares as at 27 March 2024.

SUBSTANTIAL SHAREHOLDERS BASED ON THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

(Excluding Bare Trustees)

No.	Name of Substantial Shareholder	No. of Issued Shares Held in The Company			
		Direct Interest	%*	Indirect Interest	%*
1.	YBhg Tan Sri Rozali bin Ismail	1,901,900	0.43	175,140,824 ⁺	39.16 ⁺
2.	YBhg Puan Sri Faridah binti Idris	-	-	175,140,824 ⁺⁺	39.16 ⁺⁺
3.	Central Plus (M) Sdn Bhd	105,710,335	23.64	-	-
4.	Corporate Line (M) Sdn Bhd	69,430,489	15.52	-	-

Notes:

⁺ Deemed interest by virtue of 100% shareholding interest each in Central Plus (M) Sdn Bhd (198901006230 (183535-W)) and Corporate Line (M) Sdn Bhd (198801005332 (172689-H)) of which 5% is held in his own name and 95% is held in his spouse's and children's names, respectively.

⁺⁺ Deemed interest by virtue of 75% shareholding interest each in Central Plus (M) Sdn Bhd (198901006230 (183535-W)) and Corporate Line (M) Sdn Bhd (198801005332 (172689-H)), respectively.

[#] Excluding a total of 2,036,800 Puncak Niaga Shares bought back by Puncak Niaga and retained as treasury shares as at 27 March 2024.

List of Properties

As at 31 December 2023

Description & Location	Date of Acquisition/ Date of Valuation (V)	Land Area/ Built-Up Area	Carrying Amount (RM'000) 31.12.2023	Tenure	Remaining Leasehold (Expiry Date)	Existing Use
Property, Plant and Equipment						
Building and Adjacent Land						
Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan	01/08/2005 31/12/2011 (V) 31/12/2014 (V) 31/12/2017 (V) 31/12/2020 (V) 31/12/2023 (V)	12,952 sq. m	67,801	99 Years Leasehold	78 Years Expiring on 22/01/2102	Office premises and land
3-Storey Building						
No. 31, Jalan Temoleh P8/7, Precinct 8, 64450 Putrajaya, Wilayah Persekutuan Putrajaya	09/11/2016 31/12/2017 (V) 31/12/2020 (V) 31/12/2023 (V)	387 sq. m	4,150	Freehold	N/A	Premises
Plantation Land and Building						
Lot 13, Murum Land District Lot 14, Murum Land District Lot 15, Murum Land District Lot 20, Murum Land District Lot 21, Murum Land District Lot 22, Murum Land District Lot 23, Murum Land District Lot 24, Murum Land District Lot 25, Murum Land District Lot 43, Murum Land District Lot 1, Silat Land District	03/07/2017 20/12/2016 (V) 27/02/2020 (V) 11/01/2023 (V)	1,409 Ha. 126 Ha. 1,996 Ha. 2.5 Ha. 0.6 Ha. 2.0 Ha. 3.90 Ha. 5.84 Ha. 0.16 Ha. 36,864 Ha. 2,540 Ha.	283,812	99 Years Leasehold	80 Years Expiring on 05/10/2103 92 Years Expiring on 22/01/2116	Plantation
4-Storey Building						
Lot 8388 Block 31, Kemena Land District, 97000, Bintulu, Sarawak	12/08/2022	186 sq. m	2,535	60 Years Leasehold	56 Years Expiring on 25/11/2079	Regional office
Investment Properties						
Leasehold Land						
HSD 304452, Lot No. PT 48216, Mukim Ijok, District of Kuala Selangor, Selangor Darul Ehsan	16/03/2022 25/05/2021 (V) 22/08/2023 (V)	12,823 sq. m	11,732	99 Years Leasehold	85 Years Expiring on 12/04/2109	Vacant

List of Properties

As at 31 December 2023

Description & Location	Date of Acquisition/ Date of Valuation (V)	Land Area/ Built-Up Area	Carrying Amount (RM'000) 31.12.2023	Tenure	Remaining Leasehold (Expiry Date)	Existing Use
Investment Properties						
Land and Building						
PN 10340, Lot 267, Mukim of Serting Ulu, District of Jempol, Negeri Sembilan Darul Khusus (Industrial premises bearing address No. PT 1152, Batu 36, Jalan Pahang, 72200 Batu Kikir, Negeri Sembilan Darul Khusus)	01/11/2016 (V) 31/05/2018 (V) 31/12/2018 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	231,704 sq. m	24,290	99 Years Leasehold	69 Years Expiring on 25/03/2093	A parcel of industrial land of which about 7.22 acres is built upon with a single-storey factory building with two-storey office section and single storey workers quarters. The factory is rented out. The remaining portion of the property comprising an estimated land area of about 50.04 acres is presently underdeveloped
Freehold Land						
No. 8, Jalan Sultan Mahmud, 21080 Kuala Terengganu, Terengganu Darul Iman (Lot No. 2119, Mukim of Batu Buruk, District of Kuala Terengganu, Terengganu Darul Iman)	02/07/2008 31/12/2011 (V) 31/12/2014 (V) 31/12/2015 (V) 31/12/2016 (V) 31/12/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	2,058 sq. m	1,500	Freehold	N/A	Vacant
Land and Building						
No. 20, Jalan Presiden F U1/F, Accentra Business Park, Section U1, Glenmarie, 40150 Shah Alam, Selangor Darul Ehsan	01/02/2008 31/12/2011 (V) 31/12/2014 (V) 31/12/2015 (V) 31/12/2016 (V) 31/12/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	164 sq. m	2,200	Freehold	N/A	Vacant
Land and Building						
No. 8, Jalan Presiden F U1/F, Accentra Business Park, Section U1, Glenmarie, 40150 Shah Alam, Selangor Darul Ehsan	24/7/2020 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	164 sq. m	2,200	Freehold	N/A	Vacant

List of Properties

As at 31 December 2023

Description & Location	Date of Acquisition/ Date of Valuation (V)	Land Area/ Built-Up Area	Carrying Amount (RM'000) 31.12.2023	Tenure	Remaining Leasehold (Expiry Date)	Existing Use
Investment Properties						
Leasehold Land						
PN 118079, Lot 6118, Mukim of Jeram, District of Kuala Selangor, Selangor Darul Ehsan	01/08/2010 31/12/2011 (V) 31/12/2014 (V) 31/12/2015 (V) 31/12/2016 (V) 30/09/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	145,500 sq. m	54,000	99 Years Leasehold	72 Years Expiring on 01/12/2095	Vacant
Leasehold Land						
PN 77569, Lot 7092, Mukim of Ijok, District of Kuala Selangor, Selangor Darul Ehsan	16/02/2007 31/12/2011 (V) 31/12/2014 (V) 31/12/2015 (V) 31/12/2016 (V) 30/09/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	331,426 sq. m	153,400	99 Years Leasehold	78 Years Expiring on 24/10/2101	Partly Rented Out
4-Storey Shop/Office						
No. 12, Jalan Todak 5, Pusat Bandar Seberang Jaya, 13700 Perai, Pulau Pinang	21/03/2007 31/12/2011 (V) 31/12/2014 (V) 31/12/2015 (V) 31/12/2016 (V) 31/12/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	238 sq. m	2,600	99 Years Leasehold	69 Years Expiring on 21/10/2092	Partly Rented Out
5-Storey Shop/Office						
Unit Nos. G32, 132, 232, 332 and 432, Blok 4, Laman Seri Business Park, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan	07/06/2011 31/12/2014 (V) 31/12/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	957 sq. m	4,750	99 Years Leasehold	85 Years Expiring on 21/03/2109	Partly Rented Out

List of Properties

As at 31 December 2023

Description & Location	Date of Acquisition/ Date of Valuation (V)	Land Area/ Built-Up Area	Carrying Amount (RM'000) 31.12.2023	Tenure	Remaining Leasehold (Expiry Date)	Existing Use
Investment Properties						
4-Storey Shop/Office						
No. 12B, Jalan PJS 8/11, Dataran Mentari, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan	19/10/2011 31/12/2014 (V) 31/12/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	331 sq. m	5,600	99 Years Leasehold	79 Years Expiring on 06/11/2102	Partly Rented Out
3-Storey Shophouse						
Lot 9306, Block 6, Seduan Land District, No. 12, Lorong Wawasan 10B1, 96000 Sibul, Sarawak	17/08/2016 31/12/2017 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	140 sq. m	1,155	60 Years Leasehold	54 Years Expiring on 25/06/2078	Rented Out
Leasehold Land						
PN 80453, Lot 19255, Jalan Meru Tambahan, 42300 Bandar Puncak Alam, Selangor Darul Ehsan	24/10/2017 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 22/08/2023 (V)	8.413 Ha.	41,900	99 Years Leasehold	83 Years Expiring on 11/05/2107	Vacant
3-Storey Shop/Office						
Lots PT 33384 and PT 33383, Mukim of Sungai Buloh, District of Petaling, Selangor Darul Ehsan (bearing address Nos. 6 and 8, Jalan Apollo CH U5/CH, Bandar Pinggiran Subang, Section U5, 40150 Shah Alam, Selangor Darul Ehsan)	01/11/2016 (V) 31/05/2018 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	312 sq. m	2,000	99 Years Leasehold	71 Years Expiring on 10/06/2095	Vacant
3-Storey Shop/Office						
Lots PT 2774 and PT 2775 Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan (bearing address Nos. 20 and 22, Jalan Uranus AH U5/AH, Subang Impian, Section U5, 40150 Shah Alam, Selangor Darul Ehsan)	01/11/2016 (V) 31/05/2018 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	327.04 sq. m	2,200	99 Years Leasehold	75 Years Expiring on 03/04/2099	Partly Rented Out

List of Properties

As at 31 December 2023

Description & Location	Date of Acquisition/ Date of Valuation (V)	Land Area/ Built-Up Area	Carrying Amount (RM'000) 31.12.2023	Tenure	Remaining Leasehold (Expiry Date)	Existing Use
Investment Properties						
Leasehold Land						
Part of PN 16618, Lot 10965, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan (located along Jalan Pulau Angsa U10/14, Taman Puncak Perdana, Section U10, 40170 Shah Alam, Selangor Darul Ehsan)	01/11/2016 (V) 31/05/2018 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	3.625 acres	7,500	99 Years Leasehold	75 Years Expiring on 09/04/2099	A parcel of residential building land comprising the remaining undeveloped part of Lot 10965 which has been approved for development of medium-cost apartments
Leasehold Land						
State alienated residential development land located along Persiaran Mokhtar Dahari, Taman Puncak Perdana, Section U10, Shah Alam, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan	01/11/2016 (V) 31/05/2018 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	25.65 acres	41,340	99 Years Leasehold	93 Years Expiring on 19/02/2117	A parcel of land approved for commercial development
Leasehold Land						
Lots 57580 to 57583, Lots 57592 to 57597, Lots 57615 to 57626, Lots 57628 to 57650, Lot 57751, Lots PT 2104 to PT 2108, Lots PT 2118 and PT 2119, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan (located within Perdana Heights, Taman Puncak Perdana, Section U10, Shah Alam, Mukim of Bukit Raja, District of Petaling, Selangor Darul Ehsan)	01/11/2016 (V) 31/05/2018 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)	50,263 sq. m	26,860	99 Years Leasehold	82 Years Expiring on 05/07/2105 (save for Lots PT 2104 to PT 2108, PT 2118 and PT 2119 that are expiring on 28/10/2096)	53 Vacant detached house lots

List of Properties

As at 31 December 2023

Description & Location	Date of Acquisition/ Date of Valuation (V)	Land Area/ Built-Up Area	Carrying Amount (RM'000) 31.12.2023	Tenure	Remaining Leasehold (Expiry Date)	Existing Use
Investment Properties						
Leasehold Land						
389 detached house lots, 453 terrace house lots, 56 terrace shop lots, 7 parcels of residential building land, A parcel of commercial building land and 3 parcels of agricultural land with development potential all located within Seksyen 20, Bandar Serendah/ Mukim of Serendah, District of Ulu Selangor, Selangor Darul Ehsan	01/11/2016 (V) 31/05/2018 (V) 31/12/2018 (V) 31/12/2019 (V) 31/12/2020 (V) 31/12/2021 (V) 31/12/2022 (V) 31/12/2023 (V)		168,900	99 Years Leasehold		906 Vacant sub-divided building plots approved for development ("Cluster A") and 3 parcels of agricultural land with development potential which are not approved for any development as yet ("Cluster B")
(i) Cluster A consists of 906 sub-divided plots with individual titles:- Lot Nos. 27524 to 27548, 27550 to 27555, 27558 to 27566, 27568 to 27590, 27592 to 27718, 27720 to 27841, 27845 to 27851, 27853 to 27861, 27863 to 27984, 27986 to 28046, 28048 to 28063, 28065 to 28097, 28099 to 28112, 28114 to 28174, 28178 to 28186, 28188 to 28228, 28232 to 28325, 28339, 28341 to 28371, 28374 to 28383, 28385, 28391 to 28404, 28406 to 28429, 28431 to 28445, 28447 to 28451, 28455 to 28470, 28473, 28475 to 28480 PT 1489, PT 1490 and PT 2360		338.67 acres (gross)		75 Years Expiring on 19/06/2099 (except for Lot 28480 which is expiring on 20/06/2099)		
(ii) Cluster B consists of Lots PT 103, PT 115 and PT 117		17.180 acres			57 Years Expiring on 25/09/2080	

GRI G4 Content Index

for 'In Accordance' Option – Core

General Standard Disclosures

General Standard Disclosures	Description	Omissions	Reference	Page
Strategy and Analysis				
G4-1	Statement from the most senior decision-maker of the organisation	-	Chairman's Letter To Shareholders	20-23
G4-2	Description of key impacts, risks and opportunities	-	Chairman's Letter To Shareholders, Management Discussion & Analysis	20-23, 24-39
Organisational Profile				
G4-3	Name of the organisation	-	Corporate Profile	12-13
G4-4	Primary brands, products and services	-	Management Discussion And Analysis, Corporate Profile	24-39, 12-13
G4-5	Location of the organisation's headquarters	-	Corporate Information	14-16
G4-6	Number of countries where the organisation operates	-	Corporate Profile, Corporate Information, Corporate Structure	12-13, 14-16, 18-19
G4-7	Nature of ownership and legal form	-	Corporate Profile, Corporate Structure	12-13, 18-19
G4-8	Markets served	-	Corporate Profile, Corporate Structure	12-13, 18-19
G4-9	Scale of the organisation	-	Five-Year Financial Highlights, Corporate Profile, Organisation Structure, Corporate Structure	6-7, 12-13, 17, 18-19
G4-10	Organisation's workforce profile	-	Workforce Diversity	64-66
G4-11	Percentage of total employees covered by collective bargaining agreements	-	No Unionised Workers	Not Applicable
G4-12	Organisation's supply chain	-	Supply Chain	53
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	-	Chairman's Letter To Shareholders, Management Discussion & Analysis	20-23, 24-39
G4-14	Precautionary approach or principle	-	Statement On Risk Management And Internal Control	115-121
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or which it endorses	-	Public Policy, MSU and PSIS Collaborations	44, 69-70
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations	-	Puncak Niaga Group Fact Sheet	4
Identified Material Aspects and Boundaries				
G4-17	Entities included in the organisation's consolidated financial statements	-	Basis Of This Report	5
G4-18	Process for defining the report content and the aspect boundaries	-	Stakeholder Engagement	45-46
G4-19	Material aspects identified in the process for defining report content	-	Materiality	47-48
G4-20	Aspect boundary within the organisation	-	Basis Of This Report, Stakeholder Engagement	5, 45-46
G4-21	Aspect boundary outside the organisation	-	Basis Of This Report, Stakeholder Engagement	5, 45-46
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	-	Five-Year Financial Highlights, Audited Financial Statements	6-7, 138-277
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	-	Basis Of This Report	5

GRI G4 Content Index

for 'In Accordance' Option – Core

General Standard Disclosures

General Standard Disclosures	Description	Omissions	Reference	Page
Stakeholder Engagement				
G4-24	List of stakeholder groups engaged by the organisation	-	Stakeholder Engagement	45-46
G4-25	Basis for identification and selection of stakeholders with whom to engage	-	Stakeholder Engagement	45-46
G4-26	Organisation's approach to stakeholder engagement	-	Stakeholder Engagement	45-46
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns	-	Stakeholder Engagement	45-46
Report Profile				
G4-28	Reporting period	-	Basis Of This Report	5
G4-29	Date of most recent previous report	-	Basis Of This Report	5
G4-30	Reporting cycle	-	Basis Of This Report	5
G4-31	Contact point for questions regarding the report or its contents	-	Basis Of This Report	5
G4-32	'In accordance' option the organisation has chosen	-	Basis Of This Report	5
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report	-	Statement On Directors' Responsibility For Preparation of Financial Statements, Independent Auditors Report	137, 272-277
Governance				
G4-34	Governance structure of the organisation	-	Organisation Structure, Corporate Governance Overview Statement	17, 95-109
Ethics and Integrity				
G4-56	Organisation's values, principles, standards and norms of behaviour	-	Puncak Vision & Mission And Values, Public Policy	2, 44

Specific Standard Disclosures – Core Option

Material Aspects	Description	Omissions	Reference	DMA And Indicators
Category: Economic				
Indirect Economic Impacts	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Creating Economic Value	G4-DMA: Indirect Economic Impacts: 50-53, 74-77
	Development and impact of infrastructure investments and services supported	-	Sustainability Performance On Material Issues – Creating Economic Value	G4-EC7: 50-53
	Significant indirect economic impacts, including the extent of impacts	-	Sustainability Performance On Material Issues – Creating Economic Value	G4-EC8: 50-53

GRI G4 Content Index

for 'In Accordance' Option – Core

Specific Standard Disclosures – Core Option

Material Aspects	Description	Omissions	Reference	DMA And Indicators
Category: Economic				
Procurement Practices	Disclosure Management Approach	-	Supply Chain	G4-DMA: Procurement Practices: 53 G4-EC9: 53
	Proportion of spending on local suppliers at significant locations of operation	-	Supply Chain	
Category: Environmental				
Energy	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Environmental Value	G4-DMA: Energy: 57-58 G4-EN3: 59-60
	Energy consumption within the organisation	-	Reducing Our Internal Ecological Footprint	
Water	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Environmental Value	G4-DMA: Water: 58 G4-EN8: 58
	Total withdrawal by source	-	Water Management	
Effluents and Waste	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Environmental Value	G4-DMA: Effluents and Waste: 59 G4-EN23: 59
	Total weight of waste by type and disposal method	Currently unavailable for total weight of hazardous waste produced by disposal methods.	Waste Management Practices	
Biodiversity	Disclosure Management Approach	-	Conserving Biodiversity	G4-DMA: Biodiversity: 54-57 G4-EN11: 54-57
	Conserving Biodiversity -- Protection of High Conservation Value ("HCV"), High Carbon Stock ("HCS") and peat areas -- through the following measures: <ul style="list-style-type: none"> • Soil conservation • Maintaining riparian buffer zones • Treatment of wastewater before discharge 	-	Conserving Biodiversity	
Category: Social				
Sub-category: Labour Practices and Decent Work				
Employment	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Employment: 64-67 G4-LA1: 64-67 G4-LA2: 70
	Total number and rates of new employee hires and employee turnover by age group, gender, and region	-	Workplace Diversity	
	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	-	Benefits And Compensation	

GRI G4 Content Index

for 'In Accordance' Option – Core

Specific Standard Disclosures – Core Option

Material Aspects	Description	Omissions	Reference	DMA And Indicators
Category: Social				
Sub-category: Labour Practices and Decent Work				
Occupational Safety And Health	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Occupational Health and Safety: 71-73
	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	-	Occupational Safety And Health	G4-LA6: 71-73
Training and Education	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Training and Development: 67-70
	Average hours of training per year per employee by gender, and by employee category	-	Training And Development	G4-LA9: 67-70
Diversity and Equal Opportunity	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Diversity and Equal Opportunity: 64-67
	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity	-	Workplace Diversity	G4-LA12: 64-67
Labour Practices Grievance Mechanisms	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Labour Practices Grievance Mechanism: 67
	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanism	-	Grievance Mechanism	G4-LA16: 67

GRI G4 Content Index

for 'In Accordance' Option – Core

Specific Standard Disclosures – Core Option

Material Aspects	Description	Omissions	Reference	DMA And Indicators
Sub-Category: Human Rights				
Child Labour	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Child Labour: 67
	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	-	Human Rights	G4-HR5: 67
Forced or Compulsory Labour	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Forced or Compulsory Labour: 67
	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour	-	Human Rights	G4-HR6: 67
Security Practices	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Employees	G4-DMA: Security Practices: 73
	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	-	Security Practices	G4-HR7: 73
Indigenous Rights	Disclosure Management Approach	-	Sustainability Performance On Material Issues – Value To Our Communities	G4-DMA: Indigenous Rights: 67, 74
	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-	Local Communities	G4-HR8: 67, 74

NOTICE OF 27TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Seventh (27th) Annual General Meeting of Puncak Niaga Holdings Berhad (199701000591 (416087-U)) will be conducted entirely through live streaming from the Broadcast Venue at the Boardroom, 12th Floor, Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan ("Broadcast Venue") on Wednesday, 29 May 2024 at 10.00 a.m., for the following purposes:

AS ORDINARY BUSINESSES

1. To receive the Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors of the Company who retire by rotation pursuant to Rule 100 of the Company's Constitution:
 - (a) YBhg Tan Sri Rozali bin Ismail Resolution 1
 - (b) Encik Azlan Shah bin Tan Sri Rozali Resolution 2
 - (c) YBhg Prof Emeritus Datuk Dr Marimuthu a/l Nadason Resolution 3
3. To approve the Independent Non-Executive Directors' remuneration with effect from 29 May 2024 until the next Annual General Meeting of the Company. Resolution 4
4. To re-appoint Grant Thornton Malaysia PLT as the Auditors of the Company for the ensuing year and to authorise the Directors of the Company to fix their remuneration. Resolution 5
5. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

WAN RAZMAH BINTI WAN ABD RAHMAN
(MAICSA 7021383/SSM PC No: 202008002111)
Secretary

Shah Alam
30 April 2024

Notice of 27th Annual General Meeting

Notes:

1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016** which requires the Chairman of the meeting to be present at the main venue of the meeting.

Shareholders **WILL NOT BE ALLOWED** to attend the 27th Annual General Meeting ("27th AGM") in person at the Broadcast Venue on the day of the Meeting. Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 27th AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via its **TIIH Online** website at <https://tiih.online>. **Please follow the Procedures for RPV in the Information for Shareholders on 27th AGM which is posted on our website at www.puncakniaga.com.my and take note of Notes (2) to (15) below in order to participate remotely via RPV.**

2. For the purpose of determining who shall be entitled to participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, the **Record of Depositors as at 21 May 2024**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.
3. A member who is entitled to participate in this AGM via RPV is entitled to appoint another person to participate in this AGM in his stead. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
4. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM via RPV provided that:
 - (a) where a member is an authorised nominee as defined in the Central Depositories Act, it may appoint up to two (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.
 - (b) where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account namely, Omnibus Securities Account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Securities Account it holds with ordinary shares of the Company standing to the credit of the said Omnibus Securities Account.

Where a member appoints two (2) or more proxies (as the case maybe), the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

5. Member(s), proxy(ies), corporate representative(s) or attorney(s) to participate at this AGM via RPV are required to register at **TIIH Online** website at <https://tiih.online> as a user first and then pre-register their attendance for the 27th AGM for verification of their eligibility to attend the 27th AGM using the RPV on the **Record of Depositors as at 21 May 2024**. **Please follow the Procedures for RPV in the Information for Shareholders on 27th AGM as set out in www.puncakniaga.com.my.**
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly appointed under a power of attorney or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney. If this Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under an Authorisation Document which is still in force, no notice of revocation having been received". If this Proxy Form is signed under the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under a power of attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the power of attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with this Proxy Form.
7. Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting in accordance with Rule 85 of the Company's Constitution.

Notice of 27th Annual General Meeting

8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding this AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

(i) In hard copy form

(a) In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(b) By fax at 03-2783 9222 or e-mail to is.enquiry@my.tricorglobal.com

(ii) In electronic form via TIH Online

The Proxy Form can be electronically lodged with the Share Registrar of the Company via TIH Online at <https://tiah.online>. Kindly refer to the Information for Shareholders on the procedures for electronic lodgement of the Proxy Form via TIH Online.

9. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly. The last date and time for lodging the Proxy Form is **Tuesday, 28 May 2024 at 10.00 a.m.**

10. Members may submit questions in relation to the agenda items for the 27th AGM prior to the meeting via TIH Online at <https://tiah.online> by selecting "e-Services" to login, pose questions and submit electronically no later than **Tuesday, 28 May 2024 at 10.00 a.m.** The Board will endeavour to address the questions received at the 27th AGM.

Members may use the **Query Box** facility to ask questions real time (in the form of typed text) during the meeting. The Chairman/ Board will endeavour to respond to questions submitted by remote participants during the 27th AGM.

11. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), all resolutions set out in the Notice of the 27th AGM will be put to vote by poll. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator to conduct the poll by way of electronic voting and Coopers Professional Scrutineers Sdn Bhd as the Independent Scrutineers to verify the poll results and as the Independent Observer of the Questions & Answers Session of the 27th AGM.

12. **Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2023**

The audited financial statements are for discussion only under Agenda 1, as they do not require the shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act, 2016. Hence, they will not be put for voting.

13. **Resolutions 1, 2 and 3: Agenda 2 - Re-election of Directors who retire by rotation pursuant to Rule 100 of the Company's Constitution**

Rule 100 of the Company's Constitution provides that at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to one-third with a minimum of one, shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 27th AGM, the Board through the Nomination Committee's recommendations, had approved that the Directors who retire by rotation pursuant to Rule 100 of the Company's Constitution namely, YBhg Tan Sri Rozali bin Ismail, Encik Azlan Shah bin Tan Sri Rozali and YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason are eligible to stand for re-election. These three (3) retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and Nomination Committee Meetings.

Notice of 27th Annual General Meeting

The Nomination Committee and the Board of Directors have recommended the three (3) retiring Directors under Rule 100 of the Company's Constitution to be re-elected at the forthcoming 27th AGM of the Company and continue to serve as Directors of the Company since they have discharged their duties and responsibilities effectively as Directors of the Company as prescribed in Paragraph 2.20A of Bursa Securities' MMLR ("MMLR"), have met the requisite criteria and qualities under the Company's Directors' Fit and Proper Policy and have been able to contribute positively to the Board and the Company with active participation at the Board/Board Committees' Meetings due to their vast experience and diverse skills set.

They are effective as Executive Chairman, Managing Director and Chairman of Nomination Committee of the Company respectively.

YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason has given his confirmation that he has met the criteria of Independent Director under Chapter 1 of Bursa Securities' MMLR and indicated his willingness to continue in office as Independent Non-Executive Director ("INED") of the Company as evidenced in his 2023 Independent Director Evaluation Form.

14. **Resolution 4: Agenda 3 - Approval of the Independent Non-Executive Directors' remuneration**

Section 230(1) of the Companies Act, 2016 provides amongst others, that "the fees of the directors, and any benefits payable to the directors" of a listed company and its subsidiaries shall be approved at a general meeting.

The Company is seeking the shareholders' approval on the payment of the Independent Non-Executive Directors' ("INEDs") remuneration up to the next Annual General Meeting in 2025.

The details of the proposed payment of remuneration under Resolution 4 are as set out below:

Puncak Niaga		Monthly Allowance (RM)	Chairman's Yearly Allowance (RM)	Other Benefit	Meeting Allowance (RM)
Board	INEDs	5,000	N/A	Corporate golf club membership	2,000 per each Board Committee/ General Meeting and adjourned meetings of the Company attended
Board Committees	Audit Committee				
	Chairman	N/A	24,000	-	
	Member	N/A	N/A	-	
	Remuneration Committee, Nomination Committee and Compliance, Internal Control & Risk Policy Committee				
	Chairman	N/A	8,000 for each Committee	-	
	Member	N/A	N/A	-	

Notes:

- * There has been no change to the remuneration payable to the INEDs since 2013. The corporate golf club membership was extended to the INEDs after the 23rd AGM in 2020.
- * None of the INEDs received any remuneration from the subsidiaries in their positions as Directors of the Company.
- * If approved by the shareholders, the remuneration framework will result in a projected INEDs' remuneration of RM825,000.00 for the period from 29 May 2024 to the next AGM in 2025 based on the assumption of the projected number of Board and Board Committee Meetings in 2024/2025 to the next AGM.

15. **Resolution 5: Agenda 4 - Re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company**

Pursuant to Practice 9.3 Principle B (Effective Audit and Risk Management) of the Malaysian Code On Corporate Governance 2021, the Audit Committee, with the assistance of the Finance Division of the Company, has assessed the suitability and independence of Grant Thornton Malaysia PLT as the Auditors of the Company. The Audit Committee and the Board have recommended the re-appointment of Grant Thornton Malaysia PLT, who shall retire as Auditors of the Company at the 27th AGM of the Company and who have expressed their willingness to continue in office, to hold office as Auditors of the Company for the ensuing year until the conclusion of the next AGM at a fee to be determined by the Board of Directors of the Company.

Statement Accompanying the Notice of 27th Annual General Meeting

STATEMENT ACCOMPANYING THE NOTICE OF 27TH ANNUAL GENERAL MEETING PURSUANT TO PARAGRAPH 8.27 (2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

There is no individual standing for election as Director (other than the Directors standing for re-election namely, YBhg Tan Sri Rozali bin Ismail, Encik Azlan Shah bin Tan Sri Rozali and YBhg Prof Emeritus Datuk Dr Marimuthu a/l Nadason at the forthcoming 27th Annual General Meeting of Puncak Niaga Holdings Berhad).

The profiles of the Directors who are standing for re-election as per Resolutions 1, 2 and 3 as stated in the Notice of 27th Annual General Meeting are set out in the Board of Directors' Profile section on pages 84,85 and 87 respectively of the Company's Annual Report 2023.



PUNCAK NIAGA HOLDINGS BERHAD
[199701000591 (416087-U)]

Number of Shares Held	CDS Account No.									

PROXY FORM

I/We _____
 NRIC No./Passport No./Company No.: _____ Tel/Mobile Phone No.: _____
 Address: _____
 _____ being a Member/Members of Puncak Niaga Holdings Berhad, hereby appoint:-

1) Name of Proxy: _____ NRIC/Passport No.: _____
 Address: _____
 Number of Shares Represented: _____ % of Shares Represented: _____

and/or:

2) Name of Proxy: _____ NRIC/Passport No.: _____
 Address: _____
 Number of Shares Represented: _____ % of Shares Represented: _____

or failing him/her, the Chairman of the Meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty-Seventh (27th) Annual General Meeting of Puncak Niaga Holdings Berhad which will be conducted entirely through live streaming from the Broadcast Venue at the Boardroom, 12th Floor, Wisma Rozali, No. 4, Persiaran Sukan, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan ("Broadcast Venue") on Wednesday, 29 May 2024 at 10.00 a.m. and at any adjournment thereof, as indicated below:

NO.	RESOLUTION	FOR	AGAINST
ORDINARY BUSINESSES			
1	To re-elect YBhg Tan Sri Rozali bin Ismail as a Director of the Company.		
2	To re-elect Encik Azlan Shah bin Tan Sri Rozali as a Director of the Company.		
3	To re-elect YBhg Prof Emeritus Datuk Dr Marimuthu a/I Nadason as a Director of the Company.		
4	To approve the Independent Non-Executive Directors' remuneration with effect from 29 May 2024 until the next Annual General Meeting of the Company.		
5	To re-appoint Grant Thornton Malaysia PLT as the Auditors of the Company for the ensuing year and to authorise the Directors of the Company to fix their remuneration.		

Please indicate with a cross (X) how you wish your votes to be cast in respect of each Resolution. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.

Signed this _____ day of _____ 2024

Signature(s)/Common Seal of Shareholder

Notes:-

1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act, 2016** which requires the Chairman of the meeting to be present at the main venue of the Meeting.

Shareholders **WILL NOT BE ALLOWED** to attend the 27th Annual General Meeting ("27th AGM") in person at the Broadcast Venue on the day of the Meeting. Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 27th AGM via the Remote Participation and Voting facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") via its **TIIH Online** website at <https://tiih.online>. **Please follow the Procedures for RPV in the Information for Shareholders on 27th AGM which is posted on our website at www.puncakniaga.com.my and take note of Notes (2) to (15) below in order to participate remotely via RPV.**

2. For the purpose of determining who shall be entitled to participate in this AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, the **Record of Depositors as at 21 May 2024**. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.

3. A member who is entitled to participate in this AGM via RPV is entitled to appoint another person to participate in this AGM in his stead. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.

4. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM via RPV provided that:

a) where a member is an authorised nominee as defined in the Central Depositories Act, it may appoint up to two (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.

b) where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account namely, Omnibus Securities Account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Securities Account it holds with ordinary shares of the Company standing to the credit of the said Omnibus Securities Account.

Where a member appoints two (2) or more proxies (as the case maybe), the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

5. Member(s), proxy(ies), corporate representative(s) or attorney(s) to participate at this AGM via RPV are required to register at **TIIH Online** website at <https://tiih.online> as a user first and then pre-register their attendance for the 27th AGM for verification of their eligibility to attend the 27th AGM using the RPV on the **Record of Depositors as at 21 May 2024. Please follow the Procedures for RPV in the Information for Shareholders on 27th AGM as set out in www.puncakniaga.com.my**

6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly appointed under a power of attorney or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney. If this Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied

by a statement reading "signed as authorised officer under an Authorisation Document which is still in force, no notice of revocation having been received". If this Proxy Form is signed under the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under a power of attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the power of attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with this Proxy Form.

7. Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting in accordance with Rule 85 of the Company's Constitution.

8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding this AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

(i) In hard copy form

a) In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

b) By fax at 03-2783 9222 or e-mail to is.enquiry@my.tricorglobal.com

(ii) In electronic form via TIIH Online

The Proxy Form can be electronically lodged with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Kindly refer to the Information For Shareholders on the procedures for electronic lodgement of proxy form via TIIH Online.

9. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly. The last date and time for lodging the Proxy Form is **Tuesday, 28 May 2024 at 10.00 a.m.**

10. Members may submit questions in relation to the agenda items for the 27th AGM prior to the Meeting via TIIH Online at <https://tiih.online> by selecting "e-Services" to login, pose questions and submit electronically no later than **Tuesday, 28 May 2024 at 10.00 a.m.** The Board will endeavour to address the questions received at the 27th AGM.

Members may use the **Query Box** facility to ask questions real time (in the form of typed text) during the meeting. The Chairman/Board will endeavour to respond to questions submitted by remote participants during the 27th AGM.

11. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), all resolutions set out in the Notice of the 27th AGM will be put to vote by poll. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator to conduct the poll by way of electronic voting and Coopers Professional Scrutineers Sdn Bhd as the Independent Scrutineers to verify the poll results and as the Independent Observer of the Questions & Answers Session of the 27th AGM.

12. **Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2023**

The audited financial statements are for discussion only under Agenda 1, as they do not require the shareholders' approval under the provisions of Section 340(1)(a) of the Companies Act, 2016. Hence, they will not be put for voting.

13. **Resolutions 1, 2 and 3: Agenda 2 - Re-election of Directors who retire by rotation pursuant to Rule 100 of the Company's Constitution**

Rule 100 of the Company's Constitution provides that at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to one-third with a minimum of one, shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 27th AGM, the Board through the Nomination Committee's recommendations, had approved that the Directors who retire by rotation pursuant to Rule 100 of the Company's Constitution namely, YBhg Tan Sri Rozali bin Ismail, Encik Azlan Shah bin Tan Sri Rozali and YBhg Prof Emeritus Datuk Dr Marimuthu a/l Nadason are eligible to stand for re-election. These three (3) retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and Nomination Committee Meetings.

The Nomination Committee and the Board of Directors have recommended the three (3) retiring Directors under Rule 100 of the Company's Constitution to be re-elected at the forthcoming 27th AGM of the Company and continue to serve as Directors of the Company since they have discharged their duties and responsibilities effectively as Directors of the Company as prescribed in Paragraph 2.20A of Bursa Securities' MMLR, have met the requisite criteria and qualities under the Company's Directors' Fit and Proper Policy and have been able to contribute positively to the Board and the Company with active participation at the Board/Board Committees' Meetings due to their vast experience and diverse skills set.

They are effective as Executive Chairman, Managing Director and Chairman of Nomination Committee of the Company respectively.

YBhg Prof Emeritus Datuk Dr Marimuthu a/l Nadason has given his confirmation that he has met the criteria of Independent Director under Chapter 1 of Bursa Securities' MMLR and indicated his willingness to continue in office as Independent Non-Executive Director ("INED") of the Company as evidenced in his 2023 Independent Director Evaluation Form.

14. **Resolution 4: Agenda 3 - Approval of the Independent Non-Executive Directors' remuneration**

Section 230(1) of the Companies Act, 2016 provides amongst others, that "the fees of the directors, and any benefits payable to the directors" of a listed company and its subsidiaries shall be approved at a general meeting.

The Company is seeking the shareholders' approval on the payment of the Independent Non-Executive Directors' ("INEDs") remuneration up to the next Annual General Meeting in 2025.

The details of the proposed payment of remuneration under Resolution 4 are as set out below:

Puncak Niaga		Monthly Allowance* (RM)	Chairman's Yearly Allowance* (RM)	Other Benefit	Meeting Allowance* (RM)
Board	INEDs	5,000	N/A	Corporate golf club membership	2,000 per each Board Committee/General Meeting and adjourned meetings of the Company attended
Board Committees	Audit Committee				
	Chairman	N/A	24,000	-	
	Member	N/A	N/A	-	
	Remuneration Committee, Nomination Committee and Compliance, Internal Control & Risk Policy Committee				
	Chairman	N/A	8,000 for each Committee	-	
	Member	N/A	N/A	-	

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Share Registrar for
Puncak Niaga Holdings Berhad (199701000591(416087-U))
Tricor Investor & Issuing House Services Sdn Bhd (197101000970(11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8 Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

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Notes:

- * There has been no change to the remuneration payable to the INEDs since 2013. The corporate golf club membership was extended to the INEDs after the 23rd AGM in 2020.
- * None of the INEDs received any remuneration from the subsidiaries in their positions as Directors of the Company.
- * If approved by the shareholders, the remuneration framework will result in a projected INEDs' remuneration of RM825,000.00 for the period from 29 May 2024 to the next AGM in 2025 based on the assumption of the projected number of Board and Board Committee Meetings in 2024/2025 to the next AGM.

15. **Resolution 5: Agenda 4 - Re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company**

Pursuant to Practice 9.3 Principle B (Effective Audit and Risk Management) of the Malaysian Code On Corporate Governance 2021, the Audit Committee, with the assistance of the Finance Division of the Company, has assessed the suitability and independence of Grant Thornton Malaysia PLT as the Auditors of the Company. The Audit Committee and the Board have recommended the re-appointment of Grant Thornton Malaysia PLT, who shall retire as Auditors of the Company at the 27th AGM of the Company and who have expressed their willingness to continue in office, to hold office as Auditors of the Company for the ensuing year until the conclusion of the next AGM at a fee to be determined by the Board of Directors of the Company.

PERSONAL DATA NOTICE

The Personal Data Protection Act 2010 ("Act") regulates the processing and use of personal data in commercial transactions and applies to Puncak Niaga Holdings Berhad ("the Company").

Personal data including but not limited to your (or your proxy/proxies, if appointed) name, NRIC number or passport number, CDS account number, contact details, mailing address and any other personal data furnished or made available to the Company will be used or disclosed by the Company and the Company's personnel for the purpose of the Twenty-Seventh Annual General Meeting of the Company as well as for disclosure requirements imposed by law or any other regulatory authorities from time to time including but not limited to the stock exchange, companies commission and securities commission ("Purpose"). The Company shall retain the personal data for so long as it is necessary for the fulfilment of the Purpose or for compliance with any law or legal obligations.

If you wish to make any enquiries regarding this Personal Data Notice or any personal data disclosed to the Company, please contact the Company at:

Mailing Address : **PUNCAK NIAGA HOLDINGS BERHAD**
10th Floor, Wisma Rozali
No. 4, Persiaran Sukan
Seksyen 13, 40100 Shah Alam
Selangor Darul Ehsan
Attention: Puan Wan Razmah binti Wan Abd Rahman,
Company Secretary

Telephone No. : +603 5522 8589
Fax No. : +603 5512 0220

Please ensure that your proxy/proxies consent to the disclosure of their personal data for the Purpose.

NOTIS DATA PERIBADI

Akta Perlindungan Data Peribadi 2010 ("Akta") mengawal selia pemrosesan dan penggunaan data peribadi dalam transaksi komersil dan diaplikasikan kepada Puncak Niaga Holdings Berhad ("Syarikat").

Data peribadi termasuk tetapi tidak terhad kepada nama, nombor NRIC atau nombor pasport, nombor akaun CDS, butiran perhubungan, alamat surat-menyurat dan apa-apa data peribadi lain anda (atau proksi anda, jika dilantik) yang diberikan atau tersedia kepada Syarikat akan digunakan atau didedahkan oleh Syarikat atau kakitangan Syarikat untuk tujuan Mesyuarat Agung Tahunan Syarikat yang Kedua Puluh Tujuh dan juga untuk keperluan pendedahan yang dikerah oleh undang-undang atau mana-mana pihak berkuasa yang berkaitan dari semasa ke semasa termasuk tetapi tidak terhad kepada bursa saham, suruhanjaya syarikat dan suruhanjaya sekuriti ("Tujuan"). Syarikat akan menyimpan data peribadi selagi perlu untuk memenuhi Tujuan atau bagi pematuhan mana-mana undang-undang atau obligasi undang-undang.

Sekiranya anda ingin membuat sebarang pertanyaan mengenai Notis ini atau mana-mana data peribadi anda yang didedahkan kepada Syarikat, sila hubungi Syarikat di:

Alamat Surat-menyurat : **PUNCAK NIAGA HOLDINGS BERHAD**
Tingkat 10, Wisma Rozali
No. 4, Persiaran Sukan
Seksyen 13, 40100 Shah Alam
Selangor Darul Ehsan
Untuk Perhatian: Puan Wan Razmah binti Wan Abd Rahman,
Setiausaha Syarikat

No. Telefon : +603 5522 8589
No. Faks : +603 5512 0220

Sila pastikan proksi anda bersetuju dengan pendedahan data peribadi mereka untuk Tujuan tersebut.



PUNCAK NIAGA HOLDINGS BERHAD
[199701000591 (416087-U)]

PUNCAK NIAGA HOLDINGS BERHAD
(199701000591 (416087-U))

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