

Embracing New Horizons

Annual Report 2024



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This annual report has been prepared by Astaka Holdings Limited (the “**Company**” or “**Astaka**”) and reviewed by the Company's sponsor, SAC Capital Private Limited (the “**Sponsor**”).

This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.

The contact person for the Sponsor is Ms Audrey Mok (Telephone no.: (65) 6232 3210) at 1, Robinson Road, #21-01 AIA Tower, Singapore 048542.



CORPORATE PROFILE

Astaka Holdings Limited (the “**Company**” or “**Astaka**”, together with its subsidiaries, the “**Group**”) was listed on the Singapore Exchange through a reverse takeover of E2-Capital Holdings Limited in November 2015. Established in 1993, Astaka stands as a leading integrated property developer situated in the Iskandar region of Johor, Malaysia. The Company maintains a steadfast commitment to elevate Johor Bahru into a world-class metropolis. Astaka’s vision encapsulates the creation of a capital city distinguishable by its contextualised and bold architecture, fostering communal engagement through development initiatives and cultivating an urban environment that prioritises environmental conservation.

Astaka’s flagship development, The Astaka, is our award-winning flagship project located at One Bukit Senyum (“**OBS**”). OBS is a development on a piece of freehold 11.85-acre land, with it a mixed development township located in the heart of Johor Bahru City Centre, comprising of 3 phases (i) The Astaka, which is the tallest residential building in Southeast Asia; (ii) an office tower called Menara MBBJ, home to the Johor Bahru Local Council; and (iii) the final phase of development measuring 7.65 acres, called OBS3*. This development boasts an estimated gross development value (“**GDV**”) of up to RM5.3 billion.

The Group has commenced the final phase of development, OBS3, with the launch of Arden @ OBS (“**Arden**”) through a joint venture with a wholly-owned subsidiary of Kimlun Corporation Berhad (“**Kimlun**”). Located 600-metres from the Rapid-Transit System (“**RTS**”) station, Arden has an estimated GDV of RM800 million and comprises 618 units of premium serviced residence in a skyscraper building.

The Group’s second development, Bukit Pelali @ Pengerang, is a self-contained strata township and spans across 363 acres of land. The development is located around five kilometres from the Pengerang Integrated Petroleum Complex in southeastern Johor. With a projected GDV reaching up to RM2.3 billion, the project comprises residential units and shop offices. The development would also comprise amenities including a clubhouse, a hotel, mosque, and a private hospital, amongst others.

The Group’s third development project, Aliva, is located in a premium market segment in Mount Austin, a bustling township in Johor Bahru. Aliva has an estimated GDV of RM254.0 million and a total of 499 residential units, slated to complete by end-2026. Notably, it is designed to be Green Building Index (“**GBI**”) certified and conveniently located just a 25-minute drive from the upcoming Bukit Chagar RTS station. Aliva’s strategic location also offers close proximity to educational institutions, healthcare facilities, entertainment and recreational centres.

Astaka is continuously exploring new investment opportunities and potential real estate acquisitions, with a primary focus on high-profile or strategically located land banks. Aligned with its overarching vision, the Group aims to curate a portfolio of landmark projects throughout Johor.

*In FY2023, the 7.65-acre land intended for phase 3 of OBS was disposed to Seaview Holdings Sdn. Bhd. (“**SHSB**”), with whom the Group had successfully formed a joint venture company, to jointly undertake phase 3 of OBS development.



One Bukit Senyum

Held by Astaka Padu Sdn. Bhd., a
99.99%-owned indirect subsidiary
of the Company

11.85*

ACRES

COMPONENTS:

The Astaka, Menara MBBJ and OBS3

*In FY2023, the 7.65-acre land intended for phase 3 of OBS was disposed to Seaview Holdings Sdn. Bhd., with whom the Group had successfully formed a joint venture company, to jointly undertake phase 3 of OBS development.



THE ASTAKA

ONE BUKIT SENYUM



Lobby



Sky Dining



Cigar Room



Lavish Infinity Pool



Social Dining



Recreation Lounge

1KM TO
JOHOR CIQ



TOWER A
70 STOREYS



TOWER B
65 STOREYS



1,020 FEET
ABOVE SEA LEVEL



Bukit Pelali @ Pengerang

Developed by Bukit Pelali Properties Sdn. Bhd., a 51:49 joint venture company between the Company's 99.99%-owned indirect subsidiary, Astaka Padu Sdn. Bhd., and Saling Syabas Sdn. Bhd.



4,022 Residential Units





ALIVA

MOUNT AUSTIN

A NEW WAY OF LIFE

Revive, Relax, Relish

Serenely tucked within Mount Austin's vibrant neighbourhood, ALIVA will speak to those who truly appreciate luxury and privacy living. The development's location is arguably subdued, yet well linked to many daily conveniences and indulgences. It is to be built on a piece of freehold land and is conceptualised as a serviced residence, where the residents can benefit from the amenities and contemporary facilities.





ARDEN



ARDEN

SERVICED RESIDENCE

THE HEART OF LIMITLESS HORIZON

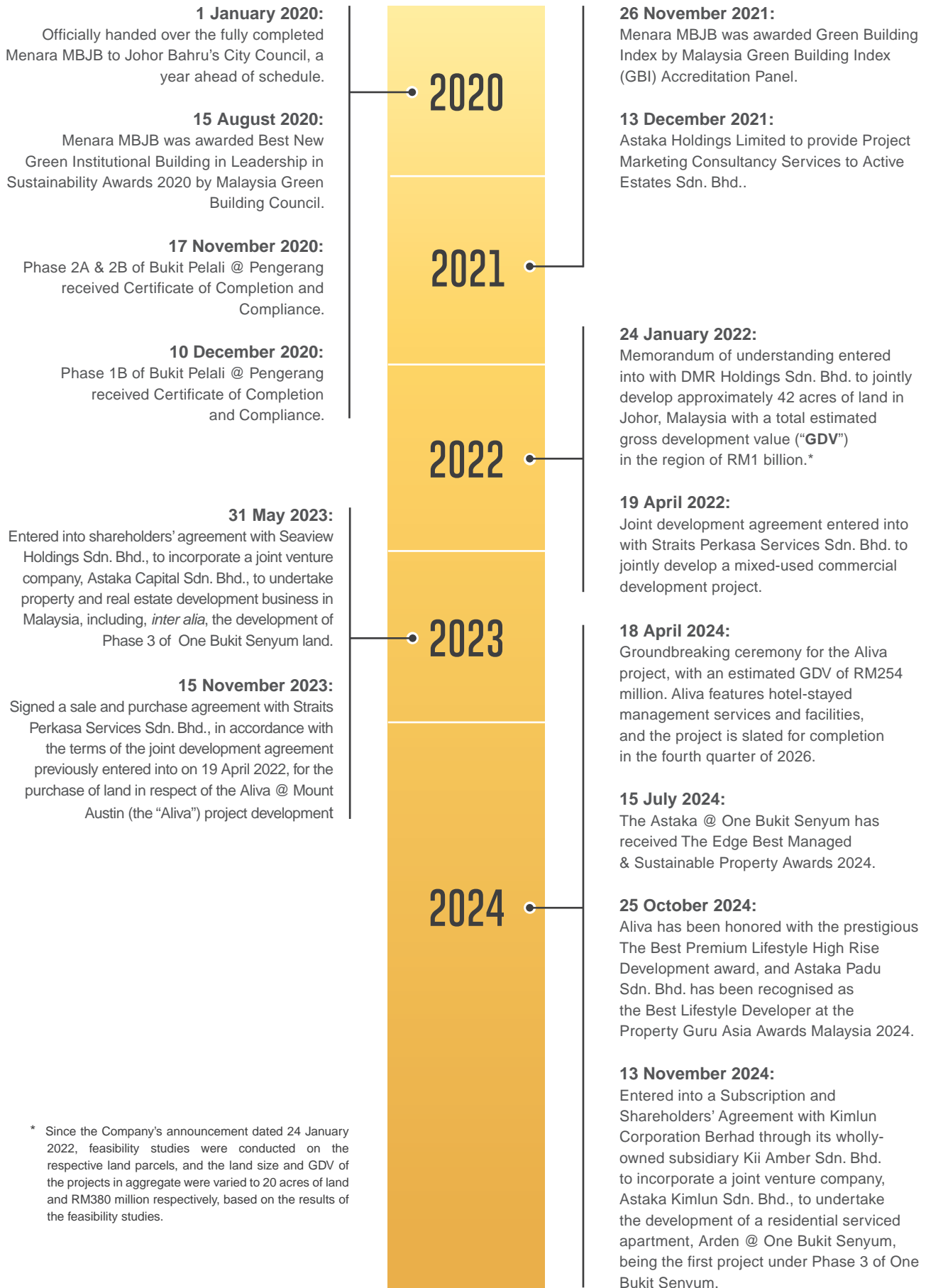
Located in One Bukit Senyum, an integrated mixed development in Johor Bahru City Centre, Arden is a serviced residence that offers a luxurious community with upscale retail options, vibrant social connections, and seamless connectivity, tailored to enrich your lifestyle.



CORPORATE MILESTONES



CORPORATE MILESTONES



* Since the Company's announcement dated 24 January 2022, feasibility studies were conducted on the respective land parcels, and the land size and GDV of the projects in aggregate were varied to 20 acres of land and RM380 million respectively, based on the results of the feasibility studies.

OUR COMMITMENT TO EXCELLENCE

AWARDS

A glorious architectural marvel that soars 1,020 feet above sea level. The Astaka is an iconic award-winning development designed by one of the most highly acclaimed architecture firms. One that is built with uncompromising craftsmanship and impeccable detailing. Characterised by its modern facade that adds a touch of elegance to its entire outlook. Your luxurious lifestyle is at the greatest height, with thoughtful design and bespoke quality testified by internationally-recognised award authorities.



GBI Certified



BUILDING AND CONSTRUCTION AUTHORITY
SINGAPORE
CONQUAS®
BCA Construction Quality Assessment System

Score > 80%



Tallest Residential Building



Des Prix Infitus
ASEAN PROPERTY
AWARDS MALAYSIA

Most Inspiring New Developer

Best Residential High Rise Development

OUR COMMITMENT TO EXCELLENCE



**Best Luxury Condo
Development South Malaysia**

Best Condo Development (Malaysia)



Best Universal Design Development

**Best Luxury Condo Development
South Malaysia**

Best Condo Development (Malaysia)



**Residential High Rise Development
The Astaka Johor Bahru**

**Interior Design Private Residence
The Astaka Johor Bahru (Malaysia)**

We are beyond grateful and deeply honored to receive the prestigious Best Lifestyle Developer and Best Premium Lifestyle High-Rise Development award at the PropertyGuru Asia Awards Malaysia 2024.

This achievement reflects our unwavering dedication to crafting exceptional living spaces in Mount Austin. It also celebrates the project's remarkable take-up rate — driven by its top-notch facilities, concierge management, prime location and many more.



**Best Lifestyle
Developer**



**Best Premium
Lifestyle High-Rise
Development**

2024 EVENTS & HIGHLIGHTS

Over the years, Astaka has established a strong track record of success, earning recognition and accolades along the way. In 2024, we continued to build on this momentum with several key initiatives and milestones that further strengthened our position in the industry.

ACCOMPLISHMENT 1



One of the standout events of 2024 was the groundbreaking ceremony for the Aliva project, marking the start of an exciting new development. This significant milestone underscores our commitment to excellence and innovation in real estate, with a strong focus on delivering premium and exceptional lifestyle experiences to both our residents and the community.

On 18 January 2024, Astaka entered into a Memorandum of Understanding (“MOU”) with Nai Hospitality (M) Sdn Bhd (“NHSB”) to jointly collaborate for the homestay management of the Aliva. NHSB is a homestay



management company in Malaysia that specialises in providing personalised homestay services, as well as short- or long-term rental options. This collaboration allows Astaka to tap into NHSB’s expertise in homestay management services to offer investors or property owners revenue optimisation. This approach helps to maximise rental income, ensuring that the Aliva remains competitive in the market while boosting profitability through dynamic pricing and targeted promotional strategies. Furthermore, this partnership fosters a more efficient, customer-centric, and sustainable business model for the Aliva project.

ACCOMPLISHMENT 2



We proudly announced the establishment of a joint venture with a wholly owned subsidiary of Kimlun Corporation Berhad, a strategic partnership that positions us for future growth and strengthens our shared vision of excellence in construction and development. This collaboration enables both companies to leverage their respective strengths,



delivering enhanced value to our stakeholders. The joint venture company will spearhead the development of Arden @ One Bukit Senyum, the first premium serviced residences project under Phase 3 of One Bukit Senyum, with a gross development value of RM800 million (indicative).

2024 EVENTS & HIGHLIGHTS

ACCOMPLISHMENT 3



Astaka's continued success was recognised in 2024 with the prestigious The Edge Award – Best Managed & Sustainable Property Awards, a testament to our outstanding performance and leadership in the industry.

Additionally, we were honored with the PropertyGuru Asia Awards Malaysia 2024 for Best Lifestyle Developer and Best Premium Lifestyle High-Rise Development, further solidifying our reputation as a trusted and innovative leader in the real estate market.



These accomplishments reflect Astaka's unwavering dedication to excellence, innovation, and sustainable growth. As we look ahead, we remain committed to delivering exceptional value to our stakeholders and continuing to set new benchmarks in the industry.

CHAIRMAN'S STATEMENT

Dear Shareholders

On behalf of the Board of Directors (the “**Board**”) of Astaka Holdings Limited (“**Astaka**” or the “**Company**,” along with its subsidiaries, the “**Group**”), it is my honour to present our Annual Report for the financial year ended 31 December 2024 (“**FY2024**”).

Malaysia Rebounds In 2024

Malaysia experienced a strong economic recovery in 2024, with Gross Domestic Product (“**GDP**”) growth accelerating to 5.1% in 2024 from 3.6% in 2023¹. The growth was in line with the government’s projected range of 4.8% to 5.3%², signalling a positive economic outlook and renewed investor confidence. This strong economic trajectory sets a solid foundation for continued expansion in 2025.

Johor’s real estate market reflected this broader economic momentum. According to Malaysia’s National Property Information Centre (“**NAPIC**”), the country’s property overhang situation improved significantly, with unsold completed units declining by 10.3% to 23,149

overhang units. The total value of these properties also saw a notable reduction, falling 21.2% to RM13.94 billion compared to 2023³. Malaysia’s real estate sector outperformed expectations, with total transaction values reaching RM217.46 billion in 2024 — an impressive jump from RM179.07 billion in 2022⁴. This strong performance highlights renewed market confidence and growing demand for quality developments.

At Astaka, we are pleased to share key developments to capitalise on the favourable market conditions which align with our long-term expansion plans. This includes the launch of Arden @ One Bukit Senyum (“**Arden**”). The Group is in the process of acquiring a piece of land at Mukim Plentong for the development of Arden. The Arden’s sales gallery, which opened in December 2024, offers prospective buyers an exclusive preview of this landmark development. Arden is also in close proximity to the Rapid Transit System (“**RTS**”) station which enhances its appeal to potential buyers. Overall, the Group’s sales

- 1 GDP Growth, Bursa Malaysia’s Positive Performance Benefit Rakyat – PM Anwar, Bernama: <https://www.bernama.com/en/news.php?id=2398749>
- 2 Malaysia’s economy ends 2024 on high note amid strong investment, domestic spending , Reuters: <https://www.reuters.com/markets/asia/malysias-economy-ends-2024-high-note-amid-strong-investment-domestic-spending-2025-02-14/#:~:text=Full%2Dyear%20growth%20in%202024,%25%20and%205.5%25%20in%202025>

- 3 Laporan Status Harta Tanah 2024, Property Market Status Report 2024, NAPIC: <https://napic2.jpoh.gov.my/storage/app/media/3-penerbitan/Shahrul/Bahagian%20Inventori%20Harta%20Tanah/Laporan%20Jadual%20Status%20Harta%20Tanah/Q4%202024%20Full%20Year%202024/Laporan%20Status%20Harta%20Tanah%202024.pdf>
- 4 Property transactions hit RM217b in 2024, far exceeding initial target — minister, The Edge Malaysia: <https://theedgemalaysia.com/node/742862>



CHAIRMAN'S STATEMENT

“ The Johor-Singapore Special Economic Zone (“JS-SEZ”) is expected to be a major catalyst for growth, driving property values higher and attracting strong interest from real estate developers and investors across residential, commercial, industrial, and hospitality sectors.

”

campaigns continue to attract strong interest from buyers, and we anticipate this momentum to be further driven by the positive market outlook.

Positive Momentum in 2025

As we look ahead, we remain optimistic about sustaining the positive momentum from Johor's strengthening economic conditions and resilient property market. The Johor-Singapore Special Economic Zone (“**JS-SEZ**”) is expected to be a major catalyst for growth, driving property values higher and attracting strong interest from real estate developers and investors across residential, commercial, industrial, and hospitality sectors. In addition, the Johor Fast Lane (“**JFL**”) has been implemented to speed up and streamline developers' and investments' applications in the state⁵.

The JS-SEZ has played a key role in alleviating Johor's long-standing property overhang, laying the foundation for sustained market growth. Investor confidence continues to strengthen, supported by improving economic stability and government-backed initiatives. According to the Mastercard Economics Institute, Malaysia's GDP is projected to grow by 4.7% in 2025⁶, higher than the 10-year average of 4.1%⁷ and driven by a strong labour market and rising investment inflows. Additionally, these initiatives are expected to

contribute RM125 billion to Malaysia's GDP and create 20,000 skilled jobs in Johor in the first five years⁸.

For Astaka, the JS-SEZ presents significant opportunities, particularly with its proximity to major industrial and infrastructure developments, such as the Pengerang Integrated Petroleum Complex (“**PIPC**”), the largest refining and petrochemical complex⁹, near Astaka's Bukit Pelali @ Pengerang. Beyond the JS-SEZ, favourable policies such as the Malaysia My Second Home (“**MM2H**”) program continue to attract foreign investors, offering tax incentives that have spurred a steady rise in applicants from mainland China¹⁰. While these projects and initiatives offer exciting growth potential, we will maintain a measured and strategic approach, closely monitoring market trends to ensure sustainable expansion.

Enhanced cross-border connectivity between Singapore and Johor is also set to accelerate economic integration. The number of daily commuters, currently at 300,000 is expected to increase by 40% to more than 400,000 by 2050¹¹. The upcoming RTS Link project slated to begin operations in December 2026, will accommodate approximately 30,000

5 Johor Fast Lane initiative speeds up business application processes, New Straits Times: <https://www.nst.com.my/news/nation/2024/02/1019387/johor-fast-lane-initiative-speeds-business-application-processes>

6 Economic growth to be sustained in 2025 with focus on green sector, MIDA: <https://www.mida.gov.my/mida-news/economicgrowth-to-be-sustained-in-2025-with-focus-on-green-sector/>

7 Malaysia Outlook 2025: One more lap, The Malaysian Reserve: <https://themalaysianreserve.com/2025/01/31/malaysia-outlook-2025-one-more-lap/>

8 Johor-Singapore Economic Zone set to redefine regional growth; property boom and high-tech surge on the horizon, The Independent: <https://theindependent.sg/johor-singapore-economic-zone-set-to-redefine-regional-growth-property-boom-and-high-tech-surge-on-the-horizon/>

9 Landmark Johor-Singapore SEZ pact signed: 100 projects, 20,000 jobs, investments across 11 sectors. EDB Singapore: <https://www.edb.gov.sg/en/business-insights/insights/landmark-johor-singapore-sez-pact-signed-100-projects-20000-jobs-investments-across-11-sectors.html>

10 China tops list of applicants for Sarawak's MM2H programme, Malaymail: <https://www.malaymail.com/news/malaysia/2025/03/19/china-tops-list-of-applicants-for-sarawaks-mm2h-programme/170047>

11 What could the Johor-Singapore Causeway look like in the future?, CNA: <https://www.channelnewsasia.com/interactive/future-johor-singapore-causeway/>

CHAIRMAN'S STATEMENT



to 40,000 passengers daily¹². Additionally, the Malaysian government is exploring the introduction of either a Light Rail Transit (“LRT”) or Autonomous Rapid Transit (“ART”) system within the next two years to alleviate higher traffic flows once the RTS Link is completed¹³.

While we remain mindful of rising global uncertainties, we are confident that the Group is well-positioned to capitalise on mid- to long-term growth opportunities. Infrastructure projects continue to enhance the attractiveness of the residential property market, fuelling both economic and real estate growth. Our strategy includes exploring ventures beyond residential and mixed-use developments while remaining open to synergistic opportunities that align with our vision for sustainable expansion.

¹² Construction of Johor Bahru-S'pore RTS Link at 95% completion, Dewan Negara heard, The Edge Malaysia: <https://www.edgeprop.my/content/1911331/construction-johor-bahru-spore-rts-link-95-completion-dewan-negara-heard>

¹³ Putrajaya mulls LRT or ART for JB-Singapore RTS link, says Johor exco, New Straits Times: <https://www.nst.com.my/news/nation/2025/02/1169746/putrajaya-mulls-lrt-or-art-jb-singapore-rts-link-says-johor-exco>

Appreciation

In closing, I would like to extend my sincere appreciation to my fellow Board members for their strategic guidance and stewardship as we navigate Astaka's transformation. To my management team, thank you for your unwavering support and dedication.

As we position ourselves for future growth, I would like to also acknowledge our shareholders' patience and confidence in Astaka. With a positive market outlook and a healthy pipeline of projects, we are poised to tap on growing opportunities.

Mr. Lai Kuan Loong, Victor

*Non-Executive Chairman
and Independent Director
11 April 2025*



“2024 was a year of transformation for Astaka. While we navigated a challenging operating environment, we used this period to strengthen our foundations and position ourselves for future growth.”

”

Dear Shareholders,

2024 was a year of transformation for Astaka. While we navigated a challenging operating environment, we used this period to strengthen our foundations and position ourselves for future growth. As we reach an inflection point, we have implemented clear and strategic initiatives to drive sustainable expansion, enhance our resilience, and create long-term value for our stakeholders.

Encouragingly, demand for the Group's projects remains strong, reaffirming confidence in our developments. For the financial year ended 31 December 2024 (“FY2024”), the Group achieved a total contracted sales of RM180 million, underscoring the quality of our offerings and the strength of our brand. This sustained interest highlights the appeal of our developments and our ability to meet market demand.

Looking ahead, we are committed to disciplined execution, operational excellence, and strategic growth. By enhancing efficiencies and capitalising on emerging opportunities, we are well-positioned to navigate evolving market conditions and deliver sustainable value. The Group remains focused on leveraging our strengths to create lasting value for all stakeholders.

Financial Overview

In FY2024, Astaka reported a revenue of RM49.4 million, a 18.7% decrease from the financial year ended 31 December 2023 (“FY2023”). This decrease was anticipated, as the earlier, more sought-after units at The Astaka had been successfully sold in prior periods, leaving a remaining inventory that, while still of high quality, may not align as closely with the diverse preferences of potential buyers.

During the year, the Group recorded a net loss attributable to owners of the Company of RM13.8 million, compared to a net profit attributable to owners of the Company of RM3.1 million in FY2023. The slowdown in the Bukit Pelali

project also contributed to the decline, while revenue recognition for the Aliva is progressing gradually, given that construction is still in its early stages and follows a percentage-of-completion model.

Despite this, I am pleased to report strong sales performance for the Aliva. To date, 80% of the Aliva units have been sold, achieving an impressive RM218 million in contracted sales since its launch at the end of FY2023.

In FY2024, the Group has placed a deposit of RM12.3 million for the acquisition of a piece of land at Mukim Plentong, contributing to a net operating cash outflow of RM29.0 million, compared to a cash inflow of RM4.0 million in FY2023. Consequently, net asset value per ordinary share declined from RM4.44 cents as at 31 December 2023 to RM3.69 cents as at 31 December 2024.

Astaka's Developments

The Astaka @ One Bukit Senyum

The award-winning Astaka project, completed in 2018, represents the first phase of One Bukit Senyum (“OBS”), a mixed development township located in the heart of Johor Bahru City Centre. As Southeast Asia's tallest residential twin towers, The Astaka continues to stand as a remarkable landmark and embodies the Group's growth and success.

OBS sits on an expansive 11.85-acre plot of land and has an estimated gross development value (“GDV”) of RM5.3 billion. The development currently comprises the following phases: the completed (i) The Astaka, (ii) Menara MBBJ, an office tower housing the Johor Bahru Local Council, and the ongoing development of (iii) Arden @ One Bukit Senyum. Future phases of the project include a prestigious hotel, branded residences and an entertainment hub, further enhancing the integrated nature of this landmark development.

CEO'S STATEMENT



Arden @ One Bukit Senyum

The Group has successfully launched the development of Phase 3 at OBS. It is the first project under Phase 3, and Arden @ One Bukit Senyum (“**Arden**”) boasts a GDV of RM800 million and will feature 618 units of premium serviced residences.

Arden is part of a larger mixed-development township in Johor Bahru City Centre, offering a luxurious living experience with upscale retail options, vibrant social spaces, and located just 600 metres from the Rapid Transit System (“**RTS**”) station allowing for seamless connectivity, all tailored to enrich the lifestyle of its residents. The Group has obtained the Advertising Permit and Developer’s License (“**APDL**”), allowing the Group to officially launch the project and receiving bookings. We are on track to secure APDL and set up a construction gallery in the first quarter of 2025 and expect the take-up rates to be healthy.

Aliva @ Mount Austin

The Group launched Aliva @ Mount Austin (“**Aliva**”) at the end of 2023, a development featuring 499 residential units with an GDV of RM254.0 million. Construction is progressing as planned, with completion targeted for the fourth quarter of 2026.

Aliva has received an overwhelming response, with 80% of units already sold. Strategically located in Mount Austin, it is just a 25-minute drive from the upcoming Bukit Chagar RTS station. As the first serviced residence in the area, Aliva is set to redefine urban living in Mount Austin. The vibrant township is also poised to achieve a significant milestone as the first Green Building Index (“**GBI**”)—certified development in the area. Residents will enjoy close proximity to schools, hospitals, entertainment, and recreational facilities, making Aliva an ideal choice for modern living.

Bukit Pelali @ Pengerang

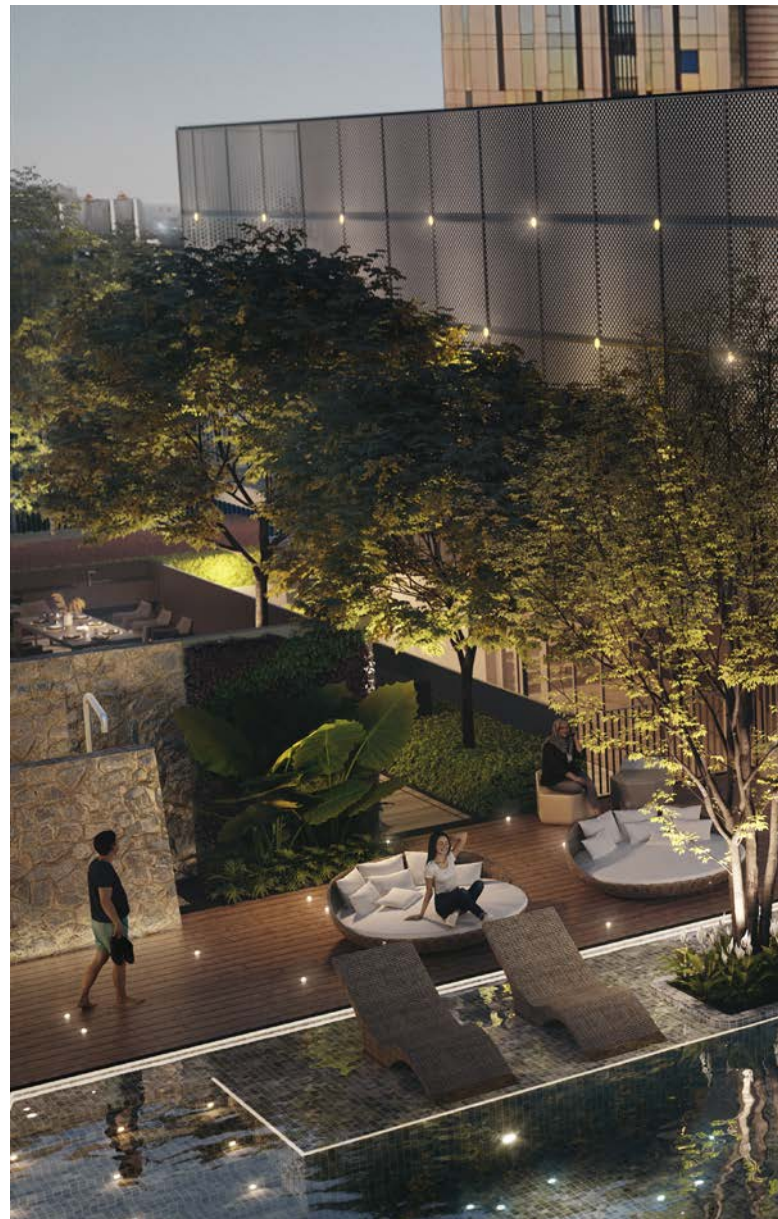
Bukit Pelali @ Pengerang (“**Bukit Pelali**”) is a self-contained strata township located in the southeast of Johor.

Spanning 363 acres, the development has an estimated GDV of RM2.3 billion.

The rapid expansion of industrial activities and a growing workforce in the Kota Tinggi District continue to fuel strong housing demand in the area. As a key oil and gas hub in Johor, Pengerang is home to the Pengerang Integrated Petroleum Complex (“**PIPC**”)—a 9,269-hectare megaproject featuring oil refineries, petrochemical plants, and liquefied natural gas terminals.

Additionally, Bukit Pelali benefits from its inclusion in the Johor Special Economic Zone, which is designed to attract investments and boost economic activity. Petronas has also made a new investment totalling RM7.5 billion at the PIPC. This investment includes the development of a solar energy project, chemical recycling plant, and bio-refinery, slated to begin operations by 2028.¹

¹ PETRONAS invests another RM7.5bil in Pengerang Integrated Complex, The Star: <https://www.thestar.com.my/business/business-news/2024/11/14/petronas-invests-another-rm75bil-in-pengerang-integrated-complex>



CEO'S STATEMENT

General Outlook

The Group remains committed to expanding its project portfolio and has identified an opportunity to develop serviced residences catering to the growing demand in the medical and tourism sectors. The overall outlook remains positive, supported by various economic initiatives and large-scale infrastructure projects designed to enhance cross-border connectivity. These developments are expected to spur regional growth, further boosting demand for integrated residential and commercial properties.

Leveraging its expertise in high-end market segments and strong track record in property development, the Group is well-positioned to capitalise on emerging opportunities. It will continue to align its strategies with evolving market trends, ensuring sustained growth and value creation across current and future projects.

Appreciation

In my closing remarks, I would like to extend my appreciation to my employees for their dedication and work in FY2024. To our shareholders, customers, business

partners, vendors, and the wider community, we sincerely appreciate your trust and support in Astaka. Your continued support has been a driving force behind our success, and we remain committed to strengthening these relationships as we move forward.

Looking ahead, we are optimistic about the opportunities that lie before us. With a strong foundation in place, we will continue to explore strategic initiatives to create long-term value for all our stakeholders.

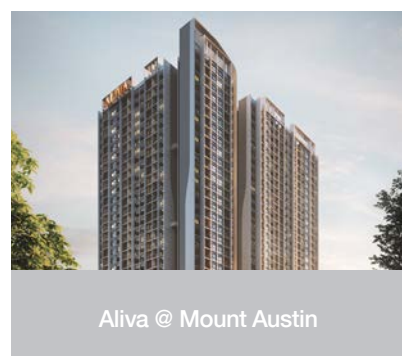
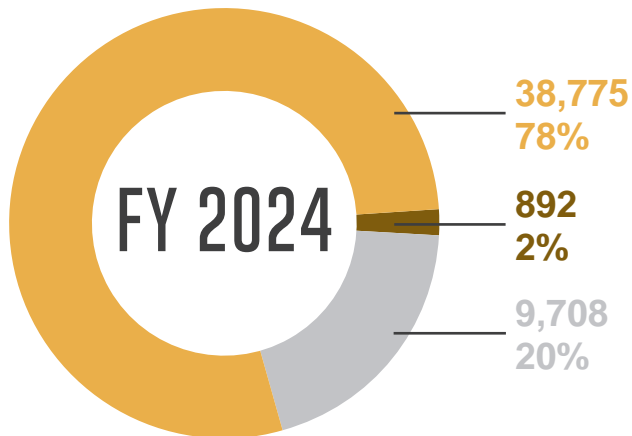
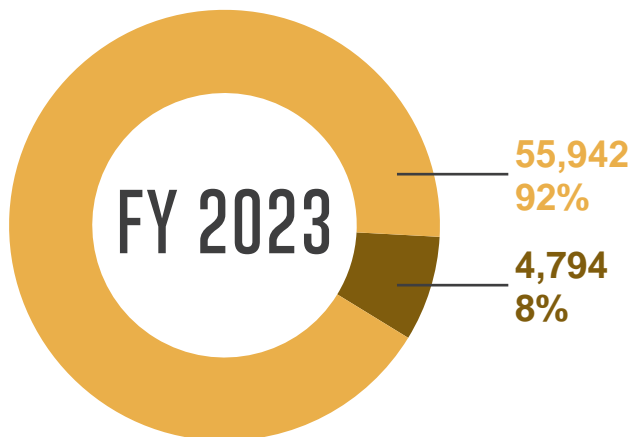
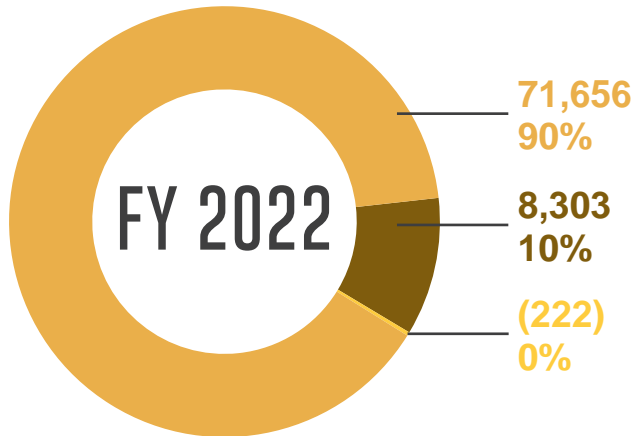
Mr. Khong Chung Lun

*Executive Director
and Chief Executive Officer
11 April 2025*



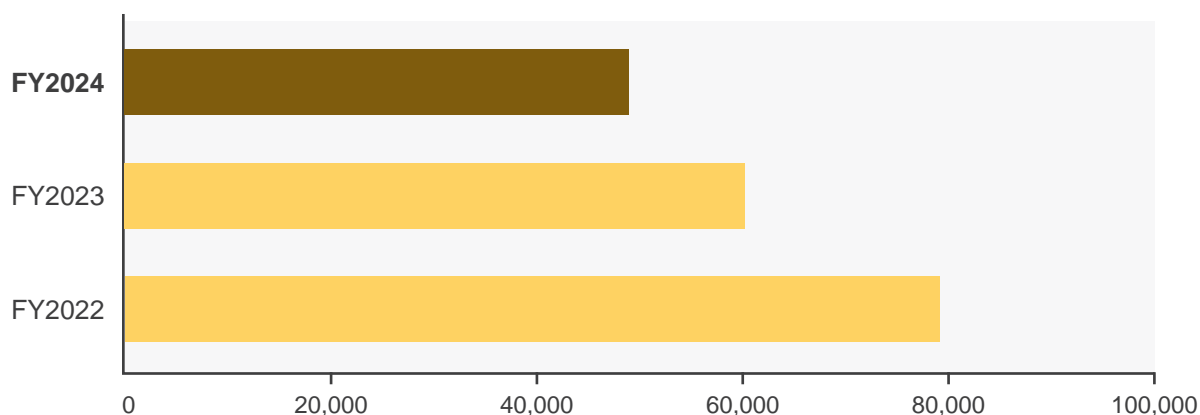
FINANCIAL PERFORMANCE

PERFORMANCE BY DEVELOPMENT PROJECTS (RM'000)

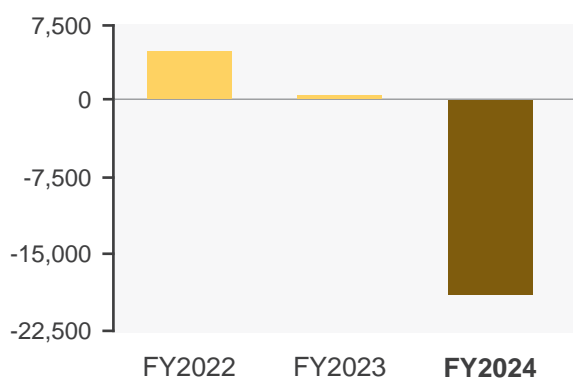


FINANCIAL PERFORMANCE

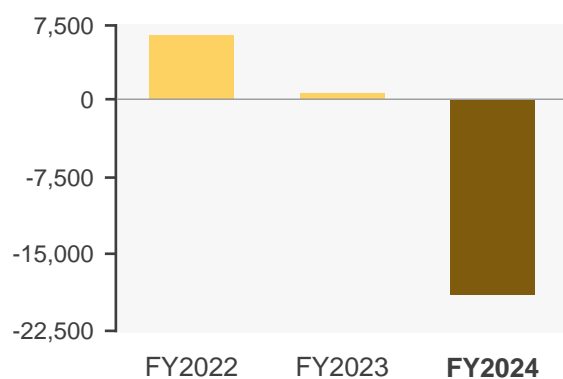
Revenue (RM'000)



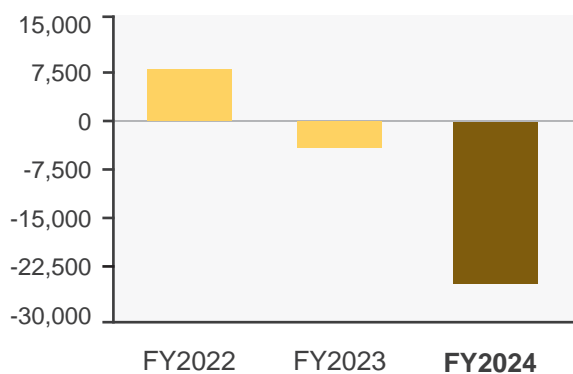
Net Profit/(Loss) Before Tax (RM'000)



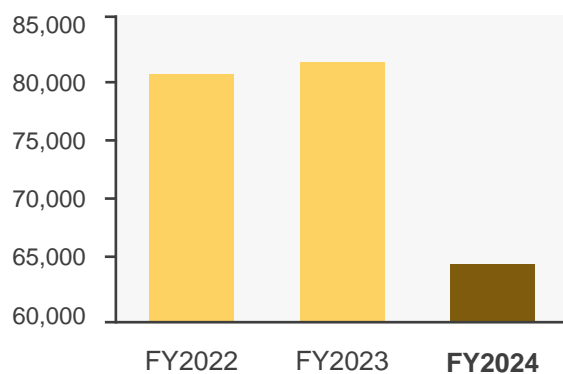
Net Profit/(Loss) After Tax (RM'000)



EBITDA⁽¹⁾ (RM'000)



Net Assets (RM'000)



1 EBITDA = Net profit/(loss) before tax + interest expenses + depreciation of property, plant and equipment + one-off expenses

FINANCIAL PERFORMANCE

The Group reported a net finance cost of

RM **0.9**
million

in FY2024 as compared to a net finance income of RM6.1 million in FY2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Revenue

The Group reported revenue of RM49.4 million for FY2024, which was lower than RM60.7 million in FY2023. The decrease in revenue in FY2024 was mainly due to lower sales from The Astaka @ One Bukit Senyum (“**The Astaka**”) primarily due to a small balance of unsold units, which may not align with the varied preferences of potential buyers. There has also been a slowdown in the Bukit Pelali @ Pengerang (“**BPP**”) project compared to FY2023, and the Aliva @ Mount Austin (“**Aliva**”) is recognised progressively based on the percentage of completion, for which construction is ongoing and still in its early stages.

Cost of Sales and Gross Profit

In line with the decrease in revenue, the Group’s cost of sales also reduced to RM42.8 million in FY2024 compared to RM48.8 million in FY2023. Included in the cost of sales is an additional allowance for foreseeable loss on the carrying value of unsold units in BPP of RM1.7 million due to a general slowdown in the Pengerang market. The reversal of the foreseeable losses on development properties for The Astaka in FY2024 was in view of the higher selling prices obtained for the development properties sold.

Gross profits declined from RM12.0 million in FY2023 to RM6.6 million in FY2024. The figures took into account foreseeable loss on development properties and adjustment of the final project costing in FY2023.

Other Income

Other income for FY2024 reduced to RM1.2 million from RM3.1 million in FY2023, mainly attributable to the absence of the gain on the disposal of assets held for sale, reversal of provision for the Social Projects Fund (“**SPF**”) Contribution as the Company had sold the asset held for sale and no longer entitled to the future tax benefits attributable from the contribution to the SPF Contribution in FY2024 and decrease in the third-party project marketing consultancy service fee which was substantially billed in FY2023. However, this was partially offset by the forfeiture of payment to purchaser.

Expenses

Selling and distribution expenses increased to RM4.3 million in FY2024 compared to RM3.5 million in FY2023, primarily driven by higher sales and marketing costs related to sales agent commissions, as well as the organisation of events and roadshows expenses to promote The Astaka, BPP, Aliva and the launch of the Group’s new project, Arden @ One Bukit Senyum.

Total liabilities reported as at 31 December 2024 was

RM **214.0**
million

up from RM191.0 million as at 31 December 2023.

Administrative expenses increased to RM20.5 million in FY2024 compared to RM16.8 million in FY2023, mainly due to increase in manpower costs, professional fees, office expenses, depreciation of property, plant and equipment (“PPE”), and the absence of reversal of over-provision of liquidated ascertained damages. This was partially offset by lower management fee and sinking fund, as well as lower quit rent and assessment fees due to units sold.

Other expenses increased by 10.8% in FY2024 as compared to FY2023 mainly due to an increase in donation, sponsorship and allowance for doubtful debts related to receivables from purchasers.

The Group reported a net finance cost of RM0.9 million in FY2024 as compared to a net finance income of RM6.1 million in FY2023. This was mainly due to bank overdraft interest, loan interest for the Aliva’s land acquisition, term loan interest, loan drawdown interest from its associated company, DMR Holdings Sdn. Bhd. (“**DMR Holdings**”) and non-controlling shareholders.

Profit

The Group recognised a net loss attributable to owners of the Company of RM13.8 million in FY2024 as compared to a net profit attributable to owners of the Company of RM3.1 million in FY2023 due to the reasons stated above.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

PPE increased by approximately RM1.5 million from RM0.5 million as at 31 December 2023 to RM2.0 million as at 31 December 2024. The increase, partially offset by depreciation charged during FY2024, was mainly due to additions of new PPE and right-of-use assets comprising of newly acquired motor vehicle and new leases entered during the financial year.

Development properties decreased by approximately RM15.2 million from RM245.2 million as at 31 December 2023 to RM230.0 million as at 31 December 2024, mainly due to the sale of completed units at The Astaka and BPP, along with foreseeable losses from unsold BPP units. This was partially offset by the capitalisation of additional billings by sub-contractors, professionals, and consultants for the Aliva, in line with ongoing construction progress of the Group’s property development projects.

Contract assets are recorded mainly due to the unbilled amount of work completed to date for the Aliva project. These amounts will be transferred to trade receivables once the right to bill becomes unconditional upon

FINANCIAL PERFORMANCE

achieving the construction milestones. This was partially offset by the advances received from the purchaser for the Aliva.

Trade and other receivables increased by RM7.1 million from RM9.2 million as at 31 December 2023 to RM16.3 million as at 31 December 2024, mainly due to approximately RM12.3 million deposit paid for the purchase of freehold land under a sale and purchase agreement involving Astaka Padu Sdn. Bhd., Seaview Holdings Sdn. Bhd. and Astaka Kimlun Sdn. Bhd. (“Land”). This increase was partially offset by collections from The Astaka property sales and an allowance for doubtful debts of RM0.3 million related to receivables from purchasers.

Amount due from related parties decreased from RM1.4 million to RM Nil due to repayments received in FY2024.

Cash and cash equivalents rose by RM5.1 million from RM16.5 million as at 31 December 2023 to RM21.6 million as at 31 December 2024, mainly driven by sales collections, term loan drawdowns, and loans from DMR Holdings and non-controlling shareholders. This was partially offset by payments to trade and other payables and the acquisition of the Land.

Total assets amounted to RM278.3 million as at 31 December 2024 compared to RM273.4 million as at 31 December 2023 due to the above reasons.

Liabilities

Trade and other payables decreased by RM6.1 million from RM109.2 million as at 31 December 2023 to RM103.1 million as of 31 December 2024, mainly due to payments to contractors and consultants, including those under settlement agreements and proposed payment plans.

Amount due to related parties increased by RM11.6 million from RM69.6 million as at 31 December 2023 to RM81.2 million as at 31 December 2024, mainly due to a RM5.6 million drawdown of shareholders’ loans by Bukit Pelali Properties Sdn. Bhd. and Astaka Capital Sdn. Bhd. based on respective shareholdings. Additionally, the Group has drawn down approximately RM8.5 million from DMR Holdings’ loan facilities at an interest rate of 8.0% per annum, repayable on demand, to finance general corporate expenses and working capital for The Astaka and BPP. This was partially offset by repayment of loans and interest to DMR Holdings.

The loans and borrowings of RM28.8 million as at 31 December 2024 were related to the drawdown of bank overdraft and term loan to finance property development projects and working capital.

The Group’s total liabilities reported as at 31 December 2024 was RM214.0 million, up from RM191.0 million as at 31 December 2023.

Net Asset Value

The Group’s net asset value (“NAV”) attributable to owners of the Company as at 31 December 2024 stood at RM69.1 million compared to RM82.9 million as at 31 December 2023. This translates to NAV per ordinary share of RM3.69 cents as at 31 December 2024 as compared to NAV per ordinary share of RM4.44 cents as at 31 December 2023.

Consolidated Statement of Cash Flows

The Group recorded a net cash outflow of RM29.0 million from operating activities in FY2024, primarily due to a net loss recognised, repayments made to trade and other payables, and deposit paid for the acquisition of the Land of RM12.3 million. This was partially offset by a decrease in development properties from sales of property units in the Group’s ongoing projects.

Net cash used in investing activities was RM0.8 million in FY2024 was mainly due to a RM0.9 million acquisition of PPE, partially offset by RM0.1 million in interest received from financial institution.

Net cash generated from financing activities was RM32.4 million in FY2024, driven by advances from affiliated corporations, a non-controlling shareholder, proceeds from term loan drawdowns, share issuance to non-controlling interests, and repayments from affiliated corporations. This was partially offset by repayments to affiliated corporations, interest payments, repayment of lease liabilities, and an increase in fixed deposits pledged.



ASTAKA HOLDINGS



BOARD OF DIRECTORS



LAI KUAN LOONG, VICTOR

Non-Executive Chairman and Independent Director

Mr. Lai Kuan Loong, Victor (“**Mr. Lai**”) was appointed as Independent Director on 13 November 2019 and was last re-elected on 28 April 2022. He was appointed as the Interim Non-Executive Chairman on 5 February 2020 and was formally appointed as the Independent Non-Executive Chairman of the Board with effect from 1 September 2021. Mr. Lai is presently the Chairman of the Audit Committee, and a member of the Nominating and Remuneration Committees.

Mr. Lai is a practising accountant and is currently the Principal Consultant of CitadelCorp Pte Ltd and a director of JCY International Berhad, HomesToLife Ltd and UT Singapore Services Pte. Ltd. He has over 20 years of professional experience in Corporate Advisory matters and has led and advised on Board and Corporate Governance issues, supporting many listed entities and large privately-owned businesses with their corporate actions. Mr. Lai is also a member of the Audit Committee of A*STAR Research Entities.

In his professional practice, Mr. Lai advises on corporate governance, transactions support, and compliance with stock exchange listing rules as well as the relevant statutory frameworks. He has an extensive experience in AML/CFT regulatory compliance, having served as the Corporate Services Industry Sector representative for Global Regulatory reviews in Singapore.

Mr. Lai holds a Bachelor of Accountancy (Honours) degree from the Nanyang Technological University, Singapore. He is a Fellow Chartered Accountant with the Institute of Singapore Chartered Accountants and is presently a Public Accountant registered with the Accounting & Corporate Regulatory Authority.



KHONG CHUNG LUN

Executive Director and Chief Executive Officer

Mr. Khong Chung Lun (“**Mr. Khong**”) was appointed to the Board as Executive Director on 13 November 2019 and was last re-elected on 27 April 2023. He has been the Chief Executive Officer of Astaka since 2 March 2020. Prior to these appointments, he was a General Manager of the Group from May 2015 where he oversaw the strategic planning, business development and investments of the Group’s projects.

Mr. Khong has extensive knowledge in mergers and acquisitions, business development, as well as sales and marketing in the property development industry.

He holds a Master of Business Administration in Industrial Management and a Bachelor of Engineering (Honours) Degree in Automation and Manufacturing Systems Engineering from Sheffield Hallam University, United Kingdom.

BOARD OF DIRECTORS



LEE GEE AIK

Non-Executive and Non-Independent Director

Mr. Lee Gee Aik (“**Mr. Lee**”) was re-designated from an Executive Vice Chairman of E2-Capital Holdings Limited (presently, Astaka) to a Non-Executive and Independent Director of the Company on 19 November 2015, and was last re-elected on 27 April 2023. With effect from 24 March 2023, Mr. Lee was re-designated as a Non-Executive and Non-Independent Director and had relinquished his positions as the Chairman of the Audit Committee and a member of the Nominating Committee. Mr. Lee is presently a member of the Audit and Remuneration Committees. Besides, Mr. Lee is currently the Chief Financial Officer of AlphaRock Family Office Pte. Ltd., a capital market services licensed multi-family office and an executive director of AlphaRock Singnet VCC.

Mr. Lee is an accountant with many years of experience in finance, assurance and taxation having been with KPMG (Singapore and USA) and as a practising public accountant

in Singapore. He also has experience in the hospitality industry with his involvement in an international hotel chain.

Mr. Lee is a qualified Chartered Certified Accountant with the Chartered Association of Certified Accountants, United Kingdom. He also has a Master of Business Administration from Henley Management College, United Kingdom. He is also a Fellow with The Chartered Association of Certified Accountants, United Kingdom and the Institute of Singapore Chartered Accountants. He is presently serving as an independent board chairman of CH Offshore Ltd. and an independent director of Uni-Asia Group Limited and SHS Holdings Ltd.



DATO' SRI MOHD MOKHTAR BIN MOHD SHARIFF

Non-Executive and Independent Director

Dato' Sri Mohd Mokhtar Bin Mohd Shariff (“**Dato' Sri Mohd Mokhtar**”) was appointed as Non-Executive and Independent Director on 13 November 2019 and was re-elected on 26 April 2024. Dato' Sri Mohd Mokhtar is presently the Chairman of the Nominating and Remuneration Committees and a member of the Audit Committee.

Dato' Sri Mohd Mokhtar has served the Royal Malaysian Police from 1977 to 2018. He held various senior positions including Chief Police Officer of Johor from January 2008 to April 2015, Director of Narcotics and Crime Investigation Department from April 2015 to September 2017 and Director of Special Branch from September 2017 to May 2018.

Dato' Sri Mohd Mokhtar holds a Bachelor of Laws (Honours) degree from the University of Wolverhampton, United Kingdom, and has a Certificate of Legal Practice from the Legal Profession Qualifying Board of Malaysia. He was admitted as an advocate and solicitor of the High Court of Malaya in September 2019.

Dato' Sri Mohd Mokhtar is presently an independent non-executive chairman of TMC Life Sciences Bhd, and an independent non-executive director of South Malaysia Industries Berhad, MY E.G Services Berhad and Pacific & Orient Berhad.

BOARD OF DIRECTORS



IR. HJ. SYARUL IZAM BIN HJ. SARIFUDIN
Non-Executive and Non-Independent Director

Ir. Hj. Syarul Izam Bin Hj. Sarifudin (“**Ir. Hj. Syarul Izam**”) was appointed as Non-Independent and Non-Executive Director on 1 April 2022 and was re-elected on 26 April 2024. He is presently a member of the Nominating Committee.

Ir. Hj. Syarul Izam, an engineer by training, has over 20 years of relevant working experiences in real estate planning and development, project management and other related engineering services. Presently, he is the vice managing director of Country Garden Pacificview Sdn. Bhd., where he is responsible for managing and overseeing the development of the Forest City as an integrated residential development in Johor, Malaysia. Prior to this, he held the positions of Senior Project Manager, Special

Projects of the Iskandar Regional Development Authority (“**IRDA**”) from October 2007 to April 2009 and Vice President of IRDA from April 2009 to January 2015. He is presently also a director of SIS Consultancy (M) Sdn. Bhd. and Worldwide Adventure Sdn. Bhd. Ir. Hj. Syarul Izam is also a taskforce member of the Johor-Singapore Special Economic Zone committee.

Ir. Hj. Syarul Izam holds a Bachelor of Engineering (Honours) in Civil and Structural Engineering from the University of Bradford, England, as well as a Diploma in Civil Engineering from the University of Technology Malaysia, Malaysia.

KEY MANAGEMENT



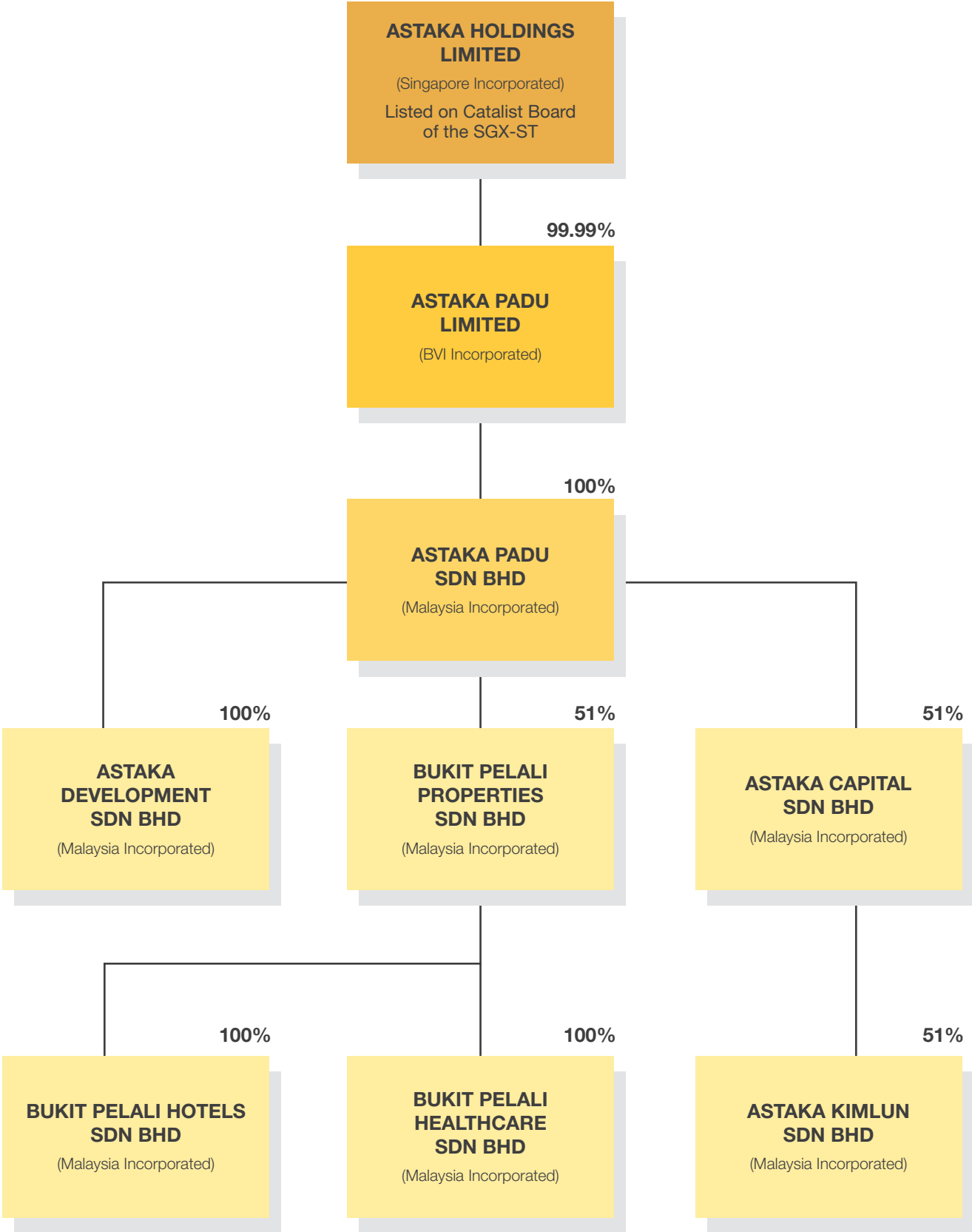
ANG SIEW PENG
Chief Financial Officer

Ms. Ang Siew Peng (“**Ms. Ang**”) was appointed as Financial Controller of Astaka on 18 February 2020 and was subsequently promoted to the position of Chief Financial Officer on 1 February 2024. She is responsible for overseeing the overall financial and accounting functions of the Group.

Prior to Astaka, Ms. Ang was the Finance Manager of Country Garden Pacificview Sdn Bhd from 2016 to 2018. Earlier, she joined PSL Holdings Limited as Senior Manager of Corporate Development and Finance from 2012 to 2016, and was responsible for the financial reporting of the group as well as investment opportunities. She was also previously an Audit Assistant Manager of Deloitte & Touche LLP, and the Principal Accountant of National Trades Union Congress (NTUC).

Ms. Ang graduated from the University of Technology, Sydney with a Bachelor of Business degree with a double specialisation in Accounting and Information Technology. She is a Certified Practising Accountant of CPA Australia.

GROUP STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE:

Khong Chung Lun

(Executive Director and Chief Executive Officer)

NON-EXECUTIVE:

Lai Kuan Loong, Victor

(Non-Executive Chairman and Independent Director)

Lee Gee Aik

(Non-Executive and Non-Independent Director)

Dato' Sri Mohd Mokhtar Bin Mohd Shariff

(Non-Executive and Independent Director)

Ir. Hj. Syarul Izam Bin Hj. Sarifudin

(Non-Executive and Non-Independent Director)

AUDIT COMMITTEE

Lai Kuan Loong, Victor

(Chairman)

Lee Gee Aik

(Member)

Dato' Sri Mohd Mokhtar Bin Mohd Shariff

(Member)

NOMINATING COMMITTEE

Dato' Sri Mohd Mokhtar Bin Mohd Shariff

(Chairman)

Lai Kuan Loong, Victor

(Member)

Ir. Hj. Syarul Izam Bin Hj. Sarifudin

(Member)

REMUNERATION COMMITTEE

Dato' Sri Mohd Mokhtar Bin Mohd Shariff

(Chairman)

Lai Kuan Loong, Victor

(Member)

Lee Gee Aik

(Member)

COMPANY SECRETARY

Yoo Loo Ping

REGISTERED OFFICE

133 Cecil Street,
#14-01 Keck Seng Tower,
Singapore 069535
Tel: +65 6908 1227

BUSINESS OFFICE

No. 22, Jalan Padi Emas 1/4,
UDA Business Centre,
81200 Johor Bahru,
Johor Darul Ta'zim,
Malaysia
Tel: +607 231 5457
Fax: +607 244 3427

CONTINUING SPONSOR

SAC Capital Private Limited

1 Robinson Road,
#21-01 AIA Tower,
Singapore 048542

SHARE REGISTRAR

Tricor Barbinder Share Registration Services

(A division of Tricor Singapore Pte. Ltd.)

9 Raffles Place,
#26-01 Republic Plaza, Tower I,
Singapore 048619

AUDITORS

Forvis Mazars LLP (formerly known as Mazars LLP)

135 Cecil Street,
#10-01
Singapore 069536
Audit Partner-in-charge: Chan Hock Leong, Rick
since financial year 30 June 2020

STOCK EXCHANGE LISTING

Catalist Board
Singapore Exchange Securities Trading Limited
Stock Name: Astaka
Stock Code: 42S

WEBSITE

www.astaka.com.my

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ASTAKA  HOLDINGS

SUSTAINABILITY REPORT 2024

MESSAGE FROM CHAIRMAN

We are pleased to present our seventh Sustainability Report (“**Report**”) for Astaka Holdings Limited (the “**Company**” or “**Astaka**”, and together with its subsidiaries, the “**Group**”). In line with our commitment to sustainability, our organisation proactively manages our impacts on the economy, environment, and people.

Astaka remains unwavering in its dedication to long-term sustainable value by managing economic, environmental, social, and governance (“**EESG**”) impacts on our business, employees, contracted partners, workers, and customers. This commitment is evident in our approach to integrating EESG considerations alongside financial matters during strategy formulation and decision-making processes.

In this year’s Report, we continue to enhance our EESG disclosures by considering of the adoption of International Financial Reporting Standards (“**IFRS**”) Sustainability Disclosure Standards by SGX. We continue to make strides in enhancing our climate risk disclosure, with more descriptive climate risk assessment and linkage to (potential) financial impact. However, this remains an ongoing effort as we continue to evaluate regulatory developments (e.g. disclosure of greenhouse gas Scope 3 emissions) and expectations from our key stakeholders in demonstrating our climate resilience, for future climate disclosures. Beyond climate disclosure, we are aware and will continue to monitor the development to potential introduction of enhanced disclosure standards with respect to biodiversity and human capital by the IFRS.

As a property developer, we have consistently upheld our accomplishment of achieving zero instances of non-compliance with relevant regulations and zero workplace injuries and fatalities. Environmental and social criteria persist as integral considerations in the tendering and project planning processes whenever new developments are undertaken. We also recognise the significance of fostering an equitable, resilient, and progressive work environment for all workers as key drivers for the continued growth of the Company. In line with new development, we have enhanced disclosures on labour policies and standards and biodiversity, as part of our commitment to meeting evolving requirements by our stakeholders.

Similar to previous years, we continue to integrate green and sustainable designs into our developments. This is reflected in our ongoing maintenance of Green Building Index (“**GBI**”) certification for our key developments. Moving forward, we will continue to explore innovation and new approaches in planning and construction. This includes consideration for the Industrialised Building System (“**IBS**”) and sourcing of eco-friendly construction materials (e.g. green cement) for the construction and enhancement of our developments. These efforts not only demonstrate our commitment to supporting the nation’s Net Zero aspirations but also demonstrate our commitment to environmental and climate stewardship.

We are thankful to our stakeholders for their continued support and partnership as we strive to create a more sustainable business together.

Mr. Lai Kuan Loong, Victor

Non-Executive Chairman and Independent Director

SUSTAINABILITY REPORT

This Sustainability Report (“**Report**”) reflects the efforts and performance of Astaka Holdings Limited (the “**Company**”, “**Astaka**”, “**we**” and “**us**”, together with its subsidiaries, the “**Group**”) in managing its material Economic, Environmental, Social and Governance (“**EESG**”) risks and opportunities.

REPORTING FRAMEWORK

In preparing this report, we have been guided by the key principles of the following:

- Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), in particular, the Sustainability Reporting Guide in Practice Note 7F of the Catalist Rules;
- Task Force on Climate-Related Financial Disclosures (“**TCFD**”) framework;
- Global Reporting Initiative (“**GRI**”) Standards and its latest Universal Standards 2021; and
- United Nations Sustainable Development Goals (“**UN SDGs**”).

We have selected the above framework(s) as these are globally recognised sustainability frameworks. This Report has made reference to the requirements of the Catalist Rules of the SGX-ST, in particular, the Sustainability Reporting Guide in Practice Note 7F of the Catalist Rules. This Report has also been prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards 2021.

We have incorporated recommendations from the TCFD. The TCFD framework aims to give stakeholders an overview of the potential financial effects of climate change on the Group’s business model, including assets, revenue, operations, capital, and financing.

We have also selected the GRI Standards as the reporting framework for its systemic and comprehensive sustainability reporting approach. Astaka observed that the GRI Standards are commonly adopted among sustainability leaders across different industries, including property development. We have applied the following principles to determine relevant topics that define the report’s content and ensure quality of information: (a) GRI guiding principles for defining the content: Materiality, Stakeholder Engagement, Sustainability Context and Completeness; and (b) GRI guiding principles for defining the quality: Accuracy, Balance, Clarity, Comparability, Timeliness, and Verifiability.

The UN SDGs have also been incorporated into the Report, which highlights the Group’s contributions to sustainable development.

REPORTING SCOPE

This Report covers the sustainability performance from 1 January 2024 to 31 December 2024 (“**FYE 2024**”) of the Astaka Headquarters Office, the sales gallery at Bukit Pelali @ Pengerang, and the sales gallery and construction sites at the active site, Aliva @ Mount Austin.

This Report excludes:

- Properties handed over to the Joint Management Body (“**JMB**”) – The Astaka @ One Bukit Senyum and Bukit Pelali @ Pengerang; and
- Property handed over to Majlis Bandaraya Johor Bahru (“**MBJB**”) – Menara MBJB.

RESTATEMENT

No restatements were made to previous year’s report.

ASSURANCE STATEMENT

The Group has established internal controls and verification mechanisms to ensure the accuracy and reliability of the narratives and data disclosed within this Report. The sustainability reporting process of Astaka has been subjected to an internal review pursuant to Catalist Rule 711B(3). The information in this Report has not been assured by our internal audit function or any external independent assurance provider. The Board of Directors, together with management, will assess the need for limited assurance on certain disclosures.

SUSTAINABILITY REPORT

AVAILABILITY AND FEEDBACK

This Report is part of our Annual Report for FYE 2024 which is available online at SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://astaka.com.my/investor-relations/#annualreport>.

Astaka welcomes any feedback and comments as we continuously strive to improve our sustainability performance and disclosures. Any feedback or comments can be directed to ir@astaka.com.my.

OUR EESG FOCUS AND STRATEGY

The Group is dedicated to sustainable property development, grounded in strong corporate governance principles. We aim to uphold the wellbeing of the environment and society while creating lasting value for our stakeholders through the following actions:

Sustainable performance and operations

- To explore opportunities to implement design and technological solutions that are beneficial to the environment and communities while allowing us to deliver enhanced performance
- To cultivate a sustainability-centric culture within Astaka by spreading awareness and educating our employees through various communication channels
- To comply with all applicable environmental and socio-economic regulations applicable to the Group

Strong relationships with our key stakeholders

- To continuously engage and protect the well-being of our employees and our workers, including the provision of relevant trainings, benefits, as well as through the enforcement of key health and safety measures
- To continuously engage our shareholders through annual general meetings and extraordinary general meetings (as and when required), and to maintain open channels of communication for shareholders via contact details which are available on our corporate website at <https://astaka.com.my/contact/>
- To build strong relationships and understand the concerns of the local communities in the areas we operate, in order to contribute where possible
- To maintain positive relationships with regulators by complying with all relevant laws and regulations in its operations
- To work with suppliers (e.g. contractors and consultants) through regular meetings in order to ensure their adherence with the contractual obligations laid out in our terms of contract

To reflect our continued commitment to global sustainability efforts, the Group has identified the material sustainability matters (discussed below) to guide our sustainability strategy.

SUSTAINABILITY REPORT

CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Group's business aligns with the United Nations Sustainable Development Goals (**UN SDGs**). Our ongoing efforts support these goals as part of our long-term sustainability focus. Key contributions are highlighted below:

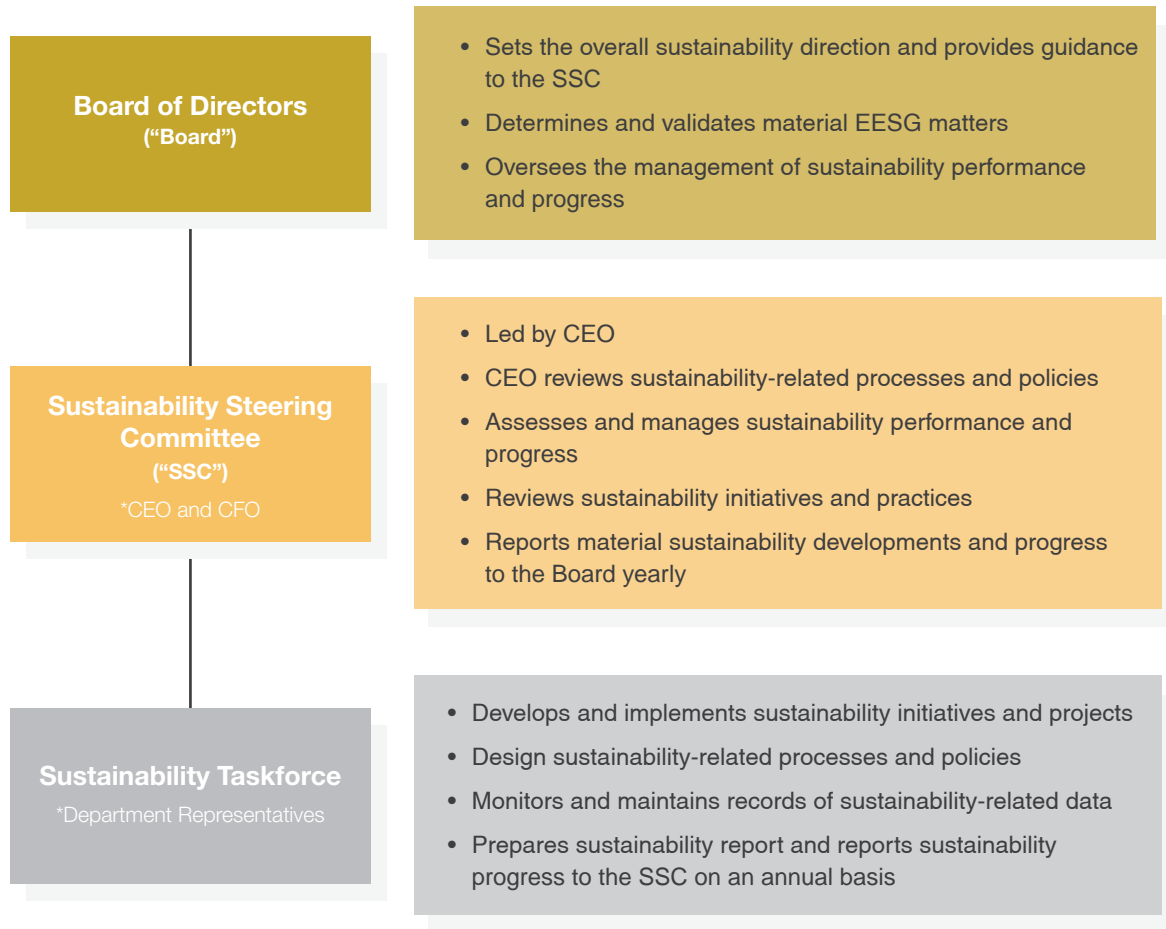
| UN SDGs | The Group's Contribution | Read More in The Following Section(s) |
|---|---|--|
|  <p>3 GOOD HEALTH AND WELL-BEING</p> | Provide work opportunities and trainings to our employees. Create conducive and safe working environment for our people. | <ul style="list-style-type: none"> • Employee Management • Labour Practices & Standards • Occupational Health & Safety |
|  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> | Provide competitive and merit-based employment opportunities to our talented workforce, also continuously aim to promote sustained economic growth in our operating regions. | <ul style="list-style-type: none"> • Economic Performance • Employee Management |
|  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> | Promote and diligently work towards the development of high-quality, sustainable and resilient residential, commercial and office buildings. The Group will be more proactive in seeking more advanced sustainable technologies in new developments. | <ul style="list-style-type: none"> • Sustainable & Green Design • Pollution Management • Water Management • Waste Management • Sustainable Materials • Biodiversity • Occupational Health & Safety |
|  <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> | We have the local community at heart and has engaged with our partners along the supply chain to mitigate environmental and social impacts. The existing projects have also provided smart and integrated urban solutions, bringing functions such as hotels, residences, apartments, shopping malls, private hospitals and schools all within a single district. | <ul style="list-style-type: none"> • Supply Chain Management • Sustainable & Green Design • Waste Management • Biodiversity • Labour Practices & Standards • Community Engagement • Quality & Customer Satisfaction |
|  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> | Astaka ensures environmental and social compliance and impacts by contractors and suppliers are to be of necessary considerations before engagement. | <ul style="list-style-type: none"> • Supply Chain Management • Pollution Management • Waste Management • Labour Practices & Standards • Occupational Health & Safety • Climate Change |
|  <p>13 CLIMATE ACTION</p> | Integrate climate-change related considerations and measures into decision-making and assessed the Group's resilience of its operations. | <ul style="list-style-type: none"> • Climate Change • Emissions |
|  <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> | Promote good corporate governance and comply fully with all applicable laws and regulations | <ul style="list-style-type: none"> • Sustainable Governance • Anti-Corruption • Pollution Management • Waste Management • Occupational Health & Safety • Labour Practices & Standards |

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE

The sustainability governance structure oversees our approach to sustainability, climate-related issues, compliance, risk management, and governance by clearly outlining roles, responsibilities, and accountability.

The diagram below illustrates Astaka's sustainability governance framework, ensuring that sustainability factors are embedded into our business strategy and operations, while also aligning with Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations and SGX's climate-related disclosure requirements.



The Board consists of two independent directors. The Company takes a precautionary approach to strategic decision-making and day-to-day operations, with the CEO Office Department overseeing its overall risk management strategies.

Currently, the governance body's remuneration is not directly linked to the Group's sustainability performance, but we will monitor and reassess this in the coming years.

For more details on the composition, nomination, roles, responsibilities, and performance evaluation of the governance body and its committees, please refer to the Corporate Governance Report section of this Annual Report.

STAKEHOLDER ENGAGEMENT

We incorporate stakeholder feedback to ensure our sustainability initiatives align with their interests. This is achieved through ongoing engagement with both internal and external stakeholders. By maintaining open communication, we identify their needs and expectations, which directly influence our operations. This dialogue includes regular discussions with top management and the Board.

SUSTAINABILITY REPORT

The following table summarises our key stakeholders, engagement platforms and their key concerns:

| Stakeholders | Engagement Platforms | Key Concerns | Our Responses | Refer to Section(s) |
|--------------|--|--|--|--|
| Customers | <ul style="list-style-type: none"> Through communication at the property sales gallery and addressing concerns via feedback services | <ul style="list-style-type: none"> Quality and design Amenities and facilities Maintenance and services | <ul style="list-style-type: none"> The Company focuses on long-term value through sustainable and green design, ensuring quality buildings and highlighting future growth Regular maintenance and inspection checks are conducted | <ul style="list-style-type: none"> Sustainable & Green Design Quality & Customer Satisfaction Energy Management Sustainable Materials Biodiversity |
| Investors | <ul style="list-style-type: none"> Annual Reports, Sustainability Reports, announcements, press releases and other relevant disclosures through SGXNet and Astaka's website Annual General Meetings and Extraordinary General Meetings (when required) | <ul style="list-style-type: none"> Corporate Governance Business operations and performance Business strategy and outlook | <ul style="list-style-type: none"> The Company keeps investors informed on significant developments regarding the business activities, through quality corporate reports The Company also invites substantial and relevant questions from shareholders, to be addressed by the Directors and Management, before or during the Annual General Meetings and Extraordinary General Meetings (when required) | <ul style="list-style-type: none"> Annual Report Financial Statements Economic Performance |
| Suppliers | <ul style="list-style-type: none"> Regular meeting with suppliers (e.g., contractors and consultants) Annual Reports and Sustainability Reports | <ul style="list-style-type: none"> Environmental and social compliance, including health and safety Business performance | <ul style="list-style-type: none"> The Company integrates our EESG aspects in our terms of contract which suppliers are required to comply with | <ul style="list-style-type: none"> Supply Chain Management Pollution Management Water Management Waste Management Occupational Health & Safety Labour Practices & Standards Climate Report for FYE 2024 |

SUSTAINABILITY REPORT

| Stakeholders | Engagement Platforms | Key Concerns | Our Responses | Refer to Section(s) |
|-------------------|--|---|--|---|
| Employees | <ul style="list-style-type: none"> • Training programmes • Induction for new employees • Team building and staff activities • Half-yearly performance appraisals • Employee Opinion Survey • 360-Degree Feedback • Townhall • Weekly Company-wide Badminton Sessions • Festive Gatherings • Annual Dinner • Ramadan Iftar | <ul style="list-style-type: none"> • Fair remuneration and opportunities • Career development • Employee good health and well-being • Competency and technical training | <ul style="list-style-type: none"> • The Company stands firm against any form of discrimination in our organisation. Our Human Resources (“HR”) team develops a yearly training calendar to address targeted needs of our employees | <ul style="list-style-type: none"> • Economic Performance • Employee Management • Labour Practices & Standards • Occupational Health & Safety |
| Local Communities | <ul style="list-style-type: none"> • Contributions to support various philanthropic, community and charitable causes | <ul style="list-style-type: none"> • Community Investments | <ul style="list-style-type: none"> • The Company actively strives to give back to the local community. | <ul style="list-style-type: none"> • Community Engagement |
| Regulators | <ul style="list-style-type: none"> • SGXNet Announcements • Annual Reports and Sustainability Reports • Ongoing communication and consultation • Site visits and audits/inspections • Training and updates of the latest changes in laws, regulations and accounting reporting standards | <ul style="list-style-type: none"> • Compliance with mandatory reporting and relevant laws and regulations | <ul style="list-style-type: none"> • Astaka strives to be in compliance with all applicable laws and regulations in its operations | <ul style="list-style-type: none"> • Anti-Corruption • Supply Chain Management • Pollution Management • Water Management • Waste Management • Labour Practices & Standards • Occupational Health & Safety • Emissions • Climate Change |

SUSTAINABILITY REPORT

MATERIALITY ASSESSMENT

Our sustainability strategy is based on materiality, focusing on EESG issues relevant to our business and industry. Identifying and prioritising these issues is essential to address stakeholder concerns and mitigate potential risks to the Group.

| | |
|--|---|
| Peer Review | Material sustainability matters were consolidated from reports of global and local peers, with global peers chosen for operational similarities to Astaka and local peers for contextual relevance. |
| Standards & Frameworks | Industry standards, including GRI Standards and SGX-ST's Sustainability Reporting Guide in Practice Note 7F of the Catalist Rules, were used to identify key sustainability matters. |
| Stakeholder Engagement | Engaged with key internal stakeholders at Astaka to gain insights on the prioritisation of material sustainability matters. |
| Materiality Assessment & Prioritisation | Stakeholder feedback was organised into a materiality matrix, with all identified issues considered relevant to Astaka and its stakeholders. |
| Validation | The materiality matrix was presented to the Board for review and endorsement. |

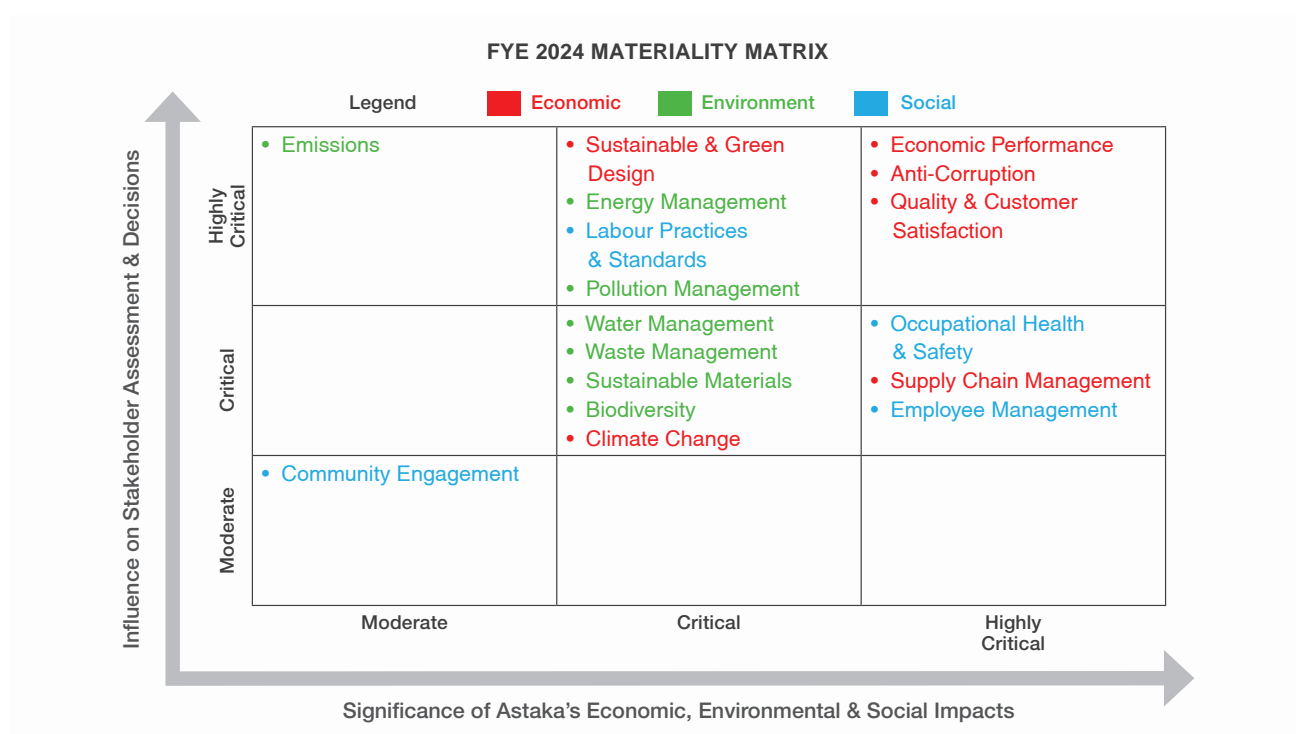
BOARD STATEMENT

The identified material sustainability matters, in the form of the materiality matrix, have been reviewed by the Board.

The Board plays a critical role in overseeing the process, ensuring that the identified material sustainability matters align with our strategic objectives and stakeholder interests, and formally approving the material sustainability factors and their prioritisation.

MATERIALITY MATRIX

The materiality matrix below displays material sustainability matters along the horizontal axis, representing the significance of our EESG impact on the business, and the vertical axis, reflecting their influence on stakeholder decisions related to our business engagements.



SUSTAINABILITY REPORT

OUR TARGETS

| Pillars | Material Matters | Our Targets |
|-------------------------|---------------------------------|---|
| Economic/ Governance | Economic Performance | Annual budget reviewed and approved by the Board during the annual budget process. |
| | Anti-Corruption | To maintain zero confirmed cases of fraud and corruption. |
| | Sustainable & Green Design | All existing and future projects to be green building certified, with a focus on achieving higher certification ratings. |
| | Quality & Customer Satisfaction | No significant penalties or damages caused by quality issues in our project developments. |
| | Supply Chain Management | <ul style="list-style-type: none"> • 100% local procurement. • No delays in ongoing construction projects due to supply chain disruptions. |
| | Climate Change | Please refer to the targets for Sustainable & Green Design and Occupational Health & Safety material sustainability matters. |
| Environment | Biodiversity | To keep abreast of this area and stay updated on relevant regulations and guidelines from local authorities. |
| | Energy Management | No significant project delays arising from power disruptions that could result in liquidated damages. |
| | Emissions | No emission targets or formal low-carbon transition plan. Future targets and plans will depend on financial performance, key initiative feasibility, and government policies. |
| | Water Management | No target, but we remain focused on water conservation and optimisation. |
| | Waste Management | No target, but we aim to optimise operational processes to reduce waste and minimise unnecessary resource consumption. |
| | Sustainable Materials | No specific targets, but we aim to continuously monitor developments and best practices for potential integration into future projects. |
| Social | Occupational Health & Safety | Zero cases of workplace injuries and fatalities. |
| | Labour Practices & Standards | Zero substantiated labour rights complaints. |
| | Employee Management | To maintain a healthy turnover rate. |
| | Community Engagement | No specific targets, as community investment is based on our financial performance and the alignment of Corporate Social Responsibility (“CSR”) initiatives with impact objectives. |

In reviewing the suitability of these targets, consideration was given with respect to the Company’s strategy and aspiration across short, medium and long term. We are guided by the following definition with respect to the time horizon: short term, which is 1 to 2 years, in line with our annual budget consideration; medium term which is 3 to 5 years, in line with our Company’s capital expenditure and new development planning; and long term which is 5 – 10 years, in line with Company’s long term strategic planning.

SUSTAINABILITY REPORT

ECONOMIC

Economic Performance

Amidst the challenging business landscape, we recognise the critical importance of our economic sustainability to our key stakeholders – shareholders, investors, and employees.

We enhance the wealth of our stakeholders by sustaining financial returns for our shareholders and lenders, continuing to provide job opportunities for our direct and indirect employees, and paying our fair share of taxes to local authorities.

The following is the summary of economic value generated and distributed to our stakeholders.

| | FYE 2024 RM('Million) | FYE 2023 RM('Million) | FYE 2022 RM('Million) |
|---|--------------------------|--------------------------|--------------------------|
| Economic Value Generated | 50.7 | 71.5 | 84.3 |
| Less: Economic Value Distributed, which consists of: | 69.3 | 71.0 | 78.2 |
| • Payment to employees (e.g. wages, benefits) | 8.2 | 6.3 | 6.2 |
| • Payment to providers of capital (e.g. interest to lenders, dividend to investors) | 1.1 | 1.5 | 7.2 |
| • Payment/(Refund) to government (e.g. taxes and permits) | 0.1 | 0.0 | (0.6) |
| • Payment to vendors | 59.9 | 63.2 | 65.4 |

With respect to this, we monitor our progress against revenue and profit targets based on our annual budgets.

Further discussion on our business performance and outlook can be found in the Chairman's Statement and Financial Performance of this Annual Report.

Anti-Corruption

As a responsible business, we uphold a zero-tolerance policy towards all forms of corruption and bribery, fully aware that any unethical conduct can have a lasting negative impact on our reputation within society and among our stakeholders. We remain vigilant and committed to target of zero confirmed cases corruption, ensuring that we do not engage in or encourage any form of criminal activity.

To this end, our Anti-Bribery and Corruption ("ABC") Policy and Procedures are guided by annual corruption risk assessments conducted by the management.

| | FYE 2024 (%) | FYE 2023 (%) | FYE 2022 (%) |
|---|-----------------|-----------------|-----------------|
| Percentage of operations assessed for corruption risks | 100 | 100 | 100 |

We continuously review and improve our corruption risk assessment and management.

We have communicated our ABC Policy and Procedures to all employees as part of their induction process to ensure compliance with the policy and procedures. This training, as part of their induction, emphasises the importance of maintaining the integrity of our control environment.

SUSTAINABILITY REPORT

The table below shows the participation levels by employee categories in our anti-corruption training:

| Percentage of employees that have received training on anti-corruption by employee category | FYE 2024 (%) | FYE 2023 (%) | FYE 2022 (%) |
|---|--------------|--------------|--------------|
| Top Management* | 100 | 100 | 100 |
| Management | 100 | 100 | 100 |
| Executive | 100 | 100 | 100 |
| Non-Executive | 100 | 100 | 100 |

*Top management refers to the Company's Directors, Chief Executive Officer, Chief Financial Officer and Head of Department.

Nevertheless, we continue to maintain ongoing communication and awareness initiatives. These include regular compliance monitoring, feedback sessions led by the top management, as well as discussions and meetings at the executive level.

As a result of our ongoing assessment, monitoring, and communication efforts, no confirmed incidents of corruption have been reported over the past three years.

| | |
|--|-----|
| Number of confirmed incidents of corruption and action taken for FYE 2024, FYE 2023 and FYE 2022 | Nil |
|--|-----|

Sustainable & Green Design

We recognise the benefits that sustainable and green design buildings offer to our customers. By offering eco-friendly and energy-efficient spaces, we not only address the increasing demand for sustainable developments but also help our customers lower operational costs through improved energy and water efficiency.

Sustainable and green design buildings focus on creating energy-efficient, environmentally responsible spaces that enhance customer comfort and reduce resource consumption. Through our property development approaches, including considerations of passive design and smart home features and assessments for securing building certifications, we integrate these practices into our properties.

Upon completion of our current project, Aliva @ Mount Austin, which has previously been awarded Green Building Index ("GBI") certification for its design assessment, a collection of smart home features grounded in sustainability will be rolled out.

SUSTAINABILITY REPORT

Among the key sustainable design and green building/smart home features incorporated into our property development are as follows:

| Features | Description |
|-------------------------------------|--|
| Smart digital lock | Locks that can be remotely controlled and unlocked using fingerprint scanning, cards, passwords, or physical keys. |
| Electric Vehicle (EV) port | An electrical connector for residents to charge their electric vehicles. |
| Energy efficient fittings | Fixtures designed to consume less energy while maintaining performance, such as LED lights and sensor-activated taps. |
| Pneumatic waste collection | An automated, enclosed system that uses air suction to transport waste from individual buildings through underground pipes to a central collection point for disposal. |
| Rainwater harvesting system | A dedicated tank for collecting rainwater, which can be used for purposes such as watering of plants, car washing, and more. |
| Smart lighting and air conditioning | Advanced systems to detect and automatically turn off lights or air conditioning units when not in use, thereby saving energy. |
| Double-glazed windows and louvres | Double-glazed windows feature two glass panes with an insulating layer to reduce heat transfer, while louvres allow for adjustable airflow. |
| Sun-facing designs | Optimised natural sunlight exposure reduces the need for artificial lighting. |
| Accessibility to public transport | Buildings are located in areas easily accessible by public transportation, such as bus and train stations. |

Green Building Index (GBI) Certification

The attainment of GBI certification will remain a key consideration for all future developments. Our target is to have all existing and future projects green building certified, while striving for higher ratings.

As of FYE 2024, Astaka's GBI certification profile is as follows:

| Property Development | Type | Rating | Validity |
|-------------------------------|---|-----------|--------------------------|
| The Astaka @ One Bukit Senyum | GBI: Completion & Verification Assessment | Certified | 3 Jan 2023 - 2 Jan 2026 |
| Menara MBBJ | GBI: Completion & Verification Assessment | Certified | 26 Nov 2021- 25 Nov 2024 |
| Aliva @ Mount Austin | GBI: Design Assessment | Certified | 8 Dec 2023 - 7 Dec 2026 |

Green Spaces

As urban areas become more densely populated, we recognise the importance of green spaces as valuable retreats for relaxation, recreation, and social interaction. These spaces not only enrich the lives of our customers but also foster a stronger sense of community. We adhere to local regulations related to green spaces in each of our developments.

Additionally, they are an integral part of our efforts to restore and rehabilitate the areas we develop. Please refer to the Biodiversity section of this Report for more details.

SUSTAINABILITY REPORT

Quality & Customer Satisfaction

We understand that our product and service quality is integral to the Group's success, directly influencing customer satisfaction, our reputation, and the value we create. We continuously monitor workmanship across our project sites while upholding quality control measures.

For our ongoing project, Aliva @ Mount Austin, we rely on in-house quality monitoring conducted by our certified Quality Assessment System in Construction ("QLASSIC") officers and supervisors, ensuring the consistent delivery of projects that meet or exceed our quality benchmarks especially with regards to the GBI assessment. Moving forward, we will continue to prioritise and enhance the quality audit process for future projects.

Recognising the importance of this, we maintain an adequate number of QLASSIC-certified officers and supervisors to monitor the quality of our projects. Currently, our target is to ensure no significant penalties or damages caused by quality issues in our project developments.

| | FYE 2024 | FYE 2023 | FYE 2022 |
|--|----------|----------|----------|
| In house QLASSIC-certified officers and supervisors | 1 | 1 | Nil |

We monitor customer satisfaction through regular feedback and ongoing communication. Any concerns raised are promptly addressed through discussions with the relevant teams, ensuring that appropriate improvement measures are implemented.

Protecting Customers Data Privacy

Protecting our customers' data is crucial to maintaining their trust. We adhere to local data protection requirements in Malaysia and Singapore, which guide the collection, processing, use, and storage of personal data.

Astaka collects personal data only for transaction processing, product updates, and event notifications. Data is used to enhance services, communicate important updates, and for internal purposes like audits, compliance, and research. We may share data with trusted third-party providers for services related to customer orders and satisfaction, in line with privacy requirements.

Astaka implements both administrative and technical measures to safeguard personal data and retains it only for as long as necessary, in compliance with our Privacy Policy.

During the year under review, we continued to maintain our target of zero substantiated complaints from any regulatory or official bodies regarding breaches of customer privacy or loss of customer data.

| | |
|---|-----|
| Number of substantiated complaints concerning breaches of customer privacy and losses of customer data for FYE 2024, FYE 2023 and FYE 2022 | Nil |
|---|-----|

Supply Chain Management

We recognise the crucial role our contractors and suppliers play in ensuring the timely delivery of our projects and services to high standards.

Responsible Sourcing

We are fully aware of the need to ensure responsible procurement practices across our supply chain. With growing scrutiny from stakeholders regarding labour rights and environmental law compliance throughout our value chain, we continue to advocate for and assess our contractors' adherence to the same principles that we uphold.

We regularly monitor supplier performance to ensure products and services meet our expectations. Feedback from these evaluations is provided to suppliers to support their ongoing efforts toward continuous improvement.

SUSTAINABILITY REPORT

Local Sourcing

We acknowledge the value of local procurement in supporting the local economy. As such, we engage with local contractors and suppliers who have a proven track record of complying with local laws and regulations. This approach allows us to support local markets while ensuring our interests and needs are met, fostering both efficiency and economic development.

The following table reflects the percentage of our spending on local suppliers.

| | FYE 2024 (%) | FYE 2023 (%) | FYE 2022 (%) |
|---|-----------------|-----------------|-----------------|
| Percentage of spending on local suppliers | 100 | 100 | 100 |

Supply Chain Continuity

We recognise the critical importance of supply chain continuity to our business and continuously monitor potential risks. To mitigate these, we have implemented contingency measures, including diversifying suppliers and enhancing our sourcing practices.

Climate Change

Given the pressing nature of the climate crisis and its far-reaching effects – not only to the environment but to people, communities and our business – we continue to monitor our climate related risks and opportunities in this regard.

Recognising the impact of physical and transitional climate risks on our business, along with evolving climate disclosure requirements, we have prepared a separate Climate Report.

For full disclosure, please refer to the Climate Report appended at the end of this Report.

ENVIRONMENT

Biodiversity

We acknowledge the concerns often associated with property development, particularly during the construction and land clearing phases. These activities can disrupt natural habitats and affect the balance of ecosystems, potentially leading to biodiversity risks.

However, based on our assessment, we do not anticipate significant threats to biodiversity for our current project, Aliva @ Mount Austin, as it is an urban development — a project that takes place on previously developed land, within urban areas.

That said, we remain mindful of the potential risks of future developments on biodiversity. As such, we continuously assess this biodiversity risk and will take appropriate measures to mitigate them, provided these measures are cost-effective.

In understanding this area better, our target is to keep abreast of this area and stay informed about relevant regulations and guidelines from local authorities.

Post-Development Initiatives

While our developments primarily focus on urban sites, we understand the importance of enhancing biodiversity within these areas. Once construction is completed, we will focus on creating and improving green spaces. This includes implementing tree planting initiatives and continuously dedicating portions of the developed land to green spaces to maintain a balance between urban development and nature.

Energy Management

As a property developer, we recognise that energy costs are expected to rise in the short term due to government policies and global price pressures on non-renewable energy sources, which Malaysia continues to rely on. This will put upward pressure on our operating costs.

SUSTAINABILITY REPORT

Additionally, we are aware of the heightened risk of power disruptions due to climate-related factors. To minimise project delays from such disruptions, we will monitor the adequacy of our generators at construction sites. Our target is to avoid significant delays that could result in potential liquidated damages.

A summary of our energy consumption is as follows:

| Total Energy Consumption | Locations | FYE 2024 (Megawatt) | FYE 2023 (Megawatt) | FYE 2022 (Megawatt) |
|---|---|---------------------|---------------------|---------------------|
| Purchased Electricity | Headquarters Office (“HQ”), Sales Gallery | 157 | 142 | 142 |
| | Construction site - Aliva @ Mount Austin | 5 | Nil | Nil |
| | Overall | 162 | 142 | 142 |
| Fuel Consumption (i.e. diesel and petrol) | | 685 | Nil | Nil |
| Total | | 847 | 142 | 142 |

- (1) Data for electricity consumption is limited to Astaka HQ Office, Sales Gallery at Bukit Pelali @ Pengerang and Aliva @ Mount Austin’s Sales Gallery and construction site.
- (2) Energy conversion factor used for vehicles is based on fuel litre consumption derived from UK Government GHG Conversion Factors for Company Reporting 2024, 2023 and 2022. For FYE 2024, the emission factors are 10.56 kWh/ litre for diesel and 9.73 kWh/litre for petrol.
- (3) For FYE 2024, we have incurred fuel consumption at our Aliva @ Mount Austin construction site, resulting in an increase in total energy consumption.

We observed a significant increase between FYE 2023 and FYE 2024, primarily due to higher fuel consumption in FYE 2024, driven by increased business activity (e.g., Aliva @ Mount Austin).

Emissions

The following are the emission incurred by us during this reporting period, as a result of our energy consumption:

| Emission Type | FYE 2024 (tCO2e) | FYE 2023 (tCO2e) | FYE 2022 (tCO2e) |
|--|------------------|------------------|------------------|
| Direct greenhouse gas (“GHG”) Emission (Scope 1) | 172 | Nil | Nil |
| Indirect GHG Emission (Scope 2) | 126 | 108 | 108 |
| Total GHG Emissions | 298 | 108 | 108 |

- (1) Scope 1 emissions are direct GHG emissions that occur from sources that are owned or controlled by the Group. Emission Conversion factor for Scope 1 is derived from the UK Government GHG Conversion Factors for Company Reporting 2024, 2023 and 2022.
- (2) The disclosure of Scope 1 emission above is limited to emission as result of our fuel consumption only. It excludes any other emissions as a result of our construction process at our sites.
- (3) Scope 2 emissions are indirect GHG emissions arising from the generation of purchased electricity consumed by the Group.
- (4) Emission conversion factor for Scope 2 is based on the Grid Emission Factor (2022) by the Energy Commission.
- (5) Our Scope 2 emission covers Astaka HQ, Sales Gallery at Bukit Pelali @ Pengerang and Aliva @ Mount Austin’s Sales Gallery and construction site.
- (6) For FYE 2024, we have incurred fuel consumption at our Aliva @ Mount Austin construction site, resulting in an increase in total energy consumption.

Currently, we have no emission targets or a formal low-carbon transition plan. Any future targets and plans will depend on financial performance, the feasibility of key initiatives, and the effectiveness of government policies.

Pollution Management

We recognise the impact our operations at construction site which may have on the natural environment, including the air, noise and water pollution.

To mitigate these impacts, we continuously monitor contractor performance against environmental management criteria through audits at project sites, focusing on areas such as air pollution, noise pollution, and effluent management, ensuring that all pollutants remain within prescribed limits and that effluents are managed in compliance with local laws and regulations.

SUSTAINABILITY REPORT

Our target is to maintain zero incidents of environmental pollution while upholding responsible environmental practices in all our operations. During the year under review, the Group was not involved in any major environmental violations and did not incur any penalties or fines.

| | FYE 2024 | FYE 2023 | FYE 2022 |
|--|----------|----------|----------|
| Number of penalties or fines incurred due to any major environmental violations | Nil | Nil | Nil |

Water Management

Water consumption

The Group's water consumption is in relation to the treated water provided by local authorities.

Our current use of water does not significantly impact the availability of water in the areas where we operate our buildings and construction activities.

Summary of our water consumption is as follows:

| Water Consumption | Unit | FYE 2024 | FYE 2023 | FYE 2022 |
|--|------|----------|----------|----------|
| Total Water Withdrawal from Public Water Supply | | | | |
| HQ and Sales Gallery | ML | 1.39 | 1.34 | 5.32 |
| Construction Sites | ML | 2.78 | N/A | N/A |
| Total Water Consumption | ML | 4.17 | 1.34 | 5.32 |

The data for water consumption covers Astaka HQ, Sales Gallery at Bukit Pelali @ Pengerang and Aliva @ Mount Austin's Sales Gallery and construction sites.

Water disruption

A steady and reliable supply of clean, high-quality water is crucial for the efficient operation of Astaka's construction activities and building operations.

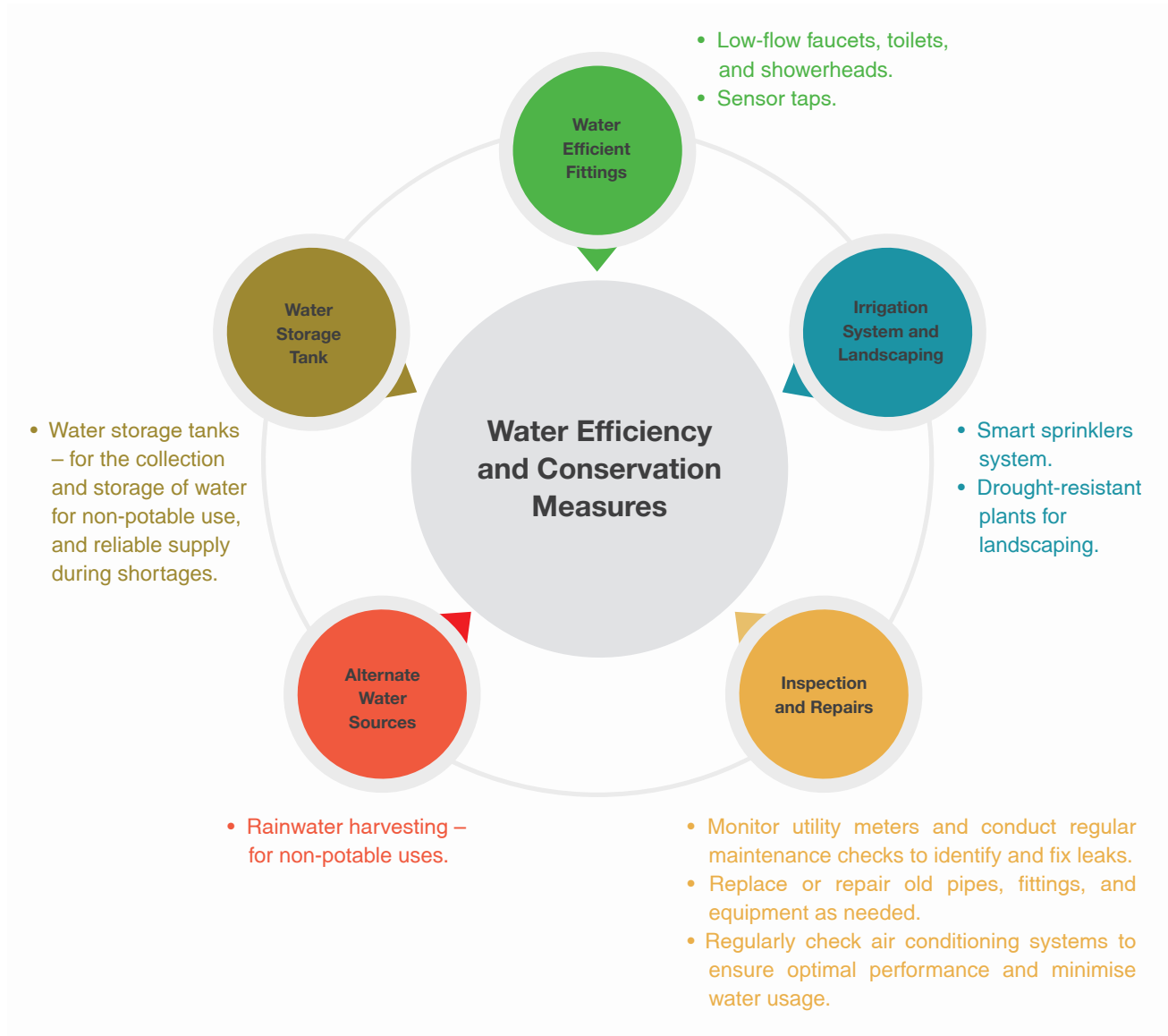
Water is used across various construction processes, such as concrete batching, grouting, dust suppression, soakaway testing, pond filling, and drilling and piling, as well as for general cleaning and the day-to-day operations. Any disruption to the water supply could significantly impact the progress of construction projects and building operations.

We are aware of the risks posed by climate change, including the potential for increased flash floods as well as infrastructure upgrades by relevant authorities. In response, we are actively engaging with our customers to assess the situation and develop mitigation plans for prolonged water disruptions. This includes, where necessary, increasing the capacity of our water storage tanks to provide a better buffer against potential disruptions.

SUSTAINABILITY REPORT

Our goal is to avoid any significant financial impact resulting from project delays due to water disruptions. To achieve this, we will continue to monitor the situation closely and safeguard our water resources.

Our initiatives are as follows:



Waste Management

With waste generation being an inherent and significant aspect of our business operations, especially during construction activities at our sites, we understand the environmental and community risks associated with improper waste management, as well as the potential operational and regulatory challenges it may pose. As such, responsible waste management remains a priority for us. We continue to ensure compliance with the Department of Environment (“DOE”) requirements and standards regarding waste management.

We aim to continuously optimise operational processes to reduce waste generation and minimise unnecessary consumption across our operations. Additionally, we aim to explore the 3Rs – recycle, reuse, and recover.

As part of our commitment to continuous improvement and meeting the growing expectations of our stakeholders, we have started tracking our waste generation data in FYE 2024.

SUSTAINABILITY REPORT

The table below illustrates the breakdown of waste directed to disposal and waste diverted from disposal during the reporting period.

| Category | FYE 2024 (Tonnes) |
|------------------------------------|-------------------|
| Hazardous Waste | Nil |
| Non-Hazardous Waste | 34.34 |
| Total waste directed to disposal | 34.34 |
| Total waste diverted from disposal | 13.00 |
| Total Waste Generated | 47.34 |

Our primary source of waste comes from the construction site.

Waste Diverted from Disposal

Minimising the amount of waste sent to disposal is a key strategy of our waste management. This helps reduce our reliance on landfills, which can impact the surrounding environment.

In the reporting period in review, the Group diverted 13 tonnes of waste, including metal scrap from the construction site at Aliva @ Mount Austin.

| Diverted Waste | FYE 2024 (Tonnes) |
|----------------|-------------------|
| Metal Scrap | 13.00 |

Recognising Innovative Solutions

We recognise that the large scale and complexity of our construction sites can lead to significant waste generation, if effective material planning is not implemented.

We acknowledge that Industrialised Building System (“**IBS**”) construction technology offers a distinctive approach, involving the modelling, precasting, and prefabrication of building components before construction begins. This method enables more accurate material use forecasting, reducing the amount of unused materials and minimising waste. While we acknowledge the advantages of IBS in waste reduction, any decision to adopt it for future projects will be based on a cost-benefit analysis, financial feasibility, and the Group’s overall financial position.

To enhance waste management, our current development, Aliva @ Mount Austin, uses pneumatic waste collection systems that offer several environmental benefits. The system transports waste through underground pipe network to a central location for pick-up, reducing litter, odours, and pests, while improving air quality. It also ensures efficient waste collection, minimising exposure and contamination, especially in urban areas with limited waste storage space.

Sustainable Materials

As we plan and build our developments, we are aware of the wide variety of materials needed to bring our vision to life. The amount we use naturally ties us to the earth’s resources, reminding us of our responsibility to manage them thoughtfully. At the same time, we remain mindful of the materials we choose, considering their impact on the health and well-being of those who will call these spaces home.

With this in mind, we continuously monitor our approach to resource conservation by incorporating recycled materials into our construction processes and prioritising suppliers and contractors who use eco-friendly materials, wherever feasible. These include low Volatile Organic Compound (“**VOC**”) paints, asbestos-free cellulose fibre cement boards, reinforced wall panels, and eco-labelled tiles. Our target is to regularly monitor developments, innovations, and best practices in this area, assessing their potential integration into future projects, where appropriate.

SUSTAINABILITY REPORT

SOCIAL

Occupational Health & Safety

At Astaka, we aim to ensure the safety and well-being of all our direct and indirect employees, both at our office and construction sites, so they can return home safely every day. This commitment motivates us to prevent and minimise workplace incidents, to maintain our target of zero fatal incidents.

During the reporting year, we recorded zero work-related fatalities and injuries.

| | FYE 2024 | FYE 2023 | FYE 2022 |
|--|----------|----------|----------|
| Number of work-related fatalities | Nil | Nil | Nil |
| Number of work-related injuries | Nil | Nil | Nil |
| Loss Time Incident Rate ("LTIR") | Nil | Nil | Nil |

This data includes both direct and indirect employees across all sites that we own and operate.

Health and Safety Governance

We continuously monitor risks and implement project-specific measures to safeguard our employees, contractors and the general public. In addition to mitigating occupational hazards, we prioritise creating healthy workplaces that support both physical and mental well-being.

Our health and safety governance framework includes a Project Manager ("PM") at the project site who oversees health and safety matters of the site, coordinates with contractors on health and safety matters and acts as the client's health and safety contact. The PM reports to the Project Director ("PD") on project matters, including health and safety matters. Any significant issues identified on site will be communicated by the PD to top management.

In addition to this, we also require key contractors to appoint their own health and safety officers, with whom we work closely.

Occupational Health and Management System

We have Occupational Health and Safety ("OHS") Management System in place which applies to all employees as well as contractors working at project sites.

The system outlines best practices for all activities, from routine tasks to specialised operations, with tailored risk management strategies. For high-risk activities, extra measures are taken to protect employees from specific hazards.

Monitoring and Compliance

We regularly conduct management reviews to assess practices across project sites. These evaluations focus on key areas such as:

1. Compliance with legal and other requirements
2. Occupational hazards and risks
3. Effectiveness of operational controls

Through our monitoring and documentation of our Health Safety Environment ("HSE") performance, we identify areas for improvement and refine health and safety processes.

Hazard Identification and Risk Assessment

We conduct regular site inspections to assess potential hazards and use a risk matrix to prioritise them based on their impact and likelihood. This helps us allocate resources to address the most critical issues first. Project site operations teams are responsible for day-to-day risk assessments and addressing non-compliance. Risk assessments are regularly reviewed for continued relevance.

SUSTAINABILITY REPORT

Additionally, we perform Job Hazard Analysis for each task to identify actions that pose a risk of severe injury, and we conduct regular checks on equipment and machinery to ensure they are in proper working condition.

Incident Investigation Procedures

When incidents occur, immediate action is taken by qualified professionals to ensure safety and minimize further risks. The incident is recorded, and the relevant parties are promptly notified.

An investigation is conducted to identify the root causes, including a review of procedures, equipment, and actions leading up to the incident. Corrective measures are implemented to prevent recurrence, and insights are shared for continuous improvement across all operations.

HSE Training

To foster a safety-focused culture across the Group, we conduct regular health and safety training for all our employees.

The following is a summary of number of employees trained on health and safety standards:

| | |
|--|----|
| Number of employees trained on health and safety standards as of FYE 2024 | 90 |
|--|----|

This data includes both direct and indirect employees across all sites that we own and operate. As part of our commitment to continuous improvement, we have begun to disclose this for FYE 2024.

Contractor Safety Management

During the project bidding phase, contractors must outline their health and safety management processes, which are key criteria for selection. They are required to comply with local regulations and requirements.

Once awarded a contract, contractors must submit a detailed HSE plan for review, and their employees undergo induction training on our standards. Risk assessment is conducted to identify and mitigate potential safety risks.

To maintain high standards, we apply the same health and safety practices to contractors by conducting ongoing monitoring, audits, and regular communication of updates.

Climate Threats

We acknowledge the impact of climate change on the safety and security of our people and buildings. In response, we have implemented several adaptation strategies, outlined below:

| | | |
|---------|--|---|
| Acute | Flooding (i.e., flash flood and monsoon flood) | <ul style="list-style-type: none">• Incorporation of flood detention ponds to capture and temporarily store rainwater runoff to reduce flooding risks.• Effective drainage systems before, during, and after construction to manage stormwater and prevent flooding. |
| Chronic | Higher mean temperature | Ensure compliance with the continuous inspection and regular maintenance plan for chillers and the building ventilation system. |

SUSTAINABILITY REPORT

Labour Practices & Standards

We endeavour to ensure continuous compliance with labour rights and local employment laws. This commitment extends to our entire supply chain, and we expect our main contractors to adhere to these standards. Our target is to maintain zero substantiated complaints regarding labour rights.

We align our labour practices with the standards set by the International Labour Organization (“ILO”). An overview of our key policy is as follows:

| Policy | Description |
|----------------------------|--|
| Equal Benefits | <ul style="list-style-type: none">• Ensure non-discriminatory benefit practices for all employees. |
| No Recruitment Fees Policy | <ul style="list-style-type: none">• Ensure that fees that workers do not incur any fees from agents or subcontractors for securing employment. |
| Passport Handling | <ul style="list-style-type: none">• Ensure passports are retained by their rightful owners and not held by employees or agents. |
| Employee Accommodation | <ul style="list-style-type: none">• Compliant with the Employee’s Minimum Standards of Housing and Amenities Act 2019. |
| Minimum Wages | <ul style="list-style-type: none">• Adhere to local wage laws. |
| Overtime, Leaves | <ul style="list-style-type: none">• Our practices, at minimum, are compliant with requirements under local labour laws. |

During the reporting period, there were no reported incidents or complaints related to labour standards or human rights violations, such as discrimination, child labour, or forced labour, within the Group or our supply chain.

| | |
|--|-----|
| Number of substantiated complaints pertaining to Astaka’s labour standards, including human rights violation in FYE 2024, FYE 2023 and FYE 2022 | Nil |
|--|-----|

Employee Management

At Astaka, our employees are integral to our success, representing our values and driving the achievement of our objectives. Our focus is to attract, develop, and retain highly skilled professionals, while maintaining a diverse and inclusive work environment that ensures equal opportunities for all and works to prevent all forms of workplace discrimination.

Diversity

We provide equal opportunities to both current and prospective employees, evaluating them based on their merit and potential for growth. As such, we do not have specific policies or targets related to diversity.

SUSTAINABILITY REPORT

The table below is the breakdown of our employees, by gender and region.

| Number of Employees | | | | |
|---------------------|-----------|-----------|-----------|-------|
| FYE 2024 | | Permanent | Temporary | Total |
| | By Gender | 82 | 11 | 93 |
| | Male | 53 | 6 | 59 |
| | Female | 29 | 5 | 34 |
| | By Region | 82 | 11 | 93 |
| | Malaysia | 80 | 11 | 91 |
| | Singapore | 2 | Nil | 2 |
| FYE 2023 | | Permanent | Temporary | Total |
| | By Gender | 57 | 5 | 62 |
| | Male | 39 | 1 | 40 |
| | Female | 18 | 4 | 22 |
| | By Region | 57 | 5 | 62 |
| | Malaysia | 55 | 5 | 60 |
| | Singapore | 2 | Nil | 2 |
| FYE 2022 | | Permanent | Temporary | Total |
| | By Gender | 54 | 9 | 63 |
| | Male | 32 | 4 | 36 |
| | Female | 22 | 5 | 27 |
| | By Region | 63 | Nil | 63 |
| | Malaysia | 61 | Nil | 61 |
| | Singapore | 2 | Nil | 2 |

1. **Permanent Employees:** Individuals hired for long-term positions without an expiration date on their contracts.

2. **Temporary Employees:** Individuals hired for a specific project or limited time period.

The decision to engage contractors and temporary staff is based on our operational needs. This approach ensures continuity while benefiting from their expertise and familiarity with our business and work processes.

We recognise the importance of fair treatment for all members of our workforce, including temporary workers. We ensure they receive fair compensation and benefits, providing a positive working environment that meets or exceeds local legal requirements.

Gender Diversity by Employee Category

| Gender Diversity by Employee Category | FYE 2024 (%) | | FYE 2023 (%) | | FYE 2022 (%) | |
|---------------------------------------|--------------|--------|--------------|--------|--------------|--------|
| | Male | Female | Male | Female | Male | Female |
| Top Management* | 83 | 17 | 83 | 17 | 57 | 43 |
| Management | 58 | 42 | 53 | 47 | | |
| Executives | 53 | 47 | 60 | 40 | | |
| Non-Executives | 80 | 20 | 75 | 25 | | |

*Top management refers to the Company's Directors, Chief Executive Officer, Chief Financial Officer and Head of Department.

SUSTAINABILITY REPORT

Age Diversity by Employee Category

| Age Diversity by Employee Category | FYE 2024 (%) | | | FYE 2023 (%) | | | FYE 2022 (%) | | |
|------------------------------------|--------------|-------|-----|--------------|-------|-----|--------------|-------|-----|
| | <30 | 30-50 | >50 | <30 | 30-50 | >50 | <30 | 30-50 | >50 |
| Top Management* | Nil | 100 | Nil | Nil | 100 | Nil | Nil | 100 | Nil |
| Management | Nil | 96 | 4 | Nil | 100 | Nil | Nil | 100 | Nil |
| Executives | 33 | 64 | 3 | 28 | 72 | Nil | 43 | 57 | Nil |
| Non-Executives | 8 | 72 | 20 | 19 | 56 | 25 | 25 | 44 | 31 |

*Top management refers to the Company's Directors, Chief Executive Officer, Chief Financial Officer and Head of Department.

Board Diversity

We have a Board Diversity Policy to ensure a balanced mix of skills, experience, and diversity factors such as gender, age, and ethnicity. This helps provide diverse perspectives and supports effective decision-making, succession planning, and the development of the Board.

However, currently the Board has not adopted a target for diversity as part of its policy.

| Employee Category | FYE 2024 (%) | | FYE 2023 (%) | | FYE 2022 (%) | |
|--------------------|--------------|--------|--------------|--------|--------------|--------|
| | Male | Female | Male | Female | Male | Female |
| Board of Directors | 100 | Nil | 100 | Nil | 100 | Nil |

A summary of age diversity of the board members can be found tabulated below.

| Employee Category | FYE 2024 (%) | | | FYE 2023 (%) | | | FYE 2022 (%) | | |
|--------------------|--------------|-------|-----|--------------|-------|-----|--------------|-------|-----|
| | <30 | 30-50 | >50 | <30 | 30-50 | >50 | <30 | 30-50 | >50 |
| Board of Directors | Nil | 60 | 40 | Nil | 60 | 40 | Nil | 60 | 40 |

Zero Discrimination and Equal Opportunity

The Group stands firm against any form of discrimination in our organisation. To support this, our Whistleblowing Policy offers a clear process for reporting any concerns.

To reinforce this commitment, we provide training on topics such as preventing discrimination, promoting cultural sensitivity, and combating harassment. These initiatives help foster an inclusive environment and encourage respect at all levels of the organisation. We also enhance workplace accessibility by offering accommodations for employees with disabilities, including accessible parking, ramps, and universally designed restrooms.

In FYE 2024, no incidents or complaints concerning discrimination the workplace were reported.

| | |
|--|-----|
| Number of substantiated complaints concerning discrimination in the workplace received in FYE 2024, FYE 2023 and FYE 2022 | Nil |
|--|-----|

Training and Development

We promote the skills and knowledge of our employees to help them achieve their full potential.

Our training program follows a 3-tiered approach to cater to all employee levels. It addresses both specialised and general skills relevant to each department. A "Training Needs Assessment" ("TNA") is regularly updated by department heads to identify specific training needs and employee interests.

SUSTAINABILITY REPORT

At the Group level, the average training hours for our employees, are as follows. We remain focused on job training and building on the progress made from last year's training initiatives.

| Average Training Hours by Employee Category | FYE 2024 (Hours) | FYE 2023 (Hours) | FYE 2022 (Hours) |
|---|------------------|------------------|------------------|
| Top Management* | 29.8 | 43.9 | 26.2 |
| Management | 28.6 | 35.3 | 26.8 |
| Executives | 20.8 | 34.0 | 25.6 |
| Non-Executives | 2.92 | 20.3 | 16.5 |

*Top management refers to the Company's Directors, Chief Executive Officer, Chief Financial Officer and Head of Department.

Employee Benefits

Employee benefits play a crucial role in both retaining talent and showcasing our commitment to our workforce. By supporting and valuing our employees, we contribute to their overall health and well-being. At Astaka, we regularly benchmark our offerings against industry standards to ensure a competitive compensation package. The key benefits we offer include:

| Types of Benefits ¹ | Description |
|--------------------------------|--|
| Medical Insurances | Group hospitalisation and surgical plan, personal accident insurance |
| Healthcare | Coverage for medical expenses, hospital stays, outpatient treatments |
| Leaves | Paid study and examination leave, annual leave, medical/sick leave, maternity and paternity leave, compassionate leave, prolonged illness leave, marriage leave. |
| Allowances | Travelling allowance (including mileage and subsistence allowance), handphone allowance, overseas training/work allowance. |

1. The benefits listed are limited to our permanent employees.

Parental leave legislation allows employees to take time off and return to their roles without facing career setbacks. By offering equitable parental leave options, including maternity and paternity, we are able to attract and retain talented employees, supporting our broader human capital management strategy.

All our employees are eligible for parental leave in accordance with local employment laws. Across the Group, we achieved a return-to-work rate of 100% and a strong retention rate of 100%.

Employee Appraisals

We conduct bi-annual 360-degree performance reviews for our employees, assessing individual performance based on key performance indicators (KPIs) and feedback from colleagues. During the reporting period, all of our eligible employees participated in this evaluation process.

Employee Turnover

Our talent attraction and retention efforts are reflected in our turnover rate. While a zero-turnover rate may seem ideal, our target is to maintain a healthy turnover rate, ensuring organisational efficiency while enabling the recruitment of new talent with enhanced skill sets. To support this, we consistently evaluate our total rewards package for key positions and employees to foster retention.

SUSTAINABILITY REPORT

The following is a breakdown of employee turnover at the end of the reporting period:

| Employee Category | Number and Percentage of Employee Turnover | | | | | |
|-------------------|--|------------|----------|------------|----------|------------|
| | FYE 2024 | | FYE 2023 | | FYE 2022 | |
| | Number | Percentage | Number | Percentage | Number | Percentage |
| Top Management* | Nil | Nil | Nil | Nil | 1 | 14% |
| Management | 6 | 23% | 5 | 33% | 4 | 24% |
| Executives | 4 | 11% | 7 | 28% | 18 | 78% |
| Non-Executives | 3 | 12% | 3 | 19% | 3 | 19% |
| Overall | 13 | 14% | 15 | 24% | 26 | 41% |

*Top management refers to the Company's Directors, Chief Executive Officer, Chief Financial Officer and Head of Department.

Community Engagement

We understand the importance of giving back to society and recognise that the well-being of the community directly impacts the business environment in which we operate. While we do not have a specific target for community engagement, our focus is on aligning these efforts with our financial performance and measuring the impact of our community programs.

Based on this, the following is the summary of our community engagement.

| | FYE 2024 | FYE 2023 | FYE 2022 |
|--|----------|----------|----------|
| Total amount invested in external community (RM '000) | 77 | 50 | 490 |

Based on financial performance, the following table lists all our community engagement programmes for FYE 2024.

| No. | Programme |
|-----|--|
| 1. | Distribution of porridge & dates at Astaka HQ and Bukit Pelali |
| 2. | Sponsorship of Johor Hockey Association for the Hockey U21 Championship 2024 |
| 3. | Sponsorship for the Excellent Service Award organised by the Johor Land and Mines Office's Welfare and Recreation Club (Kelab Kebajikan Dan Rekreasi Pejabat Tanah Dan Galian Johor) |
| 4. | Support for Hockey Ice Championship (19-21 January 2024) |
| 5. | Inspector-General of Police Cup Tournament 2024 |
| 6. | Charity Laksamana Run Event 2024 |

SUSTAINABILITY REPORT

Climate Report for FYE 2024

Recognising the risks associated with climate change that potentially affect our business, such as extreme weather events, energy disruptions and the urban heat island effect, Astaka is transparently addressing these risks through ongoing disclosures aligned with the Task Force on Climate-Related Financial Disclosures (“TCFD”) framework and continues to enhance our climate report for FYE 2024.

Our approach to managing these climate risks is structured around the four key TCFD pillars, outlined below:

a. Governance

Climate change risks are addressed within the Sustainability Governance framework, as outlined in the “Sustainability Governance” section of our Report.

We recognise the interlinkage of climate change with other sustainability topics, including economic performance, health and safety, water management, energy management, and emissions.

We remain committed to monitoring and managing climate-related risks and opportunities through our Enterprise Risk Management (“ERM”) process.

b. Strategy

We have not yet conducted a climate scenario analysis in FYE 2024 for the physical and transitional risks outlined below therefore we are unable to provide details disclosure on the resilience of our climate strategy.

However, we continue to evaluate and integrate the risks and opportunities associated with climate change into our long-term strategy and operations.

c. Risk Management

We continue to assess the impact of climate risks to evaluate the significance of both climate-related risks and opportunities. Where relevant, these risks are further analysed and managed within the ERM framework. The findings, including identified material risks, are then presented to the Board for their guidance and input.

Risks posed by climate change

Overall, our risks can be categorised into physical and transitional risks.

Physical risks refer to the direct impacts of climate change, which can be classified as either acute or chronic. Acute physical risks are short-term, event-driven risks resulting from extreme weather events and climate-related disasters, while chronic risks involve long-term, gradual shifts in climate patterns that can impact businesses over time.

SUSTAINABILITY REPORT

The key material risks identified for our business, along with our adaption plan, are outlined below:

Acute Physical Risks

| Physical Risk | Potential Financial Impact | Our Adaptation Plan |
|---|--|--|
| <p>1. Safety and security of our people and property</p> <p>The increased risk of extreme weather events, such as floods and heatwaves pose a potential threat to the safety and security of our people and assets. This includes:</p> <ul style="list-style-type: none"> • Unsafe working conditions for construction workers, potentially leading to fatalities or major incidents; and • Damage to existing property, including structural damage, utility disruptions (such as energy supply), and impacts on access and security. | <p>Increased operational expenses due to:</p> <ul style="list-style-type: none"> • Increased in project costs due to disruptions to project schedules from extreme weather events work stoppages. • Increased in labour cost from reduced manhours caused by unsafe working conditions during extreme weather events (i.e., floods and heatwaves). • Increased repair costs from property and infrastructure damage. • Liquidated Ascertained Damages (“LAD”) for delays in project completion. • Increased insurance premiums due to hospitalization claims and damage to properties and construction sites from extreme weather events - related incidents. | <ul style="list-style-type: none"> • Increased scrutiny of project costs related to climate factors. • Regular property inspections and maintenance schedules. • Continuous monitoring by management personnel of weather conditions to mitigate potential incidents. <p>Refer to: Occupational Health & Safety section of this Report.</p> |
| <p>2. Supply Chain Disruption</p> <p>Supply chain disruption due to the shortage or unavailability of critical raw materials, utilities (energy and water) or manpower at our sites.</p> | <p>Increased operational expenses due to:</p> <ul style="list-style-type: none"> • Disruptions in project schedules caused by delays in material deliveries or labour shortages. • LAD for delays in project completion. | <ul style="list-style-type: none"> • Establish relationships with multiple suppliers and logistics partners, while maintaining transparent communication with clients. • Periodic review of buffer stocks and manpower practices, as needed. <p>Refer to: Supply Chain Management section of this Report.</p> |

SUSTAINABILITY REPORT

Chronic Physical Risks

| Physical Risk | Potential Financial Impact | Our Adaptation Plan |
|---|--|---|
| <p>1. Rising Average Temperature</p> <p>Inadequate chiller systems — inability to maintain operation of the chiller system due to rising average temperatures.</p> | <ul style="list-style-type: none"> Increased construction costs for climate-resilient systems, such as upgraded of air conditioning system. Increased operational costs due to higher energy consumption for cooling systems. Increased maintenance costs for maintaining or replacing chiller systems or upgrading existing systems to handle more extreme temperature fluctuations. | <p>Ensure compliance with the continuous inspection and regular maintenance plan for chillers and the building ventilation system.</p> |
| <p>2. Rising Sea Level</p> <p>Increased risk of coastal flood at potential sites.</p> | <p>Increased operational expenses due to:</p> <ul style="list-style-type: none"> Increased construction costs for flood-resistant design features, such as elevated foundations or reinforced structures. Increased repair and maintenance costs for flood damage to the building's structure, and utilities. | <ul style="list-style-type: none"> Continuous monitoring by management of weather conditions to mitigate potential incidents. Incorporation of flood detention ponds and enhanced drainage systems during the planning and design stages. |

Transitional Risks

Transitional risks arise from the global shift toward a low-carbon economy as societies address the challenges of climate change.

| Type of Transitional Risk | Potential Financial Impact | Our Mitigation Strategy |
|---|--|---|
| <p>1. Policy & Legal</p> <p>This refers to the risks in adapting to evolving laws, regulations, and policies regarding sustainability and climate change compliance.</p> | <p>Increased operational expenses due to:</p> <ul style="list-style-type: none"> Carbon tax on critical materials, such as iron and steel, as outlined in the government's FYE 2024 budget, though further details remain undisclosed.¹ Increased operational costs resulting from compliance with green building mandates. | <ul style="list-style-type: none"> Regularly monitor regulatory changes and stay informed about evolving climate regulations. Engage in competitive sourcing to obtain the best resources. Early consideration to green building certification for our developments. |

Note:

¹ Malaysia to introduce carbon tax for select industries by 2026 — PM: <https://theedgemaalaysia.com/node/730766>

SUSTAINABILITY REPORT

Opportunities posed by climate change

Incorporating energy-efficient features and pursuing green building certifications (e.g., GBI) in our buildings and projects to establish Astaka as a **brand** and **market leader** in offering value-added experiences through green building assets for our customers.

For details on the progress of green building certifications for our properties, please refer to the dedicated "[Green Building Index \(GBI\) Certification](#)" section of this Report.

d. Metrics and Targets

Our Board and Management closely monitor and manage the impact of climate-related risks using a broad array of climate risk metrics. We have targets in place to serve as benchmarks for ensuring accountability and fostering a performance-driven culture across the organisation. Given the nature of climate risks, our targets are both qualitative and quantitative. An overview of our climate risk performance management is as follows:

| Area | Metrics | Performance and Target |
|--|--|---|
| Health and Safety <ul style="list-style-type: none"> • Extreme weather events and the increase in mean temperature represent a threat to the health and safety of our people | Loss Time Injury Rate and Number of Fatalities | We are pleased to report that we continue to achieve zero fatalities and loss time injury. We intend to ensure that all employees and contractors, especially at our construction sites, remain safe and secure, despite the heightened exposure to weather elements and the increase in mean temperature. |
| GHG Emissions | Scope 1 and Scope 2 GHG Emissions | We aim to minimise Scope 1 and Scope 2 GHG emissions by optimising energy consumption and by ensuring greater efficiency in our business processes. In line with SGX's phased implementation approach for TCFD adoption, the Group shall evaluate the need to quantify and monitor Scope 3 GHG emissions in the subsequent sustainability reports. |

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| Area | Metrics | Performance and Target | | | | | | | | | | | | | | | | |
|--|--|---|---------------------------|------|--------|----------|-------------------------------|---|-----------|-------------------------|-------------|---|-----------|---------------------------|----------------------|------------------------|-----------|-------------------------|
| Green Building | Green Building Certification | <p>We endeavour to achieve green building certification for all our developments. Our progress to date is as follows:</p> <table border="1"> <thead> <tr> <th>Property Development</th> <th>Type</th> <th>Rating</th> <th>Validity</th> </tr> </thead> <tbody> <tr> <td>The Astaka @ One Bukit Senyum</td> <td>GBI: Completion & Verification Assessment</td> <td>Certified</td> <td>3 Jan 2023 - 2 Jan 2026</td> </tr> <tr> <td>Menara MBBJ</td> <td>GBI: Completion & Verification Assessment</td> <td>Certified</td> <td>26 Nov 2021 - 25 Nov 2024</td> </tr> <tr> <td>Aliva @ Mount Austin</td> <td>GBI: Design Assessment</td> <td>Certified</td> <td>8 Dec 2023 - 7 Dec 2026</td> </tr> </tbody> </table> | Property Development | Type | Rating | Validity | The Astaka @ One Bukit Senyum | GBI: Completion & Verification Assessment | Certified | 3 Jan 2023 - 2 Jan 2026 | Menara MBBJ | GBI: Completion & Verification Assessment | Certified | 26 Nov 2021 - 25 Nov 2024 | Aliva @ Mount Austin | GBI: Design Assessment | Certified | 8 Dec 2023 - 7 Dec 2026 |
| Property Development | Type | Rating | Validity | | | | | | | | | | | | | | | |
| The Astaka @ One Bukit Senyum | GBI: Completion & Verification Assessment | Certified | 3 Jan 2023 - 2 Jan 2026 | | | | | | | | | | | | | | | |
| Menara MBBJ | GBI: Completion & Verification Assessment | Certified | 26 Nov 2021 - 25 Nov 2024 | | | | | | | | | | | | | | | |
| Aliva @ Mount Austin | GBI: Design Assessment | Certified | 8 Dec 2023 - 7 Dec 2026 | | | | | | | | | | | | | | | |
| <p>Operating costs that are significantly impacted by climate-related risks include, but are not limited to:</p> <ul style="list-style-type: none"> • Increased insurance premiums due to climate-related events • Higher medical claims from employees affected by climate-related health issues • Rising raw material and logistics costs driven by energy price fluctuations or disruptions to business operations | Climate-related increase in operating cost | <p>Our target is to avoid any unexpected and significant increase in operating costs, due to poor climate risk management.</p> <p>For the reporting year, we are pleased to report that there has been no material or adverse financial impact on our operating costs and profitability, which can be directly attributable to poor management of climate-related risks.</p> | | | | | | | | | | | | | | | | |

SUSTAINABILITY REPORT

SGX Six Primary Components Index

| No. | Primary Component | Section Reference |
|-----|--|--|
| 1 | Material EESG factors | <ul style="list-style-type: none"> • Materiality Assessment • Materiality Matrix |
| 2 | Climate-related disclosures consistent with the TCFD recommendations | <ul style="list-style-type: none"> • Environment Pillar • Climate Report for FYE 2024 |
| 3 | Policies, Practices and Performance | <ul style="list-style-type: none"> • Our EESG Focus and Strategy • Sustainability Governance • Materiality Matrix • Our Targets • Economic/Governance Pillar • Environment Pillar • Social Pillar |
| 4 | Board Statement | <ul style="list-style-type: none"> • Our EESG Focus and Strategy • Sustainability Governance • Materiality Matrix • Our Targets • Economic/Governance Pillar • Environment Pillar • Social Pillar |
| 5 | Targets | <ul style="list-style-type: none"> • Our EESG Focus and Strategy • Our Targets • Economic/Governance Pillar • Environment Pillar • Social Pillar |
| 6 | Sustainability Reporting Framework | <ul style="list-style-type: none"> • About this Report |

SUSTAINABILITY REPORT

GRI CONTENT INDEX

In preparing this Report, we have been guided by GRI Standards, as shown in the following list:

| GRI Standards | Disclosure | |
|---|------------|---|
| Material Topics | | |
| GRI 3: Material Topics 2021 | 3-1 | Process to determine material topics |
| | 3-2 | List of material topics |
| Economic Performance | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 201: Economic Performance 2016 | 201-1 | Direct economic value generated and distributed |
| | 201-2 | Financial implications and other risks and opportunities due to climate change |
| Anti-Corruption | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 205: Anti-Corruption 2016 | 205-1 | Operations assessed for risks related to corruption |
| | 205-2 | Communication and training about anti-corruption policies and procedures |
| | 205-3 | Confirmed incidents of corruption and actions taken |
| Sustainable & Green Design | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| Quality & Customer Satisfaction | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 418: Customer Privacy 2016 | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data |
| Supply Chain Management | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 204: Procurement Practices 2016 | 204-1 | Proportion of spending on local suppliers |
| GRI 308: Supplier Environmental Assessment 2016 | 308-2 | Negative environmental impacts in the supply chain and actions taken |
| Climate Change | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| Biodiversity | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 304: Biodiversity 2016 | 304-1 | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| Energy Management | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 302: Energy 2016 | 302-1 | Energy consumption within the organisation |
| Emissions | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 305: Emissions 2016 | 305-1 | Direct (Scope 1) GHG emissions |
| | 305-2 | Energy indirect (Scope 2) GHG emissions |

SUSTAINABILITY REPORT

| GRI Standards | Disclosure | |
|---|------------|--|
| Pollution Management | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| Water Management | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 303: Water and Effluents 2018 | 303-3 | Water withdrawal |
| | 303-5 | Water consumption |
| Waste Management | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 306: Waste 2020 | 306-3 | Waste generated |
| | 306-4 | Waste diverted from disposal |
| | 306-5 | Waste directed to disposal |
| Sustainable Materials | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| Occupational Health & Safety | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 403: Occupational Health and Safety 2018 | 403-1 | Occupational health and safety management system |
| | 403-2 | Hazard identification, risk assessment, and incident investigation |
| | 403-5 | Worker training on occupational health and safety |
| | 403-9 | Work-related injuries |
| Labour Practices & Standards | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| Employee Management | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 404: Training and Education 2016 | 404-1 | Average hours of training per year per employee |
| | 404-3 | Percentage of employees receiving regular performance and career development reviews |
| GRI 401: Employment 2016 | 401-1 | New employee hires and employee turnover |
| | 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees |
| | 401-3 | Parental leave |
| | N/A | Percentage of employees that are contractors or temporary staff |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 | Diversity of governance bodies and employees |
| GRI 406: Non-discrimination 2016 | 406-1 | Incidents of discrimination and corrective actions taken |
| Community Engagement | | |
| GRI 3: Material Topics 2021 | 3-3 | Management of material topics |
| GRI 201: Economic Performance 2016 | 201-1 | Direct economic value generated and distributed |

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) of Astaka Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) are committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

The Company has adopted corporate governance practices and guidelines with reference to the Code of Corporate Governance 2018 (the “**Code**”) for the financial year ended 31 December 2024 (“**FY2024**”).

Pursuant to Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Section B: Rules of Catalist (the “**Catalist Rules**”), this corporate governance report (the “**Report**”) describes the Company’s corporate governance practices, processes and activities for FY2024. Where applicable, explanations are provided for any deviation(s) from the provisions of the Code and how the Group’s practices are consistent with the intent of the relevant principles.

BOARD MATTERS

THE BOARD’S CONDUCT OF AFFAIRS

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The Board provides strategic guidance, oversees the key activities for the Company and ensures that there are adequate financial and human resources to achieve its objectives and long-term success of the business.

The Board’s principal functions include, but is not limited to, providing entrepreneurial leadership and approving strategic business plans, annual budget plan, major acquisition and disposal of assets and businesses, and financial results of the Group. The Board also establishes a framework of sound, prudent and effective controls appropriate to the nature and size of the Group’s operations which enable risks to be assessed and managed, and ensures proper accountability within the Group, including the safeguarding of shareholders’ interests and the Company’s assets. The Board also sets corporate values, standards (including ethical standards), policies and practices and ensures consistency with the Group’s culture for the Company to ensure that the obligation to shareholders and other stakeholders are met. In addition, the Board reviews the Company’s corporate policies, financial performance as well as the performance of the management of the Company (“**Management**”). In addition, the Board constructively challenges the Management and reviews its performance.

The Board is responsible for long-term succession of the Company and will also consider sustainability issues, including environmental and social factors, as part of the strategic formulation of the Group.

The Directors have the fiduciary duty to act objectively in the best interests of the Company and hold Management accountable for performance. Where the Director faces a conflict or potential conflict of interest in relation to any matter, he will immediately declare his interest at the meeting of the Directors or send a written notice to the Company, setting out the details of his interest and the conflict, and recuse himself from any discussions on the matter and abstain from participating in any Board decision.

The Company has put in place a Board Charter setting forth matters reserved for Board’s decision and clearly communicates this to Management in writing. Amongst these reserved matters are the approval limits for operating and capital expenditure, procurement of goods and services as well as operational and financial authorisation on daily and ad-hoc operation decision-making. In addition to matters that specifically require the Board’s approval such as the review and approval of periodic and full-year financial results announcements and annual audited financial statements, major acquisitions and realisations, issue of shares, interested person transactions, appointment of new directors, dividend distributions and other returns to shareholders, the Board also approves transactions exceeding certain designated threshold limits, while delegating authority for transactions below those limits to the Board Committees and Management so as to optimise operational efficiency.

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The Board has established a number of committees to assist the Board in discharging its responsibilities efficiently and effectively. These committees include the Audit Committee (“**AC**”), the Remuneration Committee (“**RC**”) and the Nominating Committee (“**NC**”) (collectively the “**Board Committees**”). Each of the Board Committee’s functions, roles and authorities are clearly set out in their respective terms of reference. The terms of reference of the respective Board Committees, as well as the other relevant information on the Board Committees can be found in the subsequent sections of this Report.

The Board conducts regular scheduled meetings on a quarterly basis to coincide with the announcement of the Group’s quarterly and full-year financial results and to keep the Board updated on business activities and the overall business environment in which the Group operates. Additional meetings are convened as and when circumstances dictate. The Company’s Constitution allows for meetings to be conducted by way of telephone conferencing or any other electronic means of communication. The number of Board and Board Committee meetings held in FY2024 and the attendance of each Director are set out as follows:

| | | Board | AC | RC | NC |
|---|---|---|----------------|----------------|----------------|
| No. of meetings held in FY2024 | | 5 | 5 | 1 | 1 |
| Name of Director | Designation | No. of Meetings attended in FY2024 | | | |
| Mr Lai Kuan Loong, Victor | Non-Executive Chairman and Independent Director | 5 | 5 | 1 | 1 |
| Mr Khong Chung Lun | Executive Director and Chief Executive Officer (“ CEO ”) | 5 | 5 [#] | 1 [#] | 1 [#] |
| Mr Lee Gee Aik | Non-Executive and Non-Independent Director | 5 | 5 | 1 | 1 [#] |
| Dato’ Sri Mohd Mokhtar Bin Mohd Shariff | Non-Executive and Independent Director | 5 | 5 | 1 | 1 |
| Ir. Hj. Syarul Izam Bin Hj. Sarifudin | Non-Executive and Non-Independent Director | 5 | 5 [#] | 1 [#] | 1 |

[#] By invitation

Orientations would be organised for new director(s), when appointed, that includes briefing by Management on the Group’s structure, business strategies, operations, and Company’s policies. The new and existing directors are briefed and updated by Management with regards to the Company’s operating sites on a regular basis. The Company will provide newly appointed director(s) with a formal letter setting out their duties and obligations. First-time director of a listed company (“**First-Time Director**”) will receive relevant training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST to meet the Mandatory Training requirements under Rule 406(3)(a) and Practice Note 4D of the Catalist Rules.

No new Director was appointed for FY2024.

The Company recognises the importance of appropriate training for the Directors, apart from the initial orientation. The Directors are updated on amendments/requirements of the Catalist Rules and other statutory and regulatory requirements from time to time, to enable them to discharge their duties effectively. Continual training, particularly on relevant new laws, regulations and changing commercial risks (including update on the real estate developments in Malaysia) will be provided to the Directors from time to time, at the Company’s expense.

Some key briefings, updates and/or trainings attended by the Directors collectively for FY2024 include the following:

- the Company’s external auditors updated the AC members on developments and/or changes on the accounting standards;

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- the Directors are updated on the business activities and strategic directions of the Group;
- the Directors are updated on changes to the listing rules, corporate governance and other regulatory requirements, on a regular basis; and
- relevant training courses organised by the institutes and/or group associations with specific interests, such as The Institute of Singapore Chartered Accountants.

Access to Information

Prior to each Board meeting and when the need arises, the Board is provided with complete and adequate information in a timely manner, thus allowing them to deliberate on issues which require consideration. Management would also provide the explanatory documents on matters to be discussed before the Board and Board Committees' meetings. Copies of disclosure documents, budgets, forecasts, unaudited financial statements together with explanations for any significant or material variance between the budget and actual results are tabled by Management for review and discussion during the meetings. Directors are entitled to request from Management and be provided with additional information as and when they are needed, to make informed decisions and discharge their duties and responsibilities.

The Directors have separate and independent access to Management, the Company Secretary and the external auditors at all times. Where the Directors either individually or as a group, in the furtherance of their duties, require independent professional advice, such service will be available at the Company's expense. The Directors may, on a case-to-case basis, propose to the Board for such independent and professional advice to be sought, the cost of which will be borne by the Company.

The Directors also have unrestricted access to the Company's records and information. The Company Secretary and/or his representative(s) administers, attends and prepares minutes of all Board and Board Committees meetings for circulation and approval. The appointment and the removal of the Company Secretary rests with the Board as a whole.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

The Board comprises one (1) Executive Director, two (2) Non-Executive and Independent Directors (including the Board Chairman), and two (2) Non-Executive and Non-Independent Directors, which is summarised in the table below:

| Name of Director | Designation | Date of Appointment | Last Date of Re-election |
|---|---|---------------------|--------------------------|
| Mr Lai Kuan Loong, Victor | Non-Executive Chairman and Independent Director | 13 November 2019 | 28 April 2022 |
| Mr Khong Chung Lun | Executive Director and CEO | 13 November 2019 | 27 April 2023 |
| Mr Lee Gee Aik | Non-Executive and Non-Independent Director | 23 December 2008 | 27 April 2023 |
| Dato' Sri Mohd Mokhtar Bin Mohd Shariff | Non-Executive and Independent Director | 13 November 2019 | 26 April 2024 |
| Ir. Hj. Syarul Izam Bin Hj. Sarifudin | Non-Executive and Non-Independent Director | 1 April 2022 | 26 April 2024 |

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The Non-Executive Chairman is an Independent Director. As such, it is not necessary for Independent Directors to make up a majority of the Board. As at the date of this Report, two (2) Independent Directors make up one-third of the Board, and there are a total of four (4) Non-Executive Directors making up a majority of the Board.

The Board considers an Independent Director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment of the Company's affairs with a view to the best interests of the Company. The Independent Directors have confirmed that they do not have any relationship with the Company, its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interest of the Company.

The Board has taken into account the assessment of the NC on whether a Director is independent in character and judgment and whether there are relationships or circumstances which are likely to affect or could appear to affect the Director's judgment. In assessing the independence of each Director annually, the NC had examined different relationships identified by the Code, Practice Guidance to the Code and Rule 406(3)(d) of the Catalist Rules that may impair the Directors' independence and objectivity. The NC, having reviewed the following factors, determined that Dato' Sri Mohd Mokhtar Bin Mohd Shariff and Mr Lai Kuan Loong, Victor are both considered independent as at the date of this Report:

- (a) the Independent Directors: (i) are not employed by the Company or any of its related corporations in the current or any of the past three (3) financial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years, and whose remuneration is determined by the RC;
- (b) During the FY2024, the Group announced the sale of a property unit of a property development project, Aliva by the Company's 99.99%-owned indirect subsidiary, Astaka Development Sdn. Bhd. to Mr Lai Kuan Loong, Victor for a sale consideration of RM637,000 (approximately S\$191,000). The sale price was consistent with the pricing offered to the public for the project. Please refer to the Company's announcement dated 12 August 2024 for further details.

In assessing Mr Lai Kuan Loong, Victor's independence, the NC has taken into account the following:

- (i) he does not hold any interests (direct and indirect) in the Company;
- (ii) he is the sole purchaser of the abovementioned property unit; and
- (iii) the transaction was conducted on normal commercial terms at an arm's length basis with no prejudice to the interest of the Company and its minority shareholders.

The Board concurred with the NC's view that Mr Lai Kuan Loong, Victor should be considered independent, notwithstanding the sale of property unit during FY2024 is in excess of S\$50,000. Mr Lai Kuan Loong, Victor had abstained from making any recommendation in respect of the transaction and assessment of his own independence.

Save as disclosed above, none of the Independent Directors and their immediate family members had, in the current or immediate past financial year, (i) provided or received material services or significant payments to and/or from the Group when aggregated over any financial year in excess of S\$50,000 for services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive officer or a director of any organisation which provided or received material services or significant payments to and/or from the Group when aggregated over any financial year in excess of S\$200,000 for services rendered;

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- (c) none of the Independent Directors are directly associated with a substantial shareholder of the Company in the current or immediate past financial year;
- (d) none of the Independent Directors have served beyond nine (9) years from the respective date of their first appointment; and
- (e) Dato' Sri Mohd Mokhtar Bin Mohd Shariff and Mr Lai Kuan Loong, Victor have also confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Company.

The Non-Executive Directors, led by the Non-Executive and Independent Chairman, meet without the presence of Management as and when necessary, and provide feedback to the Board as appropriate. The Non-Executive Directors have met once in the absence of Management in FY2024. The Company also benefits from Management's ready access to its Directors for guidance and exchange of views at the Board and Board Committee meetings or informal meetings.

The Company has adopted a board diversity policy (the “**Board Diversity Policy**”) in the financial year ended 30 June 2020. The primary objective of the existing Board Diversity Policy is to ensure that the Board comprises a balanced composition of skills, experience, knowledge and other aspects of diversity such as gender, age and ethnicity at the Board level in order to provide a range of perspectives, insights and challenge that enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Group, as well as support succession planning and development of the Board. A diverse board enhances decision-making capability, giving diversified views to enhance Board discussions and ensuring that the decisions made by the Board have been considered from all points of view.

The NC is responsible for reviewing and monitoring the Board Diversity Policy, including the targets, plans and timelines and shall report to the Board on such progresses. The NC and the Board regularly review the size and composition of the Board, as well as succession planning, diversity aspects and refreshment of the Board.

The current Board composition provides a diversity of skills, experience, knowledge and nationalities to the Company. The core competencies of the current Board are disclosed as follows:

| Core Competencies | Number of Directors | Proportion of Board |
|--|----------------------------|----------------------------|
| Accounting or Finance | 2 | 40% |
| Business Management | 4 | 80% |
| Legal or Corporate Governance | 2 | 40% |
| Relevant industry knowledge experience | 2 | 40% |
| Strategic Planning experience | 5 | 100% |

The Board collectively has professional expertise in accounting, finance, business management, legal, corporate governance, real estate development and strategic planning experience. In addition, the Board also has three (3) directors who are Malaysians with local knowledge relevant to the Group's principal subsidiary's business and operations. Accordingly, the NC had reviewed the Board composition and is of the view that the current Board size and composition with diverse skills and experiences is appropriate, having taken into consideration the scope and nature of the operations of the Group and the Board's contribution to the Group.

In accordance with the objective of the Board Diversity Policy, the NC targets to periodically review and consider the size and composition of the Board (including, but not limited to, gender, age and ethnicity diversity of the Board) for its Board renewal process to ensure that the Board has the appropriate mix of core skills, knowledge, experience and relevant aspects of diversity, which commensurate with the nature, size and complexity of the Group's business, its operating environment and its current and future targets and focus.

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Although the Board does not currently have a female director, the Board and the NC recognise gender as one of the important aspects of diversity and will ensure that female candidate(s) are included for consideration when identifying suitable candidates for the Board renewal process or as and when a vacancy arises. The Board will work towards having female directors on the Board, if the opportunity arises.

While the Company does not have any specific targets for boardroom age diversity, the age profiles of the Board are spread across four age groups of 30 to 39 years, 40 to 49 years, 50 to 59 years and 60 to 69 years old. The Board is fully committed to promoting age diversity and values the contribution of the Directors regardless of age.

The Board is of the view that, while it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remain a priority.

Nonetheless, having considered the current scale and nature of the operations of the Group, the Board and the NC are of the view that the current members of the Board, collectively as a group, provide an appropriate mix and balance of diversity of skills and experience which allow for effective direction for the Group. Accordingly, the Board believes that it has met its objective of board diversity in view that the current Board serves the needs and plans of the Company, having considered, among others, the diversity of skills, experience, knowledge, independence, and nationalities of its current Board.

To meet the dynamic challenges in the industry which the Group operates in, the NC will periodically review the Board Diversity Policy, and will recommend revision to the Board Diversity Policy (where appropriate), to ensure its effectiveness, which include considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies to ensure that the Board dynamics remain optimal.

Independent and/or Non-Executive Directors constructively challenge and help develop proposals on strategy and review the performance of Management in meeting the goals and objectives, monitor the reporting of the Company's performance, and meet privately without the presence of the Executive Director and Management as and when necessary. Key information of the Directors is set out on pages 28 to 30 of this Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

There is a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business. Mr Lai Kuan Loong, Victor is the Non-Executive Chairman and Independent Director of the Company, and Mr Khong Chung Lun is the Executive Director and CEO of the Company. The Chairman and CEO of the Group are separate persons and are not related. The Board has established and set out in writing the division of the roles and responsibilities between the Non-Executive and Independent Chairman and the CEO to ensure an appropriate balance of power and authority, increased accountability and greater capacity of the Board for independent decision making, thus no individual represents a considerable concentration of power.

The CEO is responsible for charting and reviewing corporate directions and strategies, which cover areas of marketing, strategic alliances as well as the day-to-day operations, and providing the Company and/or the Group with strong leadership and vision while the Non-Executive and Independent Chairman is responsible for providing leadership to the Board and for enhancing the effectiveness of the Board, Board Committees and individual Directors.

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In addition, the Non-Executive and Independent Chairman ensures that Board meetings are held as and when necessary, sets the meeting agenda and ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues. He also ensures that any information and materials to be discussed at Board meetings are circulated on a timely basis to Directors so as to enable them to be updated and prepared, thereby enhancing the effectiveness of the Non-Executive Directors and the Board as a whole. He engages and promotes constructive engagement and open interaction as well as effective contribution among the Directors and engages with Management regularly. The Non-Executive and Independent Chairman assumes the lead role in promoting high standards of corporate governance and ensures the effective communication with shareholders. He is available to shareholders where they have concerns, and for which contact through the normal channels of communication with Management are inappropriate or inadequate. Shareholders may reach out to the Non-Executive and Independent Chairman via mail to the Company's registered office address at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535, and addressing the mail to the Non-Executive and Independent Chairman.

As the Non-Executive and Independent Chairman is not part of the management and is independent, no lead independent director has been appointed.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

As at the date of this Report, the NC of the Company comprises three (3) directors, the majority of whom, including the NC Chairman, are Independent Directors. The members of the NC are:

- Dato' Sri Mohd Mokhtar Bin Mohd Shariff, Non-Executive and Independent Director (Chairman)
- Mr Lai Kuan Loong, Victor, Non-Executive Chairman and Independent Director
- Ir. Hj. Syarul Izam Bin Hj. Sarifudin, Non-Executive and Non-Independent Director

The NC is guided by its terms of reference, including but not limited to the key responsibilities as follows:

- (i) to review the appointment and re-appointment of Directors (including alternate directors, if any);
- (ii) to regularly review the Board structure, size, composition, diversity and skills of the Board and make recommendations to the Board with regards to any adjustments that are deemed necessary;
- (iii) to review the succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel;
- (iv) to review the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;
- (v) to review the training and professional development programs for the Board and its Directors and ensures that all new members of the Board undergo an appropriate orientation programme;
- (vi) to determine, on an annual basis, and as and when circumstances require, if a Director is independent;
- (vii) to recommend Directors who are retiring by rotation or are newly appointed to be put forward for re-election;

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- (viii) to ensure that new directors are aware of their duties and obligations;
- (ix) to review and determine whether the Director is able to and has been adequately carrying out his duties as a Director, taking into consideration, *inter alia*, the Director's number of listed company board representations and other principal commitments; and
- (x) such other duties or functions as may be delegated by the Board or required by regulatory authorities.

The NC would evaluate the needs of the Board to determine the relevant competencies required. The Company has in place a search and nomination process for the appointment of new Directors. Potential candidates are primarily sourced from the Board's and Management's network of contacts and are identified based on the needs and the relevant expertise required by the Company. The Company may appoint professional search firms and recruitment consultants to assist in the selection and evaluation process if the appointment requires a specific skill set or industry specialisation. The NC, having assessed each candidate based on the essential and desirable competencies for a particular appointment, will nominate the most suitable candidate for appointment to the Board.

The Company does not have any alternate Directors. Alternate Directors may be appointed in exceptional circumstances.

The NC assesses each Director's competencies, commitment, contribution and performance, as well as independence on an annual basis or when necessary to decide whether a Director is able to, and has been adequately carrying out his duties as a Director.

The NC has adopted internal guidelines to address competing time commitments of Directors who serve on multiple boards by setting a maximum number of listed company board representations of not more than six (6). Please refer to pages 28 to 30 of the annual report for the listed company directorships and other principal commitments of the Directors. Having assessed the capacity of the Directors based on factors such as the expected and/or competing time commitments of Directors, the size and composition of the Board and the nature and scope of the Group's operations and size, the Board is of the view that this number would allow Directors to have increased exposure to different boards and broaden their experience and knowledge in relation to Board matters, hence ultimately benefitting the Company.

The NC will review whether a Director is able to and has adequately carried out his duties as a director of the Company from time to time, in particular, where a Director has multiple board representations and/or other principal commitments. Although some of the Board members have multiple board representations and hold other principal commitments, the NC, having reviewed each Director's other listed company directorships and/or principal commitments, where applicable, as well as each Director's attendance and contributions to the Board, is satisfied that sufficient time and attention was given by the Directors to the Company to discharge their responsibilities for the financial period in review. Holistically, the contributions by the Directors during the meetings and attendance at such meetings should also be taken into consideration. The Board further notes that none of the Directors hold six (6) or more listed company directorships.

All Directors are subjected to the Regulation in the Constitution whereby one-third of the Directors are required to retire by rotation and be nominated for re-election by the shareholders at the annual general meeting (the "AGM"). Pursuant to Rule 720(4) of the Catalist Rules, the Directors are to submit themselves for re-nomination and re-election at least once every three (3) years. In addition, any Director appointed during the year, shall hold office until the next AGM.

In considering the nomination, the NC will take into account the composition of the Board, and the competency, performance and contribution of the Directors with reference to their attendance, preparedness and participation in the Board and Board Committees as well as the time and effort accorded to the Company's business and affairs. Subject to the NC's satisfactory assessment, the NC would recommend and propose re-appointment of the director to the Board for its consideration and approval. To ensure the independence of the Director's appointment, re-nomination and retirement, each member of the NC abstains from voting on any resolution and making any recommendations and/or participating in respect of matters of which he has an interest in.

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As disclosed under Principle 2, none of the Independent Directors has any relationship with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence to the Board.

The NC had recommended to the Board that Mr Lai Kuan Loong, Victor and Mr Lee Gee Aik be nominated for re-election at the forthcoming AGM. Both of them have given their consent to continue in office. Mr Lai Kuan Loong, Victor will, upon re-election as a Director of the Company, remain as a Non-Executive Chairman and Independent Director of the Company, Chairman of the AC and NC and a member of the RC. Mr Lee Gee Aik will, upon re-election as a Director of the Company, remain as a Non-Executive and Non-Independent Director of the Company and a member of the AC and RC. The Board considers Mr Lai Kuan Loong, Victor to be independent for the purpose of Rule 704(7) of the Catalist Rules.

In making the above recommendations, the NC had considered the Directors' overall contribution performance and competencies. The respective Director has abstained from making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of his re-election as a Director.

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Directors seeking re-appointment (as set out in Appendix 7F to the Catalist Rules) can be found on pages 95 to 102 of this Annual Report.

A record of the NC members' attendance at the NC meetings during FY2024 is set out in Principle 1 of this Report.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board and NC strive to ensure that the Directors on the Board possess the experience, knowledge and skills critical to the Company's business so as to enable the Board to make sound and well-considered strategic decisions. The NC assesses the independence of each Director according to the guidance given under the Code and the Catalist Rules. The NC also reviews the Directors' attendance, preparedness, participation and candour in the meetings.

The performance evaluation was conducted for the Board as a whole, each of the Board Committees (namely the AC, NC and RC) and individual Director in FY2024 for assessing the contribution by the Chairman and each of the Board Committees' members to the effectiveness of the Board. This evaluation exercise reviews the effectiveness of the Board as a whole and of its Board Committees and provides an opportunity to obtain constructive feedback from each Director and Board Committee member on whether procedures and processes had allowed him to discharge his duties effectively. They were also encouraged to propose changes which may be made to enhance the effectiveness of the Board and Board Committees.

In evaluating the Board's and its Board Committees' performance, the NC considers a set of quantitative and qualitative performance criteria that has been approved by the Board. The performance criteria for the Board's evaluation includes:

- (i) Board size and composition (balance of skills, experience, independence and knowledge of the Company);
- (ii) Board information;
- (iii) Board process and accountability;
- (iv) Board committee performance in relation to discharging their responsibilities set out in the respective terms of reference; and
- (v) standards of conduct.

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The NC has assessed the performance of the Board as a whole and the Board Committees based on the above quantitative and qualitative performance criteria approved by the Board includes:

The individual Director's performance criteria were assessed by the NC during the annual Board performance evaluation, and approved by the Board:

- (i) interactive skills;
- (ii) knowledge including professional expertise, specialist or functional contribution and regional expertise;
- (iii) duties including attendance at meetings, meeting preparation, participation and performance of specific assignments; and
- (iv) conduct including maintenance of independence, disclosure of related party transactions and compliance with Company policies.

The performance evaluation for FY2024 was conducted by having all Directors complete a questionnaire, which included questions on the Board and Board Committees' composition and effectiveness as well as process and contribution, timeliness of Board information and accountability. The Company Secretary collated and submitted the questionnaire results to the NC Chairman. The NC discussed the results of the performance evaluation and tabled the appropriate improvements to be taken up with the Chairman of the Board and of each Board Committee. No external facilitator had been engaged by the Board for this purpose in FY2024. The assessment criteria for FY2024 were considered adequate for the aforementioned measures.

The NC is of the view that the performance of the Board as a whole, the Board Committees and individual Director were satisfactory and had met the respective performance objectives as set out for FY2024. The NC has reviewed from time-to-time commitments and efforts contributed by each of the Directors to the affairs of the Company through their participation and contributions at the Board and Board Committee meetings.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Remuneration Committee

As at the date of this Report, the RC of the Company comprises three (3) members who are all Non-Executive Directors, and the majority of whom, including the RC Chairman, are Independent Directors:

- Dato' Sri Mohd Mokhtar Bin Mohd Shariff, Non-Executive and Independent Director (Chairman)
- Mr Lai Kuan Loong, Victor, Non-Executive Chairman and Independent Director
- Mr Lee Gee Aik, Non-Executive and Non-Independent Director

The RC is guided by its terms of reference, including but not limited to the key responsibilities as follows:

- (i) review and recommend a framework of remuneration for the Board members and key management personnel;
- (ii) review and recommend the specific remuneration package and terms of employment for each Director as well as key management personnel of the Group;

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- (iii) recommend to the Board, the executives' and employees' share option schemes or any long-term incentive schemes which may be set up from time to time and does all acts necessary in connection therewith;
- (iv) review the level of remuneration that is appropriate to attract, retain and motivate the Directors and key management personnel; and
- (v) review and recommend Directors' fees and relevant remuneration packages for Non-Executive and Independent Directors, which are subject to shareholders' approval at the AGM.

The RC is tasked to provide a formal, transparent and objective procedure for developing and fixing the remuneration policies and packages, and the RC considers all aspects of remuneration (including Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination payments) in the review of remuneration packages for the Directors and key management personnel with an aim to be fair and to avoid rewarding unsatisfactory performance, before making any recommendation to the Board. The Board is ultimately accountable for all remuneration decisions.

The RC considers the compensation commitments of each Director, if any. This would entail, in the event of early termination, the review of the service contract, if any, with a view to be fair and not overly generous.

The RC has access to professional advice regarding compensation matters, if required. No remuneration experts have been appointed to advise on remuneration matters for FY2024.

Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his remuneration package or that of employees related to him. No Director is involved in deciding his own remuneration.

A record of the RC members' attendance at the RC meetings during FY2024 is set out in Principle 1 of this Report.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the Company.

The RC makes recommendations on an appropriate framework of remuneration, taking into account employment conditions within the industry and the Company's performance to ensure that the package is competitive and sufficient to attract, retain and motivate the Executive Directors and key management personnel, if any, so as to align their interests with those of shareholders and promote long-term success of the Company. The remuneration of Executive Directors and key management personnel are in accordance with the service agreements which comprise a basic salary component and a variable component (which is the annual bonus).

In addition, the Company has in place performance-related remuneration review system in respect of the Executive Director(s) and key management personnel which are determined based on the performance of the ongoing operations and corporate actions of the Company and/or Group and individual performance. Individual performance will be reviewed based on three (3) broad dimensions, including the performance-based indicator (capabilities and performances of the individual), quality-based indicator (superior's comment) and 360-degree assessment (reviews from other colleagues).

The RC has reviewed and is satisfied that for FY2024, the remuneration received by the Executive Director and CEO, and key management personnel commensurate their contribution, efforts, responsibilities and achievements. The RC has also reviewed and is satisfied that the overall performance conditions were met for FY2024.

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The Company currently does not have any contractual provisions allowing the Company to reclaim incentive components of remuneration from Executive Director(s) and key management personnel in exceptional cases of wrong doings. The Board is of the view that as the Group pays bonus based on the performance of the Group/ Company (and not on possible future results) and the results that have been delivered by its Executive Director(s) and key management personnel, “clawback” provisions in the service agreements may not be relevant or appropriate.

In setting remuneration packages of Independent and/or Non-Executive Directors, effort and time spent as well as responsibilities of the Independent and/or Non-Executive Directors are taken into account to ensure that remunerations are appropriate to their level of contributions. No Director decides his own remuneration. Directors’ fees are recommended by the RC and are submitted for endorsement by the Board. Directors’ fees to be paid to Independent and/or Non-Executive Directors are subject to the approval of shareholders at the AGM.

DISCLOSURE ON REMUNERATION

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

(A) Remuneration of Directors

The following table sets out the breakdown of remuneration paid to each individual Director and CEO by the Company and its subsidiaries for FY2024:

| Name of Director | Breakdown (in terms of percentage) | | | | Total (in dollars) S\$ |
|---|------------------------------------|------------------------|--|--------------------------|------------------------------|
| | Base/ Fixed Salary % | Directors’ fee % | Variable or Performance Related Income/Bonus % | Benefits in Kind % | |
| Mr Lai Kuan Loong, Victor | – | 100 | – | – | 72,000 |
| Mr Khong Chung Lun | 86.5 | – | 13.5 | – | 272,000 |
| Mr Lee Gee Aik | – | 100 | – | – | 36,000 |
| Dato’ Sri Mohd Mokhtar Bin Mohd Shariff | – | 100 | – | – | 48,000 |
| Ir. Hj. Syarul Izam Bin Hj. Sarifudin | – | 100 | – | – | 24,000 |

The Group links its remuneration policy to the achievement of key performance indicators. Key performance indicators of the Group are aimed towards financial performance and individual performance; these include project management capabilities and profitability of various projects across the Group’s business. The remuneration of Executive Directors and key management personnel are also in accordance with their service agreements, increment and performance bonus are proposed based on the Group’s performance review system and individual performance. Independent Directors and/or Non-Executive Directors are paid only directors’ fee, subject to the approval of shareholders at the AGM. The directors’ fees paid to each Independent Directors and/or Non-Executive Directors comprise a basic fee with additional fees for the serving on the respective Board Committees.

CORPORATE GOVERNANCE REPORT

(B) Remuneration of Key Management Personnel

A breakdown showing the level and mix of each key management personnel's remuneration for FY2024 is as follows:

| Name of key management personnel | Designation | Base/Fixed Salary % | Variable or Performance Related Income/Bonus % | Total % |
|----------------------------------|---------------------------------|---------------------|--|---------|
| Below S\$250,000 | | | | |
| Ms Ang Siew Peng | Chief Financial Officer ("CFO") | 86 | 14 | 100 |

During FY2024, the Company had one (1) key management personnel in the Group.

The Board, taking into consideration the current competitive business environment, including the keen competition for skilled personnel, particularly managers (or above), has decided not to disclose the amount of the remuneration of the Company's key management personnel. The Company is currently of the view that providing full details of the remuneration of its key management personnel is not of the best interests of the Company and may adversely affect talent attraction and retention. The Company has, however, disclosed the exact remuneration details of its Directors.

Despite its deviation from Provision 8.1(b) of the Code, the Board is of the view that the Company has provided a high level of transparency on remuneration matters, as information on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation had been disclosed in detail in the preceding paragraphs. Accordingly, the Board is of the view that the non-disclosure of the exact quantum of the remuneration paid to its key management personnel will not be prejudicial to the interest of shareholders and is in line with the intent of Principle 8 of the Code and that the presentation of remuneration bands no wider than S\$250,000, together with disclosure of the breakdown of the level and mix of remuneration in the tables above, is sufficient to enable shareholders to understand Company's remuneration policies in relation to its key management personnel.

(C) Remuneration of Immediate Family Member of Directors or the Chief Executive Officer or Substantial Shareholder of the Company

For FY2024, there was no employee who is a substantial shareholder of the Company or is an immediate family member of the Directors, the CEO or substantial shareholder of the Company, with remuneration exceeding S\$100,000.

There is no termination, retirement and post-employment benefits that may be granted to the Directors, CEO or the key management personnel.

The Company does not have any long-term incentive scheme or share option scheme in place, and the RC and the Board may consider incentive schemes for the Group in the near future.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

Risk Management and Internal Controls

The Board recognises the importance of maintaining a sound system of risk management and internal controls to safeguard shareholders' interests and the assets of the Group and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board acknowledges that there is no cost-effective risk management and internal control system that will preclude all errors and irregularities. Any system of internal controls is designed to mitigate rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss, occurrence of errors, poor judgement in decision making, fraud or other irregularities. The Board reviews all significant control policies and procedures and highlights all significant matters to Management, and ensures that the Management maintains a sound system of risk management and internal controls. If appropriate, the Board will consider setting up a board risk committee to address the aforementioned.

The Board and the AC have reviewed the adequacy and effectiveness of the risk management systems and the Group's internal controls addressing its financial, operational, compliance and information technology risk as and when appropriate and at least annually, based on reports from external auditors, internal auditors and the Group's risk management and compliance team. Any significant internal control weaknesses and non-compliance that are highlighted during the audit together with recommendations by the external auditors and internal auditors are reported to the AC. The AC will follow up and review the actions taken by Management to address the weaknesses highlighted, based on the recommendations made by the external auditors and internal auditors.

For FY2024, the Board had received written assurances from the CEO and the CFO that:

- (i) the financial records have been properly maintained, and the financial statements give a true and fair view of the Company's operations and finances; and
- (ii) the Company's risk management and internal control systems were adequate and effective.

Based on the internal controls framework established, reviews carried out by Management and the AC, work performed by the internal auditors and external auditors, and the assurance from Management, the Board opines, with the concurrence of the AC, that the Company's internal controls (including financial, operational, compliance, information technology) and risk management systems were adequate and effective for FY2024.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC was established with written terms of reference, setting out the role and authority delegated to it by the Board.

As at the date of this Report, the AC of the Company comprises three (3) members who are all Non-Executive Directors, and the majority of whom, including the AC Chairman, are Independent Directors:

- Mr Lai Kuan Loong, Victor, Non-Executive Chairman and Independent Director (Chairman)
- Mr Lee Gee Aik, Non-Executive and Non-Independent Director
- Dato' Sri Mohd Mokhtar Bin Mohd Shariff, Non-Executive and Independent Director

CORPORATE GOVERNANCE REPORT

None of the AC members were former partners or directors of the Company's external auditing firm or auditing corporation: (a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The Board is of the view that the AC members are appropriately qualified to discharge their responsibilities, taking into consideration that at least two (2) of the AC members, including the AC Chairman, have several years of experience in accounting and relevant financial management expertise and experience.

The Board recognises the importance of good corporate governance and the offering of a high standard of accountability to the shareholders. The AC is authorised by the Board to investigate all matters within its term of reference. The AC has full access to, and the co-operation of Management, as well as full discretion to invite any Director and key management personnel to attend its meetings, and is provided with reasonable resources for it to discharge its functions properly.

The AC carries out its duties in accordance with the written terms of reference of the AC, which includes but not limited to the key responsibilities as follows:

- (i) review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (ii) review with the internal auditors at least annually, their audit plan and reports, the adequacy of the internal audit procedures and their evaluation of the adequacy and effectiveness of the overall internal control systems, including financial, operational, compliance and informational technology controls and risk management systems;
- (iii) review and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls, which addresses the Group's financial, operational, compliance and information technology risks and risk management systems, and any other matters requiring the Board's attention;
- (iv) evaluate the Group's system of internal controls with the internal auditors and assess the effectiveness and adequacy of internal accounting and financial control procedures;
- (v) review the Company's policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated, and appropriately followed up on, and ensure that the Company publicly discloses, and clearly communicates to employees, the existence of a whistleblowing policy and procedures for raising such concerns;
- (vi) conduct annual reviews of the cost effectiveness of the audit, the independence and objectivity of the external auditors, including the volume of non-audit services provided by the external auditors, to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors before recommending their re-appointment to the Board;
- (vii) review the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- (viii) make recommendations to the Board on (a) proposals to shareholders on the appointment, re-appointment, resignation and removal of the external auditors, and (b) the remuneration and terms of engagement of the external auditors;
- (ix) receive and review the assurance from the CEO and CFO on the financial records and financial statements;
- (x) review interested person transactions and report its findings to the Board; and

CORPORATE GOVERNANCE REPORT

- (xi) review the quarterly/half-yearly (where applicable) and full year financial statements of the Company and the Group prior to submission to the Board for approval and the dissemination of the results announcements to shareholders and SGX-ST, including advising the Board if changes are needed to improve the quality of future interim financial statements or financial updates.

The AC met with the internal auditors and external auditors without the presence of Management in respect of FY2024 audit to review matters that might be raised privately and also review the independence of the external auditor, annually. The AC has also reviewed the assistance given by the Management to the external and internal auditors.

In the review of the financial statements for FY2024, the AC had discussed with Management and the external auditors on the accounting principles that were applied and its judgement of items that might affect the integrity of the financial statements, and had deliberated the key audit matters (“KAMs”) presented by the external auditors, including (i) valuation of development properties, (ii) assessment of impairment of investment in subsidiaries, (iii) going concern assessment, (iv) classification of investment in subsidiary or joint venture and (v) revenue from sale of development properties. The AC had reviewed the KAMs and concurred with the external auditors and Management on their assessment, judgements and estimates on the significant matters reported by the external auditors as set out under the Independent Auditor’s Report on pages 107 to 111 of this Annual Report.

During FY2024, the AC reviewed the quarterly/half-yearly and full-year financial statements prior to submission to the Board for approval; the annual audit plan of the external auditor and the internal auditors and the results of the audit performed by them; interested person transactions; effectiveness and adequacy of the Company’s risk management and internal controls systems; audit and non-audit services rendered by the external auditors and the re-appointment of external auditors and their remuneration.

The AC members had been briefed by the external auditors, Forvis Mazars LLP, on any changes to accounting standards and issues which have a direct impact on financial statements as part of their audit. A record of the AC members’ attendance at the AC meetings during FY2024 is set out in Principle 1 of this Report.

External Audit

The Company had engaged Forvis Mazars LLP, an audit firm registered with the Accounting and Corporate Regulatory Authority (“ACRA”), as the external auditors of the Company and Forvis Mazars PLT Malaysia was appointed as the auditor of the Company’s subsidiaries based in Malaysia. Having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm’s other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit, the Board and the AC are of the opinion that the appointment of Forvis Mazars in Singapore and Malaysia has met the Group’s auditing obligations. The Company is in compliance with Rules 712 and 715 of the Catalist Rules.

The AC has reviewed the fees for the non-audit services provided to the Company by the external auditors. The aggregate amount of fees paid by the Company to the external auditors, Forvis Mazars LLP amounted to S\$109,000 for audit services. There were no non-audit services provided by Forvis Mazars LLP in FY2024.

The AC has reviewed the independence and objectivity of Forvis Mazars LLP in FY2024 and is satisfied that Forvis Mazars LLP has demonstrated appropriate qualifications and expertise and is also independent of the Company.

The AC is also satisfied with the adequacy of the scope and quality of the external audits being conducted by Forvis Mazars LLP. The AC recommended the re-appointment of Forvis Mazars LLP as the external auditors for the ensuing financial year, taking into consideration the Audit Quality Indicators Disclosure Framework published by the ACRA. The Board accepted this recommendation and has proposed a resolution to shareholders for the re-appointment of Forvis Mazars LLP of the Company at the forthcoming AGM.

CORPORATE GOVERNANCE REPORT

Internal Audit

The AC is responsible for the appointment, removal, evaluation and compensation of the accounting or auditing firm or corporation that the internal audit function of the Company is outsourced to. The AC is also responsible to review and monitor the internal audit function/external service providers engaged to ensure timely completion of the internal audit plan, and implementation and effectiveness of any corrective action plans proposed by the internal audit function/external service providers.

The Group's has outsourced its internal audit function in FY2024 to Deloitte Business Advisory Sdn Bhd (the "**Internal Auditor**"), an independent internal audit service provider who reports directly to the AC on audit matters. The Internal Auditor has a staff strength from diverse backgrounds and qualifications. The internal audit team is headed by its executive director who has vast experience in the areas of financial and operational audits, to provide independent assurance and consulting activities, which serve to assist the Company in achieving its objectives. The services are performed in accordance with the Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors (the "**IIA Standards**").

The engagement with the Internal Auditor is free from any relationship or conflict of interest, which could potentially impair the objectivity and independence. The areas reviewed by the Internal Auditor during the financial year ended 31 December 2024 are as follows:

- (i) Revenue, Receivables and Collections;
- (ii) Procurement, Payables and Payment (non-project related);
- (iii) Fixed Asset Management;
- (iv) General IT Controls;
- (v) Interested Person Transactions and General Mandate(s);
- (vi) Sustainability Reporting; and
- (vii) Follow up Review.

The AC reviews and approves the annual internal audit plans and resources to ensure that the internal auditor has adequate resources to perform its function. The AC approves the hiring, removal and evaluation of the internal auditors. Internal audit reports are also given to the external auditors to ensure efficient use of resources and to avoid duplication of efforts.

The Internal Auditor has unfettered access to all the Group's documents, records, properties and personnel, including access to AC, and has appropriate standing within the Company, to effectively discharge its responsibilities.

The Internal Auditor had, during the course of their audit, performed tests over the operating effectiveness of certain controls and made some observations on internal controls and proposed recommendations to assist Management in enhancing existing controls, reducing risks and improving operational efficiency and effectiveness in the areas reviewed. Action plans to address these observations and findings have also been put in place. Follow-up audits were performed by the Internal Auditor to ensure that the Management action plans recommended by the Internal Auditor for any audit observations are rectified in a timely manner. The Management will work with the Internal Auditor to ensure that the proposed recommendations for FY2024 are completed to further enhance the Company's existing controls.

CORPORATE GOVERNANCE REPORT

The AC also meets to review, discuss and direct actions on matters pertaining to the internal audit report. The outcomes are then forwarded to the operational management for attention and necessary actions. The AC has reviewed the scope and findings of the internal audit performed by the Internal Auditor during FY2024 and the Management's responses thereto. A total of four audit findings have been identified as high priority by the Internal Auditor. As at date of this Report, the agreed action plans to address these high priority audit findings have been substantially implemented. Management will continue to implement the remaining high-priority recommendations. There were no material internal control weaknesses identified by the Internal Auditor in their course of audit for FY2024.

The Management is committed to implement any recommendations by the Internal Auditor for FY2024, based on its level of priority. In addition to the review of the Group's internal controls, the AC will continue to engage the Internal Auditor to conduct a follow-up review of any internal audit findings and update the AC and the Board on the implementation status.

The AC assesses the adequacy and effectiveness of the internal audit function annually. The AC is satisfied that the internal audit function is independent, effective, adequately qualified (given, *inter alia*, its adherence to standards set by internationally recognised professional bodies) and adequately resourced.

Pursuant to Rule 711B(3) of the Catalist Rules, the Company's sustainability reporting process has been subjected to internal review.

Whistle-Blowing Policy

The Company is committed to a high standard of ethical conduct and adopts a zero-tolerance approach to fraud. The Company undertakes to investigate complaints of suspected fraud in an objective manner, and has put in place a whistle-blowing policy which provides employees and any other person with well-defined and accessible channels, including direct access to the Chairman of the AC or the Company Secretary, to raise concerns about possible irregularities in matters of financial reporting or other matters in confidence relating to any misconduct or wrongdoing relating to the issuer and its officers (the "**Whistle-Blowing Policy**"). The Whistle-Blowing Policy defines the processes clearly to ensure independent investigation of such matters and permits whistle blowers to report directly via the following:-

- (i) by email to whistleblowing@astaka.com.my; and
- (ii) by surface mail for the attention of the Chairman of AC or the Company Secretary at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535.

The Whistle-Blowing Policy aims to encourage the reporting of such matters in good faith. The person who has reported a suspicion of fraudulent activities or malpractices in good faith (the "**Whistle-Blower**") and in compliance with the provisions of the Whistle-Blowing Policy shall not be prejudiced in his position in any way as a result of such reporting, and the identity of the Whistle-Blower will be kept confidential. The Whistle-Blower who has, not himself or herself, engaged in serious misconduct or illegal conduct shall be protected from any forms of harassment, retaliation, and in the case of an employee of the Group, any adverse employment or career advancement consequence or discrimination, including but not limited to demotion, dismissal or reduction of compensation or privileges of employment.

The AC is in charge of overseeing and monitoring the whistle-blowing function and handling matters being reported through the whistle-blowing system, including ensuring that any investigation and follow-up procedures are taken, if any. The AC reports to the Board on such matters at the Board meetings, or as and when necessary. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETING

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company recognises the importance of treating all shareholders fairly and equitably, as well as the responsibility to facilitate the exercise of shareholders' rights, and have the opportunity to communicate their views on matters affecting the Company. All registered shareholders are given the opportunity to participate effectively in and vote at general meetings. Shareholders are informed of shareholders' meetings through notices published via SGXNet, daily press, and the Company's corporate website prior to the meetings with the details of the agenda of the general meetings.

The Company adopts an open and non-discriminatory communication program to promote regular, effective and fair communication with shareholders, for the shareholders to stay informed of the Group's performance, position and prospects. Shareholders are encouraged to attend and participate at the general meetings to ensure a greater level of shareholders' participation. Shareholders are informed of the rules, including voting procedures that govern the general meetings to enable them to participate effectively in and vote at the general meetings. If any shareholders are unable to physically attend the general meetings of the Company, he/she is allowed to appoint up to two (2) proxies to vote on his/her behalf at the general meetings through proxy forms submitted in advance. The Company's Constitution allows for voting in absentia subject to Directors' approval and implementation. However, as the authentication of shareholder's identity information and other related security issues remain a concern, the Company has decided, for the time being, not to implement in absentia by mail, electronic mail or fax.

The Company's forthcoming AGM in respect of FY2024 will be held physically at Raffles Marina, 10 Tuas West Drive, Singapore 638404 on 28 April 2025. Shareholders will be able to raise questions and vote in person at the AGM. There will be no option for shareholders to participate virtually. Arrangements relating to the mode of publication of notice of AGM, Annual Report and proxy form, attendance at the AGM, submission of questions in advance of, or at, the AGM, addressing of substantial and relevant questions in advance of and/or at the AGM and voting at the AGM by shareholders or their duly appointed prox(ies), are set out in the Notice of AGM on pages 205 to 209 of this Annual Report.

All Directors and the key management personnel shall attend the general meetings, unless in cases of exigencies, and shareholders are given opportunities to ask the Board and Management questions regarding the operations of the Group and in relation to the meeting agenda prior to the respective meetings, and the Company is to answer any relevant questions prior or during the general meetings. All Directors attending the general meetings are to answer any questions relating to the work of their respective Committees. The external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. All Directors, key management personnel and external auditors attended the last AGM of the Company held for FY2023.

At the AGM or other general meetings, separate resolutions will be set out as distinct issues for approval by shareholders. All resolutions tabled at general meetings are put to vote by poll, and their detailed results will be announced via SGXNet after the conclusion of the general meetings. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting.

The Company prepares minutes of general meetings which includes key comments and queries from shareholders relating to the agenda of the general meetings, and responses from the Board and Management. The Company's minutes of general meeting(s) will be published in the SGXNet and Company's corporate website within one (1) month of the general meeting.

CORPORATE GOVERNANCE REPORT

Dividend Policy

The Company does not have a fixed dividend policy. The Board will consider various factors, such as the Company's and/or the Group's earnings, general financial position, capital expenditure requirements, cash flow, general business environment, development plans and other factors that may be deemed appropriate, to determine whether dividends would be paid for the financial year. The Board has not declared or recommended any dividend for FY2024, as the Group intends to conserve cash as working capital for the Company, to repay existing creditors and to fund the project pipelines of the Group.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Company is committed to keeping shareholders apprised of the Company's performance and prospects. In line with its continuous disclosure obligations pursuant to the Catalist Rules, the Board's policy is that all shareholders should be informed of all major developments that impact the Company on an equitable and timely basis. Such information will be disseminated through SGXNet and the Company's corporate website.

Financial results of the Group are announced in a timely manner. The results announcements contain detailed disclosures as required by the SGX-ST and voluntary disclosures are made as and when appropriate to enhance the level of transparency to shareholders.

The Company's corporate website is the key resource of information for shareholders. It contains a wealth of investor related information of the Company, which include, amongst others, profiles of the Board and key management personnel of the Company, list of announcements made via SGXNet, annual reports and important Group policies such as the whistleblowing and personal data protection policies.

General meetings have been and are still the principal forum for dialogue with shareholders. General meetings offer opportunities for the Board to interact with shareholders, understand their views, gather feedback as well as address concerns.

While the Company does not have a formal written investor relations policy, all shareholders are encouraged to contact the Company with any queries or concerns. The contact details of the Company and its investor relation contact can be found on the corporate website to facilitate dialogue and queries from shareholders. Accordingly, this allows the Company for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

As disclosed in the Company's Sustainability Report for FY2024, the Company identifies stakeholders as those who are affected by, or can affect the Company's business operations, ESG performance and long-term business plans. The Company strongly believes that engaging our key stakeholder groups and addressing their needs is critical to sustaining the Company's long-term success.

CORPORATE GOVERNANCE REPORT

The Company's engagement with the key stakeholders, including engagement methods, strategy and key areas of focus in relation to the management of stakeholder relationships will be disclosed in the Company's Sustainability Report for FY2024 on pages 34 to 67 of this Annual Report.

Further details on the Group's business, performance and governance practices can be found via the Company's corporate website (<https://astaka.com.my>) and stakeholders may reach out to the Company through the contact details set out on the corporate website.

OTHER CORPORATE GOVERNANCE MATTERS

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company adopts a set of procedures governing all IPTs to ensure that they are carried out on arms' length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. The AC reviews the rationale and terms of the Group's IPTs to ensure that they are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. When a potential conflict of interest occurs, the Director concerned will be excluded from discussions and refrained from exercising any influence over other members of the Board.

The Group had obtained the approval from its shareholders on 26 April 2024 and 10 April 2025 for two separate general mandates for recurring IPTs (the "**Recurring IPTs General Mandate**"). Please refer to the Company's circular to its shareholders dated 11 April 2024 and 19 March 2025 for further details on the Recurring IPTs General Mandate.

Information on the IPTs entered into between the Group and the Interested Persons for the financial year ended 31 December 2024 are set out below:

| Name of interested person | Nature of relationship | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) |
|---|---|--|--|
| Astaka Capital Sdn Bhd ("ACSB") | An associate of Dato' Malek | RM627,300 ⁽¹⁾ RM30,600,000 ⁽²⁾ | – |
| Astaka Kimlun Sdn Bhd ("AKSB") | An associate of Dato' Malek | RM510,000 ⁽³⁾ | – |
| Bukit Pelali Properties Sdn Bhd ("BPPSB") | An associate of Dato' Malek | RM10,200,000 ⁽⁴⁾ | RM544,282 ⁽⁵⁾ RM800,902 ⁽⁶⁾ |
| Dato' Malek | Controlling Shareholder | – | – ⁽⁷⁾ |
| Seaview Holdings Sdn Bhd ("SHSB") | An associate of Dato' Malek | RM5,965,623 ⁽¹⁾ RM29,400,000 ⁽²⁾ | – |
| Saling Syabas Sdn Bhd ⁽⁸⁾ ("SSSB") | An associate of Dato' Malek | RM 9,800,000 ⁽⁴⁾ | – |
| Sukma Consortium Sdn Bhd | An associate of Dato' Malek | – | RM738,000 ⁽⁹⁾ |
| Victor Lai Kuan Loong ("Mr Lai") | Non-Executive Chairman and Independent Director | RM637,000 ⁽¹⁰⁾ | – |

CORPORATE GOVERNANCE REPORT

Notes:

- (1) Pursuant to Rule 909(1) of the Catalyst Rules, in the case of a partly-owned subsidiary or associated company, the value of the transaction is an issuer's effective interest in that transaction. Pursuant to Rule 909(2) of the Catalyst Rules, in the case of a joint venture, the value of the transaction includes the equity participation, shareholders' loans and guarantees to be given by the entity at risk.

- (i) Upon execution of the Term Sheet, the Earnest Deposit of RM1,230,000 was paid by ACSB and Kii Amber Sdn Bhd ("**KIASB**") (in accordance with AKSB Shareholding Proportions (as defined in Note 3 below)) to SHSB.

Accordingly, the Earnest Deposit payable by ACSB was RM627,300. Further, as shareholders of ACSB, each APSB and SHSB shall contribute RM319,923 and RM307,377 for the Earnest Deposit payable by ACSB, based on their respective shareholding proportions in ACSB. APSB had on 12 July 2024, paid on behalf of ACSB, the full amount of RM627,300 to SHSB (as beneficial owner of the Master Land). SHSB had on 29 July 2024, reimbursed (via ACSB) a sum of RM307,377 to APSB, based on SHSB's 49% shareholding proportions in ACSB.

- (ii) Upon execution of the SPA, a sum of RM11,070,000, representing 18% of the Price (before any Adjustment), was paid to SHSB as balance deposit and part payment of the Price, with ACSB and KIASB contributing RM5,645,700 and RM5,424,300 respectively (in accordance with AKSB Shareholding Proportions).

As ACSB and SHSB are each associate of Dato' Malek, (i) the Earnest Deposit payable by APSB to SHSB of RM319,923; (ii) the amount paid on behalf of ACSB by APSB to SHSB of RM627,300 and (iii) amount of RM5,645,700 contributed by ACSB as shareholder of AKSB to SHSB as balance deposit constitute an "Interested Person Transaction" under Chapter 9 of the Catalyst Rule.

Please refer to the Company's announcements dated 12 July 2024 and 13 November 2024 for further details.

- (2) On 3 September 2024, APSB and SHSB had entered into a shareholders' loan agreement with the Company's 50.99% owned indirect subsidiary, ACSB (the "**2024 ACSB Shareholders' Loan**"), to extend an unsecured and interest-free loan to ACSB for an aggregate sum of up to RM60.0 million for the financing of ACSB's business, and ACSB may give any number of drawdown requests to APSB and SHSB, provided always that the amount of each drawing when aggregated with all previous amounts of the drawdown amount under the 2024 ACSB Shareholders' Loan shall not exceed RM60.0 million.

The 2024 ACSB Shareholders' Loan shall be repaid by ACSB to APSB and SHSB in cash and/or in kind as may be mutually agreed between ACSB with APSB and SHSB respectively within one (1) year from the drawing date (the "**Repayment Term of 2024 ACSB Shareholders' Loan**"), with an automatic extension of additional one (1) year period upon the expiry of the Repayment Term of 2024 ACSB Shareholders' Loan, and on each successive anniversary date thereafter and the maturity date for the repayment of the 2024 ACSB Shareholders' Loan shall be construed as the last day of each relevant extension.

Pursuant to Rule 909(2) of the Catalyst Rules, in the case of a joint venture, the value of the transaction includes the equity participation, shareholders' loans and guarantees to be given by the entity at risk. Accordingly, the value of the 2024 ACSB Shareholders' Loan as an interested person transaction is RM30.6 million, being the proportion of the loan to be extended by APSB to ACSB under the 2024 ACSB Shareholders' Loan (which is in proportion with APSB's equity stake in ACSB).

Pursuant to Rule 916(3) of the Catalyst Rules, shareholders' approval is not required for the provision of a loan to a joint venture with an interested person as the 2024 ACSB Shareholders' Loan is extended by APSB and SHSB to ACSB in proportion to their equity and on the same terms.

- (3) AKSB was incorporated on 30 July 2024 as a wholly-owned subsidiary of ACSB with a total issued and paid-up share capital of RM100 comprising 100 ordinary shares. Further to the execution of the subscription and shareholders' agreement amongst ACSB, KIASB and AKSB on 13 November 2024, ACSB has further subscribed for 509,900 new ordinary shares in AKSB for a subscription price of RM509,900 and as at the date of this Report, ACSB holds 51% shareholding interest in AKSB, and KIASB holds the remaining 49% shareholding interest in AKSB ("**AKSB Shareholding Proportions**").
- (4) On 20 May 2024, APSB and SSSB had entered into a shareholders' loan agreement with the Company's 50.99% owned indirect subsidiary, BPPSB (the "**2024 BPPSB Shareholders' Loan**"), to extend an unsecured and interest-free loan to BPPSB for an aggregate sum of up to RM20.0 million for the purposes of ongoing working capital requirements as well as the future developments in BPPSB, provided always that the amount of each drawing when aggregated with all previous amounts of the drawdown amount under the 2024 BPPSB Shareholders' Loan shall not exceed RM20.0 million.

The 2024 BPPSB Shareholders' Loan shall be repaid by BPPSB to APSB and SSSB in cash and/or in kind as may be mutually agreed between BPPSB with APSB and SSSB respectively within one year from the drawing date (the "**Repayment Term of 2024 BPPSB Shareholders' Loan**"), with an automatic extension of additional one (1) year period upon the expiry of the Repayment Term of 2024 BPPSB Shareholders' Loan, and on each successive anniversary date thereafter and the maturity date for the repayment of the 2024 BPPSB Shareholders' Loan shall be construed as the last day of each relevant extension.

Pursuant to Rule 909(2) of the Catalyst Rules, in the case of a joint venture, the value of the transaction includes the equity participation, shareholders' loans and guarantees to be given by the entity at risk. Accordingly, the value of the 2024 BPPSB Shareholders' Loan as an interested person transaction is RM10.2 million, being the proportion of the loan to be extended by APSB to BPPSB under the 2024 BPPSB Shareholders' Loan (which is in proportion with APSB's equity stake in BPPSB).

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 916(3) of the Catalist Rules, shareholders' approval is not required for the provision of a loan to a joint venture with an interested person as the 2024 BPPSB Shareholders' Loan is extended by APSB and SSSB to BPPSB in proportion to their equity and on the same terms.

- (5) APSB had seconded certain employees who do not have any active roles or job responsibilities in APSB to BPPSB to meet BPPSB's operational requirements.
- (6) APSB had provided certain management services including administrative, finance, project, human resources and support service to BPPSB to meet BPPSB's operational requirements.
- (7) This comprises the rental payable by BPPSB to Dato Malek, for the rental of lands by BPPSB from 1 April 2024 to 31 March 2026. The amount incurred is RM325,464 (approximately S\$98,991).
- (8) There were amounts payable by BPPSB to SSSB as at 31 December 2024 for the sole and exclusive right to develop the Bukit Pelali land for an aggregate consideration not exceeding RM165,000,000, which was approved by the Company's shareholders at the extraordinary general meeting on 16 December 2016. Please refer to the Company's circular to its shareholders dated 29 November 2016 for further details. The amount incurred for the financial year ended 31 December 2024 is RM470,398.
- (9) This comprises the rental payable by APSB, to Sukma Consortium Sdn Bhd, an associate of Dato' Malek, for the rental of office premises by APSB from September 2024 to August 2027.
- (10) This relates to the sale of a property unit at The Aliva project by the Company's 99.99%-owned indirect subsidiary, Astaka Development Sdn. Bhd. to Mr Lai. Please refer to the Company's announcement dated 12 August 2024 for further details.

Save for the above mentioned, there were no IPTs of S\$100,000 or more for FY2024.

DEALING IN THE COMPANY'S SECURITIES

In line with Rule 1204(19) of the Catalist Rules, the Company has adopted an internal code of best practice with respect to dealing in its securities by the Company, the Directors and its officers. The Company, the Directors, Management and officers of the Company who have access to price-sensitive, financial or confidential information are not permitted to deal in the Company's shares during the period commencing two (2) weeks before the announcement of the Company's quarterly financial results, and one (1) month before the announcement of the Company's full-year financial results and ending on the date of the announcement of the relevant financial results, or when they are in possession of unpublished price-sensitive information of the Company. In addition, the Company, the Directors and its officers are expected to observe insider trading laws at all times even when dealing in securities within permitted trading periods. The Directors and officers of the Company should not deal in the Company's shares on short-term considerations.

MATERIAL CONTRACTS

Pursuant to Rule 1204(8) of the Catalist Rules, save as disclosed below, in the section entitled "Interested Person Transactions" above and elsewhere in the consolidated financial statements of the Group, there were no material contracts entered into by the Company or its subsidiaries that involved the interests of the Directors, CEO or controlling shareholders which are still subsisting as at the end of FY2024, or if not then subsisting, entered into since the end of the previous financial year.

Land parcels owned by SSSB was used as security under the loan agreement with China State Construction Engineering (M) Sdn Bhd ("**CSCE**")

Pursuant to a letter of award dated 18 December 2014 and a construction agreement dated 2 August 2015 (collectively, the "**Contract**") between APSB and CSCE, APSB had engaged CSCE as the main contractor to carry out construction works for the development of service apartments in Malaysia. As of 28 February 2017, a sum of RM46,532,461 remained due and owing by APSB to CSCE under the Contract.

CORPORATE GOVERNANCE REPORT

On 12 April 2017, APSB entered into a loan agreement (“**Loan Agreement**”) with CSCE to convert the outstanding trade payables of RM46,532,461 due to CSCE under the Contract into a loan (“**Loan**”). The Loan is subject to an interest rate of 8.5% per annum commencing from 30 June 2017 until the date of full repayment of the Loan. In addition, the Loan was secured against certain land parcels located in Bukit Pelali that are owned by SSSB (the “**Land Parcels**”) and over which the Group holds development rights. SSSB is owned by Dato’ Malek. No agreement was entered into between the Group, SSSB and Dato’ Malek for the provision of such security and no payment has been made by the Group to SSSB and Dato’ Malek for the provision of such security.

Further to the Loan Agreement, a dispute arose between APSB and CSCE for the sum of RM50,878,046.41 and interests thereon (the “**Dispute**”), pursuant to which a settlement agreement was entered into between APSB and CSCE on 29 November 2021 by way of consent judgment, as full and final settlement and discharge of all disputes, differences and claims by either party in connection with the dispute (the “**2021 Settlement Agreement**”) (as supplemented by the supplemental settlement agreement dated 29 December 2023 (“**Supplementary Settlement Agreement**”). As at 31 December 2024, APSB has fulfilled its repayment milestones to CSCE in accordance with the 2021 Settlement Agreement and the Supplementary Settlement Agreement and the outstanding amount has been fully settled. Accordingly, the said Land Parcels have been fully discharged.

Overdraft facility with Affin Bank Berhad (“**Affin Bank**”)

On 7 October 2015, APSB entered into an overdraft facility of RM10,000,000 (the “**Overdraft Facility**”) and has on 9 December 2020 obtained an additional Overdraft Facility of RM2,000,000 with Affin Bank, which is repayable on demand. The nominal interest rate of the Overdraft Facility of 6.81% is calculated based on Affin Bank’s base lending rate (“**BLR**”). The Overdraft Facility is secured against the controlling shareholder of the Company, Dato’ Malek’s fixed deposit of RM12,000,000. No agreement was entered into between the Group and Dato’ Malek for the provision of such security, and no payment has been made by the Group to Dato’ Malek for the provision of such security.

As at 31 December 2024, RM11,998,873 of the Overdraft Facility has been utilised by APSB. For more details, please refer to Note 23 of the consolidated financial statements of the Group.

Term Financing and Bridging Financing Facilities with RHB Bank Berhad (“**RHB Bank**”)

On 29 May 2024, the Group has received an offer letter from RHB Bank for Term Financing and Bridging Financing Facilities of RM50,500,000 (“**Banking Facility**”) for the purpose of constructing The Aliva @ Mount Austin (“**The Aliva**”). It is secured by six (6) units of service apartment of the Astaka and a parcel of land by the subsidiary, corporate guarantee by the Company and APSB, and Dato’ Malek who has provided a letter of undertaking to provide cash flow support throughout the duration of the Banking Facility in the event of a shortfall in the repayment of the principal sum or to cover any cost overruns related to the construction of The Aliva.

As at 31 December 2024, RM16,778,403 of the Banking Facility has been drawn down for The Aliva. For more details, please refer to Note 23 of the consolidated financial statements of the Group.

CORPORATE GOVERNANCE REPORT

Loan agreements with DMR Holdings Sdn Bhd (“DMR Holdings”) (an associate of Dato’ Malek)

- (a) Pursuant to the loan agreement dated 17 June 2020 (as supplemented by the supplemental letter agreement dated 3 November 2020), DMR Holdings had extended an unsecured loan to APSB with a principal sum not exceeding RM60,000,000 (the “**DMR APSB Loan Agreement**”) at a fixed interest rate of 8% per annum and repayable within one year (unless automatically extended) or on demand, subject to the confirmation of resource availability by APSB. The Company had obtained the approval from its shareholders on 28 October 2020 for the entry into the DMR APSB Loan Agreement as an interested person transaction under Chapter 9 of the Catalist Rules. Please refer to the Company’s circular to its shareholders dated 9 October 2020 for further details. As at 31 December 2024, RM8,000,000 remains drawn down under the DMR APSB Loan Agreement.
- (b) On 8 December 2021, DMR Holdings had extended an additional unsecured loan facility to APSB (the “**Additional Loan Facility**”) of up to RM8,000,000 at a fixed interest rate of 8% per annum. The loan is repayable within one year (unless automatically extended) or on demand, subject to the confirmation of resource availability by APSB. As at 31 December 2024, the Additional Loan Facility has not been drawn down.
- (c) On 23 June 2023, DMR Holdings had extended unsecured loans in aggregate principal sum of RM120,000,000, which comprises of (i) RM60,000,000 to BPPSB (the “**DMR BPPSB Loan Agreement**”), and (ii) RM60,000,000 to ACSB (the “**DMR ACSB Loan Agreement**”), each at a fixed interest rate of 8% per annum and repayable within one year (unless automatically extended) or on demand, subject to the confirmation of resource availability by BPPSB or ACSB respectively. The Company had obtained the approval from its shareholders on 25 August 2023 for the entry into the DMR BPPSB Loan Agreement and DMR ACSB Loan Agreement as interested person transactions under Chapter 9 of the Catalist Rules. Please refer to the Company’s circular to its shareholders dated 10 August 2023 for further details. As at 31 December 2024, RM500,000 remains drawn down under the DMR BPPSB Loan Agreement.

Loan agreements with Dato’ Malek

- (a) Pursuant to the loan agreement dated 14 February 2020 (as supplemented by the supplemental letter agreement dated 3 November 2020), Dato’ Malek had extended an unsecured loan to APSB with a principal sum of RM30,000,000 (the “**DM Loan**”) at a fixed interest rate of 8% per annum. The loan is repayable within one year (unless automatically extended) or on demand, subject to the confirmation of resource availability by APSB. The Company had obtained the approval from its shareholders on 28 October 2020 for the entry into the DM Loan as an interested person transaction under Chapter 9 of the Catalist Rules. Please refer to the Company’s circular to its shareholders dated 9 October 2020 for further details.
- (b) On 21 February 2022, APSB had entered into a loan agreement (the “**Additional DM Loan**”) with Dato’ Malek for an unsecured, interest-free loan in the principal amount not exceeding RM60,000,000, repayable within one year (unless automatically extended) or on demand, for general corporate and working capital purposes, and shall only be drawn when required. As at 31 December 2024, the Additional DM Loan has not been drawn down.

CORPORATE GOVERNANCE REPORT

Loan agreement between AP SB and SSSB with BPPSB

- (a) On 20 June 2022, AP SB and SSSB had entered into an agreement to extend an unsecured and interest-free loan to BPPSB which amounted to an aggregate sum of RM80,000,000 (the “**2022 BPPSB Shareholders’ Loan**”) for ongoing working capital requirements as well as the future developments in the joint venture, and shall only be drawn as and when required. The BPPSB Shareholders’ Loan shall be repaid by BPPSB to AP SB and SSSB in cash and/or in kind as may be mutually agreed between BPPSB with AP SB and SSSB respectively within one year from the drawing date (the “**Repayment Term of BPPSB 2022 Shareholders’ Loan**”), with an automatic extension of additional one year period upon the expiry of the Repayment Term of BPPSB 2022 Shareholders’ Loan, and on each successive anniversary date thereafter and the maturity date for the repayment of the 2022 BPPSB Shareholders’ Loan shall be construed as the last day of each relevant extension, or on demand, subject to the confirmation of resource availability by BPPSB. As at 31 December 2024, the 2022 BPPSB Shareholders’ Loan remains fully drawn down based on AP SB and SSSB shareholding proportions in BPPSB, amounting to RM40,800,000 and RM39,200,000 respectively.
- (b) On 26 September 2023, AP SB and SSSB had entered into an agreement to extend an unsecured and interest-free loan to BPPSB for an aggregate sum of RM10,000,000 (the “**2023 BPPSB Shareholders’ Loan**”) for the purposes of ongoing working capital requirements as well as the future developments in the joint venture, and shall only be drawn as and when required. The 2023 BPPSB Shareholders’ Loan has been extended under the same terms as the 2022 BPPSB Shareholders’ Loan. As at 31 December 2024, the 2023 BPPSB Shareholders’ Loan remains fully drawn down based on AP SB and SSSB shareholding proportions in BPPSB, amounting to RM5,100,000 and RM4,900,000 respectively.

Pursuant to Rule 916(3) of the Catalist Rules, shareholders’ approval is not required for the provision of a loan to a joint venture with an interested person as each of the 2022 BPPSB Shareholders’ Loan and 2023 BPPSB Shareholders’ Loan are extended by AP SB and SSSB to BPPSB in proportion to their equity and on the same terms.

Financial Support Agreement between AP SB, SSSB and BPPSB

In connection with the conditional master supplemental agreement entered between BPPSB, JBB Builders Sdn Bhd (“**JBB Builders**”), and AP SB for the payment term and structure of the outstanding contract sum of approximately RM58,982,983 payable by BPPSB to JBB Builders for performing construction and infrastructure works for the Bukit Pelali project, AP SB, SSSB and BPPSB had entered into a financial support agreement on 20 September 2022 (the “**Financial Support Agreement**”) pursuant to which (a) the provision and transfer to JBB Builders or its nominees of (i) the transfer of 20 Astaka units (the “**Contra Properties**”) shall be deemed as an advance for an aggregate sum of RM41,619,840 (the “**Immediate Astaka Advances**”), and (ii) the original issue documents of strata/individual titles and other transfer documents pertaining to nine (9) Astaka units of a total net price of RM20,610,848 shall be held in escrow by JBB Builders as security the “**Escrow Properties**”) shall be deemed as an advance for an aggregate sum of up to RM20,610,848 (the “**Contingent Astaka Advances**”), and (b) AP SB and SSSB had provided a shareholders’ loan to BPPSB of up to an aggregate of approximately RM62,230,688, being the aggregate of the Immediate Astaka Advances and the Contingent Astaka Advances (the “**Shareholders’ Loan**”). In accordance with the respective shareholding proportions in BPPSB, AP SB will contribute up to RM31,737,650 to BPPSB for its portion of the Shareholders’ Loan and such amount shall be offset from the Immediate Astaka Advances and the Contingent Astaka Advances.

There shall be no interest charged on the Shareholders’ Loan and it shall be repaid by BPPSB to AP SB and SSSB in cash and/or in kind as may be mutually agreed between BPPSB with AP SB and SSSB respectively within one (1) year from the drawing date (the “**Repayment Term on the Shareholders’ Loan**”), with an automatic extension of additional one year period upon the expiry of the Repayment Term on the Shareholders’ Loan, and on each successive anniversary date thereafter, and the maturity date for the repayment of the Shareholders’ Loan shall be construed as the last day of each relevant extension, or on demand, subject to the confirmation of resource availability by BPPSB. Pursuant to Rule 916(3) of the Catalist Rules, the Shareholders’ Loan is exempted from the requirement of seeking the approval from the Shareholders as the Shareholders’ Loan is extended by AP SB and SSSB to BPPSB in proportion to their equity and on the same terms.

CORPORATE GOVERNANCE REPORT

Within or on the date falling three (3) months from the unconditional date (the “**Immediate Astaka Advances Payment Date**”), BPPSB shall pay to AP SB in cash the Immediate Astaka Advances, failing which BPPSB shall pay to AP SB interest at the rate of 10% per annum on the Immediate Astaka Advances or any part thereof remaining unpaid, calculated on a daily basis, from the day next following the Immediate Astaka Advances Payment Date until the date of actual payment of the full amount of the Immediate Astaka Advances.

In the event that JBB Builders calls upon the Escrow Properties, the Contingent Astaka Advances or such part thereof shall immediately become payable by BPPSB to AP SB in cash within or on the date falling 3 months from the respective date of the sale and purchase agreement(s) executed between AP SB and JBB Builders or its nominee(s) (“**Contingent Astaka Advances Payment Date**”), failing which BPPSB shall pay to AP SB an interest rate of 10% per annum on the Contingent Astaka Advances or any part thereof remaining unpaid, calculated on a daily basis, from the day next following the Contingent Astaka Advances Payment Date until the date of actual payment of the full amount of the Contingent Astaka Advances. Pending the repayment and settlement of the Immediate Astaka Advances and/or the Contingent Astaka Advances by BPPSB to AP SB, BPPSB and SSSB agree that BPPSB shall, in pursuance to the authority conferred on it by the power of attorney granted by SSSB to BPPSB, furnish certain Bukit Pelali properties to AP SB or its nominee(s) as a continuing security. Please refer to the Company’s circular to its shareholders dated 20 September 2022 for further details on the JBB Builders settlement and the Shareholders’ Loan.

As at 31 December 2024, RM41,619,840 of the Shareholders’ Loan remains drawn down under the Financial Support Agreement.

NON-SPONSOR FEES

In FY2024, no non-sponsor fees was paid to SAC Capital Private Limited (“**SAC**”).

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Pursuant to Rule 720(5) of the Catalist Rules, the following is the information relating to the Directors seeking re-appointment (as set out in Appendix 7F to the Catalist Rules).

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|---|--|--|
| Date of Appointment | 13 November 2019 | 23 December 2008 |
| Date of last re-appointment (if applicable) | 28 April 2022 | 27 April 2023 |
| Age | 46 | 66 |
| Country of principal residence | Singapore | Singapore |
| The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process) | <p>The Board, having considered, among others, the recommendation of the NC and reviewed and assessed the qualifications, work experiences and suitability of Lai Kuan Loong, Victor, is of the view that he has the requisite experiences and capabilities to assume the duties and responsibilities as the Non-Executive Chairman and Independent Director of the Company.</p> <p>The Board considers Lai Kuan Loong, Victor to be independent for the purpose of Rule 704(7) of the Catalist Rules.</p> | <p>The Board, having considered, among others, the recommendation of the NC and reviewed and assessed the qualifications, work experiences and suitability of Lee Gee Aik, is of the view that he has the requisite experiences and capabilities to assume the duties and responsibilities as the Non-Executive and Non-Independent Director of the Company.</p> |
| Whether appointment is executive, and if so, the area of responsibility | Non-executive | Non-executive |
| Job Title (e.g. Lead ID, AC Chairman, AC Member etc.) | Non-Executive Chairman and Independent Director, Chairman of the Audit Committee and Member of the Nominating Committee and Remuneration Committee | Non-Executive and Non-Independent Director, Member of the Audit Committee and Remuneration Committee |
| Professional qualifications | <ol style="list-style-type: none"> 1. Bachelor of Accountancy (Honours), Nanyang Technological University 2. Public Accountant, Accounting & Corporate Regulatory Authority 3. Chartered Accountant (Practising), Institute of Singapore Chartered Accountants | <ol style="list-style-type: none"> 1. ACCA, The Chartered Association of Certified Accountants, United Kingdom 2. Master of Business Administration, Henley Management College, United Kingdom |

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|---|---|---|
| Working experience and occupation(s) during the past 10 years | 1. June 2019 to Present, CitadelCorp Pte. Ltd., Principal Consultant 2. July 2019 to Present, Daiho Energy Services Pte. Ltd., Director 3. July 2019 to October 2019, Boardroom Limited, Independent Consultant 4. February 2015 to July 2019, Boardroom Limited, Regional Managing Director | 1. 2022 to Present, AlphaRock Family Office Pte. Ltd., Chief Financial Officer (“ CFO ”) 2. 2015 to 2017, Fuller & Ernst Pte. Ltd., Director 3. 2010 to 2016, Max Management Pte. Ltd., Director 4. 2008 to 2016, R Chan & Associates PAC, Director 5. 1997 to 2016, G A Lee & Associates, Audit Assurance Partner |
| Shareholding interest in the listed issuer and its subsidiaries | Nil | Nil |
| Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries | Nil | Nil |
| Conflict of interest (including any competing business) | Nil | Nil |
| Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer | Yes | Yes |
| Other Principal Commitments* Including Directorships# * “Principal Commitments” has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8) | | |
| Past (for the last 5 years) | <u>Directorships:</u> 1. Transcorp Holdings Limited <u>Principal Commitments:</u> Please refer to “Working experience and occupation(s) during the past 10 years” | <u>Directorship:</u> Anchun International Holdings Ltd. <u>Principal Commitments:</u> Please refer to “Working experience and occupation(s) during the past 10 years” |

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|---|---|---|
| Present | <p><u>Directorships:</u></p> <ol style="list-style-type: none"> 1. Daiho Energy Services Pte. Ltd. 2. CitadelCorp Pte. Ltd. 3. Universal Terminals (S) Pte. Ltd. 4. UT Singapore Services Pte. Ltd. 5. CHG-Meridian Singapore Pte. Ltd. 6. Gadera Pte. Ltd. 7. Faerma Pte. Ltd. 8. Zicap Limited 9. JCY International Berhad <p><u>Principal Commitments:</u></p> <p>Please refer to “Working experience and occupation(s) during the past 10 years”</p> | <p><u>Directorships:</u></p> <ol style="list-style-type: none"> 1. SHS Holdings Ltd. 2. Uni-Asia Group Limited 3. CH Offshore Ltd. 4. AlphaRock Signet Fund VCC <p><u>Principal Commitments:</u></p> <p>Please refer to “Working experience and occupation(s) during the past 10 years”</p> |
| <p>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.</p> | | |
| (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner? | No | No |

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|---|------------------------|-------------|
| (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency? | No | No |
| (c) Whether there is any unsatisfied judgment against him? | No | No |
| (d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose? | No | No |
| (e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach? | No | No |

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|--|------------------------|-------------|
| (f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part? | No | No |
| (g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? | No | No |
| (h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? | No | No |
| (i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity? | No | No |
| (j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :— | | |

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|---|---|--|
| <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> | <p>Reference is made to the independent fact-finding report dated 3 April 2020 ("Fact-Finding Report") issued by Ernst & Young Advisory Pte Ltd, as the independent reviewer to undertake a review of the matters set out in the Fact-Finding Report, and released by the Company on SGXNet on 3 April 2020. The SGX-ST had in 2020 issued a show cause letter to the directors of the Company to make representations for potential breaches of the Catalist Rules.</p> <p>The Company and relevant persons were previously engaged in correspondences with the SGX-ST in relation to the same. Subsequently, the SGX Listings Disciplinary Committee had on 17 August 2021 issued its written grounds of decision to the Company in relation to the aforesaid matter which includes the public reprimand issued to the Company, the former Executive Director and former Chief Financial Officer for breaching the Catalist Rules (the "Public Reprimand").</p> <p>For the avoidance of doubt, Mr Lai was not named in the Public Reprimand and has not been implicated in any breach of the Catalist Rules. Please refer to the Company's announcement dated 20 August 2021 for more details.</p> <p>On a formerly SGX-listed issuer, Mr Lai was a Director of the issuer at the time when SGX RegCo issued a private warning to the issuer and its directors relating to the issuer not being able to announce its financial results for the year ended 31 October 2019 ("FY2019") and not being able to hold its Annual General Meeting for FY2019, due to the lack of financial resources of the issuer.</p> | <p>Reference is made to the independent fact-finding report dated 3 April 2020 ("Fact-Finding Report") issued by Ernst & Young Advisory Pte Ltd, as the independent reviewer to undertake a review of the matters set out in the Fact-Finding Report, and released by the Company on SGXNet on 3 April 2020. The SGX-ST had in 2020 issued a show cause letter to the directors of the Company to make representations for potential breaches of the Catalist Rules.</p> <p>The Company and relevant persons were previously engaged in correspondences with the SGX-ST in relation to the same. Subsequently, the SGX Listings Disciplinary Committee had on 17 August 2021 issued its written grounds of decision to the Company in relation to the aforesaid matter which includes the public reprimand issued to the Company, the former Executive Director and former Chief Financial Officer for breaching the Catalist Rules (the "Public Reprimand").</p> <p>For the avoidance of doubt, Mr Lee was not named in the Public Reprimand and has not been implicated in any breach of the Catalist Rules. Please refer to the Company's announcement dated 20 August 2021 for more details.</p> |

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|--|-------------------------------|-------------------------------|
| (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or | No | No |
| (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or | No | No |
| (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust? | No | No |
| (k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere? | Please refer to (j)(i) above. | Please refer to (j)(i) above. |

INFORMATION ON DIRECTORS SEEKING RE-ELECTION

| Name of Person | Lai Kuan Loong, Victor | Lee Gee Aik |
|---|--|--|
| Disclosure applicable to the appointment of Director only | | |
| Any prior experience as a director of an issuer listed on the Exchange? | N.A. This relates to re-appointment of Director. | N.A. This relates to re-appointment of Director. |
| If yes, please provide details of prior experience. | N.A. | N.A. |
| If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. | N.A. | N.A. |
| Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable) | N.A. | N.A. |

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Astaka Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

1. Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year ended 31 December 2024 in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:

Mr. Lai Kuan Loong, Victor
Mr. Khong Chung Lun
Mr. Lee Gee Aik
Dato' Sri Mohd Mokhtar Bin Mohd Shariff
Ir. Hj. Syarul Izam Bin Hj. Sarifudin

3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of whose objects was, to enable the 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, except as disclosed in paragraphs 4 and 5 below.

4. Directors' interests in shares or debentures

The directors of the Company holding office at the end of the financial year had no interest in the share capital and debentures of the Company and related corporations, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as disclosed below:

| Name of directors and respective company in which interest are held | Direct interests | | Deemed interests | |
|---|------------------|------------------|------------------|------------------|
| | 1 January 2024 | 31 December 2024 | 1 January 2024 | 31 December 2024 |
| Astaka Holdings Limited | | | | |
| <u>No. of ordinary shares</u> | | | | |
| Mr. Khong Chung Lun | 47,900 | 47,900 | – | – |

The directors' interests in the shares and options of the Company on 21 January 2025 were the same as at 31 December 2024.

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures (Continued)

During the financial year, the Company has in the normal course of business entered into transactions with the directors and/or their affiliated companies, being related parties and parties in which some of the directors are deemed to have an interest, with the directors having disclosed their interests in such transactions pursuant to Section 156 of the Act. Such transactions disclosed in Note 27 to the financial statements were carried out on normal commercial terms and in the normal course of business of the Company.

5. Share options

During the financial year, there were:

- (i) no options granted by the Company to any person to take up unissued shares in the Company or its subsidiaries; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under option.

6. Audit Committee

The members of the Audit Committee at the date of this statement are:

| | |
|---|---|
| Mr. Lai Kuan Loong, Victor (Chairman) | (Non- Executive and Independent Director) |
| Mr. Lee Gee Aik | (Non- Executive and Non-Independent Director) |
| Dato' Sri Mohd Mokhtar Bin Mohd Shariff | (Non- Executive and Independent Director) |

All members of the Audit Committee are non-executive directors, and the majority members including the Audit Committee Chairman are independent directors of the Company.

The Audit Committee performs the functions specified in Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance 2018.

The Audit Committee met five (5) times during the financial year ended 31 December 2024. In performing its function, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Group's systems of internal controls.

The Audit Committee also reviewed the following:

- quarterly and full year financial statements;
- audit plans and reports of the external and internal auditors;
- reviewed, at least annually, the adequacy and effectiveness of the Group's internal controls and risk management systems;
- the assistance given by management to the external and internal auditors;
- received and reviewed the assurance from the Chief Executive Officer and the Chief Financial Officer of the Group on the financial records and financial statements; and
- interested person transactions falling within scope of Chapter 9 of the Catalyst Rules.

DIRECTORS' STATEMENT

6. **Audit Committee (Continued)**

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended the nomination of Forvis Mazars LLP (formerly known as Mazars LLP) for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

7. **Auditors**

The auditors, Forvis Mazars LLP (formerly known as Mazars LLP), have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Mr. Lai Kuan Loong, Victor
Director

Mr. Khong Chung Lun
Director

Singapore
28 March 2025

INDEPENDENT AUDITORS' REPORT

To the Members of Astaka Holdings Limited

Report on the Audit of Financial Statements

Opinion

We have audited the consolidated financial statements of Astaka Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information from pages 114 to 172.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

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 current financial year. These matters were addressed in the context of our audit of the financial statements 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 Astaka Holdings Limited

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

| Valuation of development properties (refer to Note 13 to the financial statements) | |
|--|--|
| Key audit matter | Our audit response |
| <p>As at 31 December 2024, the Group's development properties was RM230.03 million (2023: RM245.17 million), which represents a significant balance in the consolidated statement of financial position.</p> <p>The Group has residential and commercial development properties held for sale in its core market, Malaysia. Development properties are stated at the lower of their costs and their net realisable values. Net realisable value represents the estimated future selling price, less estimated costs of completion and selling expenses.</p> <p>The estimated future selling price is dependent on the Group's expectation of the market development in Malaysia. There is therefore a risk that the estimated net realisable value exceeds the future actual selling prices, resulting in losses when these properties are sold.</p> <p>The Group assesses the net realisable value of development properties, based on the estimated selling prices, future costs to complete the projects and development plans of the Group, taking into consideration available industry data, status of construction progress, deviation in design plans, cost overruns and current market factors.</p> <p>For the developed but unsold units, the Group has assessed the net realisable value based on latest valuation obtained from an independent external valuer less estimated cost to sell. Significant judgement and estimates are involved in determining the appropriate valuation methods and assumptions applied in the valuation.</p> <p>The determination of allowance for foreseeable losses involves a high level of judgement, which may have significant impact on the financial statements. We hence consider the management's assessment of net realisable value of development properties as a key audit matter.</p> | <p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> Assessed the reasonableness of the Group's estimated selling prices by comparing them with recent transacted selling prices of the development properties; and Evaluated the independence, objectivity and competency of the independent external valuer for valuation on the developed but unsold units. Considered the valuation methodologies used and assessed the reasonableness of the key assumptions used by the independent external valuer, which included price per square feet, against historical rates and available market data, taking into consideration comparable and market factors in consultation with internal valuation expert. |

INDEPENDENT AUDITORS' REPORT

To the Members of Astaka Holdings Limited

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

| Impairment of investment in subsidiaries (refer to Note 12 to the financial statements) | |
|--|---|
| Key audit matter | Our audit response |
| <p>As at 31 December 2024, the Company's investments in subsidiaries were RM85 million (2023: RM85 million), net of impairment losses of RM1,144 million (2023: RM1,144 million), which represents a significant balance in the Company's statement of financial position.</p> <p>Management assessed the recoverable amount of the investment in subsidiaries based on the estimated cash flows to be generated from the sale of development properties and proposed development projects to be undertaken by the subsidiaries.</p> <p>The Company has assessed the estimated selling prices, future costs to complete the projects and development plans of the respective subsidiaries, taking into consideration available industry data, status of construction progress, deviation in design plans, cost overruns and current market factors to estimate the cash flows generated from the sale of development properties and future phases to be developed.</p> <p>The determination of impairment of investment in subsidiaries involves a high level of judgement, which may have significant impact on the financial statements. We hence consider this as a key audit matter.</p> | <p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> ● Evaluated the reasonableness of the cash flow estimates from sale of development properties and future phases to be developed by comparing the estimated selling prices against the recent transacted prices of the development properties; ● Discussed with management on their planned strategies, revenue growth strategies and cost initiatives; ● Evaluated the independence, objectivity and competency of the independent external valuer for valuation on the unsold units. Considered the valuation methodologies used and assessed the reasonableness of the key assumptions used by the independent external valuer, in consultation with internal valuation expert; and ● Reviewed the sensitivity analysis to assess the impact on the recoverable amount of the cash-generating units subsequent to reasonably possible changes to the key assumptions for adequacy of disclosure in the financial statements. |

INDEPENDENT AUDITORS' REPORT

To the Members of Astaka Holdings Limited

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

| Going concern (refer to Note 2.1 to the financial statements) | |
|--|---|
| Key audit matter | Our audit response |
| <p>As of 31 December 2024, the Group recorded net current assets of RM63.02 million (2023: RM81.98 million), for which current assets include development properties amounting to RM230.03 million (2023: RM245.17 million), representing the completed properties held for sale and properties in the course of development.</p> <p>The controlling shareholder, Dato' Dr. Daing A Malek Bin Daing A Rahaman ("Dato' Malek") has agreed not to demand repayment for the amounts owing to him and his related companies until the Group and the Company have the available resources to repay such amounts and to continue to provide financial support to the Group and the Company to enable them to meet its financial obligations for the next 18 months so that the Group and the Company will continue as a going concern in the foreseeable future.</p> <p>This is a key audit matter because of the significant judgements and estimates made by management in coming up with the cash flow forecast, which include their assessment of the economy outlook and their ability to secure continued financial support.</p> | <p>Our audit procedures focused on evaluating the significant judgements and estimates used by management and Board of Directors in their going concern assessment.</p> <p>In particular, we performed the following:</p> <ul style="list-style-type: none"> • Reviewed and challenged the appropriateness and reasonableness of the key inputs and assumptions used by management in the preparation of the cash flow forecast of the Group and the Company to support its going concern assumption, including performing sensitivity analysis on certain key assumptions applied in the cash flow forecast; • Reviewed the relevant agreements and letters which were used by management in supporting their judgements and estimates; and • Evaluated the adequacy and appropriateness of the related disclosures made in the financial statements. |

INDEPENDENT AUDITORS' REPORT

To the Members of Astaka Holdings Limited

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

| Revenue from sale of development properties (refer to Note 3.1, 3.2 and 4 to the financial statements) | |
|--|--|
| Key audit matter | Our audit response |
| <p>The Group enters into contracts with customers to deliver specified building units to the customers based on the plans and specifications as set out in the contracts. In accordance with SFRS(I) 15 Revenue from Contracts with Customers, the analysis of whether the contracts comprise one or more performance obligations, determining whether the performance obligations are satisfied over time and the method and inputs used to measure progress for revenue recognition where performance obligations are satisfied over time represent areas requiring critical judgement and estimates by the Group.</p> <p>As disclosed in Note 4 to the financial statements, revenue from sale of development properties over time amounted to RM9.71 million which represented approximately 20% of the Group's revenue for the financial year ended 31 December 2024.</p> <p>There is a broad range of possible outcomes resulting from these judgements that could lead to different revenue and profit being reported in the financial statements. Hence, we considered this as a key audit matter.</p> | <p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> ● Read the sales and purchase agreements of development properties and discussed with management to obtain an understanding of the specific terms so as to identify performance obligations and appropriateness of the Group's accounting policy on revenue recognition under SFRS(I) 15; ● Assessed whether the criteria are met for recognising revenue over time or at point in time of revenue recognition; ● Assessed the appropriateness of the method and amounts used to measure the progress of the construction of specified building units by reference to construction costs incurred to date compared to the estimated total construction costs where the performance obligation is satisfied over time; ● Assessed the adequacy of the estimated total construction costs by comparing them with the actual costs incurred to-date and discussed with management on the progress of the projects, taking into consideration of any significant deviation in design plans or potential delay, which may require revision in the estimated total construction costs; and ● Performed substantive test of details and cut-off procedures. |

INDEPENDENT AUDITORS' REPORT

To the Members of Astaka Holdings Limited

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

| Classification of investment in subsidiary or joint venture (refer to Note 3.1 to the financial statements) | |
|---|--|
| Key audit matter | Our audit response |
| <p>On 30 July 2024, the Group incorporated an entity, Astaka Kimlun Sdn Bhd ("AKSB") to jointly develop a project with a third party Kii Amber Sdn. Bhd. ("KIASB") by acquiring and jointly developing an identified parcel of land into a residential serviced, apartment. Following a subscription and shareholders' agreement on 13 November 2024, the Group and KIASB held 51% and 49% in AKSB respectively. In determining the classification of the investment in AKSB, the Group considered various factors to determine the control that it has over AKSB, which includes a mix of contractually defined and subjective factors that can be critical to the appropriate accounting treatment of its investment in AKSB in the Group's financial statements.</p> <p>In consideration of the significant judgement exercised by the management in their assessment and the accounting implications on the financial statements, we hence consider this as a key audit matter.</p> | <p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> • We inquired management to obtain an understanding of the business arrangement between the Group and the other shareholder; • We inspected the subscription and shareholders' agreement, as well as other relevant agreements and reviewed the contractual terms and conditions, including the rights and obligations of each shareholder; and • We reviewed management's assessment of the control over the investee and appropriateness of the management's accounting treatment in accordance with SFRS(I) 10. |

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

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

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

INDEPENDENT AUDITORS' REPORT

To the Members of Astaka Holdings Limited

Report on the Audit of Financial Statements (Continued)

Responsibilities of Management and Directors for the Financial Statements (Continued)

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 SSAs 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 SSAs, 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, 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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 consolidated financial statements. 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 Astaka Holdings Limited

Report on the Audit of 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, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period 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 our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Chan Hock Leong, Rick.

FORVIS MAZARS LLP (FORMERLY KNOWN AS MAZARS LLP)

Public Accountants and
Chartered Accountants

Singapore
28 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

| | Note | 2024 RM | 2023 RM |
|--|-------------|--------------------------|--------------------------|
| Revenue | 4 | 49,375,133 | 60,736,144 |
| Cost of sales | 5 | <u>(42,797,871)</u> | <u>(48,770,986)</u> |
| Gross profit | | 6,577,262 | 11,965,158 |
| Other income | 6 | 1,159,659 | 3,096,202 |
| Selling and distribution expenses | | (4,320,390) | (3,509,429) |
| Administrative expenses | | (20,480,580) | (16,762,286) |
| Other expenses | | <u>(515,281)</u> | <u>(464,900)</u> |
| Results from operating activities | | <u>(17,579,330)</u> | <u>(5,675,255)</u> |
| Finance income | 7 | 185,468 | 7,620,428 |
| Finance costs | 7 | <u>(1,118,593)</u> | <u>(1,535,156)</u> |
| Net finance (costs)/income | | <u>(933,125)</u> | <u>6,085,272</u> |
| (Loss)/Profit before income tax | 8 | (18,512,455) | 410,017 |
| Tax expense | 9 | <u>(111,645)</u> | <u>(13,947)</u> |
| (Loss)/Profit for the year, representing total comprehensive (loss)/income for the year | | <u>(18,624,100)</u> | <u>396,070</u> |
| Total comprehensive (loss)/income attributable to: | | | |
| Owners of the Company | | (13,846,873) | 3,073,536 |
| Non-controlling interests | | <u>(4,777,227)</u> | <u>(2,677,466)</u> |
| Total comprehensive (loss)/income for the year | | <u>(18,624,100)</u> | <u>396,070</u> |
| (Loss)/Earning per share | | | |
| Basic and diluted (loss)/earning per share (cents per share) | 10 | <u>(0.74)</u> | <u>0.16</u> |

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

| | Note | Group | | Company | |
|---|------|---------------------------|---------------------------|--------------------------|--------------------------|
| | | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Assets | | | | | |
| Property, plant and equipment | 11 | 1,946,832 | 458,061 | – | – |
| Investment in subsidiaries | 12 | – | – | 85,000,000 | 85,000,000 |
| Non-current assets | | <u>1,946,832</u> | <u>458,061</u> | <u>85,000,000</u> | <u>85,000,000</u> |
| Development properties | 13 | 230,029,327 | 245,172,829 | – | – |
| Contract assets | 14 | 7,819,919 | – | – | – |
| Trade and other receivables | 15 | 16,252,977 | 9,244,836 | 5,502 | 5,502 |
| Amounts due from related parties | 16 | – | 1,437,571 | – | – |
| Tax recoverable | | 637,308 | 647,769 | – | – |
| Cash and cash equivalents | 17 | 21,643,575 | 16,486,424 | 199,548 | 641,522 |
| Current assets | | <u>276,383,106</u> | <u>272,989,429</u> | <u>205,050</u> | <u>647,024</u> |
| Total assets | | <u><u>278,329,938</u></u> | <u><u>273,447,490</u></u> | <u><u>85,205,050</u></u> | <u><u>85,647,024</u></u> |
| Equity | | | | | |
| Share capital | 18 | 259,383,777 | 259,383,777 | 1,455,078,944 | 1,455,078,944 |
| Merger reserve | 19 | (10,769,090) | (10,769,090) | – | – |
| Capital reserve | 20 | – | – | 1,419,389 | 1,419,389 |
| Accumulated losses | | (179,539,691) | (165,692,818) | (1,375,846,395) | (1,374,803,369) |
| Equity attributable to owners of the Company | | <u>69,074,996</u> | <u>82,921,869</u> | <u>80,651,938</u> | <u>81,694,964</u> |
| Non-controlling interests | 21 | (4,775,674) | (488,447) | – | – |
| Total equity | | <u>64,299,322</u> | <u>82,433,422</u> | <u>80,651,938</u> | <u>81,694,964</u> |
| Liabilities | | | | | |
| Lease liabilities | 22 | 672,448 | – | – | – |
| Non-current liabilities | | <u>672,448</u> | <u>–</u> | <u>–</u> | <u>–</u> |
| Trade and other payables | 24 | 103,122,662 | 109,235,132 | 1,339,041 | 537,067 |
| Amounts due to related parties | 25 | 81,172,912 | 69,634,015 | 3,214,071 | 3,414,993 |
| Lease liabilities | 22 | 285,318 | 233,573 | – | – |
| Loans and borrowings | 23 | 28,777,276 | 11,911,348 | – | – |
| Current liabilities | | <u>213,358,168</u> | <u>191,014,068</u> | <u>4,553,112</u> | <u>3,952,060</u> |
| Total liabilities | | <u>214,030,616</u> | <u>191,014,068</u> | <u>4,553,112</u> | <u>3,952,060</u> |
| Total equity and liabilities | | <u><u>278,329,938</u></u> | <u><u>273,447,490</u></u> | <u><u>85,205,050</u></u> | <u><u>85,647,024</u></u> |

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

| | Attributable to owners of the Company | | | | | Non- | Total |
|---|---------------------------------------|--------------|---------------|--------------|-------------|--------------|-------|
| | Share | Merger | Accumulated | Total | controlling | equity | |
| | capital | reserve | losses | Total | interests | | |
| | RM | RM | RM | RM | RM | RM | |
| At 1 January 2023 | 259,383,777 | (10,769,090) | (168,766,354) | 79,848,333 | 2,140,019 | 81,988,352 | |
| Total comprehensive income for the year | - | - | 3,073,536 | 3,073,536 | (2,677,466) | 396,070 | |
| Capital injection in a subsidiary by non-controlling interests | - | - | - | - | 49,000 | 49,000 | |
| At 31 December 2023 | 259,383,777 | (10,769,090) | (165,692,818) | 82,921,869 | (488,447) | 82,433,422 | |
| Total comprehensive loss for the year | - | - | (13,846,873) | (13,846,873) | (4,777,227) | (18,624,100) | |
| Issuance of shares by a subsidiary to non-controlling interests | - | - | - | - | 490,000 | 490,000 | |
| At 31 December 2024 | 259,383,777 | (10,769,090) | (179,539,691) | 69,074,996 | (4,775,674) | 64,299,322 | |

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

| | Note | 2024 RM | 2023 RM (Restated) |
|--|-------------|---------------------|-----------------------------------|
| Cash flows from operating activities | | | |
| (Loss)/Profit before income tax | | (18,512,455) | 410,017 |
| Adjustments for: | | | |
| Adjustment to accrued interest (including waiver of interest by main contractor) | 24(d) | – | (7,437,506) |
| Allowance for expected credit losses (“ECL”) of trade receivables | 15 | 278,594 | – |
| Allowance for foreseeable loss on development properties | 5,13 | 1,689,000 | – |
| Depreciation of property, plant and equipment | 8,11 | 484,451 | 442,510 |
| Gain on disposal of asset held for sales | 6 | – | (598,313) |
| Interest expense | 7 | 1,118,593 | 1,535,156 |
| Interest income | 7 | (132,341) | (182,922) |
| Late payment interest charged to purchaser | 7 | (53,127) | – |
| Property, plant and equipment written off | 8 | 1,230 | – |
| Reversal of foreseeable loss on development properties sold at carrying amount | 5,13 | (16,402) | – |
| Reversal of foreseeable loss on development properties sold at above carrying amount | 5,13 | (5,224,217) | (6,255,222) |
| Reversal of liquidated ascertained damages | 8 | – | (356,621) |
| Unrealised loss/(gain) on foreign exchange | | 18,428 | (11,696) |
| Total operating cash flows before movements in working capital | | (20,348,246) | (12,454,597) |
| Changes in working capital: | | | |
| - Development properties | | 18,695,121 | 39,170,723 |
| - Contract assets | | (7,819,919) | 1,146,361 |
| - Trade and other receivables | | (7,233,607) | 1,195,984 |
| - Trade and other payables | | (12,226,761) | (25,233,365) |
| Cash (used in)/ generated from operations | | (28,933,412) | 3,825,106 |
| Tax refund | | – | 206,736 |
| Tax paid | | (101,184) | (68,964) |
| Net cash (used in)/ generated from operating activities | | (29,034,596) | 3,962,878 |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment | | (919,629) | (152,644) |
| Interest received | | 132,341 | 182,922 |
| Proceeds from the asset held for sales | | – | 52,200,000 |
| Net cash (used in)/generated from investing activities | | (787,288) | 52,230,278 |
| Cash flows from financing activities | | | |
| Advances from affiliated corporations | | 14,572,568 | 8,454,862 |
| Advances from a controlling shareholder | | – | 1,000,000 |
| Advances from a non-controlling shareholder | | 6,027,000 | – |
| Interest paid | | (997,831) | (14,267,814) |
| (Increase)/Decrease in fixed deposit pledged | | (2,539,442) | 1,041,922 |
| Proceeds from issuance of shares to non-controlling interest | | 490,000 | – |
| Proceeds from drawdown of term loan | | 16,778,403 | – |
| Repayment to affiliated corporations, net | | (2,322,992) | (20,557,009) |
| Repayment from/(to) a controlling shareholder | | 711,563 | (21,134,402) |
| Repayment to lease liabilities | | (355,175) | (390,453) |
| Net cash generated from/(used in) financing activities | | 32,364,094 | (45,852,894) |
| Net increase in cash and cash equivalents | | 2,542,210 | 10,340,262 |
| Cash and cash equivalents at the beginning of year | | 4,245,278 | (6,096,321) |
| Effect of exchange rate fluctuation on cash held | | (12,026) | 1,337 |
| Cash and cash equivalents at the end of year | 17 | 6,775,462 | 4,245,278 |

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

Reconciliation of asset and liabilities arising from financing activities

| | Assets | | Liabilities | | | | | Total RM | |
|---|---|--|---|--|--------------------|----------------------|---------------|-----------|--------------------------------|
| | Amounts due from affiliated corporations RM | Amount due to a non-controlling shareholder RM | Amounts due to affiliated corporations RM | Amount due to a non-controlling shareholder RM | Bank overdrafts RM | Lease liabilities RM | Term loans RM | | Accrued of Interest charged RM |
| At 1 January 2024 | (726,008) | (711,563) | 69,634,015 | - | 11,911,348 | 233,573 | - | - | 80,011,567 |
| Changes from financing cash flows: | | | | | | | | | |
| - Advances from affiliated corporations | - | - | 14,572,568 | - | - | - | - | - | 14,572,568 |
| - Advances from a non-controlling shareholder | - | - | - | 6,027,000 | - | - | - | - | 6,027,000 |
| - Interest paid | - | - | (25,872) | - | (776,602) | - | (23,085) | (172,272) | (997,831) |
| - Increase in fixed deposit pledged | - | - | - | - | (2,539,442) | - | - | - | (2,539,442) |
| - Proceeds from issuance of shares to non-controlling interest | - | - | - | 490,000 | - | - | - | - | 490,000 |
| - Proceeds from drawdown of term loan | - | - | - | - | - | - | 16,778,403 | - | 16,778,403 |
| - Repayment from/(to) affiliated corporations | 726,008 | - | (3,049,000) | - | - | - | - | - | (2,322,992) |
| - Repayment from/(to) a controlling shareholder | - | 711,563 | - | - | - | - | - | - | 711,563 |
| - Repayment to lease liabilities | - | - | - | - | - | (355,175) | - | - | (355,175) |
| Total changes from financing cash flows | 726,008 | 711,563 | 11,497,696 | 6,517,000 | (776,602) | (355,175) | 16,755,318 | (172,272) | 32,364,094 |
| Other changes: Liability-related | | | | | | | | | |
| - Changes in bank overdrafts | - | - | - | - | 87,525 | - | - | - | 87,525 |
| - Additional lease liabilities | - | - | - | - | - | 382,900 | - | - | 382,900 |
| - Lease modification | - | - | - | - | - | 671,923 | - | - | 671,923 |
| - Capital injection in a subsidiary by non-controlling interest | - | - | - | (490,000) | - | - | - | - | (490,000) |
| - Interest expense | - | - | 41,201 | 80,888 | 776,602 | 24,545 | 23,085 | 172,272 | 1,118,593 |
| Total asset and liability-related other changes | - | - | 41,201 | (409,112) | 864,127 | 1,079,368 | 23,085 | 172,272 | 1,770,941 |
| At 31 December 2024 | - | - | 81,172,912 | 6,107,888 | 11,998,873 | 957,766 | 16,778,403 | - | 114,146,602 |

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

Reconciliation of assets and liabilities arising from financing activities (Continued)

| | Assets | | | Liabilities | | | | | Total |
|---|---|--|---------------------------|---|--|--------------------|----------------------|--------------------------------|--------------|
| | Amounts due from affiliated corporations RM | Amount due from a controlling shareholder RM | Fixed deposits pledged RM | Amounts due to affiliated corporations RM | Amount due to a controlling shareholder RM | Bank overdrafts RM | Lease liabilities RM | Accrued of interest charged RM | |
| At 1 January 2023 | - | - | (1,371,720) | 86,338,683 | 26,901,740 | 11,929,101 | 598,254 | - | 124,396,058 |
| Changes from financing cash flows: | | | | | | | | | |
| - Advances from affiliated corporations | - | - | - | 8,454,862 | - | - | - | - | 8,454,862 |
| - Advances from a controlling shareholder | - | - | - | - | 1,000,000 | - | - | - | 1,000,000 |
| - Interest paid | - | - | - | (5,352,364) | (7,974,339) | (775,862) | - | (165,249) | (14,267,814) |
| - Decreased in fixed deposit pledged | - | - | 1,041,922 | - | - | - | - | - | 1,041,922 |
| - Repayment to affiliated corporations | (677,008) | - | - | (19,880,001) | - | - | - | - | (20,557,009) |
| - Repayment to a controlling shareholder | - | (711,563) | - | - | (20,422,839) | - | - | - | (21,134,402) |
| - Repayment to lease liabilities | - | - | - | - | - | - | (390,453) | - | (390,453) |
| Total changes from financing cash flows | (677,008) | (711,563) | 1,041,922 | (16,777,503) | (27,397,178) | (775,862) | (390,453) | (165,249) | (45,852,894) |
| Other changes: | | | | | | | | | |
| Asset and liability-related | | | | | | | | | |
| - Changes in bank overdrafts | - | - | - | - | - | (17,753) | - | - | (17,753) |
| - Capital injection in a subsidiary by non-controlling interest | (49,000) | - | - | - | - | - | - | - | (49,000) |
| - Interest expense | - | - | - | 72,835 | 495,438 | 775,862 | 25,772 | 165,249 | 1,535,156 |
| Total asset and liability-related other changes | (49,000) | - | - | 72,835 | 495,438 | 758,109 | 25,772 | 165,249 | 1,468,403 |
| At 31 December 2023 | (726,008) | (711,563) | (329,798) | 69,634,015 | - | 11,911,348 | 233,573 | - | 80,011,567 |

The accompanying notes form an integral part of and should be read in conjunction with these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Astaka Holdings Limited (the “Company”) is incorporated in Singapore and listed on the SGX Catalist. The address of the Company’s registered office is 133 Cecil Street #14-01, Keck Seng Tower, Singapore 069535.

The financial statements of the Group as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”). The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are disclosed in Note 12 to the financial statements.

The financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2024 were authorised for issue by the directors on 28 March 2025.

2. Summary of material accounting policies

2.1 Basis of preparation

The financial statements of the Group and the statement of financial position of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) including related Interpretations of SFRS(I)s (“SFRS(I) INTs”) and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Malaysia Ringgit (“RM”) which is also the functional currency of the Company.

Going concern

The Group recorded a net loss of RM18.62 million in FY2024 (FY2023: net profit of RM0.40 million) and a net operating cash outflow of RM29.03 million (FY2023: net operating cash inflow of RM3.96 million) and as of 31 December 2024, the Group reported net current assets of RM63.02 million (31 December 2023: RM81.98 million) for which current assets include development properties amounting to RM230.03 million (2023: RM245.17 million), representing the completed properties held for sale and properties in the course of development. Revenue from the Group’s latest property development project, The Aliva @ Mount Austin (“The Aliva”), is recognised progressively based on the percentage of completion, for which construction is ongoing and still in its early stages. The Group received continued support from stakeholders and Dato’ Malek. In addition, Dato’ Malek has agreed not to demand repayment for the amount owing to him and his related companies until the financial resources of the Group and the Company permit and to continue to provide financial support to the Group and the Company to enable it to meet its financial obligations for next 18 months so that the Group and the Company will continue as a going concern in the foreseeable future.

Therefore, the Board believes that the Group and the Company will be able to continue operations in the foreseeable future and there is no material uncertainty on the ability of the Group and the Company to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.1 Basis of preparation (Continued)

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies and has no material effect on the current or prior year's financial statement and is not expected to have a material effect on future periods.

SFRS(I)s and SFRS(I) INTs issued but not yet effective

At the date of authorisation of these financial statements, the following SFRS(I)s and SFRS(I) INTs were issued but not yet effective:

| SFRS (I) | Title | Effective date (annual periods beginning on or after) |
|-----------------------------|---|--|
| SFRS(I) 1-21, SFRS(I) 1 | Amendments to SFRS(I) 1-21: <i>Lack of Exchangeability</i> | 1 January 2025 |
| SFRS(I) 9, SFRS(I) 7 | Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Statements</i> | 1 January 2026 |
| Various | Annual improvements to SFRS(I)s – Volume 11 | 1 January 2026 |
| SFRS(I) 18 | Presentation and Disclosure in Financial Statements | 1 January 2027 |
| SFRS(I) 19 | Subsidiaries without public accountability: Disclosures | 1 January 2027 |
| SFRS(I) 9, SFRS(I) 7 | Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Contracts Referencing Nature-dependent Electricity</i> | 1 January 2026 |
| SFRS(I) 10, SFRS(I) 1-28 | Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | To be determined |

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned new/revised standards will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

SFRS(I) 18, effective for annual periods beginning on or after 1 January 2027, replaces SFRS(I) 1-1 Presentation of Financial Statements and introduces new requirements for presentation and disclosure in financial statements. SFRS(I) 18 mandates a new structure for the statement of profit or loss and also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. As a consequential result of SFRS(I) 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

SFRS(I) 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) over which the Group has power and the Group is able to use such power to affect its exposure, or rights, to variable returns from them through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstances indicate that there are changes to one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

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

Intragroup assets and liabilities, equity, income, expenses and cash flows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a “concentration test” as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree’s identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 *Business Combinations* (“SFRS(I) 3”) are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* (“SFRS(I) 5”), which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group’s previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree’s share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 are measured in accordance with that Standard.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.3 Business combinations (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

2.4 Revenue recognition

Revenue comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of goods and service tax, rebates and discounts.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.4 Revenue recognition (Continued)

Sale of development properties

Revenue is recognised when control over the property has been transferred to the customer. The properties generally have no alternative use for the Group due to contractual restrictions.

For development properties whereby the Group has an enforceable right to payment for performance completed to date, revenue is recognised based on the percentage of completion of construction. The percentage of completion is measured by reference to the construction costs incurred to date to the estimated total construction costs. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the construction work.

For the completed development properties whereby the Group recognises sales at a point in time, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it would be entitled to in exchange for the assets sold.

The revenue is measured at the transaction price agreed under the contract, net of rebates, discounts, reimbursement costs borne by the Group and liquidated damages. Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. When the period between the recognition of revenue and payment by the customer exceeds one year, an adjustment is made to the transaction price for the time value of money.

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.7 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.8 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Malaysia Ringgit using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

2.9 Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When 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.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is recognised as an expense 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, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.9 Property, plant and equipment (Continued)

The estimated useful lives for the current and comparative years are as follows:

| | | |
|------------------------|---|------------------------------------|
| Renovations | - | 2 years or shorter of lease period |
| Computers | - | 2.5 years |
| Equipment and fittings | - | 2 to 10 years |
| Motor vehicles | - | 5 years |
| Office buildings | - | 2 years |

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method. The lease periods are disclosed in Note 22.

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

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

2.10 Impairment of non-financial assets

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value-in-use. 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.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.11 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 *Revenue from Contracts with Customers* ("SFRS(I) 15") in Note 2.4.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL") depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.11 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (“ECL”) on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on financial assets has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables and contract assets, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

While they are not financial assets, contract assets arising from the Group’s contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group’s accounting policy for its impairment of financial assets, refer to Note 28.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.11 Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised on trade date – the date on which the Group commits to purchase or sell the asset. All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Loans and borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs in Note 2.5. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.11 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

- (a) Currently has a legally enforceable right to set off the recognised amounts; and
- (b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.12 Development properties

Development properties are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs (applicable to construction of a development for which revenue is to be recognised at a point in time) and other costs directly attributable to the development activities.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The write-downs to net realisable value are presented as allowance for foreseeable losses. An impairment loss is reversed if the conditions for write-downs to net realisable value no longer exist or have improved.

2.13 Contract costs

Incremental costs of obtaining a contract for the sale of a development property are capitalised as contract costs only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue on the contract. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on construction of development properties. Contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

Contract liabilities primarily relate to:

- advance consideration received from certain customers; and
- progress billings issued in excess of the Group's rights to the consideration.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the consolidated statement of cash flows, bank overdrafts that are repayable on demand and fixed deposits pledged that form an integral part of the Group's cash management are included in cash and cash equivalents.

2.15 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16 Leases. For these leases, the Group recognises the lease payment as an expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

Right-of-use assets are presented within "property, plant and equipment".

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.15 Leases (Continued)

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset is reduced to zero.

The Group as a lessor

Where a contract contains more than one lease and/or non-lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.

At the lease commencement date, the Group assess and classify each lease as either an operating lease or a finance lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. Summary of material accounting policies (Continued)

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

2.17 Contingencies

A contingent liability is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (ii) a present obligation that arises from past events but is not recognised because:
 - (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (b) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingencies are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

2.18 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the chief executive officer who make strategic decisions. Refer to Note 26.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. Critical accounting judgements and key sources of estimation uncertainty

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Group's accounting policies

(a) Identifying performance obligations and measuring progress

Under the terms of the contract, the Group contracted with the customer to deliver a specified building unit to the customer in accordance with the plans and specifications set out in the contract. The contract includes the specified building unit and an undivided share in the land and the common property. The analysis of whether the contract comprises one or more performance obligations, the method used to measure progress for revenue recognition and the amounts to be included as fulfilment cost for calculating the percentage of completion present areas requiring critical judgement by the Group.

(b) Consolidation of Astaka Kimlun Sdn Bhd

AKSB was incorporated on 30 July 2024, as a wholly-owned subsidiary of Astaka Capital Sdn. Bhd. ("ACSB") with a total issued and paid-up share capital of RM100 comprising 100 ordinary shares and its principal activities is property development. Following the completion of the shares subscription in AKSB on 13 November 2024 in accordance with the terms of the subscription and shareholders' agreement ("SSA"), ACSB's shareholding interest in AKSB has been diluted from 100% to 51%, with KIASB holding the remaining 49% shareholding interest in AKSB, comprising 1,000,000 ordinary shares at a subscription price of RM1.00 for each ordinary share. Including the initial paid-up share capital of RM100, the total shares subscribed by ACSB in AKSB is RM510,000 comprising 510,000 ordinary shares.

The SSA detailed the framework to regulate the shareholders' risks and responsibilities, including board matters and decision-making processes related to AKSB.

Judgement is required to determine when the Group establishes control over an investee. In accordance with SFRS(I) 10 *Consolidated Financial Statements*, the Group has made an assessment of the relevant activities of the investee and whether the decisions in relation to those activities require unanimous consent and controls in an investee under a contractual arrangement if the investor has (i) power over the investee; (ii) exposure, or rights, to variable returns from involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

Considered the arrangement in SSA, the management has assessed that the Company has established control over Astaka Kimlun Sdn Bhd, based on:

- the power and ability to direct the board decision;
- ability to direct the relevant activities by appointing key management personnel; and
- the ability to use power to affect the amount of the investor's return.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue and cost of sales recognition from sales of development properties

The Group recognises revenue and cost of sales from the sale of certain development properties over time by reference to the Group's progress towards completion of the properties. Upon the sale of the specified building units, cost capitalised under development properties and contract costs are recognised as cost of sales based on the percentage of completion of construction. Contract asset or contract liabilities is recognised based on the extent of revenue recognised in comparison to consideration received. The stage of completion is measured in accordance with the accounting policy stated in Note 2.4. Significant estimates and assumptions are involved in determining the stage of completion and estimated total construction costs of each development. In making these estimates, management has relied on quotations from and contracts with suppliers, past experience as well as the work of third-party experts. The carrying amount of development properties, contract costs and contract assets are disclosed in Note 13 and 14.

Estimation of allowance for foreseeable losses for development properties and impairment losses for contract costs

The Group assesses at every reporting date whether any allowance for foreseeable losses and impairment losses is required. The allowance for foreseeable losses and impairment losses is estimated after taking into account estimated selling prices and estimated total construction costs and costs to sell. The estimated selling prices are based on prevailing market trends in relation to the recent transacted of comparable properties in Malaysia. The estimated total construction costs are based on future costs to complete the projects and development plans of the Group, taking into consideration available industry data, status of construction progress, deviation in design plans, cost overruns and current market factors.

Based on the assessment, the Group recognised an allowance for foreseeable losses on development properties amounting to RM1,689,000 (2023: RM Nil). In addition, there is a reversal of allowance for foreseeable losses for development properties sold at and above carrying amount of RM5,240,619 (2023: RM6,255,222) during the financial year 31 December 2024.

Measurement of ECL of trade receivables

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of the country (i.e. Malaysia). The Group adjusts, as necessary, the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The expected loss allowance on the Group's trade receivables as at 31 December 2024 was RM278,594 (2023: RM Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

Provision for income taxes

The Group has exposure to income taxes in several jurisdictions of which a portion of these taxes arose from certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's income tax as at 31 December 2024 was tax recoverable of RM637,308 (2023: RM647,769).

Impairment of investment in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investment in subsidiaries are impaired or that an impairment loss recognised in prior periods may no longer exist or may have decreased. Where applicable, the Company's and Group's determination of the recoverable value is based on the estimation of the value-in-use of the applicable assets as defined in SFRS(I) 1-36 Impairment of Assets by forecasting the expected future cash flows for a period up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amounts of investment in subsidiaries as at 31 December 2024 was RM85,000,000 (2023: RM85,000,000).

4. Revenue

| | Group | |
|---|-------------------|-------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Revenue from sale of development properties | | |
| - transferred at a point in time | 39,666,911 | 60,736,144 |
| - transferred overtime | 9,708,222 | - |
| | <u>49,375,133</u> | <u>60,736,144</u> |

Geographic market information in relation to revenue of the Group is not presented as the Group's revenue is derived from Malaysia only.

Transaction price allocated to the remaining performance obligations

As at 31 December 2024, the Group has property development revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) of RM122,017,991 (2023: RM Nil) which is expected to be recognised over the next two (2) financial years as construction of the development properties progresses.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5. Cost of sales

| | Group | |
|--|-------------------|-------------------|
| | 2024 | 2023 |
| | RM | RM |
| Cost of development properties held for sale | 38,407,152 | 55,026,208 |
| Cost of development properties under development | 7,942,338 | – |
| Allowance for foreseeable loss on development properties | 1,689,000 | – |
| Reversal of foreseeable loss on development properties sold: | | |
| - at carrying amount | (16,402) | – |
| - at above carrying amount | (5,224,217) | (6,255,222) |
| | <u>42,797,871</u> | <u>48,770,986</u> |

6. Other income

| | Group | |
|---|------------------|------------------|
| | 2024 | 2023 |
| | RM | RM |
| Rental income | 262,300 | 91,080 |
| Forfeiture payment from purchasers of development properties | 271,150 | – |
| Gain on disposal of asset held for sales | – | 598,313 |
| Project marketing consultancy service fee | 593,620 | 1,559,973 |
| Reversal of provision for Social Projects Fund (“SPF”) Contribution | – | 800,000 |
| Others | 32,589 | 46,836 |
| | <u>1,159,659</u> | <u>3,096,202</u> |

Project marketing consultancy service fee mainly relates to a service engaged by a third party for the provision of project sales and marketing relating to a development project with the agreed consideration based on the actual transacted units.

In the prior year, the reversal of the provision for SPF Contribution was mainly due to the Company no longer being entitled to future tax benefits on the land from making SPF Contribution after the completion of the disposal of the land held for sale.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

7. Net finance (costs)/income

| | Group | |
|---|--------------------|--------------------|
| | <u>2024</u> RM | <u>2023</u> RM |
| Finance income | | |
| Interest income | 132,341 | 182,922 |
| Late payment interest charged to customers | 53,127 | – |
| Adjustment to accrued interest (including waiver of interest by main contractor) (Note 24d) | – | 7,437,506 |
| | <u>185,468</u> | <u>7,620,428</u> |
| Finance costs | | |
| Interest expense on: | | |
| - term loan | (23,085) | – |
| - bank overdrafts | (776,602) | (775,862) |
| - advances from a controlling shareholder | – | (495,438) |
| - advances from a non-controlling shareholder | (80,888) | – |
| - advances from affiliated corporations | (41,201) | (72,835) |
| - lease liabilities | (24,545) | (25,772) |
| - others | (172,272) | (165,249) |
| | <u>(1,118,593)</u> | <u>(1,535,156)</u> |
| Net finance (costs)/income | <u>(933,125)</u> | <u>6,085,272</u> |

8. (Loss)/Profit before income tax

The following items have been included in arriving at (loss)/profit for the year:

| | Group | |
|--|-------------------|-------------------|
| | <u>2024</u> RM | <u>2023</u> RM |
| Audit fees paid to: | | |
| - auditors of the Company | 372,020 | 353,520 |
| - auditors of other components | 122,000 | 95,000 |
| Allowance for ECL of trade receivables | 278,594 | – |
| Allowance for foreseeable loss on development properties | 1,689,000 | – |
| Depreciation of property, plant and equipment | 484,451 | 442,510 |
| Directors' fee | 613,547 | 611,862 |
| Directors' remuneration of the Company: | | |
| - Short-term benefits | 827,100 | 547,075 |
| - Employers' contribution to defined contribution plans | 100,469 | 66,825 |
| Employee benefits expenses (see below) | 8,227,010 | 6,263,607 |
| Property, plant and equipment written off | 1,230 | – |
| Short term lease expense | 532,775 | 477,120 |
| Reversal of liquidated ascertained damages | – | (356,621) |
| | <u>7,218,789</u> | <u>5,496,356</u> |
| Employee benefits expense: | | |
| Wages and salaries | 7,218,789 | 5,496,356 |
| Employer's contribution to defined contribution plans including Central Provident Fund | 738,530 | 585,406 |
| Other benefits | 269,691 | 181,845 |
| | <u>8,227,010</u> | <u>6,263,607</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. Tax expense

| | Group | |
|--------------------------------|--------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Current tax expense | | |
| Current year | 20,345 | – |
| Under provision in prior years | 91,300 | 13,947 |
| Tax expense | <u>111,645</u> | <u>13,947</u> |

| | Group | |
|---|---------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Reconciliation of effective tax rate | | |
| (Loss)/Profit before income tax | <u>(18,512,455)</u> | <u>410,017</u> |
| Tax using the Malaysia tax rate of 24% (2023: 24%) | (4,442,989) | 98,404 |
| Effect of different tax rates in foreign jurisdiction | 207,267 | 250,123 |
| Non-deductible expenses | 1,676,317 | 1,457,686 |
| Non-taxable income | – | (3,307,590) |
| Deferred tax assets not recognised | 2,579,750 | 1,501,377 |
| Under provision in prior years | 91,300 | 13,947 |
| | <u>111,645</u> | <u>13,947</u> |

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

| | Group | |
|-------------------------------|--------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Property, plant and equipment | (143,674) | 104,408 |
| Unutilised tax losses | 52,600,409 | 43,156,488 |
| Unutilised capital allowances | 1,618,983 | 160,965 |
| Others | 105,471 | 10,364 |
| | <u>54,181,189</u> | <u>43,432,225</u> |

The unutilised tax losses will expire in the 10th year anniversary under the current tax legislation in Malaysia while the unutilised capital allowances and other deductible temporary differences do not expire under current tax legislation in Malaysia. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

10. (Loss)/Earning per share

(a) Basic (loss)/earning per share

Basic (loss)/earning per share is calculated by dividing the net (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

| | Group | |
|--|--------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| (Loss)/Profit attributable to owners of the Company | (13,846,873) | 3,073,536 |
| Weighted average number of ordinary shares outstanding for basic (loss)/earning per share (in units) | 1,869,434,303 | 1,869,434,303 |
| Basic (loss)/earning per share (RM cents per share) | <u>(0.74)</u> | <u>0.16</u> |

(b) Diluted (loss)/earning per share

The basic (loss)/earning per share for the financial year ended 31 December 2024 and 31 December 2023 is the same as the respective diluted (loss)/earning per share, as there were no potential dilutive ordinary shares in existence during the financial year ended 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

11. Property, plant and equipment

| | <u>Renovations</u> | <u>Computers</u> | <u>Equipment and fittings</u> | <u>Motor vehicles</u> | <u>Office buildings</u> | <u>Total</u> |
|---------------------------------|--------------------|------------------|-------------------------------|-----------------------|-------------------------|--------------|
| | RM | RM | RM | RM | RM | RM |
| Group Cost | | | | | | |
| At 1 January 2023 | 2,845,721 | 504,855 | 533,473 | 2,216,498 | 1,483,290 | 7,583,837 |
| Additions | – | 62,872 | 89,772 | – | – | 152,644 |
| At 31 December 2023 | 2,845,721 | 567,727 | 623,245 | 2,216,498 | 1,483,290 | 7,736,481 |
| Additions | 452,493 | 108,685 | 194,312 | 547,039 | 671,923 | 1,974,452 |
| Written off | (162,350) | (33,242) | (37,412) | – | – | (233,004) |
| Derecognition | – | – | – | – | (304,842) | (304,842) |
| At 31 December 2024 | 3,135,864 | 643,170 | 780,145 | 2,763,537 | 1,850,371 | 9,173,087 |
| Accumulated depreciation | | | | | | |
| At 1 January 2023 | 2,845,721 | 446,475 | 412,532 | 2,212,644 | 918,538 | 6,835,910 |
| Depreciation charge | – | 51,491 | 42,392 | 3,854 | 344,773 | 442,510 |
| At 31 December 2023 | 2,845,721 | 497,966 | 454,924 | 2,216,498 | 1,263,311 | 7,278,420 |
| Depreciation charge | 12,569 | 67,670 | 63,988 | 45,587 | 294,637 | 484,451 |
| Written off | (162,350) | (33,242) | (36,182) | – | – | (231,774) |
| Derecognition | – | – | – | – | (304,842) | (304,842) |
| At 31 December 2024 | 2,695,940 | 532,394 | 482,730 | 2,262,085 | 1,253,106 | 7,226,255 |
| Carrying amount | | | | | | |
| At 31 December 2023 | – | 69,761 | 168,321 | – | 219,979 | 458,061 |
| At 31 December 2024 | 439,924 | 110,776 | 297,415 | 501,452 | 597,265 | 1,946,832 |

Property, plant and equipment includes right-of-use assets with carrying amount of RM1,098,717 (2023: RM219,979). Details of right-of-use assets are disclosed in Note 22(a).

During the financial year, the Group acquired property, plant and equipment for an aggregate of approximately RM1,974,452 (2023: RM152,644) of which RM1,054,823 (2023: RM Nil) was acquired by means of a lease. Cash payments of RM919,629 (2023: RM152,644) were made to purchase property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. Investment in subsidiaries

| | Company | |
|---------------------------------|------------------------|------------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Unquoted equity shares, at cost | 1,229,000,000 | 1,229,000,000 |
| Less: Impairment loss | <u>(1,144,000,000)</u> | <u>(1,144,000,000)</u> |
| Carrying amount | <u>85,000,000</u> | <u>85,000,000</u> |

The movement in allowance for impairment loss on investment in subsidiaries during the year is as follows:

| | Company | |
|------------------------------------|----------------------|----------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| At beginning of the financial year | 1,144,000,000 | 1,129,000,000 |
| Addition | <u>–</u> | <u>15,000,000</u> |
| At end of the financial year | <u>1,144,000,000</u> | <u>1,144,000,000</u> |

An assessment is made on whether there are indicators that the Company's investment in subsidiaries is impaired. The estimate of the recoverable amount is determined based on value-in-use calculations. Value-in-use is calculated based on the estimated cash flows generated from the sale of development properties and proposed development projects to be undertaken by the cash generating units comprise Astaka Padu Sdn Bhd, Astaka Development Sdn Bhd, Bukit Pelali Properties Sdn Bhd and Astaka Kimlun Sdn Bhd.

For estimated cash flows generated from the sale of development properties and future phases to be developed, the Company has assessed the estimated selling prices, future costs to complete the projects and development plans of the Group, taking into consideration available industry data, status of construction progress, deviation in design plans, cost overruns and current market factors.

During the financial year, the Company carried out a review of the recoverable amount of its investments in subsidiaries. The review led to the recognition of an impairment loss of RM Nil (2023: RM15,000,000) that has been recognised in profit or loss, representing the write down of the investments in subsidiaries to their recoverable amount based on the subsidiaries' estimated cash flows generated from the sale of development properties and proposed development projects to be undertaken by the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. Investment in subsidiaries (Continued)

Key assumptions used in the estimated cash flows

The key assumptions used in the estimated cash flows are set out below.

| <u>Development properties</u> | <u>Key assumptions</u> |
|-------------------------------|---|
| Completed projects | <ul style="list-style-type: none"> Estimated selling price of RM179 to RM979 (2023: RM228 to RM905) per square feet. |
| On-going projects | <ul style="list-style-type: none"> Estimated selling price of RM657 to RM728 (2023: RM Nil) per square fee for the service apartment and commercial space. Estimated construction costs of RM575 (2023:RM Nil) per square feet for the service apartment and commercial space. |
| Future phases to be developed | <ul style="list-style-type: none"> Estimated selling price of RM244 to RM650 (2023: RM240 to RM660) per square feet for apartments, offices, houses, hotel and club house. Estimated selling price of RM58 to RM167 (2023: RM58 to RM170) for low-cost houses and shops. Estimated selling price of RM1,398 to RM1,427 (2023: RM Nil) per square fee for the service apartment. Estimated construction costs of RM222 to RM565 (2023: RM230 to RM574) per square feet for apartments, offices, houses, hotel and club house. Estimated construction costs of RM123 to RM178 (2023: RM123 to RM180) per square feet for low-cost houses and shops. Estimated construction costs of RM1,042 (2023:RM Nil) per square feet for the service apartment. Pre-tax discount rate of 14.47% (2023: 14.47%). |

Details of the subsidiaries are as follows:

| <u>Name of subsidiary</u> | <u>Principal activities</u> | <u>Country of incorporation</u> | <u>Ownership interest</u> | |
|--|-----------------------------|---------------------------------|---------------------------|------------------|
| | | | <u>2024</u> % | <u>2023</u> % |
| <u>Held by the Company</u> | | | | |
| Astaka Padu Limited ¹ | Investment holding | British Virgin Islands | 99.99 | 99.99 |
| <u>Held by Astaka Padu Limited</u> | | | | |
| Astaka Padu Sdn Bhd ("APSB") ² | Property development | Malaysia | 100 | 100 |
| <u>Held by APSB</u> | | | | |
| Astaka Development Sdn Bhd ("ADSB") ² | Property development | Malaysia | 100 | 100 |
| Bukit Pelali Properties Sdn Bhd ("BPPSB") ² | Property development | Malaysia | 51 | 51 |
| Astaka Capital Sdn Bhd ("ACSB") ² | Property development | Malaysia | 51 | 51 |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. Investment in subsidiaries (Continued)

Details of the subsidiaries are as follows: (Continued)

| <u>Name of subsidiary</u> | <u>Principal activities</u> | <u>Country of incorporation</u> | <u>Ownership interest</u> | |
|--|-----------------------------|---------------------------------|---------------------------|------------------|
| | | | <u>2024</u> % | <u>2023</u> % |
| <u>Held by BPPSB</u> | | | | |
| Bukit Pelali Healthcare Sdn Bhd ² | Dormant | Malaysia | 100 | 100 |
| Bukit Pelali Hotels Sdn Bhd ² | Dormant | Malaysia | 100 | 100 |
| <u>Held by ACSB</u> | | | | |
| Astaka Kimlun Sdn Bhd (“AKSB”) ² | Property development | Malaysia | 51 | – |

¹ Not required to be audited by law in the country of incorporation.

² Audited by Forvis Mazars PLT

Incorporation of a subsidiary

AKSB was incorporated on 30 July 2024, as a wholly-owned subsidiary of ACSB with a total issued and paid-up share capital of RM100 comprising 100 ordinary shares and its principal activities is property development. Following the completion of the shares subscription in AKSB on 13 November 2024 in accordance with the terms of the subscription and shareholders’ agreement (“SSA”), ACSB’s shareholding interest in AKSB has been diluted from 100% to 51%, with KIASB holding the remaining 49% shareholding interest in AKSB, comprising 1,000,000 ordinary shares at a subscription price of RM1.00 for each ordinary share. Including the initial paid-up share capital of RM100, the total shares subscribed by ACSB in AKSB is RM510,000 comprising 510,000 ordinary shares.

13. Development properties

| | | Group | |
|---|-----|---------------------------------|---------------------------------|
| | | <u>2024</u> RM | <u>2023</u> RM |
| Completed properties held for sale | (i) | 64,957,802 | 98,542,181 |
| Properties under development, for which revenue is to be recognised over time | | 29,632,696 | 17,430,801 |
| Contract costs | | 2,904,519 | – |
| Total properties under development | | <u>32,537,215</u> | <u>17,430,801</u> |
| Properties for development representing mainly development costs | | <u>132,534,310</u> | <u>129,199,847</u> |
| | | <u>230,029,327</u> | <u>245,172,829</u> |

For completed properties held for sale, the Group has assessed the net realisable value based on latest valuation obtained from an independent external valuer less estimated cost to sales.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. Development properties (Continued)

Securities

On 12 April 2017, a subsidiary of the Company, APSB has entered into a loan agreement with China State Construction Engineering (M) Sdn Bhd (“CSCE”) and as a security under the loan agreement, a lien holder caveat has been created on certain lands owned by Saling Syabas Sdn Bhd (“SSSB”), non-controlling shareholder of BPPSB. SSSB is owned by the controlling shareholder of the Company, Dato’ Malek. The said lands are located in Bukit Pelali, Pengerang, Johor, Malaysia, which the Group has the sole and exclusive development rights to develop its development properties. On 29 November 2021, APSB and CSCE have entered into a settlement agreement and on 29 December 2023, APSB and CSCE have entered into a supplementary agreement to vary certain terms and conditions of the settlement agreement, which include clauses in relation to the defects retention sum, other retention sum and accrued interest and 4 land parcels remain secured to CSCE.

As at 31 December 2024, the Group has fulfilled its repayment milestone to CSCE in accordance with the settlement agreement and the outstanding amount has been fully settled. Accordingly, the 4 land parcels have been fully discharged and the Group had incurred and recorded RM Nil (2023: RM38,293,465) in development properties for the share of master infrastructure costs on the said lands.

For more details, please refer to Note 24 of the consolidated financial statements of the Group.

On 29 May 2024, ADSB, a subsidiary of the Company, entered into a loan agreement with RHB Bank Berhad. As part of the loan agreement, ADSB pledged a parcel of vacant building land designated for mixed commercial use (service apartments/commercial space) (“The Land”) and six (6) units of service apartment of the Astaka @ One Bukit Senyum (“The Astaka”). The Land is held under GRN 520892, Lot 152290, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor, and is part of The Aliva development, to secure the loan as disclosed in Note 23.

Completed properties held for sale

- (i) Completed properties held for sale

The amount relates primarily to cost attributable to the completed properties held for sale.

| | Group | |
|------------------------------------|--------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Completed properties held for sale | | |
| - aggregate costs incurred | 67,371,841 | 104,507,839 |
| - allowance for foreseeable losses | <u>(2,414,039)</u> | <u>(5,965,658)</u> |
| | <u>64,957,802</u> | <u>98,542,181</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. Development properties (Continued)

Completed properties held for sale (Continued)

(i) Completed properties held for sale (Continued)

The movement in allowance for foreseeable losses on development properties (completed properties held for sale) during the financial year is as follows:

| | Group | |
|---|-------------------------|-------------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| At beginning of the financial year | 5,965,658 | 12,220,880 |
| Allowance for foreseeable loss on development properties | 1,689,000 | – |
| Reversal of foreseeable loss on development properties sold at carrying amount (Note 5) | (16,402) | – |
| Reversal of foreseeable loss on development properties sold at above carrying amount (Note 5) | <u>(5,224,217)</u> | <u>(6,255,222)</u> |
| At end of the financial year | <u><u>2,414,039</u></u> | <u><u>5,965,658</u></u> |

The major development properties are as follows:

| <u>Project name/ location</u> | <u>Description</u> | <u>Tenure</u> | <u>Site area (acre)</u> | <u>Gross floor area (square feet)</u> | <u>Stage of completion</u> | <u>Expected completion (Financial year)</u> | <u>Group's interest in properties</u> |
|--|--|-----------------------|------------------------------------|--|---------------------------------------|--|--|
| The Astaka/ Johor Bahru, Malaysia | Luxury condominium | Freehold | 2.42 | 1,434,900 | 100% | Completed | 99.99% |
| Majlis Bandaraya Johor Bahru/ Johor Bahru, Malaysia | 15-storey commercial office tower | Freehold | 1.37 | 442,810 | 100% | Completed | 99.99% |
| Bukit Pelali Phase 1A/ Pengerang, Malaysia | Commercial shop office development | 99 years leasehold | 0.87 | 75,715 | 100% | Completed | 50.99% |
| Bukit Pelali Phase 1A/ Pengerang, Malaysia | Residential development | 99 years leasehold | 15.93 | 370,575 | 100% | Completed | 50.99% |
| Bukit Pelali Phase 1B/ Pengerang, Malaysia | Residential development | 99 years leasehold | 25.46 | 512,055 | 100% | Completed | 50.99% |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. Development properties (Continued)

The major development properties are as follows: (Continued)

| <u>Project name/ location</u> | <u>Description</u> | <u>Tenure</u> | <u>Site area (acre)</u> | <u>Gross floor area (square feet)</u> | <u>Stage of completion</u> | <u>Expected completion (Financial year)</u> | <u>Group's interest in properties</u> |
|---|---|-----------------------|-----------------------------|---|--------------------------------|---|---|
| Bukit Pelali Phase 2A & 2B/ Pengerang, Malaysia | Commercial shop office development | 99 years leasehold | 3.48 | 379,465 | 100% | Completed | 50.99% |
| The Aliva @ Mount Austin/ Johor Bahru, Malaysia | Residential and commercial development | Freehold | 2.00 | 364,645 | 7% | 2026 | 99.99% |
| Future phases in Bukit Pelali/ Pengerang, Malaysia | Mixed township development comprising of residential, shop offices, private mart and hospital | 99 years leasehold | 166.05 | 9,654,029 | – | – | 50.99% |
| The Arden @ One Bukit Senyum/Johor Bahru, Malaysia | Residential development | Freehold | 1.73 | 936,291 | – | 2030 | 26.01% |

Contract costs

The amount relates to commission fees paid to property agents for securing sale contracts for the Group's development properties. During the financial year, RM3,135,614 (2023: RM Nil) of commission fees paid were capitalised as contract costs.

Capitalised commission fees are amortised when the related revenue is recognised. During the financial year, RM231,095 (2023: RM Nil) was amortised. There is no impairment loss in relation to such costs capitalised.

14. Contract assets

| | <u>2024 RM</u> | <u>Group 2023 RM</u> | <u>1 January 2023 RM</u> |
|-----------------|--------------------|------------------------------|------------------------------|
| Contract assets | 7,819,919 | – | 1,146,361 |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. Contract assets (Continued)

Contract assets represent the unbilled amount for work completed to date. The amount is transferred to trade receivable when the right to bill becomes unconditional upon receipt of the architects' certification. This typically occurs when the construction milestones are achieved. The significant changes in the contract assets during the financial year are as follows:

| | Group | |
|--|------------------|-------------|
| | 2024 | 2023 |
| | RM | RM |
| At beginning of the financial year | – | 1,146,361 |
| Contract assets reclassified to trade receivables that was included in the contract asset balance at the beginning of the financial year | – | (1,146,361) |
| Revenue recognised but not billed, excluding amounts reclassified to trade receivables during the financial year | 7,819,919 | – |
| At end of the financial year | <u>7,819,919</u> | <u>–</u> |

The exposure to credit risk and impairment losses related to contract assets is disclosed in Note 28.

15. Trade and other receivables

| | Group | | Company | |
|--|-------------------|------------------|----------------|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Trade receivables from: | | | | |
| - third parties | 2,146,990 | 6,305,047 | – | – |
| Less: Allowance for ECL | (278,594) | – | – | – |
| Trade receivables, net | 1,868,396 | 6,305,047 | – | – |
| Amounts due from subsidiaries | – | – | 95,853,758 | 97,771,680 |
| Other receivables | 229,982 | 1,497,540 | – | – |
| Refundable deposits | 13,485,533 | 1,205,303 | – | – |
| Less: Allowance for ECL on amounts due from subsidiaries | – | – | (95,853,758) | (97,771,680) |
| | <u>15,583,911</u> | <u>9,007,890</u> | <u>–</u> | <u>–</u> |
| Advance payments | – | 102,178 | – | – |
| Prepayments | 669,066 | 134,768 | 5,502 | 5,502 |
| | <u>16,252,977</u> | <u>9,244,836</u> | <u>5,502</u> | <u>5,502</u> |

Trade receivables are generally on 21 days (2023: 21 days) credit terms and an interest rate of 10% (2023: 10%) per annum for late payment.

Deposits consist of refundable deposits paid to office rental, office utilities, local authority for construction and the deposit paid of RM12,300,000 (2023: RM Nil) pertaining to the sale and purchase agreement ("SPA") entered amongst APSB, Seaview Holdings Sdn. Bhd. ("SHSB") and AKSB for the purchase of an identified parcel of freehold land held under H.S.(D)571006, PTD 233330, Mukim of Plentong, District of Johor Bahru, State of Johor.

The exposure to credit risk and impairment losses related to trade and other receivables is disclosed in Note 28.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

16. Amounts due from related parties

| | Group | | Company | |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>2024</u> RM | <u>2023</u> RM | <u>2024</u> RM | <u>2023</u> RM |
| Amounts due from: | | | | |
| - affiliated corporations | – | 726,008 | – | – |
| - a controlling shareholder | – | 711,563 | – | – |
| | <u>–</u> | <u>1,437,571</u> | <u>–</u> | <u>–</u> |

Amounts due from related parties are non-trade, unsecured, interest-free and are repayable on demand. The outstanding balances from related parties were fully settled during the financial year.

17. Cash and cash equivalents

| | Group | | Company | |
|------------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>2024</u> RM | <u>2023</u> RM | <u>2024</u> RM | <u>2023</u> RM |
| Cash and bank balances | 18,774,335 | 16,156,626 | 199,548 | 641,522 |
| Fixed deposits pledged | <u>2,869,240</u> | <u>329,798</u> | <u>–</u> | <u>–</u> |
| | <u>21,643,575</u> | <u>16,486,424</u> | <u>199,548</u> | <u>641,522</u> |

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

| | Group | |
|---|---------------------|---------------------|
| | <u>2024</u> RM | <u>2023</u> RM |
| Cash and bank balances per consolidated statement of financial position | 21,643,575 | 16,486,424 |
| Less: Fixed deposits pledged | (2,869,240) | (329,798) |
| Less: Bank overdrafts (Note 23) | <u>(11,998,873)</u> | <u>(11,911,348)</u> |
| Cash and cash equivalents per consolidated statement of cash flows | <u>6,775,462</u> | <u>4,245,278</u> |

Included in the Group's fixed deposit pledged are:

- fixed deposits of RM82,240 (2023: RM329,798) pledged as security for bank guarantees granted to the Group. The effective interest rate on fixed deposits of the Group is 2.80% (2023: 2.80%) per annum.
- fixed deposits of RM2,787,000 (2023: RM Nil) pledged as security to obtain a term loan as disclosed in Note 23. The effective interest rate on fixed deposits of the Group ranges from 2.50% to 2.60% (2023: Nil) per annum.

Included in cash and bank balances is an amount of RM5,334,482 (2023: RM4,370,007) of which the bank accounts are maintained in accordance with Housing Development (Housing Development Account) Regulation 1991 in Malaysia. These accounts, which consist of monies received from purchasers, are for the payment of property development expenditure incurred. The surplus monies, if any, will be released to the respective subsidiaries upon the completion of the property development projects and after all property development expenditure have been fully settled.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. Share capital

| | No. of ordinary shares issued | Amount of share capital | |
|--|--|--------------------------------|-----------------------|
| | <u>Company</u> | <u>Group</u> | <u>Company</u> |
| | | RM | RM |
| <u>31 December 2024</u> | | | |
| At beginning and end of the financial year | 1,869,434,303 | 259,383,777 | 1,455,078,944 |
| <u>31 December 2023</u> | | | |
| At beginning and end of the financial year | 1,869,434,303 | 259,383,777 | 1,455,078,944 |

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. All shares rank equally with regard to the Company's residual assets.

The Group's share capital amount differs from that of the Company as a result of reverse acquisition accounting upon completion of reverse acquisition on 19 November 2015.

19. Merger reserve

In 2014, Astaka Padu Limited ("APL") acquired the entire share capital of APSB through a share-for-share swap by issuing 80 ordinary shares amounting to RM20,000,000 to the shareholders of APSB. The acquisition of APSB by APL had been accounted for as a capital reorganisation as both APL and APSB were under common control of the same controlling shareholders.

The share capital of the Group issued for the purpose of the capital reorganisation in 2014 amounting to RM30,769,090 was measured based on deemed cost of acquiring APSB, being the existing carrying values of the net assets acquired. The resulting differences are recognised separately as a merger reserve.

20. Capital reserve

| | Company | |
|--|--------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| At beginning and end of the financial year | 1,419,389 | 1,419,389 |

Capital reserve represents the issue of shares to the Arranger of the Company during the listing of the Company in 2009 and the listing expenses borne by the shareholders were deemed to be capital contributions by the shareholders and were recognised as a component of equity in capital reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

21. Non-controlling interests

The following subsidiary has non-controlling interests ("NCI") that are material to the Group.

| Name of subsidiary | Country of incorporation | Ownership interests held by NCI | |
|--------------------|--------------------------|---------------------------------|-----------|
| | | 2024 % | 2023 % |
| BPPSB | Malaysia | 49.01 | 49.01 |
| AKSB | Malaysia | 73.99* | – |

*AKSB is 51% held by Astaka Capital Sdn Bhd, which is 51% held by Astaka Padu Sdn Bhd.

The following summarises the financial information for the above subsidiaries which are prepared in accordance with SFRS(I)s.

| | <u>BPPSB</u> RM | <u>AKSB</u> RM | <u>Other immaterial NCI</u> RM | <u>Total</u> RM |
|---|----------------------|---------------------|-----------------------------------|--------------------|
| 31 December 2024 | | | | |
| Revenue | 892,061 | – | | |
| Loss for the year, representing total comprehensive loss for the year | <u>(7,752,258)</u> | <u>(1,273,489)</u> | | |
| Attributable to NCI: | | | | |
| Loss for the year, representing total comprehensive loss for the year | (3,799,002) | (942,288) | (35,937) | (4,777,227) |
| Non-current assets | 30,998 | 584,524 | | |
| Current assets | 163,683,472 | 13,943,441 | | |
| Current liabilities | <u>(172,471,019)</u> | <u>(14,801,453)</u> | | |
| Net liabilities | <u>(8,756,549)</u> | <u>(273,488)</u> | | |
| Net liabilities attributable to NCI | (4,291,156) | (383,923) | (100,595) | (4,775,674) |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

21. Non-controlling interests (Continued)

| | <u>BPPSB</u> RM | <u>Other</u> <u>immaterial NCI</u> RM | <u>Total</u> RM |
|---|----------------------------------|--|----------------------------------|
| 31 December 2023 | | | |
| Revenue | 4,794,155 | | |
| Loss for the year, representing total comprehensive loss for the year | <u>(5,445,892)</u> | | |
| Attributable to NCI: | | | |
| Loss for the year, representing total comprehensive loss for the year | (2,668,765) | (8,701) | (2,677,466) |
| Non-current assets | 27,269 | | |
| Current assets | 168,900,363 | | |
| Current liabilities | <u>(169,931,924)</u> | | |
| Net liabilities | <u>(1,004,292)</u> | | |
| Net liabilities attributable to NCI | (492,154) | 3,707 | (488,447) |

22. The Group as a lessee

The Group leases office buildings and motor vehicles for 2 to 5 years.

Extension options

The Group has several lease contracts with extension options exercisable by the Group up to 180 days before the end of the non-cancellable contract period. These extension options are exercisable by the Group and not by the lessors. The extension options are used by the Group to provide operation flexibility in terms of managing the assets used in the Group's operation. As at 31 December 2024, the Group is not reasonably certain that they will exercise these extension options.

Recognition exemptions

The Group has certain lease of office buildings with lease terms of 12 months or less. For such leases, the Group has elected not to recognise right-of-use assets and lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

22. The Group as a lessee (Continued)

(a) Right-of-use assets

The carrying amount of right-of-use assets by class of underlying asset classified within property, plant and equipment are as follows:

| | Office buildings | Motor vehicles | Total |
|---------------------|-----------------------------|---------------------------|------------------|
| | RM | RM | RM |
| Group | | | |
| At 1 January 2023 | 564,752 | 3,854 | 568,606 |
| Depreciation | (344,773) | (3,854) | (348,627) |
| At 31 December 2023 | 219,979 | – | 219,979 |
| Addition | – | 547,039 | 547,039 |
| Lease modification | 671,923 | – | 671,923 |
| Depreciation | (294,637) | (45,587) | (340,224) |
| At 31 December 2024 | <u>597,265</u> | <u>501,452</u> | <u>1,098,717</u> |

The total cash outflows for leases during the financial year ended 31 December 2024 was RM355,175 (2023: RM390,453).

(b) Lease liabilities

| | Group | |
|---------------------------------|----------------|----------------|
| | 2024 | 2023 |
| | RM | RM |
| Lease liabilities - non-current | 672,448 | – |
| Lease liabilities - current | 285,318 | 233,573 |
| | <u>957,766</u> | <u>233,573</u> |

The maturity analysis of lease liabilities is disclosed in Note 28. Lease liabilities are denominated in Malaysia Ringgit.

(c) Amounts recognised in profit or loss

| | Group | |
|--|----------------|----------------|
| | 2024 | 2023 |
| | RM | RM |
| Interest expenses on lease liabilities | 24,545 | 25,773 |
| Expense relating to short-term leases | 532,775 | 477,120 |
| | <u>557,320</u> | <u>502,893</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

23. Loans and borrowings

| | Group | |
|----------------------------|-------------------|-------------------|
| | 2024 | 2023 |
| | RM | RM |
| Current liabilities | | |
| <i>Secured</i> | | |
| Term loan | 16,778,403 | – |
| Bank overdrafts | 11,998,873 | 11,911,348 |
| | <u>28,777,276</u> | <u>11,911,348</u> |

Terms and debt repayment schedule

Terms and conditions of outstanding borrowings are as follows:

| | <u>Currency</u> | <u>Nominal interest rate</u> % | <u>Year of maturity</u> | <u>Carrying amount</u> RM |
|--------------------------------|-----------------|-----------------------------------|-------------------------|------------------------------|
| Group | | | | |
| <u>31 December 2024</u> | | | | |
| <i>Secured</i> | | | | |
| Term loan | RM | 7.20% | 2025 | 16,778,403 |
| Bank overdrafts | RM | 6.81% | 2025 | 11,998,873 |
| | | | | <u>28,777,276</u> |
| <u>31 December 2023</u> | | | | |
| <i>Secured</i> | | | | |
| Bank overdrafts | RM | 6.81% | 2024 | 11,911,348 |

Security

Included in the bank overdrafts is Affin Bank Berhad overdraft facility of RM12,000,000 (2023: RM12,000,000) for the working capital requirements of the Group, which is secured against a controlling shareholder's fixed deposit of RM12,000,000 (2023: RM12,000,000).

The term loan relates to Term Financing and Bridging Financing Facilities from RHB Bank Berhad ("Banking Facility") of RM50,500,000 (2023: RM Nil) for the purpose constructing The Aliva and is available for the Group to draw down over a period of 12 to 36 months from the date of the offer letter, subject to terms and conditions. It is secured by (i) six (6) units of service apartment of The Astaka, (ii) a parcel of land by the subsidiary (refer to Note 13), (iii) corporate guarantee by the Company and APSB, (iv) Dato' Malek, a controlling shareholder, who has provided a letter of undertaking to provide cash flow support throughout the duration of the Banking Facility in the event of a shortfall in the repayment of the principal sum or to cover any cost overruns related to the construction of The Aliva, and (v) placement of fixed deposits of RM2,787,000 (2023: RM Nil) pledged as security. The term loan will be fully repaid within the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

24. Trade and other payables

| | Group | | Company | |
|---------------------------|--------------------|--------------------|------------------|----------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Trade payables | 47,688,887 | 67,450,638 | – | – |
| Other payables | 25,226,609 | 15,180,687 | 1,339,041 | 537,067 |
| Accrued land costs | 1,079,649 | 1,550,047 | – | – |
| Accrued transaction costs | 9,173,111 | 10,768,026 | – | – |
| Accrued expenses | 19,954,406 | 14,285,734 | – | – |
| | <u>103,122,662</u> | <u>109,235,132</u> | <u>1,339,041</u> | <u>537,067</u> |

The normal trade credit terms granted to the Group range from 14 to 30 days (2023: 14 days to 30 days).

Included in the Group's trade payables is an amount of RM34,652,800 (2023: RM34,652,800) owing to the Johor State Government for acquisition of development land.

Included in the Group's other payables is an amount of RM6,107,888 (2023: RM Nil) due to a non-controlling shareholder, which is non-trade, unsecured, bears interest at 8.0% per annum, and is repayable on demand.

Included in the Group's accrued expenses are:

- accrued liquidated damages amounting to RM540,325 (2023: RM540,325), representing late payment charges for late delivery of the property development to purchasers.
- accrued authority fee required for foreign purchasers of RM3,084,856 (2023: RM3,084,856).
- accrued quit rent and assessment for BPP undeveloped phases of RM8,042,492 (2023: RM5,401,789).
- the reversal of RM Nil (2023: RM7,437,506) was made for the adjustment to accrued interest (including waiver of interest by main contractor) during the financial year and recognised in the finance income (Note 7).

Settlement Agreement with CSCE

On 30 November 2021, the Company announced that APSB had, on 29 November 2021, entered into a settlement agreement with CSCE by way of consent judgment, as full and final settlement and discharge of all disputes, differences and claims by either party in connection with CSCE's claim against APSB for the sum of RM50,878,046.41 and interests thereon (the "Dispute") (the "2021 Settlement Agreement"). The terms of the 2021 Settlement Agreement include the potential transfer of up to five (5) properties within the development, The Astaka from APSB to CSCE or nominees of CSCE, at the discretion of APSB. To date, the five (5) properties have yet to be transferred from APSB to CSCE or nominees of CSCE.

On 30 December 2021, the Company announced that following the execution of the 2021 Settlement Agreement, CSCE had filed and recorded the consent judgment of the civil proceedings relating to the 2021 Settlement Agreement in the High Court of Malaya at Johor Bahru on 13 December 2021 (the "Consent Judgment"). Accordingly, both CSCE and APSB have since started to withdraw and/or discontinue the adjudication or civil proceedings relating to the Dispute.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

24. Trade and other payables (Continued)

Settlement Agreement with CSCE (Continued)

Further to the Consent Judgment, APSB had on 22 December 2021, filed the notice of discontinuance in the Court of Appeal at Putrajaya and had withdrawn the Erinford Injunction at the Kuala Lumpur High Court.

On 29 December 2023, the Company announced that APSB and CSCE had, on 29 December 2023, entered into a supplementary settlement agreement (the “2023 Supplementary Settlement Agreement”) with CSCE to vary certain terms and conditions of the 2021 Settlement Agreement.

Pursuant to the 2023 Supplementary Settlement Agreement, both parties had mutually agreed that a sum of RM4,450,000 be the costs to rectify defects that were to be carried out by CSCE under the relevant defect liability period for The Astaka. As CSCE did not carry out such rectification works, CSCE agrees to waive and relinquish its entitlement to the sum of RM4,450,000. Accordingly, CSCE agrees that it is only entitled to the remaining balance of retention sum of RM4,706,644. In addition, CSCE also agreed to waive and relinquish its entitlement to claim for the discounted accrued interest amounting to RM6,800,000 of the 2021 Settlement Agreement.

As at 31 December 2024, APSB has fully settled its repayment milestones to CSCE in accordance with the 2021 Settlement Agreement and the 2023 Supplementary Settlement Agreement.

25. Amounts due to related parties

| | Group | | Company | |
|---------------------------|-------------------|-------------------|------------------|------------------|
| | <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> |
| | RM | RM | RM | RM |
| Amounts due to: | | | | |
| - affiliated corporations | 81,172,912 | 69,634,015 | – | – |
| - a subsidiary | – | – | 3,214,071 | 3,414,993 |
| | <u>81,172,912</u> | <u>69,634,015</u> | <u>3,214,071</u> | <u>3,414,993</u> |

Amount due to a subsidiary is non-trade, unsecured, interest-free and repayable on demand.

Amounts due to affiliated corporations are non-trade, unsecured, interest-free and are repayable on demand except for amounts of RM8,541,201 (2023: RM3,001,973), which bear interest of 8.0% (2023: 8.0%) per annum.

Affiliated corporations are defined as those companies in which a controlling shareholder of the Company is a director and controlling shareholder of these companies.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments. The operating segments were determined based on the reports reviewed by management.

Management considers that the entire Group's operations constitute a single segment which is in the business of property development in Malaysia. Management assesses the performance of the Group's operations based on the (loss)/profit before tax, total assets and total liabilities which are measured in a manner consistent with that of the consolidated financial statements.

27. Significant related party transactions

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

27. Significant related party transactions (Continued)

The effect of the Group's and Company's transactions and arrangements with related parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

In addition to the related party information disclosed elsewhere in the consolidated financial statements, the following significant transactions took place between the Group and related parties during the financial year on terms agreed between the parties concerned:

| | Group | |
|---|----------------|----------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Affiliated corporations | | |
| Advances from | 20,129,170* | 7,900,000 |
| Rental expenses | 246,000 | 246,000 |
| Interest expenses | 122,089** | 72,835 |
| Land costs paid/payable | <u>470,398</u> | <u>554,862</u> |
| A controlling shareholder of the Company | | |
| Advances from | – | 1,000,000 |
| Interest expenses | – | 495,438 |
| Rental expenses | <u>162,732</u> | <u>162,732</u> |

The controlling shareholder of the Company is Dato' Malek.

* Inclusive of advances from non-controlling shareholder amount of RM6,027,000 (2023: RM Nil) which has been classified as related party to the subsidiary.

** Inclusive of interest charged from non-controlling shareholder amount of RM80,888 (2023: RM Nil) which has been classified as related party to the subsidiary.

Key management personnel remuneration

| | Group | |
|--|------------------|------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Short-term employee benefits | 1,455,253 | 1,499,773 |
| Post-employment benefits (Employer's contribution to defined contribution plans) | <u>177,762</u> | <u>117,596</u> |
| | <u>1,633,015</u> | <u>1,617,369</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments

Financial risk management

Overview

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's Audit Committee is assisted in its oversight role by internal auditors. Internal auditors undertake both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk

Credit risk is the risk of potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The Group's credit risk arises mainly from cash and cash equivalents, trade and other receivables and contract assets. Cash and cash equivalents are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies and the Group does not expect the impairment loss from bank balances to be material, if any.

To assess and manage its credit risk, the Group categorises the aforementioned financial assets and contract assets according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, and/or where contractual payments are 90 days past due as per SFRS(I) 9's presumption.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset at the reporting date.

The Group has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. The Group's trade receivables represent progress billings for sale of development properties. However, the ownership and rights to the development properties sold will revert to the Group in the event of default. Cash at banks are placed with regulated banks and financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Credit risk (Continued)

As of reporting date, the Group has no significant concentration of credit risk as a result of the Group's large number of customers, which are widely distributed and covers a broad range of end markets.

The Group's internal credit risk grading categories are as follows:

| Category | Description | Basis of recognising ECL |
|----------|--|--|
| 1 | Low credit risk ^{Note 1} | 12-months ECL |
| 2 | Non-significant increase in credit risk since initial recognition and financial asset is ≤ 30 days past due | 12-months ECL |
| 3 | Significant increase in credit risk since initial recognition ^{Note 2} or financial asset is > 30 days past due | Lifetime ECL |
| 4 | Evidence indicates that financial asset is credit-impaired ^{Note 3} | Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate |
| 5 | Evidence indicates that the management has no reasonable expectations of recovering the write off amount ^{Note 4} | Written off |

Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 30 days past due) and forward looking quantitative and qualitative information. Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates based on independently obtained information (e.g. expert reports, analyst's reports etc.) and the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are > 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Credit risk (Continued)

Note 3. Credit impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for the financial asset because of financial difficulties.

Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cash flows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

Contract assets (Note 14) and trade receivables (Note 15)

The Group uses the practical expedient under SFRS(I) 9 in the form of allowance matrix to measure the ECL for these contract assets and receivables, where the loss allowance is equal to lifetime ECL.

The contract assets and trade receivables represent progress billings for sale of development properties. The Group assessed the expected credit loss exposure of these contract assets and trade receivables to be insignificant based on historical default rates, the Group's view of current and future conditions corresponding with the default rates pertaining to group of customers because the ownership and rights to the development properties sold to the customers will be reverted to the Group in the event of default, which is governed under the Housing Development (Control and Licensing) Act 1966 in Malaysia.

Other receivables and refundable deposits (Note 15)

As of 31 December 2024, the Group recorded other receivables and refundable deposits amount of RM13,715,515 (2023: RM2,702,843). The Group assessed the credit exposure of these receivables is insignificant based on the historical default rates, the Group's view of current and future conditions corresponding with the default rates pertaining to group of customers. The Group considers that the credit risk of these counter parties has not increased significantly. The amount of the allowance on other receivables and deposits was insignificant.

Amounts due from subsidiaries (Note 15)

The Company's impaired amount due from subsidiaries as at 31 December 2024 had a gross carrying amount of RM95,853,758 (2023: RM97,771,680). At 31 December 2024, an impairment loss of the Company of RM95,853,758 (2023: RM97,771,680) due to the significant financial difficulty encountered by its subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Credit risk (Continued)

Exposure to credit risk

The exposure to credit risk for contract assets and trade and other receivables (excluding prepayments and advances to suppliers) at the reporting date was:

| | <u>Category</u> | <u>Group</u> | | <u>Company</u> | |
|---|-----------------|-------------------|-------------------|---------------------|---------------------|
| | | <u>2024</u> RM | <u>2023</u> RM | <u>2024</u> RM | <u>2023</u> RM |
| Contract assets | Note (i) | 7,819,919 | – | – | – |
| Trade receivables | Note (i) | 2,146,990 | 6,305,047 | – | – |
| Other receivables and refundable deposits | 1 | 13,715,515 | 2,702,843 | – | – |
| Amount due from related parties | 1 | – | 1,437,571 | – | – |
| Amount due from subsidiaries | 4 | – | – | 95,853,758 | 97,771,680 |
| | | <u>23,682,424</u> | <u>10,445,461</u> | <u>95,853,758</u> | <u>97,771,680</u> |
| Allowance for ECL | | <u>(278,594)</u> | <u>–</u> | <u>(95,853,758)</u> | <u>(97,771,680)</u> |
| | | <u>23,403,830</u> | <u>10,445,461</u> | <u>–</u> | <u>–</u> |

Note (i): For trade receivables and contract assets, the Group uses the practical expedient under SFRS(I) 9 in the form of an allowance matrix to measure the ECL, where the loss allowance is equal to lifetime ECL.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Credit risk (Continued)

Exposure to credit risk (Continued)

The following table provides information about the exposure to credit risk and ECL for contract assets and trade and other receivables as at 31 December 2024 and 2023.

| Group | Weighted average loss rate | 2024 | | 2023 | |
|--|----------------------------|-----------------------------|----------------------|-----------------------------|----------------------|
| | | Gross carrying amount RM | Loss allowance RM | Gross carrying amount RM | Loss allowance RM |
| Contract assets | – | 7,819,919 | – | – | – |
| Trade receivables | | | | | |
| Not past due | – | – | – | – | – |
| Past due 1 to 30 days | – | 26,950 | – | 2,227,377 | – |
| Past due 31 to 60 days | – | 1,768,221 | – | – | – |
| Past due 61 to 90 days | – | – | – | 2,852,620 | – |
| Past due more than 91 days | 79% | 351,819 | (278,594) | 1,225,050 | – |
| | | 2,146,990 | (278,594) | 6,305,047 | – |
| Other receivables and refundable deposits | | | | | |
| Not past due | – | 13,715,515 | – | 2,702,843 | – |
| Amount due from related parties | | | | | |
| Not past due | – | – | – | 1,437,571 | – |
| | | 23,682,424 | (278,594) | 10,445,461 | – |
| Company | | | | | |
| Amounts due from subsidiaries | | | | | |
| Not past due | 100% | 95,853,758 | (95,853,758) | 97,771,680 | (97,771,680) |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Credit risk (Continued)

Exposure to credit risk (Continued)

The movement in the loss allowance during the financial year and the Group's and Company's exposure to credit risk in respect of amount due from subsidiaries are as follows:

| Group | Trade receivables | |
|--|-------------------------------------|--------------|
| | Category 4 | Total |
| Internal credit risk grading | RM | RM |
| Loss allowance | | |
| Balance at 1 January 2024 | – | – |
| Loss allowances made during the financial year | 278,594 | 278,594 |
| Balance at 31 December 2024 | 278,594 | 278,594 |
| Company | Amount due from subsidiaries | |
| | Category 1 | Total |
| | RM | RM |
| Balance at 1 January 2023 | 101,066,896 | 101,066,896 |
| Reversal of loss allowance | (3,295,216) | (3,295,216) |
| Balance at 31 December 2023 | 97,771,680 | 97,771,680 |
| Reversal of loss allowance | (1,917,922) | (1,917,922) |
| Balance at 31 December 2024 | 95,853,758 | 95,853,758 |
| Gross Carrying amount | | |
| At 31 December 2023 | 97,771,680 | 97,771,680 |
| At 31 December 2024 | 95,853,758 | 95,853,758 |
| Net carrying amount | | |
| At 31 December 2023 | – | – |
| At 31 December 2024 | – | – |

Cash and cash equivalents

The Group and the Company held cash and cash equivalents. The cash and cash equivalents are held with banks and financial institutions with sound credit ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group and the Company consider that their cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was insignificant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents and credit facilities deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The Group also obtained financial support from its controlling shareholder to finance the Group's operations, hence reducing liquidity risk.

The following are the contractual undiscounted cash outflows of financial liabilities, including interest payments:

| | Effective interest rate % | Cash flows | | Total RM |
|--------------------------------|---------------------------------|------------------------|---|---------------|
| | | Within 1 year RM | After 1 year but within 5 years RM | |
| Group | | | | |
| 31 December 2024 | | | | |
| Trade and other payables | – | (97,014,774) | – | (97,014,774) |
| Other payables | 8.00 | (6,107,888) | – | (6,107,888) |
| Amounts due to related parties | 0.00 – 8.00 | (81,172,912) | – | (81,172,912) |
| Term loan | 7.20 | (16,778,403) | – | (16,778,403) |
| Bank overdrafts | 6.81 | (11,998,873) | – | (11,998,873) |
| Lease liabilities | 2.36 – 6.56 | (331,620) | (716,787) | (1,048,407) |
| | | (213,404,470) | (716,787) | (214,121,257) |
| 31 December 2023 | | | | |
| Trade and other payables | – | (109,235,132) | – | (109,235,132) |
| Amounts due to related parties | 0.00 – 8.00 | (69,634,015) | – | (69,634,015) |
| Bank overdrafts | 6.81 | (11,911,348) | – | (11,911,348) |
| Lease liabilities | 5.81 – 6.56 | (237,500) | – | (237,500) |
| | | (191,017,995) | – | (191,017,995) |
| Company | | | | |
| 31 December 2024 | | | | |
| Trade and other payables | – | (1,339,041) | – | (1,339,041) |
| Amounts due to related parties | – | (3,214,071) | – | (3,214,071) |
| | | (4,553,112) | – | (4,553,112) |
| 31 December 2023 | | | | |
| Trade and other payables | – | (537,067) | – | (537,067) |
| Amounts due to related parties | – | (3,414,993) | – | (3,414,993) |
| | | (3,952,060) | – | (3,952,060) |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position and as follows:

| | | Group | |
|--|-------------|----------------------|----------------------|
| | Note | 2024 | 2023 |
| | | RM | RM |
| Financial assets at amortised cost | | | |
| Trade and other receivables* | 15 | 15,583,911 | 9,007,890 |
| Amounts due from related parties | 16 | – | 1,437,571 |
| Cash and cash equivalents | 17 | 21,643,575 | 16,486,424 |
| | | <u>37,227,486</u> | <u>26,931,885</u> |
| Financial liabilities at amortised cost | | | |
| Trade and other payables | 24 | (103,122,662) | (109,235,132) |
| Amounts due to related parties | 25 | (81,172,912) | (69,634,015) |
| Loans and borrowings | 23 | (28,777,276) | (11,911,348) |
| Lease liabilities | 22(b) | (957,766) | (233,573) |
| | | <u>(214,030,616)</u> | <u>(191,014,068)</u> |
| Company | | | |
| | Note | 2024 | 2023 |
| | | RM | RM |
| Financial assets at amortised cost | | | |
| Cash and cash equivalents | 17 | 199,548 | 641,522 |
| Financial liabilities at amortised cost | | | |
| Trade and other payables | 24 | (1,339,041) | (537,067) |
| Amounts due to related parties | 25 | (3,214,071) | (3,414,993) |
| | | <u>(4,553,112)</u> | <u>(3,952,060)</u> |

* Excluded of prepayments

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group is not exposed to fair value interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Market risk (Continued)

Interest rate risk (Continued)

The Group's interest-bearing assets are primarily bank balances. The interest rates on these bank balances are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on bank balances to be unlikely.

The Group's exposure to cash flow interest rate risk arises mainly from variable rate borrowings. The Group manages its interest rate exposure by monitoring movements in interest rates and actively reviewing its borrowings.

Interest rate profile

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, was as follows:

| | Group | |
|---------------------------------|--------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Fixed rate instruments | | |
| Amounts due to related parties | 8,541,201 | 3,001,973 |
| Other payables | 6,107,888 | – |
| Lease liabilities | 957,766 | 233,573 |
| | <u>15,606,855</u> | <u>3,235,546</u> |
| Variable rate instrument | | |
| Term loan | 16,778,403 | – |
| Bank overdrafts | 11,998,873 | 11,911,348 |
| | <u>28,777,276</u> | <u>11,911,348</u> |

Cash flow sensitivity analysis for variable instruments

A change of 100 basis points (bps) in interest rates at the reporting date would have increased/ (decreased) development properties by the amounts shown below. This analysis assumes that all other variables remain constant.

| | Group | |
|---------------------------|--------------------|--------------------|
| | <u>2024</u> | <u>2023</u> |
| | RM | RM |
| Variable rate instruments | | |
| 100 bp increase | 287,773 | 119,113 |
| 100 bp decrease | <u>(287,773)</u> | <u>(119,113)</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. Financial instruments (Continued)

Market risk (Continued)

Foreign currency risk

The Group is exposed to foreign currency risk on cash and cash equivalents held by the Group denominated in Singapore Dollars (“SGD”), Hong Kong Dollars (“HKD”) and United States Dollar (“USD”) that are denominated other than the functional currency of the Group entities, Malaysia Ringgit (“RM”).

The Group’s exposure to foreign currency risk based on notional amounts is as follows:

| | SGD | HKD | USD | Total |
|---------------------------|------------|------------|------------|--------------|
| | RM | RM | RM | RM |
| Group | | | | |
| 31 December 2024 | | | | |
| Cash and cash equivalents | 67,934 | 34,721 | 3,195 | 105,850 |
| 31 December 2023 | | | | |
| Cash and cash equivalents | 3,256,778 | 34,721 | 14,085 | 3,305,584 |

Sensitivity analysis

A 5% strengthening of the following major currencies against RM at the reporting dates held by the Group would decrease profit before tax by the amounts shown below. Similarly, a 5% weakening would have the equal but opposite effect. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date and assumes that all other variables, in particular interest rates, remain constant.

| | Group | |
|-----|--|----------------|
| | (Loss)/Profit before income tax | |
| | 2024 | 2023 |
| | RM | RM |
| SGD | 3,397 | 162,839 |
| HKD | 1,736 | 1,736 |
| USD | 160 | 704 |
| | <u>5,293</u> | <u>165,279</u> |

Apart from these SGD, HKD and USD denominated cash and cash equivalents, the Group is not exposed to significant foreign currency risk on monetary assets and liabilities that are denominated in a currency other than the functional currencies of the entities within the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

29. Fair values of financial assets and financial liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values due to the relative short-term maturity of these financial instruments.

The Group does not hold financial assets nor derivative asset or liability carried at fair value or at valuation. Accordingly, the disclosure requirement of the fair value hierarchy (levels 1, 2 and 3) under SFRS(I) 7 *Financial Instruments: Disclosures* does not apply. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The carrying amount of non-current lease liabilities approximates fair value as their fixed contractual rates approximate year end prevailing market interest rates.

30. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital and to maintain the future development and growth of the business. The Group's overall strategy remains unchanged from 2023.

The Group monitors capital using a net debt equity ratio, which is adjusted net debt divided by total capital. For this purpose, adjusted net debt is defined as loans and borrowings, lease liabilities and certain trade and other payables less cash and cash equivalents. Total equity includes equity attributable to owners of the Company and non-controlling interests.

The gearing ratio is as follows at the reporting date:

| | 2024 | 2023 |
|---------------------------------|--------------------------|--------------------------|
| | RM | RM |
| Loans and borrowings | 28,777,276 | 11,911,348 |
| Lease liabilities | 957,766 | 233,573 |
| Less: Cash and cash equivalents | <u>(21,643,575)</u> | <u>(16,486,424)</u> |
| Net debts/(cash) | 8,091,467 | (4,341,503) |
| Total equity | <u>64,299,322</u> | <u>82,433,422</u> |
| Total capital | <u><u>72,390,789</u></u> | <u><u>78,091,919</u></u> |
| Net debt ratio | <u><u>0.11</u></u> | <u><u>N.M.</u></u> |

N.M. – Not meaningful

The Company is not subjected to externally imposed capital requirements for the financial year ended 31 December 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

31. Prior year reclassifications

Certain reclassifications have been made to the prior year's consolidated statement of cash flows to align them with the current year's presentation.

The items reclassified are summarised as follows:

| | Balance as previously reported | Reclassification | Balance as restated |
|--|---|-------------------------|--------------------------------|
| | RM | RM | RM |
| Year ended 31 December 2023 | | | |
| Consolidated statement of cash flows | | | |
| Investing activities | | | |
| Decrease in fixed deposits pledged | 1,041,922 | (1,041,922) | – |
| Net cash generated from investing activities | 53,272,200 | (1,041,922) | 52,230,278 |
| Financing activities | | | |
| Decrease in fixed deposits pledged | – | 1,041,922 | 1,041,922 |
| Net cash used in financing activities | (46,894,816) | 1,041,922 | (45,852,894) |

The above reclassification did not have any financial implication to last year's statement of financial position of the Group. Accordingly, management did not present the statement of financial position of the Group as at 1 January 2024.

32. Subsequent events

On 15 January 2025, ACSB and KIASB (collectively, the "JVCo Shareholders") had entered into a shareholders' loan agreement (the "Shareholders' Loan Agreement") with the Company's 51%-owned indirect subsidiary, AKSB (the "JVCo"), pursuant to which, the JVCo Shareholders have agreed to grant an interest-bearing of 8% per annum, unsecured loan in the principal amount not exceeding RM170,000,000 to the JVCo in their respective Shareholding Proportions, on the terms and subject to the conditions set out in the Shareholders' Loan Agreement (the "Proposed Shareholders' Loan"). The Company will be seeking the approval of the shareholders for the Proposed Shareholders' Loan as an interested person transaction at an extraordinary general meeting to be convened on 10 April 2025.

SHAREHOLDING STATISTICS

As at 18 March 2025

| | | |
|--|---|--|
| Class of Shares | : | Ordinary Shares of equal voting rights |
| Issued and fully Paid-up Capital | : | S\$477,554,589.08 |
| Number of Ordinary Shares in Issue (excluding treasury shares) | : | 1,869,434,303 |
| Number of Treasury Shares held | : | Nil |
| Number of Subsidiary Holdings held | : | Nil |

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

| SIZE OF SHAREHOLDINGS | NO. OF SHAREHOLDERS | % | NO. OF SHARES | % |
|-----------------------|------------------------|---------------|----------------------|---------------|
| 1 – 99 | 96 | 43.64 | 3,184 | 0.00 |
| 100 – 1,000 | 23 | 10.45 | 9,228 | 0.00 |
| 1,001 – 10,000 | 41 | 18.64 | 188,485 | 0.01 |
| 10,001 – 1,000,000 | 47 | 21.36 | 4,486,698 | 0.24 |
| 1,000,001 and above | 13 | 5.91 | 1,864,746,708 | 99.75 |
| TOTAL | 220 | 100.00 | 1,869,434,303 | 100.00 |

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 18 March 2025)

| NAME OF SUBSTANTIAL SHAREHOLDER | DIRECT INTEREST | | DEEMED INTEREST | |
|---|--------------------------|-------|------------------|-------|
| | NO. OF SHARES | % | NO. OF SHARES | % |
| HORIZON SEA LIMITED | 1,244,062,150 | 66.55 | – | – |
| DATO' DR. DAING A MALEK BIN DAING A RAHAMAN ⁽¹⁾ | 3,665,000 ⁽²⁾ | 0.20 | 1,244,062,150 | 66.55 |

Notes:

- (1) Dato' Dr. Daing A Malek bin Daing A Rahaman is deemed interested in the shares held by Horizon Sea Limited by virtue of him being the sole shareholder of Horizon Sea Limited.
- (2) Held through Phillip Securities Pte Ltd.

SHAREHOLDING STATISTICS

As at 18 March 2025

TWENTY LARGEST SHAREHOLDERS AS AT 18 MARCH 2025

| NO. | NAME OF SHAREHOLDER | NO. OF SHARES | % OF SHARES |
|-----|--|----------------------|----------------|
| 1 | HORIZON SEA LIMITED | 1,244,062,150 | 66.55 |
| 2 | PHILLIP SECURITIES PTE LTD | 300,501,618 | 16.07 |
| 3 | ACE POINT HOLDINGS LIMITED | 93,281,075 | 4.99 |
| 4 | GLORYBASE HOLDINGS LIMITED | 93,281,075 | 4.99 |
| 5 | LUXUS HOLDINGS LIMITED | 55,968,645 | 2.99 |
| 6 | CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. | 48,800,331 | 2.61 |
| 7 | CLASSIC LINK INVESTMENTS LIMITED | 18,656,215 | 1.00 |
| 8 | NG SAY PIYU | 3,783,666 | 0.20 |
| 9 | CITIBANK NOMINEES SINGAPORE PTE LTD | 1,638,933 | 0.09 |
| 10 | HANIFAH BINTE MOHAMED HOSNAN | 1,235,000 | 0.07 |
| 11 | RYAISHA FILDA BINTE ROSLAN | 1,235,000 | 0.07 |
| 12 | ZHAO JING | 1,212,000 | 0.06 |
| 13 | MA ZHEN | 1,091,000 | 0.06 |
| 14 | TAN SIEW BOOY | 564,000 | 0.03 |
| 15 | DBS NOMINEES PTE LTD | 455,099 | 0.02 |
| 16 | UOB KAY HIAN PTE LTD | 413,900 | 0.02 |
| 17 | HSBC (SINGAPORE) NOMINEES PTE LTD | 406,966 | 0.02 |
| 18 | YU KAM YUEN LINCOLN | 226,666 | 0.01 |
| 19 | HUM TEE SUNG | 206,000 | 0.01 |
| 20 | KEVIN PEH YONG KEONG | 190,666 | 0.01 |
| | TOTAL | <u>1,867,210,005</u> | <u>99.87</u> |

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 18 March 2025, approximately 23.27% of the issued ordinary shares of the Company were held by the public.

Accordingly, the Company has complied with Rule 723 of the Catalist Rules.

APPENDIX IPT GENERAL MANDATES

APPENDIX DATED 11 APRIL 2025

This Appendix (as defined herein) is circulated to the Shareholders (as defined herein) of Astaka Holdings Limited (the “**Company**”) together with the Company’s annual report for the financial year ended 31 December 2024 (the “**2024 Annual Report**”). Its purpose is to provide the Shareholders with information relating to the proposed renewal of the IPT General Mandates (as defined herein) to be tabled at the AGM (as defined herein) which will be held at Raffles Marina, 10 Tuas West Drive, Singapore 638404 on 28 April 2025 at 10.30 a.m.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all of your ordinary shares in the capital of the Company, held through The Central Depository (Pte) Limited (the “**CDP**”), you need not forward this Appendix to the purchaser or transferee as arrangements will be made by CDP for a separate Appendix together with the Notice of AGM and the proxy form to be sent to the purchaser or transferee. If you have sold all your shares in the capital of the Company, represented by physical share certificate(s), please forward this Appendix immediately to the purchaser or to the stockbroker, bank or agent through whom the sale was effected, for onward transmission to the purchaser.

The ordinary resolution proposed to be passed in respect of the above matter is set out in the Notice of AGM, accompanying the 2024 Annual Report.

This Appendix has been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”). This Appendix has not been examined or approved by the SGX-ST and the SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Appendix. The contact person for the Sponsor is Ms Audrey Mok (Telephone: +65 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.



ASTAKA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 200814792H)

APPENDIX IN RELATION TO THE PROPOSED RENEWAL OF THE IPT GENERAL MANDATES

APPENDIX

IPT GENERAL MANDATES

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DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

- “2023 Circular”** : Has the meaning as ascribed under Section 3.1 of this Appendix
- “2023 IPT General Mandate”** : The general mandate and its renewal thereof, by the Company pursuant to Chapter 9 of the Catalist Rules permitting companies within the Group, or any of them, to enter into the 2023 IPT Mandated Transaction(s), with the relevant 2023 IPT Mandated Interested Person(s), provided that such transactions are on an arm’s length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders
- “2023 Mandated Interested Persons”**
and **“2023 Mandated Interested Person”** : Has the meaning as ascribed under Section 3.2 of this Appendix
- “2023 Mandated Transactions”** and **“2023 Mandated Transaction”** : Interested Person Transaction(s) conducted under the 2023 IPT General Mandate as set out in Section 3.3 of this Appendix
- “2024 Annual Report”** : The Company’s annual report for the financial year ended 31 December 2024
- “2025 Circular”** : Has the meaning as ascribed under Section 4.1 of this Appendix
- “2025 IPT General Mandate”** : The general mandate and its renewal thereof, by the Company pursuant to Chapter 9 of the Catalist Rules permitting companies within the Group, or any of them, to enter into the 2025 IPT Mandated Transaction(s), with the relevant 2025 IPT Mandated Interested Person(s), provided that such transactions are on an arm’s length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders
- “2025 Mandated Interested Persons”**
and **“2025 Mandated Interested Person”** : Has the meaning as ascribed under Section 4.2 of this Appendix
- “2025 Mandated Transactions”** and **“2025 Mandated Transaction”** : Interested Person Transaction(s) conducted under the 2025 IPT General Mandate as set out in Section 4.3 of this Appendix
- “ACSB”** : Astaka Capital Sdn. Bhd.
- “ACSB Management Services”** : Has the meaning as ascribed under Section 3.3(b) of this Appendix

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DEFINITIONS

| | | |
|---|---|--|
| “ACSB Secondment” | : | The secondment arrangement between APSB and ACSB, pursuant to which APSB shall second some of its employees to ACSB, APSB shall pay the seconded employees their actual salaries, statutory payments (such as CPF contributions), allowances, bonuses and other benefits (such as medical and life insurance) for performing the scope of services to ACSB, and ACSB shall reimburse APSB for such salaries, statutory payments (such as CPF contributions), allowances, bonuses and other benefits (such as medical and life insurance) paid to the seconded employees |
| “ACSB SMS Services” | : | Collectively, the ACSB Management Services and the ACSB Secondment |
| “AGM” | : | The annual general meeting of the Company to be held on 28 April 2025 |
| “AKSB” | : | Astaka Kimlun Sdn. Bhd. |
| “Appendix” | : | This appendix to the Shareholders dated 11 April 2025 in relation to the proposed renewal of the IPT General Mandates |
| “Approval Date” | : | The date of the AGM at which the proposed renewal of the IPT General Mandates is approved |
| “Approving Authority” | : | The approving authority set out in Section 5 of this Appendix |
| “APSB” | : | Astaka Padu Sdn. Bhd. |
| “APSB Rental of Office Premises” | : | Has the meaning as ascribed under Section 3.3(c) of this Appendix |
| “Associates” and “Associate” | : | (a) in relation to any individual, including a director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(i) his immediate family;(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.00% or more; (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.00% or more |
| “Audit Committee” | : | The audit committee of the Company for the time being |
| “Board” or “Board of Directors” | : | The board of directors of the Company as at the Latest Practicable Date |
| “BPP” | : | Bukit Pelali Properties Sdn. Bhd. |

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DEFINITIONS

| | | |
|---|---|---|
| “BPP Management Services” | : | Has the meaning as ascribed under Section 3.3(a) of this Appendix |
| “BPP Rental of Land” | : | Has the meaning as ascribed under Section 3.3(d) of this Appendix |
| “BPP Secondment” | : | The secondment arrangement between APSB and BPP, pursuant to which APSB shall second some of its employees to BPP, APSB shall pay the seconded employees their actual salaries, statutory payments (such as CPF contributions), allowances, bonuses and other benefits (such as medical and life insurances) for performing the scope of services to BPP, and BPP shall reimburse APSB for such salaries, statutory payments (such as CPF contributions), allowances, bonuses and other benefits (such as medical and life insurances) paid to the seconded employees |
| “BPP SMS Services” | : | Collectively, the BPP Management Services and the BPP Secondment |
| “Catalist” | : | The Catalist Board of the SGX-ST |
| “Catalist Rules” | : | The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time |
| “CDP” | : | The Central Depository (Pte) Limited |
| “CEO” | : | The chief executive officer of the Company |
| “CFO” | : | The chief financial officer of the Company |
| “Companies Act” | : | The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time |
| “Company” | : | Astaka Holdings Limited |
| “Controlling Shareholder” | : | A person who: (a) holds directly or indirectly 15.00% or more of the nominal amount of all voting shares in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over a company |
| “CPF” | : | Central Provident Fund |
| “Dato’ Malek” | : | Dato’ Dr. Daing A Malek Bin Daing A Rahaman, being the Controlling Shareholder of the Company |
| “Deloitte Transfer Pricing Report” | : | The independent transfer pricing benchmarking report dated 24 January 2025 which was commissioned by the Company and prepared by an external tax consultant, being Deloitte Tax Services Sdn. Bhd. |
| “Directors” | : | The directors of the Company as at the Latest Practicable Date |
| “DMR Holdings” | : | DMR Holdings Sdn Bhd |

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| | | |
|---|---|--|
| “EAR Group” | : | The Company, its subsidiaries and its associated companies that are considered to be “entities at risk” within the meaning of Chapter 9 of the Catalist Rules from time to time |
| “Flood Land” | : | Has the meaning as ascribed under Section 3.3(d) of this Appendix |
| “Flood Land Quotations” | : | Has the meaning as ascribed under Section 3.5(d) of this Appendix |
| “FY2024” | : | Financial year ended 31 December 2024 |
| “Group” | : | The Company and its Subsidiaries |
| “Group Finance Team” | : | The finance department of the Group |
| “Independent Directors” | : | The directors of the Company who are independent of the Mandated Interested Persons, namely Mr. Lai Kuan Loong, Victor, Mr. Khong Chung Lun, Mr. Lee Gee Aik, Dato’ Sri Mohd Mokhtar Bin Mohd Shariff and Ir. Hj. Syarul Izam Bin Hj. Sarifudin |
| “Independent Rental Valuer” | : | An independent valuer, being Laurelcap Sdn. Bhd. |
| “Interested Person” | : | (a) A director, chief executive officer or Controlling Shareholder of the Company; or (b) an Associate of any such director, chief executive officer or Controlling Shareholder of the Company |
| “Interested Person Transactions” or “IPTs” | : | A transaction between an Entity at Risk and an Interested Person |
| “IPT General Mandates” | : | The 2023 General Mandate and the 2025 General Mandate |
| “IPT Register” | : | The register of IPTs |
| “Latest Practicable Date” | : | 28 March 2025, being the latest practicable date prior to the issue of this Appendix |
| “Management Duties” | : | Pursuant to the PMA, AP SB has agreed to manage and perform certain services and activities for AKSB in connection with the development of the Project in consideration for management fees payable by AKSB to AP SB |
| “Management Fee” | : | Has the meaning as ascribed under Section 4.5(a)(i) of this Appendix |
| “Mandated Interested Persons” | : | The 2023 Mandated Interested Persons and the 2025 Mandated Interested Persons |
| “Mandated Transactions” | : | The 2023 Interested Person Transactions conducted under the 2023 IPT General Mandate and the 2025 Interested Person Transactions conducted under the 2025 IPT General Mandate |
| “Marketing Duties” | : | Pursuant to the PSMA, AP SB has agreed to manage and perform certain services and activities for AKSB in connection with the sales and marketing of the properties comprised in the Project in consideration for sales commission payable by AKSB to AP SB |

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| | | |
|---|---|---|
| “Master Land” | : | A master freehold land currently held under H.S.(D) 571006, PTD 233330, Mukim Plentong, District of Johor Bahru, State of Johor, Malaysia |
| “Minimum GDV” | : | Has the meaning as ascribed under Section 4.5(a)(i) of this Appendix |
| “Net Sale Price” | : | Has the meaning as ascribed under Section 4.5(a)(i) of this Appendix |
| “Notice of AGM” | : | The notice of AGM dated 11 April 2025 |
| “NTA” | : | Net tangible assets |
| “Office Premises” | : | Has the meaning as ascribed under Section 3.3(c) of this Appendix |
| “Office Premises Quotations” | : | Has the meaning as ascribed under Section 3.5(c) of this Appendix |
| “PMA” | : | The project management agreement between AKSB and APSB for the appointment of APSB as the project manager for the Project |
| “Project” | : | The joint development of a residential serviced apartment on the Project Land |
| “Project Land” | : | An identified parcel of freehold land currently held under H.S.(D) 571006, PTD 233330, Mukim Plentong, District of Johor Bahru, State of Johor, Malaysia, measuring not less than 1.73 acres in area (to be subdivided from the Master Land) |
| “Proposed Management Services” | : | The appointment of the APSB as the project manager for the Project |
| “Proposed Marketing Services” | : | The appointment of the APSB as the sales and marketing manager for the Project |
| “Proposed Tenancy” | : | The rental by AKSB from SHSB of the Sales Gallery |
| “Provision of Corporate Guarantees and Securities” | : | The provision of corporate guarantees and/or securities over real property owned by the EAR Group, or any of them, to support banking and financing facilities to be obtained by AKSB, including but not limited to providing corporate guarantees and/or securities over real property to support banking and financing facilities obtained by AKSB for purchases of property and property development projects, (including land development rights) which are in the ordinary course of business of the EAR Group |
| “PSMA” | : | The project sales and marketing agreement between AKSB and APSB for the appointment of APSB as the sales and marketing manager for the Project |
| “Rental Valuation Report” | : | The Independent Rental Valuer’s valuation report dated 9 December 2024, which sets out, among others, the market rental value of the grant in perpetuity in respect of the Sales Gallery |
| “Sales Commission” | : | Has the meaning as ascribed under Section 4.5(b)(i) of this Appendix |

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- “Sales Gallery”** : A single storey sales gallery to be constructed by SHSB on part of the Master Land located adjacent to the Project Land bearing postal address no. plot 3C @ One Bukit Senyum and located along Jalan Tebrau, Bukit Senyum, 80300 Johor Bahru, Johor Darul Takzim held under part of title no. HS(D) 517006, lot no. PTD 233330, Mukim of Plentong, District of Johor Bahru, State of Johor Darul Takzim
- “Sales Gallery Quotations”** : Has the meaning as ascribed under Section 4.5(c)(ii) of this Appendix
- “Seconded Employees”** : APSB has been seconding some of its employees who do not have any active roles or job responsibilities in APSB, to BPP and ACSB
- “Securities Accounts”** : The securities account maintained with CDP, but not including the securities accounts maintained with a Depository Agent
- “SFA”** : The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
- “SGX-ST”** : Singapore Exchange Securities Trading Limited
- “Shareholders”** : The registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term **“Shareholders”** shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
- “Shares”** : The ordinary shares (excluding treasury shares, if any) in the capital of the Company
- “SHSB”** : Seaview Holdings Sdn. Bhd.
- “Sponsor”** : SAC Capital Private Limited
- “SSSB”** : Saling Syabas Sdn. Bhd.
- “Subsidiaries”** : Companies which are for the time being subsidiaries of the Company as defined by Section 5 of the Companies Act and **“Subsidiary”** means each of them
- “Substantial Shareholder”** : A person (including a corporation) who, in accordance with the Companies Act, has an interest (directly or indirectly) in not less than 5.00% of the total issued Shares
- “Sukma”** : Sukma Consortium Sdn. Bhd.
- “Tenancy Agreement”** : The tenancy agreement between AKSB and APSB for the rental by AKSB from SHSB of the Sales Gallery

Currencies, Units of Measurement and Others

- “RM”** : Malaysian Ringgit, the lawful currency of Malaysia
- “S\$”** : Singapore dollars, the lawful currency of Singapore
- “%”** : Per centum or percentage

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The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA. The terms “**subsidiary**”, “**substantial shareholder**” and “**treasury shares**” shall have the meanings ascribed to them in Section 5, Section 81 and Section 76H of the Companies Act respectively.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and not otherwise defined in this Appendix shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless otherwise stated.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day and to dates in this Appendix shall be a reference to Singapore time and dates, unless otherwise stated.

Any discrepancies in this Appendix between the sum of the figures stated and the total thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures which precede them.

APPENDIX IPT GENERAL MANDATES

LETTER TO SHAREHOLDERS

ASTAKA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 200814792H)

Directors

Mr. Lai Kuan Loong, Victor (Non-Executive Chairman and Independent Director)
Mr. Khong Chung Lun (Executive Director and Chief Executive Officer)
Mr. Lee Gee Aik (Non-Executive and Non-Independent Director)
Dato' Sri Mohd Mokhtar Bin Mohd Shariff (Non-Executive and Independent Director)
Ir. Hj. Syarul Izam Bin Hj. Sarifudin (Non-Executive and Non-Independent Director)

Registered Office

133 Cecil Street
#14-01 Keck Seng Tower
Singapore 069535

11 April 2025

To the Shareholders of Astaka Holdings Limited

Dear Sir / Madam,

THE PROPOSED RENEWAL OF THE IPT GENERAL MANDATES

1. INTRODUCTION

We refer to the Notice of AGM, in particular, the ordinary resolution 7 under the heading "As Special Business" in the Notice of AGM which relates to the proposed renewal of the IPT General Mandates.

The purpose of this Appendix is to provide the Shareholders with information relating to, and to seek their approval for, the proposed renewal of the IPT General Mandates at the AGM.

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Appendix.

Drew & Napier LLC is the legal adviser to the Company as to Singapore law in relation to the subject matter of this Appendix.

2. CHAPTER 9 OF THE CATALIST RULES

Chapter 9 of the Catalist Rules governs transactions in which a listed company or any of its subsidiaries or associated companies (known as an "**entity at risk**") enters into or proposes to enter into with a party who is an interested person of the listed company. The purpose is to guard against the risk that interested persons could influence the listed company, its subsidiaries or associated companies, to enter into transactions with them that may adversely affect the interests of the listed company or its shareholders.

Under Chapter 9 of the Catalist Rules, where there is a transaction between an interested person and an entity at risk, and the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the same financial year reaches or exceeds certain materiality thresholds (which are based on the listed company's latest audited NTA), unless the transaction is excluded as described below, the listed company is required under Rule 905 of the Catalist Rules to make an immediate announcement for an interested person transaction of a value equal to, or exceeding:

- (a) 3.00% of the listed company's latest audited consolidated NTA; or

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- (b) 3.00% of the listed company's latest audited consolidated NTA, when aggregated with the values of all other transactions entered into with the same interested person (as construed under Chapter 9 of the Catalist Rules) during the same financial year.

The listed company is also required under Rule 906 of the Catalist Rules to make an immediate announcement and seek its shareholder's approval for an interested person transaction of a value equal to, or exceeding:

- (a) 5.00% of the listed company's latest audited consolidated NTA; or
- (b) 5.00% of the listed company's latest audited consolidated NTA, when aggregated with the values of all other transactions entered into with the same interested person (as construed under Chapter 9 of the Catalist Rules) during the same financial year.

These requirements generally do not apply to transactions that are below S\$100,000 in value and such transactions are hence excluded from the ambit of Chapter 9 pursuant to Rules 905(3) and 906(2) of the Catalist Rules. However, while transactions below S\$100,000 are not normally aggregated, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902 of the Catalist Rules, having regard to the objective of Chapter 9 of the Catalist Rules and the economic and commercial substance of the interested person transaction, instead of legal form and technicality.

For the purposes of Chapter 9 of the Catalist Rules:

- (a) an “**entity at risk**” means:
 - (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or on an approved exchange; or
 - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “**listed group**”), or the listed group and its interested person(s), has control over the associated company;
- (b) an “**interested person**” means a director, chief executive officer or Controlling Shareholder of the listed company or an associate of any such director, chief executive officer or Controlling Shareholder;
- (c) in interpreting the term “**same interested person**” for the purposes of aggregation in Rules 905, 906 and 907 of the Catalist Rules, the following applies:
 - (i) Transactions between (A) an entity at risk and a primary interested person; and (B) an entity at risk and an associate of that primary interested person, are deemed to be transactions between an entity at risk with the same interested person.

Transactions between (I) an entity at risk and a primary interested person; and (II) an entity at risk and another primary interested person, are deemed to be transactions between an entity at risk with the same interested person if the primary interested person is also an associate of the other primary interested person.

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- (ii) Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.

If an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested person and have audit committees whose members are completely different.

- (d) an “**associate**” in relation to an interested person who is a director, chief executive officer or Controlling Shareholder, includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or Controlling Shareholder, the trustees of any trust of which the director/ his immediate family, the chief executive officer/his immediate family or the Controlling Shareholder/his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object, and any company in which the director/ his immediate family, the chief executive officer/his immediate family or the Controlling Shareholder/ his immediate family has or have an aggregate interest (directly or indirectly) of 30.00% or more, and, where a Controlling Shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30.00% or more.
- (e) an “**approved exchange**” means a stock exchange that has rules which safeguard the interest of shareholders against IPTs according to similar principles as Chapter 9 of the Catalist Rules;
- (f) an “**interested person transaction**” means a transaction between an entity at risk and an interested person; and
- (g) a “**transaction**” includes (i) the provision or receipt of financial assistance; (ii) the acquisition, disposal or leasing of assets; (iii) the provision or receipt of goods and services; (iv) the issuance or subscription of securities; (v) the granting of or being granted options; and (vi) the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business, and whether entered into directly or indirectly.

For illustrative purposes only, based on the latest audited consolidated financial statements of the Group for FY2024, the audited NTA of the Group as at 31 December 2024 was RM69,074,996.00. Accordingly, for illustrative purposes, in relation to the Group and for the purpose of Chapter 9 of the Catalist Rules, in the current financial year and until such time the audited consolidated financial statements of the Group for the financial year ending 31 December 2025 are published, Shareholders’ approval is required where:

- (a) an interested person transaction is of a value equal to, or more than, RM3,453,750.00; being 5% of the latest audited NTA of the Group; or
- (b) an interested person transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, RM3,453,750.00.

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Rule 920(1) of the Catalist Rules, however, permits a listed company to seek a general mandate from its shareholders for recurrent transactions that (i) may be entered into between the EAR Group and Interested Persons and (ii) are of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses). A general mandate is also subject to annual renewal.

3. THE PROPOSED RENEWAL OF THE 2023 IPT GENERAL MANDATE

3.1 Background of the 2023 IPT General Mandate

The 2023 IPT General Mandate was originally approved by the Shareholders at the extraordinary general meeting of the Company held on 25 August 2023, provided that the transactions approved therein are to be carried out in accordance with the guidelines and review procedures set out in the Company's circular to Shareholders dated 10 August 2023 (the "**2023 Circular**"). The 2023 IPT General Mandate was renewed at the annual general meeting of the Company held on 26 April 2024, provided that the transactions approved therein are to be carried out in accordance with the guidelines and review procedures set out in the appendix dated 11 April 2024 to the Company's annual report for the financial year ended 31 December 2023.

The current 2023 IPT General Mandate will expire at the conclusion of the AGM. Accordingly, the Company is seeking the Shareholders' approval for the proposed renewal of the 2023 IPT General Mandate at the AGM.

If the resolution for the proposed renewal of the 2023 IPT General Mandate is approved by the Shareholders at the AGM, the authority conferred by the renewed 2023 IPT General Mandate will take effect from the Approval Date and (unless revoked or varied by the Company in general meeting) continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting is required by law to be held, whichever is earlier.

3.2 Classes of Interested Persons

The Interested Persons are as follows:

- (a) BPP, a 50.99%-owned indirect subsidiary of the Company

As at the Latest Practicable Date, Dato' Malek, being the Controlling Shareholder of the Company has: (i) a deemed interest of 66.55% in the Company by virtue of his 100.00% shareholding interest in Horizon Sea Limited, which holds 1,244,062,150 Shares in the Company, and a direct shareholding interest of 0.20% in the Company by virtue of his holding of 3,665,000 Shares in the Company; and (ii) an indirect shareholding interest in BPP by virtue of his 100.00% shareholding interest in SSSB, which in turn holds 49.01% shareholding interest in BPP.

Accordingly, BPP is considered an "Associate" of Dato' Malek and hence an "Interested Person" as defined under Rule 904(4) of the Catalist Rules.

- (b) ACSB, a 50.99%-owned indirect subsidiary of the Company

As at the Latest Practicable Date, Dato' Malek, being the Controlling Shareholder of the Company has: (i) a deemed interest of 66.55% in the Company by virtue of his 100.00% shareholding interest in Horizon Sea Limited, which holds 1,244,062,150 Shares in the Company, and a direct shareholding interest of 0.20% in the Company by virtue of his holding of 3,665,000 Shares in the Company; and (ii) an indirect shareholding interest in ACSB by virtue of his 100.00% shareholding interest in DMR Holdings which in turn holds 100.00% of the shareholding interest in SHSB, which in turn holds 49.01% shareholding interest in ACSB.

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Accordingly, ACSB is considered an “Associate” of Dato’ Malek and hence an “Interested Person” as defined under Rule 904(4) of the Catalist Rules.

(c) Dato’ Malek

As at the Latest Practicable Date, Dato’ Malek, who has a deemed interest of 66.55% in the Company by virtue of his 100.00% shareholding interest in Horizon Sea Limited, which holds 1,244,062,150 Shares in the Company, and a direct shareholding interest of 0.20% in the Company by virtue of his holding of 3,665,000 Shares in the Company, is a Controlling Shareholder of the Company.

Accordingly, Dato’ Malek is an “Interested Person” as defined under Rule 904(4) of the Catalist Rules.

(d) Sukma

As at the Latest Practicable Date, Dato’ Malek, being the Controlling Shareholder of the Company, is a director of Sukma and has a direct interest in approximately 70.00% of the share capital of Sukma. The principal activity of Sukma is that of trading and investment holding.

Accordingly, Sukma is considered an “Associate” of Dato’ Malek and hence an “Interested Person” as defined under Rule 904(4) of the Catalist Rules.

The 2023 IPT General Mandate will apply to the 2023 Mandated Transactions that are carried out between (i) either APSB, BPP or ACSB (each of the persons in sub-section (i) being an entity at risk), and (ii) BPP, ACSB, Sukma or Dato’ Malek (each of the persons in sub-section (ii), a “**2023 Mandated Interested Person**” and collectively, the “**2023 Mandated Interested Persons**”).

3.3 Nature and Scope of the 2023 Mandated Transactions

The 2023 IPT General Mandate will apply to the following category of transactions (each a “**2023 Mandated Transaction**” and collectively, the “**2023 Mandated Transactions**”):

- (a) the BPP SMS Services with BPP, which includes the BPP Secondment and the management and performance of the following services and activities for BPP by APSB:
- (i) provision of human resources services, including handling the selection and recruitment process, promotion and appraisal, performance evaluation and payroll processing of the employees of BPP;
 - (ii) provision of administrative services, including carrying out general administrative works, monitoring inventory of office supplies, sourcing, upkeeping and maintenance of office supplies and overseeing facilities services;
 - (iii) provision of project management services, including providing management advice to BPP, reviewing and approving design proposal and project planning, monitoring daily business activities and project construction works, and supervision of project status and quality;
 - (iv) provision of finance and accounting services, including the settlement of payment, preparation of and reviewing of financial accounts, liaising and coordinating with external parties on financial reporting, tax submission, compliance matters and assisting in other financial matters of BPP;

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- (v) provision of corporate planning and communication services, including corporate strategic planning, business operations and management planning, and risk management and compliance of BPP; and
- (vi) provision of office premises, which APSB had in turn rented from Sukma,

(collectively, the “**BPP Management Services**”);
- (b) the ACSB SMS Services with ACSB, which includes the ACSB Secondment and the management and performance of the following services and activities for ACSB by APSB:
 - (i) provision of human resources services, including handling the selection and recruitment process, promotion and appraisal, performance evaluation and payroll processing of the employees of ACSB;
 - (ii) provision of administrative services, including carrying out general administrative works, monitoring inventory of office supplies, sourcing, upkeeping and maintenance of office supplies and overseeing facilities services;
 - (iii) provision of project management services, including providing management advice to ACSB, reviewing and approving design proposal and project planning, monitoring daily business activities and project construction works, and supervision of project status and quality;
 - (iv) provision of finance and accounting services, including the settlement of payment, preparation of and reviewing of financial accounts, liaising and coordinating with external parties on financial reporting, tax submission, compliance matters and assisting in other financial matters of ACSB;
 - (v) provision of corporate planning and communication services, including corporate strategic planning, business operations and management planning, and risk management and compliance of ACSB; and
 - (vi) provision of office premises, which APSB had in turn rented from Sukma,

(collectively, the “**ACSB Management Services**”);
- (c) the lease of office premises by APSB (collectively, the “**Office Premises**”) from Sukma, an “Associate” of Dato’ Malek (the “**APSB Rental of Office Premises**”); and
- (d) the lease of land parcels by BPP from Dato’ Malek, as part of BPP’s temporary flood mitigation plan (such land parcels, the “**Flood Land**”) in response to the mud flood incident which occurred in January 2018 (the “**BPP Rental of Land**”).

The 2023 IPT General Mandate will not cover any 2023 Mandated Transaction that is below S\$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Catalist Rules would not apply to such transactions. However, while transactions below S\$100,000 are not normally aggregated, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction having regard to the objective of Chapter 9 of the Catalist Rules and the economic and commercial substance of the interested person transaction, instead of legal form and technicality.

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For the avoidance of doubt, there will be no purchase or sale of assets, undertakings or businesses covered under the scope of the 2023 IPT General Mandate. IPTs which do not come within the ambit of the 2023 IPT General Mandate will be subject to the requirements of Chapter 9 of the Catalist Rules and/or other applicable provisions of the Catalist Rules.

3.4 Rationale for and Benefits of the 2023 IPT General Mandate

It is envisaged that the Group, in the ordinary course of business, will continue to enter into the 2023 Mandated Transactions with the relevant 2023 Mandated Interested Persons from time to time.

In relation to the 2023 Mandated Transactions, the Directors believe that such transactions are in the interest of the Group for the following reasons:

- (a) in respect of the BPP SMS Services with BPP (which includes the BPP Secondment and BPP Management Services), these are the normal inter-company services provided to the Group's subsidiaries, and the Board believes that the Group can benefit from the provision of the BPP SMS Services to BPP as it allows the Group to (A) utilise and leverage on its existing resources and avoid overlapping costs as well as (B) benefit from operational efficiency;
- (b) in respect of the ACSB SMS Services with ACSB (which includes the ACSB Secondment and ACSB Management Services), these are the normal inter-company services provided to the Group's subsidiaries, and the Board believes that the Group can benefit from the provision of the ACSB Management Services to ACSB as it allows the Group to (A) utilise and leverage its existing resources and avoid overlapping costs as well as (B) benefit from operational efficiency;
- (c) in respect of the APSB Rental of Office Premises with Sukma, the Board believes that it is beneficial to the Group as APSB is able to continue to rent the Office Premises at competitive rates and avoid any additional expenditure on renovation and/or refurbishing which the Group would have had incurred for new office premises; and
- (d) in respect of the BPP Rental of Land with Dato' Malek, considering that it is a requirement to have a land as part of the temporary flood mitigation plan to avoid any mud flood issues which was encountered by BPP previously, it is beneficial to the Group as there are no other similar land parcels for BPP's temporary flood mitigation plan located within close proximity to BPP's project development to avoid the mud flood issues.

Furthermore, the 2023 Mandated Transactions are expected to continue to accrue every year, and Shareholders' approval will have to be obtained each time the 5.00% threshold under Rule 906(1) of the Catalist Rules is met or exceeded. The proposed renewal of the 2023 IPT General Mandate will eliminate the need for the Company to announce and convene separate general meetings on each occasion to seek Shareholders' approval for such transactions. This will substantially reduce the expenses associated with the convening of general meetings (including the engagement of external advisers and preparation of documents) on an ad-hoc basis, will improve administrative efficacy considerably and will allow manpower resources and time to be channelled towards attaining other business objectives available to the Company. It will also allow the Group to reduce overlapping costs to achieve greater growth.

Accordingly, the Company intends to seek Shareholders' approval for the proposed renewal of the 2023 IPT General Mandate pursuant to the requirements of Chapter 9 of the Catalist Rules to enter into, in the ordinary course of business, any of the 2023 Mandated Transactions with the relevant 2023 Mandated Interested Person, provided that such transactions are made on normal commercial terms, not prejudicial to the interests of the Company and its minority Shareholders, and in accordance with the review procedures for such transactions.

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3.5 Guidelines and Review Procedures

Having regard to the nature of the IPTs and the criteria in establishing the review procedures which are to ensure that such review procedures are adequate and/or commercially practicable in ensuring that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders, the guiding principle is that all IPTs with Interested Persons shall be conducted in accordance with the Group's usual business practices and pricing policies, consistent with the usual profit margins, prices, fees or rates extended to or received by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms of the IPTs are (a) not more favourable to the Interested Persons compared to those extended to unrelated third parties, or (b) not less favourable to the Group than the terms offered by unrelated third parties.

Additionally, the Group will also establish the following review procedures in respect of the following 2023 Mandated Transactions:

(a) **BPP SMS Services**

In respect of the BPP SMS Services, as a general principle, APSB will ensure that the terms offered by APSB to BPP are conducted on an arms' length basis in the following manner:

- (i) With regard to the BPP Secondment, the approval of any secondment of staff to BPP should be approved by the head of the human resources department or such other senior management personnel as designated by the Audit Committee (who must not have any interest, direct or indirect, in the BPP Secondment) after considering, inter alia, (A) the needs of the Group and its projects, (B) the availability of the staff, and (C) the expertise of the staff. In the event that the head of human resources department has any interest, direct or indirect, the CEO or the CFO (or its equivalent person), shall approve such secondment. APSB will not provide any value-adding functions in connection thereof.

The fee for the secondment of staff will be based on the remuneration to be paid to the Seconded Employees which will be charged by APSB to BPP on a cost-recovery basis based on the actual salaries, statutory payments (such as CPF contributions), allowances, bonuses and other benefits (such as medical and life insurances) paid to the Seconded Employees. BPP is billed the actual costs incurred by APSB every month on an interest-free basis and based on the payroll summaries / contribution summaries prepared by APSB's human resource department, with no mark-up applied to the actual costs incurred as APSB will not be performing any value-adding function after taking into consideration that at the prevailing point in time, the Seconded Employees will not have any active roles or job responsibilities in APSB prior to the secondment to BPP.

- (ii) With regard to the BPP Management Services in the form of human resources, administrative, project management, finance and accounting, corporate planning and communication services provided by APSB to BPP, the management fees to be charged will be based on estimated time spent or headcount with a mark-up margin applied. The management fee to be charged and/or mark-up margin to be applied shall be in accordance with the independent transfer pricing benchmarking which will be prepared by an external tax consultant to be commissioned by the Company in order to ensure that such rates charged are on arm's length basis. In the event APSB obtains any services entirely from unrelated third parties and such services are shared with BPP, APSB will charge to BPP for its portion of the costs on a cost recovery basis without any mark-up.

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(b) **ACSB SMS Services**

In respect of the ACSB SMS Services, as a general principle, APSB will ensure that the terms offered by APSB to ACSB are conducted on an arms' length basis in the following manner:

- (i) With regard to the ACSB Secondment, the approval of any secondment of staff to ACSB should be approved by the head of the human resources department or such other senior management personnel as designated by the Audit Committee (who must not have any interest, direct or indirect, in the ACSB Secondment) after considering, inter alia, (A) the needs of the Group and its projects, (B) the availability of the staff, and (C) the expertise of the staff. In the event that the head of human resources department has any interest, direct or indirect, the CEO or the CFO (or its equivalent person), shall approve such secondment. APSB will not provide any value-adding functions in connection thereof.

The fee for the secondment of staff will be based on the remuneration to be paid to the Seconded Employees which will be charged by APSB to ACSB on a cost-recovery basis based on the actual salaries, statutory payments (such as CPF contributions), allowances, bonuses and other benefits (such as medical and life insurances) paid to the Seconded Employees. ACSB will be billed the actual costs incurred by APSB every month on an interest-free basis based on the payroll summaries / contribution summaries prepared by APSB's human resource department with no pre-determined mark-up.

- (ii) With regard to the ACSB Management Services in the form of human resources, administrative, project management, finance and accounting, corporate planning and communication services provided by APSB to ACSB, the management fees to be charged will be based on estimated time spent or headcount with a mark-up margin applied. The management fee to be charged and/or mark-up margin to be applied shall be in accordance with the independent transfer pricing benchmarking which will be prepared by an external tax consultant to be commissioned by the Company in order to ensure that such rates charged are on arm's length basis. In the event APSB obtains any services entirely from unrelated third parties and such services are shared with ACSB, APSB will charge to ACSB for its portion of the costs on a cost recovery basis without any mark-up.

(c) **APSB Rental of Office Premises**

In respect of the APSB Rental of Office Premises, prior to the entry into subsequent tenancy agreements in respect of the Office Premises, (i) the Group Finance Team will make relevant enquiries of comparable properties and obtain from commercial property websites (such as PropertyGuru) and/or the relevant reports and reviews published by property agents, the rents in respect of at least two (2) comparable properties in the vicinity (the "**Office Premises Quotations**"); and (ii) (A) an officer of the Group Finance Team, who has no direct or indirect interest in the transaction, as designated by the Audit Committee, will review the terms of the APSB Rental of Office Premises against the Office Premises Quotations, and seek the approval of the Approving Authority for the transaction, provided that the terms offered under the APSB Rental of Office Premises are no less favourable than those rents in respect of comparable properties in the vicinity (i.e. such terms are reasonable and competitive with comparable properties in the vicinity); and (B) in the event that the rents from at least two (2) comparable properties in the vicinity are not available for comparison, an executive director of the Company or the CFO, who has no direct or indirect interest in the transaction, as designated by the Audit Committee, will evaluate the benefits of and rationale for entering into the subsequent tenancy agreement(s) in respect of the Office Premises to determine whether the terms offered under the APSB Rental of Office Premises are fair and reasonable, and seek the approval of the Approving Authority accordingly.

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In relation to the foregoing, some of the factors to be taken into consideration would include, but not be limited to, (i) the prevailing market rental of comparable properties taking into account the tenure of the lease and the area of leased premise, (ii) any additional costs to be incurred such as renovation costs if the Group moves in, and (iii) the general market demand and economic conditions.

(d) **BPP Rental of Land**

In respect of the BPP Rental of Land, prior to the entry into subsequent tenancy agreements in respect of the Flood Land, (i) the Group Finance Team will make relevant enquiries and obtain from commercial property websites (such as PropertyGuru) and/or the relevant reports and reviews published by agents, the rents in respect of at least two (2) comparable properties in the vicinity (the “**Flood Land Quotations**”); and (ii) (A) an officer of the Group Finance Team, who has no direct or indirect interest in the transaction, as designated by the Audit Committee, will review the terms under the BPP Rental of Land against the Flood Land Quotations, and seek the approval of the Approving Authority for the transaction, provided that the terms offered under the Flood Land Quotations are no less favourable than those rents in respect of comparable properties in the vicinity (i.e. such terms are reasonable and competitive with comparable properties in the vicinity); and (B) in the event that the rents from at least two (2) comparable properties in the vicinity are not available for comparison, an executive director of the Company or the CFO, who has no direct or indirect interest in the transaction, as designated by the Audit Committee, will evaluate the benefits of and rationale for entering into the subsequent tenancy agreement(s) in respect of the Flood Land to determine whether the terms offered under the BPP Rental of Land are fair and reasonable, and seek the approval of the Approving Authority accordingly.

In relation to the foregoing, some of the factors to be taken into consideration would include, but not be limited to, (i) the prevailing market rental of comparable properties taking into account the tenure of the lease and the area of leased premises, (ii) any additional costs to be incurred if the Group utilises such land, and (iii) the general market demand and economic conditions.

4. THE PROPOSED RENEWAL OF THE 2025 IPT GENERAL MANDATE

4.1 Background of the 2025 IPT General Mandate

The 2025 IPT General Mandate was originally approved by the Shareholders at the extraordinary general meeting of the Company held on 10 April 2025, provided that the transactions approved therein are to be carried out in accordance with the guidelines and review procedures set out in the Company’s circular to Shareholders dated 19 March 2025 (the “**2025 Circular**”).

The 2025 IPT General Mandate will expire at the conclusion of the AGM. Accordingly, the Company is seeking the Shareholders’ approval for the proposed renewal of the 2025 IPT General Mandate at the AGM.

If the resolution for the proposed renewal of the 2025 IPT General Mandate is approved by the Shareholders at the AGM, the authority conferred by the renewed 2025 IPT General Mandate will take effect from the Approval Date and (unless revoked or varied by the Company in general meeting) continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting is required by law to be held, whichever is earlier.

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4.2 Classes of Interested Persons

The Interested Persons are as follows:

- (a) AKSB (in the case of the Proposed Management Services, the Proposed Marketing Services and the Provision of Corporate Guarantees and Securities)

As at the Latest Practicable Date, Dato' Malek, being the Controlling Shareholder of the Company has: (i) a deemed interest of 66.55% in the Company by virtue of his 100.00% shareholding interest in Horizon Sea Limited, which holds 1,244,062,150 Shares in the Company, and a direct shareholding interest of 0.20% in the Company by virtue of his holding of 3,665,000 Shares in the Company; and (ii) an indirect shareholding interest in AKSB by virtue of his 100.00% shareholding interest in DMR Holdings which in turn holds 100.00% of the shareholding interest in SHSB, which in turn holds 49.00% shareholding interest in ACSB, which in turn holds 51.00% shareholding interest in AKSB.

Accordingly, AKSB is considered an "Associate" of Dato' Malek and hence an "Interested Person" as defined under Rule 904(4) of the Catalist Rules.

- (b) SHSB (in the case of the Proposed Tenancy)

As at the Latest Practicable Date, Dato' Malek, being the Controlling Shareholder of the Company has: (i) a deemed interest of 66.55% in the Company by virtue of his 100.00% shareholding interest in Horizon Sea Limited, which holds 1,244,062,150 Shares in the Company, and a direct shareholding interest of 0.20% in the Company by virtue of his holding of 3,665,000 Shares in the Company; and (ii) an indirect shareholding interest in SHSB by virtue of his 100.00% shareholding interest in DMR Holdings which in turn holds 100.00% of the shareholding interest in SHSB.

Accordingly, SHSB is considered an "Associate" of Dato' Malek and hence an "Interested Person" as defined under Rule 904(4) of the Catalist Rules.

The 2025 IPT General Mandate will apply to the 2025 Mandated Transactions that are carried out between (i) the EAR Group or any of them (each of the persons in sub-section (i) being an entity at risk), and (ii) AKSB or SHSB (each of the persons in sub-section (ii)), a "**2025 Mandated Interested Person**" and collectively, the "**2025 Mandated Interested Persons**".

4.3 Nature and Scope of the 2025 Mandated Transactions

The 2025 IPT General Mandate will apply to the following category of transactions (each a "**2025 Mandated Transaction**" and collectively, the "**2025 Mandated Transactions**"):

- (a) the Proposed Management Services between APSB and AKSB;
- (b) the Proposed Marketing Services between APSB and AKSB;
- (c) the Proposed Tenancy between AKSB and SHSB; and
- (d) the Provision of Corporate Guarantees and Securities between the EAR Group (or any of them) and AKSB.

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The 2025 IPT General Mandate will not cover any 2025 Mandated Transaction that is below S\$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Catalist Rules would not apply to such transactions. However, while transactions below S\$100,000 are not normally aggregated, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction having regard to the objective of Chapter 9 of the Catalist Rules and the economic and commercial substance of the interested person transaction, instead of legal form and technicality.

For the avoidance of doubt, there will be no purchase or sale of assets, undertakings or businesses covered under the scope of the 2025 IPT General Mandate. IPTs which do not come within the ambit of the 2025 IPT General Mandate will be subject to the requirements of Chapter 9 of the Catalist Rules and/or other applicable provisions of the Catalist Rules.

4.4 Rationale for and Benefits of the 2025 IPT General Mandate

It is envisaged that the Group, in the ordinary course of business, will continue to enter into the 2025 Mandated Transactions with the relevant 2025 Mandated Interested Persons from time to time.

In relation to the 2025 Mandated Transactions, the Directors believe that such transactions are in the interest of the Group for the following reasons:

- (a) in respect of the Proposed Management Services between APSB and AKSB, as AKSB is newly incorporated as a joint venture company to undertake the development project in Malaysia, it is envisaged that APSB will render and/or provide the Management Duties. In view that these are the normal inter-company services provided to the Group's subsidiaries, the Group can benefit from the provision of the Proposed Management Services to AKSB as it allows the Group to (A) utilise and leverage its existing resources and avoid overlapping costs as well as (B) benefit from operational efficiencies;
- (b) in respect of the Proposed Marketing Services between APSB and AKSB, as AKSB is newly incorporated as a joint venture company to undertake the development project in Malaysia, it is envisaged that the Company will render and/or provide the Marketing Duties. In view that these are the normal inter-company services provided to the Group's subsidiaries, with AKSB accounted for as a 51.00%-owned indirect subsidiary of the Company, the Group can benefit from the provision of the Proposed Marketing Services to AKSB as it allows the Group to (A) utilise and leverage its existing resources and avoid overlapping costs as well as (B) benefit from operational efficiencies;
- (c) in respect of the Proposed Tenancy between AKSB and SHSB, the Board believes that it is beneficial to the Group as AKSB is able to continue to rent the Sales Gallery at competitive rates and avoid any additional expenditure on renovation which the Group would have had incurred for new sales gallery premises. In addition, the Sales Gallery's location, which is adjacent to the Project Land, offers potential buyers a firsthand experience of the Project and its amenities. This proximity allows potential buyers to better visualise the Project and its surroundings, which may positively enhance their decision-making process and thereby increase the likelihood of the potential buyers making a purchase; and
- (d) in respect of the Provision of Corporate Guarantees and Securities, due to the time-sensitive nature of obtaining banking and financing facilities, the Board believes that the Group would benefit from the Provision of Corporate Guarantees and Securities by the EAR Group as AKSB would be able to obtain banking and financing facilities without being separately subject to the obligations in Rules 905 and 906 of the Catalist Rules, provided that such banking and financing facilities are entered into an arm's length basis and on commercial terms and are made in accordance with the review procedures as set out in Section 4.5(d) of this Appendix. Such external financing is essential for the Group to promptly carry out the necessary business activities in the ordinary course of operations.

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Furthermore, the 2025 Mandated Transactions are expected to continue to accrue every year, and Shareholders' approval will have to be obtained each time the 5.00% threshold under Rule 906(1) of the Catalist Rules is met or exceeded. The proposed renewal of the 2025 IPT General Mandate will eliminate the need for the Company to announce and convene separate general meetings on each occasion to seek Shareholders' approval for such transactions. This will substantially reduce the expenses associated with the convening of general meetings (including the engagement of external advisers and preparation of documents) on an ad-hoc basis, will improve administrative efficacy considerably and will allow manpower resources and time to be channelled towards attaining other business objectives available to the Company. It will also allow the Group to reduce overlapping costs to achieve greater growth.

Accordingly, the Company intends to seek Shareholders' approval for the proposed renewal of the 2025 IPT General Mandate pursuant to the requirements of Chapter 9 of the Catalist Rules to enter into, in the ordinary course of business, any of the 2025 Mandated Transactions with the relevant 2025 Mandated Interested Person, provided that such transactions are made on normal commercial terms, not prejudicial to the interests of the Company and its minority Shareholders, and in accordance with the review procedures for such transactions.

4.5 Guidelines and Review Procedures

Having regard to the nature of the IPTs and the criteria in establishing the review procedures which are to ensure that such review procedures are adequate and/or commercially practicable in ensuring that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders, the guiding principle is that all IPTs with Interested Persons shall be conducted in accordance with the Group's usual business practices and pricing policies, consistent with the usual profit margins, prices, fees or rates extended to or received by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms of the IPTs are (a) not more favourable to the Interested Persons compared to those extended to unrelated third parties, or (b) not less favourable to the Group than the terms offered by unrelated third parties. Additionally, the Group will also establish the following review procedures in respect of the following 2025 Mandated Transactions:

(a) Proposed Management Services

In respect of the Proposed Management Services, as a general principle, APSB will ensure that the terms offered by APSB to AKSB are conducted on an arms' length basis in the following manner:

- (i) The project management fees (the "**Management Fee**") payable by AKSB to APSB under the PMA is the lower of (A) 3.00% of the actual price payable by end-purchaser(s) to AKSB for the purchase of the property comprised in the Project after deducting any cash discounts, rebates and promotional incentives (including move-in bonus and renovation package) granted or offered to such end-purchaser(s) by AKSB (the "**Net Sale Price**") or (B) 3.00% of the minimum target net gross development value of the Project (being RM600,000,000.00) (the "**Minimum GDV**"). The Management Fee shall be payable by instalments in the manner as prescribed under the PMA.
- (ii) The 3.00% margin applied to the lower of Net Sale Price or Minimum GDV in deriving the Management Fee was determined based on industry benchmarking performed by the Group, with reference to (A) the maximum margin of 10.00%, and (B) the minimum margin of 0.99% as set out in the Deloitte Transfer Pricing Report, and which accordingly should be regarded as an arm's length rate from Malaysian transfer pricing perspective.

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(b) **Proposed Marketing Services**

In respect of the Proposed Marketing Services, as a general principle, APSB will ensure that the terms offered by APSB to AKSB are conducted on an arms' length basis in the following manner:

- (i) The sales commission (which fees are inclusive of incentive payable under any buyer-get-buyer referral scheme, and sales incentive or commission payable by APSB to third party property agents or any other parties appointed by APSB in the provision of the services under the PSMA) (the "**Sales Commission**") payable by AKSB to APSB under the PSMA is 5.00% of the Net Sale Price.
- (ii) The 5.00% margin applied to the Net Sale Price in deriving the Sales Commission was determined based on the prevailing market rates, with reference to (A) APSB's past transactions with external third parties which applied a margin between 3.50% to 4.00%, (B) the maximum margin of 30.00%, and (C) the minimum margin of 1.50% as set out in the Deloitte Transfer Pricing Report, and which accordingly should be regarded as an arm's length rate from Malaysian transfer pricing perspective.
- (iii) In addition, APSB shall be entitled to such prorated Sales Commission to be mutually agreed upon between AKSB and APSB in the event AKSB is entitled to forfeit such portion of the purchase price paid by the end-purchaser following a cancellation, withdrawal or termination of the purchase of the property by such end-purchaser of the Project for any reason whatsoever.
- (iv) In the event that the Sale Commission or any part thereof are not paid to APSB on or before the expiry of the 21-day period from which AKSB receives the relevant invoice(s) from APSB, AKSB shall be liable to pay to APSB interest at the rate of 8.00% per annum on the outstanding amount, calculated on a daily basis, commencing from the next day following the expiry of the 21-day period until the date of full payment of the outstanding amount.

(c) **Proposed Tenancy**

In respect of the Proposed Tenancy, as a general principle, AKSB will ensure that the terms offered by SHSB to AKSB are conducted on an arms' length basis in the following manner:

- (i) The monthly rental sum payable by AKSB to SHSB pursuant to the Tenancy Agreement is commensurate with (A) the prevailing market rental rates, based on the enquiries made by AKSB and relevant reports and reviews published by property agencies as obtained by the Company; and (B) the valuation conducted by an independent property valuer appointed by the AKSB to carry out a valuation to ascertain whether the terms of the Tenancy Agreement are supported by such valuation.
- (ii) Prior to the entry into subsequent tenancy agreements in respect of the Sales Gallery, (A) the Group Finance Team will make relevant enquiries and obtain from commercial property websites (such as PropertyGuru) and/or the relevant reports and reviews published by agents, the rents in respect of at least two (2) comparable properties in the vicinity (the "**Sales Gallery Quotations**"); and (B) (1) an officer of the Group Finance Team, who has no direct or indirect interest in the transaction, as designated by the Audit Committee, will review the terms under the Proposed Tenancy against the Sales Gallery Quotations, and seek the approval of the Approving Authority for the transaction, provided that the terms offered under the subsequent tenancy agreement(s) are no less favourable than those rents in respective of comparable properties in the vicinity (i.e. such terms are reasonable and competitive with comparable properties in the vicinity); and (2) in the event that the rents from at least two (2) comparable properties in the vicinity are not available for comparison,

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- (i) AKSB will appoint an independent property valuer to carry out a valuation to ascertain whether the terms under the subsequent tenancy agreement(s) are supported by such valuation, and (ii) an executive director of the Company or the CFO, who has no direct or indirect interest in the transaction, as designated by the Audit Committee, will evaluate the benefits of and rationale for entering into the subsequent tenancy agreement(s) in respect of the Sales Gallery to determine whether the terms offered under the Proposed Tenancy are fair and reasonable, and seek the approval of the Approving Authority accordingly.
- (iii) In relation to the foregoing, some of the factors to be taken into consideration would include, but not be limited to, (A) the prevailing market rental of comparable properties taking into account the tenure of the lease and the area of leased premises, (B) any additional costs to be incurred if the Group utilises such land, and (C) the general market demand and economic conditions.

In relation to sub-section (i) above, AKSB has commissioned the Independent Rental Valuer, Laurelcap Sdn. Bhd., as an independent valuer to assess the market rental value of the grant in perpetuity in respect of the Sales Gallery and the valuation methodologies and details of which are outlined in the Rental Valuation Report. The valuation was conducted in accordance with, among others, the International Valuation Standard, Asset Valuation Guidelines issued by the Securities Commission and the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers in Malaysia. Based on such Rental Valuation Report, the monthly market rental value of the grant in perpetuity in respect of the Sales Gallery, in its existing physical condition with vacant possession and subject to its title being free from encumbrances, good, marketable and registrable, is RM100,000.00 which is equivalent to the monthly rental sum of RM100,000.00 payable to SHSB pursuant to the Tenancy Agreement.

(d) **Provision of Corporate Guarantees and Securities**

In respect of the Provision of Corporate Guarantees and Securities, as a general principle, to ensure that the grant of corporate guarantees and/or securities by the EAR Group is on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders, the Audit Committee will review and approve the terms of all corporate guarantees and securities, taking into consideration, among others, the following factors:

- (i) whether the corporate guarantees and/or securities given by the EAR Group to support banking and financing facilities to be obtained by AKSB is in approximate proportion to the indirect shareholding of the Company in AKSB;
- (ii) whether the granting of the corporate guarantees and/or securities is required before banking and financing facilities can be secured and/or whether the terms of the banking and financing facilities are made more favourable with the corporate guarantees and/or securities;
- (iii) whether the interests of the Company and its minority Shareholders are prejudiced through the granting of the corporate guarantee and/or securities to banks and financial institutions for banking and financing facilities to be granted to AKSB;
- (iv) the commercial terms of similar or substantially similar corporate guarantees and/or securities which have been contemporaneously or recently provided by the Group as a condition for the extension of banking and/or financing facilities by a bank or financial institution to a subsidiary or associated company of the Group, in the ordinary course of business of the Group, as a comparison to ensure that the provision of such corporate guarantees and/or securities to the Mandated Interested Person is undertaken on commercial terms no more favourable than those extended to such other subsidiary or associated company within the Group;

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- (v) the quotation(s) on guarantee fees quoted by financial institutions (if appropriate);
- (vi) the exposure of risk of the entity at risk;
- (vii) the rationale and commercial benefit for such provision of such corporate guarantees and/or securities;
- (viii) the applicable interest rate of the banking and financing facilities; and
- (ix) the operation requirements and risks, and other factors which the Audit Committee deems pertinent.

5. APPROVAL THRESHOLDS FOR THE MANDATED TRANSACTIONS

The approval thresholds for each Mandated Transaction are as follows:

| Value of Mandated Transaction | Approving Authority |
|--|-------------------------|
| Below 3.00% of the latest audited NTA of the Group | CEO and CFO |
| Equal to or exceeds 3.00% of the latest audited NTA of the Group | CEO and Audit Committee |

In the review of the Mandated Transactions, the Audit Committee may at its discretion obtain independent advice. If any of the Approving Authority has an interest in a Mandated Transaction, he/she will abstain from any review, deliberation or decision making in respect of that Mandated Transaction.

6. ADDITIONAL GUIDELINES AND REVIEW PROCEDURES

In addition to the guidelines and review procedures set out in Sections 3.5 and 4.5 above, the Company will also implement the following additional guidelines and procedures to ensure that the Mandated Transactions are undertaken on an arm's length basis and on normal commercial terms:

(a) **Register of Mandated Transactions**

The CFO will maintain an IPT Register of all transactions (including transactions below S\$100,000) carried out with Mandated Interested Persons, recording the contracts entered into in relation to the Mandated Transactions, basis and rationale for entry into the Mandated Transactions, other commercial terms thereunder, including comparative quotations, enquiries and/or reports obtained to support such basis, on which they are entered into, and the Approving Authority. Any discrepancies or significant variances (as determined by the Audit Committee) from the Group's usual business practices and pricing policies will be highlighted to the Audit Committee.

The CFO will review the IPT Register at least on a quarterly basis to ensure that the IPTs are properly recorded and in compliance with the guidelines and review procedures, and the Company will continue to disclose to the Audit Committee and the Board at the quarterly Board meetings as well as all Audit Committee meetings on all transactions with Interested Persons.

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The Audit Committee will review the IPT Register on a quarterly basis to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with. The Audit Committee shall also review the appropriateness and sufficiency of the guidelines and review procedures for Mandated Transactions at least annually. Such review includes the examination of the transaction(s) and its supporting documents, or such other data deemed necessary by the Audit Committee. The Audit Committee shall, when it deems fit, have the right to require the appointment of independent sources, advisers and/or valuers to provide additional information or review of controls and its implementation pertaining to the transactions under review. The outcome of such review, where applicable, shall be submitted to the Audit Committee and documented.

(b) **Register of Interested Person and their respective Associates and periodic confirmation of list of Interested Persons and their respective Associates**

The CFO will maintain a register of Interested Persons (as defined in the Catalist Rules) which will include the directors, CEO and Controlling Shareholders of the Company and their respective Associates, and shall update the register immediately if there are any changes and review the register regularly, at least on a quarterly basis. In this regard, the CFO will obtain signed letters of confirmation from persons delegated with the Approving Authority, key management personnel, the directors, CEO, and Controlling Shareholders of the Company on a half-yearly basis or such other period as may be determined by the Audit Committee on their respective list of Interested Persons and their Associates. The directors, CEO and Controlling Shareholders of the Company are also required under the Company's IPT policy, to inform the CFO as and when there is any change in the information with respect to their Associates that they had previously disclosed to the Company.

(c) **Periodic reviews**

The internal auditors shall annually, or at the request of the Audit Committee, carry out audit reviews on the adequacy and compliance of the internal control system and review procedures for Mandated Transactions. This is to ensure that the relevant approvals have been obtained, and the established guidelines and review procedures have been adhered to. The internal auditors will report to the Audit Committee on their findings.

If during any of the reviews by the Audit Committee of such internal audit reports, or as part of the Audit Committee's performance of ad-hoc reviews on the adequacy and compliance of the internal control system and review procedures for Mandated Transactions, the Audit Committee is of the view that the established guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient for whatever reason, such as in the event of changes to the nature of, or manner in which, the business activities of the Company or the Mandated Interested Persons are conducted, the Company will seek a fresh mandate from the Shareholders based on new guidelines and review procedures established by the Group with a view to ensuring that Mandated Transactions will be carried out at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders. In such a situation, prior to obtaining the new Shareholders' mandate, all transactions with the Mandated Interested Persons will be reviewed and approved by the Audit Committee.

For the purpose of the above review and approval process, any Director, who has an interest in the Mandated Transaction under review and is not considered to be independent, shall abstain from participating and voting on any resolution relating to such Mandated Transaction.

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7. EXPIRY AND RENEWAL OF THE IPT GENERAL MANDATES

The renewed IPT General Mandates will take effect from the date of the passing of ordinary resolution 7, being the ordinary resolution relating to the proposed renewal of the IPT General Mandates at the AGM, and will apply to Mandated Transactions entered into with a Mandated Interested Person and (unless revoked or varied by the Company in a general meeting) continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting is required by law to be held, whichever is earlier. Approval from Shareholders will be sought for the renewal of the IPT General Mandates at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit Committee of its continued relevance and application to the Mandated Transactions with the respective Mandated Interested Persons.

8. DISCLOSURE TO SHAREHOLDERS OF THE IPTS

In accordance with Rule 920(1)(a) of the Catalist Rules, the Company will disclose in its annual report the aggregate value of the Mandated Transactions conducted pursuant to the IPT General Mandates during the financial year under review (as well as in the Company's annual reports for subsequent financial years that the IPT General Mandates continues to be in force). In addition, the Company will announce the aggregate value of the Mandated Transactions conducted pursuant to the IPT General Mandates for the financial periods which the Company is required to report on (pursuant to Rule 705 of the Catalist Rules) within the time required for the announcement of such report. These disclosures will be in the format set out in Rule 907 of the Catalist Rules, as shown below, which includes the disclosure of all other IPTs carried out during the relevant financial periods and the financial year under review as well.

| Name of interested person | Nature of relationship | Aggregate value of all interested person transactions entered into during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Catalist Rule 920) | Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Catalist Rule 920 (excluding transactions less than S\$100,000) |
|----------------------------------|-------------------------------|---|--|
|----------------------------------|-------------------------------|---|--|

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9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

9.1 Interests in Shares

As at the Latest Practicable Date, the interests of the Substantial Shareholders and Directors in the issued share capital of the Company, based on the registers of Substantial Shareholders and Directors' shareholdings, are set out below:

| | Direct Interest | | Deemed Interest | | Total |
|--|--------------------------|------------------|------------------------------|------------------|------------------|
| | Number of Shares | % ⁽¹⁾ | Number of Shares | % ⁽¹⁾ | % ⁽¹⁾ |
| Directors | | | | | |
| Khong Chung Lun | 47,900 | 0.003 | – | – | 0.003 |
| Lee Gee Aik | – | – | – | – | – |
| Lai Kuan Loong, Victor | – | – | – | – | – |
| Dato' Sri Mohd Mokhtar Bin Mohd Shariff | – | – | – | – | – |
| Ir. Hj. Syarul Izam Bin Hj. Sarifudin | – | – | – | – | – |
| Substantial Shareholders | | | | | |
| Horizon Sea Limited | 1,244,062,150 | 66.550 | – | – | 66.550 |
| Dato' Dr Daing A Malek Bin Daing A Rahaman | 3,665,000 ⁽²⁾ | 0.200 | 1,244,062,150 ⁽³⁾ | 66.550 | 66.750 |

Notes:

- (1) Based on 1,869,434,303 issued Shares (excluding treasury shares) as at the Latest Practicable Date.
- (2) Held through Phillip Securities Pte Ltd.
- (3) As at the Latest Practicable Date, Dato' Malek has a deemed interest of 66.55% in the Company by virtue of his 100.00% shareholding interest in Horizon Sea Limited, which holds 1,244,062,150 Shares.

Save for Dato' Malek, none of the Directors nor the Controlling Shareholders of the Company has any interest, direct or indirect, in the proposed renewal of the IPT General Mandates, other than through their respective shareholdings (if any) in the Company.

10. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Catalist Rules, an Interested Person and any Associate of the Interested Person must abstain from voting on the resolution approving the Interested Person Transactions involving themselves and their Associates. Such Interested Persons and their Associates shall not act as proxies nor accept appointments as proxies in relation to such resolution unless specific voting instructions had been given by the Shareholders.

Accordingly, Dato' Malek will abstain, and will ensure that his Associates will abstain, from voting on the ordinary resolution relating to the proposed renewal of the IPT General Mandates to be tabled at the AGM, nor accept any nominations to act as proxy for any Shareholder in approving the ordinary resolution relating to the proposed renewal of the IPT General Mandates at the AGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument.

The Company will disregard any votes cast by Dato' Malek and his Associates on the ordinary resolution relating to the proposed renewal of the IPT General Mandates.

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11. STATEMENT OF THE AUDIT COMMITTEE

As the Latest Practicable Date, the Audit Committee comprises Mr. Lai Kuan Loong, Victor, Mr. Lee Gee Aik and Dato' Sri Mohd Mokhtar Bin Mohd Shariff. The Chairman of the Audit Committee is Mr. Lai Kuan Loong, Victor. All members of the Audit Committee do not have any interests (directly or indirectly) in the proposed renewal of the IPT General Mandates and are accordingly deemed to be independent for the purposes of the proposed renewal of the IPT General Mandates.

Having reviewed and considered, *inter alia*, the terms and rationale for and benefits of the IPT General Mandates to the Group, the Audit Committee confirms that it is satisfied that the guidelines and review procedures set out in Sections 3.5 and 4.5 of this Appendix for determining the Mandated Transactions under the IPT General Mandates, if adhered to, are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

The Audit Committee, pursuant to Rule 920(1)(c) of the Catalist Rules, also confirms that:

- (a) the guidelines and review procedures for determining the transaction prices (i) under the 2023 IPT General Mandate have not changed since Shareholders approved the adoption of the 2023 IPT General Mandate at the extraordinary general meeting of the Company held on 25 August 2023; and (ii) under the 2025 IPT General Mandate have not changed since Shareholders approved the adoption of the 2025 IPT General Mandate at the extraordinary general meeting of the Company held on 10 April 2025; and
- (b) the guidelines and review procedures above are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interest of the Company and its minority Shareholders.

12. DIRECTORS' RECOMMENDATIONS

Having considered, among others, the scope, the guidelines and review procedures set out in Sections 3.5 and 4.5 of this Appendix and the continuing relevance of the rationale and the benefits of the Group entering into the Mandated Transactions, the Independent Directors are of the opinion that the proposed renewal of the IPT General Mandates is in the best interests of the Company. Accordingly, the Independent Directors recommend that the Shareholders vote in favour of the ordinary resolution relating to the proposed renewal of the IPT General Mandates as set out in the Notice of AGM at the forthcoming AGM.

The Independent Directors, in rendering their recommendation, have not had regard to the specific investment objectives, financial situation, tax position, risk profile or unique needs and constraints of any individual Shareholder.

As each Shareholder would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his or her investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

13. ANNUAL GENERAL MEETING

The AGM will be held at Raffles Marina, 10 Tuas West Drive, Singapore 638404 on Monday, 28 April 2025 at 10.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of AGM including but not limited to ordinary resolution 7, being the ordinary resolution relating to the proposed renewal of the IPT General Mandates.

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14. ACTIONS TO BE TAKEN BY SHAREHOLDERS

14.1 Lodgement of proxies

If a Shareholder is unable to attend the AGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the proxy form published together with the notice of AGM in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's registered address at 133 Cecil Street, #14-01, Keck Seng Tower, Singapore 069535, or if submitted by email, be received by the Company at ir@astaka.com.my, in either case, not later than 72 hours before the time appointed for holding the AGM. The completion and return of the proxy form by a Shareholder will not preclude him from attending and voting at the AGM in person if he so wishes. However, any appointment of a proxy by such Shareholder shall be deemed to be revoked if the Shareholder attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person, appointed under the instrument of proxy, to the AGM.

14.2 Depositors

A Depositor shall not be regarded as a Shareholder entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the time appointed for holding AGM, as certified by CDP to the Company.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the IPT General Mandates including the guidelines and review procedures set out in Sections 3.5 and 4.5 of this Appendix, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in the Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Appendix in its proper form and context.

16. DOCUMENTS AVAILABLE FOR INSPECTION

The Constitution of the Company is available for inspection at the registered office of the Company at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535, during normal business hours from the date of this Appendix up to the date of the AGM.

Please contact the Company at ir@astaka.com.my prior to making any visits to arrange for a suitable time slot for the inspection.

Yours faithfully
For and behalf of the Board of Directors of
ASTAKA HOLDINGS LIMITED

Khong Chung Lun
Executive Director and Chief Executive Officer

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Astaka Holdings Limited (the “**Company**”) will be convened and held at Raffles Marina, 10 Tuas West Drive, Singapore 638404 on Monday, 28 April 2025 at 10.30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 (“**FY2024**”) together with the Auditors’ Report thereon. **(Resolution 1)**
2. To re-elect the following Directors of the Company retiring pursuant to Regulation 120 of the Constitution of the Company (the “**Constitution**”):

Lai Kuan Loong, Victor **(Resolution 2)**

Lee Gee Aik **(Resolution 3)**

[See Explanatory Note 1]
3. To approve the payment of Directors’ fees of S\$234,000 for the financial year ending 31 December 2025, to be paid quarterly in arrears. (FY2024: S\$234,000) **(Resolution 4)**
4. To re-appoint Messrs Forvis Mazars LLP as auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**
5. To transact any other ordinary business which may properly be transacted at the Annual General Meeting.

AS SPECIAL BUSINESS

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

6. **Authority to allot and issue shares**

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and subject to Rule 806 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), authority be and is hereby given to the Directors of the Company to allot and issue shares in the capital of the Company (the “**Shares**”) whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, the “**Instruments**”) that might or would require Shares to be allotted and issued, including but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and (notwithstanding the authority conferred by this Resolution may have ceased to be in force at the time of such issuance of Shares) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

- (a) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to all shareholders of the Company (the “**Shareholders**”) shall not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (b) below);

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- (b) (subject to such manner as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (i) new Shares arising from the conversion or exercise of convertible securities;
 - (ii) new Shares arising from the exercising of share options or vesting of share awards, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with the above sub-paragraphs 6(b)(i) and 6(b)(ii) are only to be made in respect of new Shares arising from convertible securities, share options or share awards which are issued and outstanding or subsisting at the time of the passing of this Resolution;

- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Companies Act 1967 and the Constitution for the time being of the Company; and
- (d) (unless revoked or varied by the Company in general meeting), such authority continues in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note 2]

(Resolution 6)

7. **Renewal of the General Mandates for Interested Person Transactions**

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules, for the renewal of the general mandates for interested person transactions (the “**IPT General Mandates**”) as described in the appendix to the Annual Report (the “**Appendix**”), for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” within the meaning of Chapter 9 of the Catalist Rules, from time to time, to enter into any transaction falling within the categories of the Mandated Transactions (as defined in the Appendix) set out under the IPT General Mandates, provided that such transaction is made on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders, and is entered into in accordance with the review procedures for interested person transactions as set out in the Appendix;
- (b) the approval given for the IPT General Mandates shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier;
- (c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the review procedures and/or modify or implement such review procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Catalist Rules, which may be prescribed by the SGX-ST from time to time; and

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- (d) the Directors and each of them be and are hereby authorised, empowered to complete and do and execute all such things and acts as they or he may consider necessary or appropriate to give effect to this resolution and the IPT General Mandates, with such modifications thereto (if any) as they or he may think fit in the interests of the Company.

[See Explanatory Note 3]

(Resolution 7)

By Order of the Board

Yoo Loo Ping
Company Secretary

Singapore
11 April 2025

Explanatory Notes:

1. Resolution 2 in item 2 above is to re-elect Mr Lai Kuan Loong, Victor ("**Mr Lai**"), who is retiring pursuant to Regulation 120 of the Company's Constitution. Mr Lai, if re-elected, will remain as Independent and Non-Executive Director of the Company, Chairman of Audit Committee (the "**AC**") and Member of Nominating Committee (the "**NC**") and Remuneration Committee (the "**RC**"). The Board considers Mr Lai to be independent for the purposes of Rule 704(7) of Catalist Rules.

Resolution 3 in item 2 above is to re-elect Mr Lee Gee Aik ("**Mr Lee**"), who is retiring pursuant to Regulation 120 of the Company's Constitution. Mr Lee, if re-elected, will remain as Non-Independent and Non-Executive Director of the Company and a Member of the AC and RC.

The key information of Mr Lai and Mr Lee can be found on pages 95 to 102 of the Annual Report.

2. Resolution 6 in item 6 above, if passed, will empower the Directors with effect from the date of the AGM until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, without seeking any further approval from Shareholders in a general meeting but within the limitation imposed by this Resolution, for such purposes as they may consider would be in the interests of the Company, up to a number not exceeding, in aggregate, 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of passing of this Resolution, of which up to 50% of the issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company may be issued other than on a pro-rata basis to Shareholders.
3. Resolution 7 in item 7 above, if passed, will authorise the entities at risk to enter into the Mandated Transactions with the Mandated Interested Persons (as defined in the Appendix) which are recurring in the financial year and will empower the Directors of the Company to do all acts necessary to give effect to the IPT General Mandates. This authority will continue to be in force until the conclusion of the next annual general meeting of the Company (unless revoked or varied by the Company in general meeting) or the date by which the next annual general meeting is required by law to be held, whichever is earlier. Please refer to the Appendix for more information on the IPT General Mandates.

Notes:

The members of the Company are invited to attend physically at the AGM. There will be **no option** for shareholders to participate virtually. The Notice of AGM, Proxy Form, Annual Report and Appendix will be sent to members by electronic means via publication on the Company's website at <http://astaka.com.my/investor-relations/> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>. Printed copies of the Notice, Proxy Form, Annual Report and Appendix will also be sent by post to members.

(a) Participation at the AGM

Members, including Central Provident Fund Investment Scheme members (the "**CPFIS Investors**") and/or Supplementary Retirement Scheme investors (the "**SRS Investors**"), may participate in the AGM by:

- (i) attending the AGM in person;

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- (ii) submitting questions in relation to any agenda item in this Notice of AGM in advance of, or at the AGM; and/or
- (iii) voting at the AGM by (i) themselves; or (ii) through duly appointed proxy(ies).

Details of the steps for registration, asking of questions and voting at the AGM by shareholders, are set out below.

(b) Register in person to attend the AGM

Members, including CPFIS and SRS Investors, attending the AGM in person will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Please bring along your NRIC/passport to enable the Company to verify your identity. The Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately.

For investors who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) (the "**Relevant Intermediary**"), please refer to note (e) for the procedures to attend and vote at the AGM.

(c) Asking Questions

Members may submit their questions related to the resolutions to be tabled for approval at the AGM, in advance of the AGM, by **19 April 2025, 10.30 a.m.** (the "**Questions Submission Cut-Off Date**"), through any of the following means:

- (i) by email to ir@astaka.com.my; or
- (ii) by post, to be deposited at the Company's registered office at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535.

Members submitting questions are requested to state the following details:

- (i) full name;
- (ii) Identification/registration number;
- (iii) contact telephone number;
- (iv) email address; and
- (v) the manner in which Shares are held (if you hold Shares directly, please provide your CDP account number; otherwise, please state if you hold the Shares through CPFIS or SRS, or are a Relevant Intermediary Shareholder), failing which the Company shall be entitled to regard the submission as invalid.

The Company will endeavour to address all substantial and relevant questions submitted by members prior to or during the AGM. The responses to substantial and relevant questions raised by members on or before the Questions Submission Cut-Off Date will be published on the Company's corporate website at the URL <http://astaka.com.my/investor-relations/> and on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements> by 23 April 2025, 10.30 a.m..

The Company endeavours to address (i) subsequent clarifications sought (ii) follow-up questions or (iii) subsequent substantial and relevant questions which are received after its responses referred to at (c) above, at the Meeting itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

The Company will publish the minutes of the AGM, which will include responses from the Board and management of the Company on the substantial and relevant questions raised during the AGM or any questions received by the Company after the Questions Submission Cut-Off Date, via an announcement on SGXNet and the Company's website within one (1) month after the date of the AGM.

(d) Voting at the AGM or voting by appointing proxy(ies) (excluding Relevant Intermediary investors)

Members will be able to vote at the AGM in person, or by appointing proxy(ies) to vote on their behalf. A member who is not a Relevant Intermediary (as defined in Section 181 of the Companies Act 1967 of Singapore) is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

Duly completed proxy forms must be submitted through any of the following means **no later than 25 April 2025, 10.30 a.m.** (being no later than 72 hours before the time appointed for holding the AGM):

- (i) by email to ir@astaka.com.my; or
- (ii) by post, to be deposited at the Company's registered office at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535.

In appointing proxy(ies), if no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain at his/her discretion.

Please refer to the detailed instructions set out in the Proxy Form.

NOTICE OF ANNUAL GENERAL MEETING

(e) **Voting at the AGM by Relevant Intermediary investors**

A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such members. Where a member appoints more than one proxy, he/she should specify the proportion of his/her shareholding to be represented by each proxy. If no proportion is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

Relevant Intermediaries who wish to attend the AGM, or to appoint proxy(ies) to vote at the AGM should not make use of the Proxy Form and should instead approach their respective relevant intermediaries as soon as possible.

CPFIS/SRS Investors who wish to vote at the AGM may attend the AGM in person physically, or appoint the Chairman of the AGM or such other person as their proxy(ies) to vote. The CPFIS/SRS Investors who wish to appoint the Chairman of the AGM or such other person as their proxy(ies) should not make use of the Proxy Form. They should approach their respective CPF agent banks or SRS operators to submit their votes by 15 April 2025, being at least seven (7) working days before the AGM, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the proxy(ies) to vote on their behalf. CPFIS/SRS Investors are requested to contact their respective CPF agent banks and/or SRS operators for any queries they may have with regard to the appointment of proxies for the AGM.

- (f) The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form (such as in the case where the appointor submits more than one Proxy Form). If no specific direction as to voting is given in respect of a resolution, the appointed proxy/proxies will vote or abstain from voting at his/her/their discretion. If the appointor is a corporate, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney. In addition, in the case of Shares entered in the Depository Register maintained by The Central Depository (Pte) Limited, the Company may reject a Proxy Form if the shareholder, being the appointor, is not shown to have Shares entered against his/ her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by CDP to the Company.
- (g) A Depositor's name must appear on the Depository Register maintained by the Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.

Personal data privacy:

"Personal data" has the same meaning ascribed to it in the Personal Data Protection Act 2012 of Singapore, which includes name, address, NRIC/passport number of a member and proxy(ies) and/or representative(s) of a member.

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, or submitting any question prior to the AGM in accordance with this Notice of AGM, a member (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or, service providers) for the purposes of (a) processing, administration and analysis by the Company (or its agents or, service providers) of Proxy Forms/instruments appointing proxy(ies) and/or representative(s) for the AGM (including any adjournment thereof); (b) addressing substantial and relevant questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions; and (c) preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and (d) in order for the Company (or its agents or, service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or, service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or, service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees to indemnify the Company in respect of any penalties, liabilities, claims, losses and damages as a result of the member's breach of warranty.

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ASTAKA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200814792H)

ANNUAL GENERAL MEETING PROXY FORM

IMPORTANT:

1. An investor who holds shares under Central Provident Fund Investment Scheme (“**CPFIS Investor**”) and/or the Supplementary Retirement Scheme (“**SRS Investor**”) (as may be applicable) may attend and cast his/her vote(s) at the AGM in person. CPFIS and SRS Investors who are unable to attend the AGM but would like to vote, should approach their respective CPF agent bank and/or SRS operators to appoint the Chairman of the AGM or such other person(s) as their proxy(ies) and submit their votes at least seven (7) working days before the AGM. This Proxy Form is not valid for use by CPFIS and/or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. By submitting an instrument appointing proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 April 2025.
3. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the AGM or such other person(s) as a proxy(ies) to vote on his/her/ its behalf at the AGM.

I/We, _____ (Name) _____ (NRIC/Passport/Company Registration Number)

of _____ (Address)

being a member/members of Astaka Holdings Limited (the “**Company**”) hereby appoint:

| Name | Address | NRIC/Passport Number | Proportion of Shareholdings (%) | |
|------|---------|----------------------|---------------------------------|---|
| | | | No. of Shares | % |
| | | | | |

and/or

| Name | Address | NRIC/Passport Number | Proportion of Shareholdings (%) | |
|------|---------|----------------------|---------------------------------|---|
| | | | No. of Shares | % |
| | | | | |

or failing *him/her/them, the Chairman of the Annual General Meeting (“**AGM**”) as my/our proxy/proxies* to vote for me/us on my/our behalf at the AGM of the Company to be convened and held on Monday, 28 April 2025 at 10.30 a.m. at Raffles Marina, 10 Tuas West Drive, Singapore 638404 and any adjournment thereof. I/We* direct my/our proxy/proxies* to vote for, against or abstain from the Ordinary Resolutions to be proposed at the AGM as indicated hereunder.

(Voting will be conducted by poll. Please indicate with an “X” within the relevant box to vote for or against, or abstain from voting, in respect of the resolutions to be proposed at the AGM as indicated hereunder. Alternatively, please indicate the number of shares that your proxy is directed to vote “For” or “Against” or to abstain from voting. In appointing proxy(ies), if no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.)*

| No. | Ordinary Resolutions relating to | FOR# | AGAINST# | ABSTAIN# |
|-----------------------------|---|------|----------|----------|
| AS ORDINARY BUSINESS | | | | |
| 1. | Adoption of Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2024. | | | |
| 2. | Re-election of Lai Kuan Loong, Victor as a Director. | | | |
| 3. | Re-election of Lee Gee Aik as a Director. | | | |
| 4. | Approval of Directors’ fees for the financial year ending 31 December 2025 amounting to S\$234,000, payable quarterly in arrears. | | | |
| 5. | Re-appointment of Messrs Forvis Mazars LLP as auditors of the Company. | | | |
| AS SPECIAL BUSINESS | | | | |
| 6. | Authority to allot and issue Shares. | | | |
| 7. | Renewal of General Mandates for Interested Person Transactions. | | | |

* Delete where inapplicable.

Dated this _____ day of _____ 2025

| Total Number of Shares in: | Number of Shares |
|----------------------------|------------------|
| (a) CDP Register | |
| (b) Register of Members | |

Signature(s) of Shareholder(s)
or Common Seal of Corporate Shareholder

IMPORTANT: Please read the notes overleaf before completing this proxy form.



Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this Proxy Form shall be deemed to relate to all the shares held by you.
2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend and vote on his/her/its behalf at the AGM. Where such member's form of proxy appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote on his behalf at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

"Relevant intermediary" means:

- (i) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (iii) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

The proxy need not be a member of the Company. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

3. This Proxy Form must be submitted to the Company in the following manner:
 - (a) if submitted by email, be received by the Company at ir@astaka.com.my; or
 - (b) if submitted by post, be deposited at the registered office of the Company at 133 Cecil Street #14-01, Keck Seng Tower, Singapore 069535.

in either case, by no later than **10.30 a.m. on 25 April 2025**, being 72 hours before the time appointed for holding the AGM (the "**Proxy Deadline**"), and in default the proxy form shall not be treated as valid.

Members are strongly encouraged to submit completed proxy forms electronically via email.

4. This Proxy Form must be signed by the appointor or his/her/its attorney duly authorised in writing. In the case of joint holders, all joint holders must sign this Proxy Form. Where the Proxy Form is executed by a corporation, it must be executed either under seal or under the hand of an officer or attorney duly authorised in writing. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with this Proxy Form, failing which the Proxy Form may be treated as invalid.
5. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In the case of a member whose Shares are entered against his/her name in the Depository Register, the Company may reject any Proxy Form appointing the Chairman of the AGM or such other person(s) as proxy(ies) lodged if the member, being the appointor, is not shown to have any Shares entered against his/her name in the Depository Register as at 72 hours before the time set for holding this AGM, as maintained by The Central Depository (Pte) Limited to the Company.

Completion and return of the Proxy Form shall not preclude a member from participating at the AGM if he/she so wishes. Any appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person(s) appointed under the Proxy Form, to the AGM.

6. A corporation which is a shareholder may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967 of Singapore.
7. Persons who hold shares through relevant intermediaries, including CPFIS or SRS Investors, who wish to exercise their votes by appointing the Chairman of the AGM or such other person as proxy should approach their respective relevant intermediaries (which would include CPF agent banks or SRS operators) through which they hold such shares at least seven (7) working days before the AGM (i.e. by 15 April 2025) to submit their voting instructions, in order to allow sufficient time for their respective relevant intermediaries to in turn submit this Proxy Form to vote on their behalf.

Personal Data Privacy

By submitting this Proxy Form, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 April 2025.



**ASTAKA HOLDINGS LIMITED
SINGAPORE REGISTERED OFFICE**

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MALAYSIA OFFICE

22, Jalan Padi Emas 1/4,
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81200 Johor Bahru,
Johor Darul Ta'zim,
Malaysia

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16, Jalan Austin Heights 8/7,
Taman Mount Austin,
81100 Johor Bahru,
Johor Darul Ta'zim,
Malaysia

ONE BUKIT SENYUM PROPERTY GALLERY

1, Jalan Tebrau Johor Bahru,
80300 Johor,
Johor Darul Ta'zim
Malaysia

BUKIT PELALI SALES GALLERY

Bukit Pelali @ Pengerang,
Jalan Murai, Bukit Pelali,
81600 Mukim Pengerang,
Johor Darul Ta'zim,
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