

MN HOLDINGS BERHAD

Registration No.: 202001038774 (1395095-M)
(Incorporated in Malaysia)



ANNUAL REPORT 2024

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THE SUCCESSFUL HISTORY OF MN HOLDINGS BERHAD ("MN HOLDINGS", "THE GROUP") CAN BE TRACED BACK TO THE INCORPORATION OF MUTU NUSANTARA SDN. BHD. ("MNSB") IN 2007 WHICH HAS BUILT ITS REPUTATION AS A COMPETENT SOLUTION PROVIDER FOR THE INFRASTRUCTURE UTILITIES CONSTRUCTION INDUSTRIES, ESPECIALLY WITH RESPECT TO THE POWER SECTOR IN MALAYSIA.

ABOUT US

In 2012, the Group further expanded into substation engineering services and solutions and also provide maintenance works for electrical power system and components in substations through our subsidiary, MN Power Transmission Sdn. Bhd. ("MPTSB").

In 2022, following the listing of the Group on the ACE Market of Bursa Malaysia Securities Berhad, the Group significantly expanded its infrastructure utilities solution services by investing into two newly incorporated entities. The two new entities are MN Semantra Sdn. Bhd. ("MSSB"), specialising in pipe jacking services, and MN Moxtech Sdn Bhd ("MMSB"), specialising in aerial bundled cable engineering solution services.

The Group is responsible for delivering engineering services and solutions, complete with the requisite machinery, skilled labor, and expertise, in the execution of projects it undertakes.

MN Holdings collaborates with globally recognized product manufacturers to distribute power control systems and substation components.

UNDERGROUND UTILITIES ENGINEERING SERVICES AND SOLUTIONS

Through MNSB, MSSB and MMSB, we engage in the comprehensive process of procuring, supplying, delivering, installing, laying, constructing, testing, commissioning, inspecting, repairing, and maintaining underground utilities and product pipelines, which collectively comprise the essential components of utility systems for our valued customers.

SUBSTATION ENGINEERING SERVICES AND SOLUTIONS

We primarily offer substation engineering services and solutions to both private and public utilities companies within the power industry of Malaysia through MPTSB.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Sri Ir. Baharin Bin Din

Independent Non-Executive Chairman
(Appointed w.e.f. 15 March 2024)

Datuk Loy Siong Hay

Executive Director
(Redesignated as Executive Director
w.e.f. 27 February 2024)

Pankajkumar A/L Bipinchandra

Independent Non-Executive Director

Dato' Toh Eng Keat

Managing Director
(Redesignated as Managing Director
w.e.f. 27 February 2024)

Datuk Dang Siong Diang

Executive Director

Kho Zhen Qi

Independent Non-Executive Director

Soh Eng Hooi

Independent Non-Executive Director

Dato' Dr Ir. Hasnul bin Mohamad Salleh

Independent Non-Executive Director
(Appointed w.e.f. 15 May 2024)

AUDIT COMMITTEE

Chairperson
Soh Eng Hooi

Members
**Pankajkumar A/L
Bipinchandra**
Kho Zhen Qi

REMUNERATION COMMITTEE

Chairman
**Dato' Dr Ir. Hasnul
bin Mohamad Salleh**
(Appointed as Chairman
w.e.f. 24 October 2024)

Members
Soh Eng Hooi (Redesignated as
member w.e.f. 24 October 2024)
Kho Zhen Qi

NOMINATING COMMITTEE

Chairperson
Kho Zhen Qi
(Redesignated as
Chairperson w.e.f. 24
October 2024)

Members
**Dato' Dr Ir. Hasnul bin
Mohamad Salleh** (Appointed
as member w.e.f. 24 October
2024)
**Pankajkumar A/L
Bipinchandra** (Redesignated as
member w.e.f. 24 October 2024)

RISK MANAGEMENT COMMITTEE

Chairman
**Pankajkumar A/L
Bipinchandra**

Members
Soh Eng Hooi
**Dato' Dr Ir. Hasnul bin
Mohamad Salleh** (Appointed
as member w.e.f. 24 October
2024)
Dato' Toh Eng Keat
(Appointed as member w.e.f. 24
October 2024)

COMPANY SECRETARIES

TAN TONG LANG
(MAICSA 7045482)
(SSM PC No.: 202208000250)

LAU HOOI PIN
(MAICSA 7081620)
(SSM PC No. 202408000447)



CORPORATE OVERVIEW

**CORPORATE INFORMATION
(CONT'D)**

REGISTERED OFFICE

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
W.P. Kuala Lumpur.
Tel : 03-9770 2200
Fax : 03-2201 7774
Email : boardroom@boardroom.com.my

**HEAD OFFICE/
PRINCIPAL PLACE OF BUSINESS**

F-07-01, Garden Shoppe One City
Jalan USJ 25/1B
47650 Subang Jaya
Selangor Darul Ehsan.
Tel : 03-5115 0008
Fax : 03-5115 0018

AUDITORS

Messrs. Crowe Malaysia PLT
[Registration No. 201906000005
(LLP0018817-LCA) & AF 1018]
Level 16, Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
W.P. Kuala Lumpur.
Tel : 03-2788 9999

SHARE REGISTRAR

Aldpro Corporate Services Sdn Bhd
[Registration No. 202101043817 (1444117-M)]
B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
W.P. Kuala Lumpur.
Tel : 03-9770 2200
Fax : 03-2201 7774
Email : admin@aldpro.com.my

SPONSOR

M&A Securities Sdn Bhd
[Registration No. 197301001503 (15017-H)]
No. 45-11, The Boulevard
Mid Valley City
Lingkar Syed Putra
59200 Kuala Lumpur
Wilayah Persekutuan.
Tel : 03-2284 2911

STOCK EXCHANGE LISTING

ACE Market of
Bursa Malaysia Securities Berhad

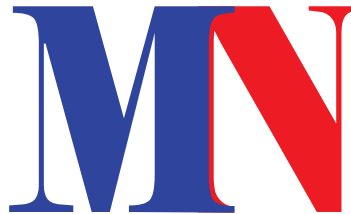
Ordinary Shares

Stock Name : MNHLDG

Stock Code : 0245



CORPORATE STRUCTURE



MN HOLDINGS BERHAD

Registration No.: 202001038774 (1395095-M)
(Incorporated in Malaysia)

100%

MUTU NUSANTARA SDN. BHD.

Registration No.: 200701011280
(769284-V)

100%

MN POWER TRANSMISSION SDN. BHD.

Registration No.: 201201019199
(989344-K)

60%

MN SEMANTRA SDN. BHD.

Registration No.: 202201026082
(1471779-D)

70%

MN MOXTECH SDN. BHD.

Registration No.: 202201045678
(1491375-T)

CORPORATE MILESTONE

2010

We completed our first underground utilities engineering services and solutions project with a contract value of RM2.70 million for the power sector in East Malaysia.

2011

We secured our first civil and cable works with a contract value of RM29,930 for the telecommunications sector.

2012

We relocated to our current business premises in Garden Shoppe One City, Subang Jaya, Selangor Darul Ehsan.

2013

MNSB was registered with MOF, thereby allowing us to supply materials and services to agencies under the Government of Malaysia.

MNSB secured first underground utilities microtunnelling project for the power sector with a contract value of RM2.80 million.

2018

MPTSB was registered with Energy Commission of Malaysia as an Electrical Contractor under Class C.

MPTSB was registered with MOF, thereby allowing the company to supply materials and services to agencies under the Government of Malaysia.

MPTSB was registered as a G3 contractor with TNB for the categories of Building (B) and Civil Engineering (CE) and Mechanical Engineering (ME).

MNSB secured its first individual underground utilities engineering services and solutions project for the power sector where 2 purchase orders with a cumulative purchase order value of RM12.70 million were awarded by the customer.

MNSB secured its first main switching station (Stesyen Suis Utama, "SSU") construction project with a contract value of RM1.40 million, for which the project execution and implementation was carried out by MPTSB.

2017

Rentak Segar and Impiana Mahir appointed MNSB as their exclusive partner for underground utilities engineering services and solutions.

MPTSB was appointed as the authorised representative and distributor of Lucy Zodian's range of street lighting cut out fuses in Malaysia.

MNSB's CIDB and TNB's contractor registrations were upgraded to G6 for the categories of Building (B), Civil Engineering (CE) and Mechanical Engineering (ME).

MNSB was certified compliant to ISO 9001:2015 Quality Management Systems.

2014

MNSB was certified compliant to ISO 9001:2008 Quality Management Systems.

MNSB was registered as a G5 contractor under CIDB for the categories of Building (B) and Civil Engineering (CE).

MNSB secured its first major underground utilities engineering services and solutions project for the power sector in Peninsular Malaysia where 3 separate purchase orders with a cumulative purchase order value of RM5.20 million were awarded by customer, in which MNSB was required to undertake various infrastructure works according to the individual purchase orders during the year.

2016

MPTSB secured an EPC project in a joint venture with MNSB for the development of Pengerang substation with a cumulative contract value of RM3.20 million.

2015

MNSB was registered as a G5 contractor with TNB for the categories of Building (B) and Civil Engineering (CE).

MPTSB was registered as a G3 contractor under CIDB for the categories of Building (B), Civil Engineering (CE) and Mechanical Engineering (ME).

CORPORATE MILESTONE
(CONT'D)

2019

MNSB obtained Sijil Perolehan Kerja Kerajaan (SPKK) as a G6 contractor from CIDB for the categories of Building (B), Civil Engineering (CE) and Mechanical Engineering (ME).

MNSB's CIDB and TNB's contractor registrations were upgraded to G7 for the categories of Building (B), Civil Engineering (CE) and Mechanical Engineering (ME).

MNSB's SPKK registration was upgraded to G7 for the categories of Building (B), Civil Engineering (CE) and Mechanical Engineering (ME).

MPTSB's CIDB and TNB's contractor registrations were upgraded to G5 for the categories of Building (B), Civil Engineering (CE) and Mechanical Engineering (ME), save for low voltage installations which were registered under G2.

MNSB secured its largest underground utilities engineering services and solutions project from a private property developer with a contract value of RM13.60 million.

MNSB secured its first EPCC project for natural gas distribution system with a contract value of RM8.30 million.

MPTSB secured a 2-year contract in a capacity of a sub-service provider to perform repair and maintenance works for SESB's substations with no fixed contract value where billings were based on services provided.

MPTSB secured 2 LSS PV energy generating projects in a joint venture with Syarikat Mohamad Salin Sdn Bhd at total contract value of approximately RM52.90 million.

MPTSB entered into a representation agreement with Lucy Asia Pacific and was appointed as the latter's representative to obtain sales of Lucy Electric's range of neutral disconnectors and cut-out fuses in Malaysia.

2020

MPTSB entered into a distribution agreement with Lucy Asia Pacific (which supersedes the prior agreement signed in 2019) and was appointed as the latter's distributor of Lucy Electric's range of neutral disconnectors in Malaysia.

2021

MPTSB was appointed as the exclusive agent for Mehru Electrical & Mechanical Engineers (P) Ltd ("Mehru") for the supply of its instrument transformers products in Malaysia.

MPTSB entered into a representative agreement with ZETEC International ("ZETEC"), a company acting as an exclusive agent of Mehru for the sales of instrument transformers in Malaysia. ZETEC has appointed MPTSB as the exclusive agent for the sales and distribution of instrument transformers produced by Mehru in Malaysia.

MPTSB's CIDB contractor registration was upgraded to G7 for the categories of Building (B), Civil Engineering (CE) and Mechanical Engineering (ME), save for low voltage installations which were registered under G2.

MNSB was registered with the Energy Commission of Malaysia as an Electrical Contractor under Class C.

2022

MPTSB's Electrical Contractor registration with Energy Commission of Malaysia was upgraded to Class A. MN Holdings Berhad ("the Group", or "the Company") debuted on the Bursa Securities' ACE market on 28 April 2022.

2024

MNSB secured its first project which contract sum exceeded RM50 million, for design, build and commissioning the high voltage horizontal directional drilling and cable bridge works for a data centre with contract sum of RM98 million.

MPTSB successfully completed and commissioned 3 large scale solar projects and energised 2 substation projects for a data centre owner, with the operation and maintenance handover scheduled. The total contract value for these projects are RM72 million and RM45 million respectively.

MPTSB was certified compliant to ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health & Safety Management Systems.

MNSB's Electrical Contractor registration with Energy Commission of Malaysia was upgraded to Class A. MNSB also certified compliant to ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health & Safety Management Systems.

2023

MPTSB secured its largest substation project for replacement of PMU 132Kv Bayan Baru gas insulated substation insitu with contract value of RM43.5 million.

MPTSB entered into a Memorandum of Understanding with Intelligent Pie Consulting Sdn. Bhd. for collaboration in carrying out Operational Technology Cybersecurity projects in Malaysia.

Listing of 204,375,000 Bonus Issue of Warrants on ACE Market of Bursa Securities on 8 March 2023. MNSB entered into a Memorandum of Understanding with DC-Science Co. Ltd. ("DCS") for collaboration to develop DCS first high performance data centre in Malaysia.

MNSB secured the Pilot Turnkey Project for construction of main distribution substation and related cable connection works for Distribution Network at a residential development project at Teluk Intan with contract value of RM40.1 million.

FINANCIAL HIGHLIGHTS

		2020	2021	2022	2023	2024
Revenue	(RM'million)	68.008	115.200	104.003	164.453	256.175
Profit before tax	(RM'million)	7.658	10.537	8.219	13.184	24.716
Profit attributable to owners of the company	(RM'million)	5.662	8.129	5.528	9.502	16.910
Earnings before interest, taxes, depreciation and amortisation	(RM'million)	12.668	17.826	14.049	21.248	32.742
Share capital	(RM'million)	1.250	1.750	49.352	49.353	78.329
Shareholders funds	(RM'million)	32.179	39.248	61.428	71.085	118.354
Number of shares	(RM'million)	1.250	1.750	408.750	408.752	464.505
Net asset per share	(RM)	25.743	22.427	0.150	0.174	0.255

GP MARGIN (%)



20.29%

2024



20.53%

2023

EBITDA (RM'million)



32.742

BASIC EPS (SEN)

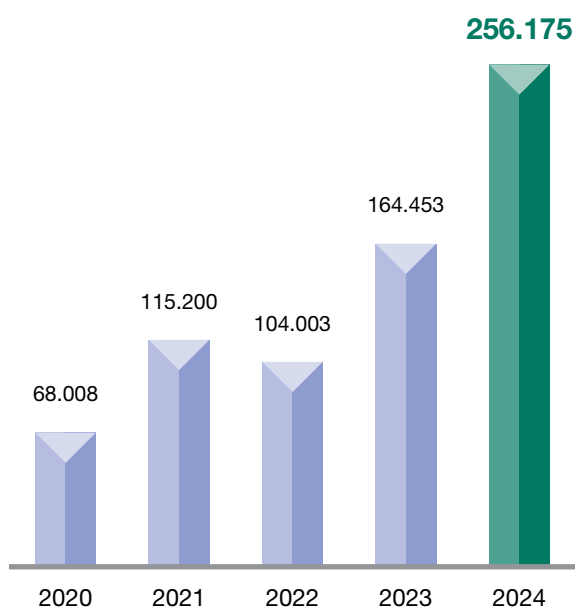


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FINANCIAL HIGHLIGHTS
(CONT'D)

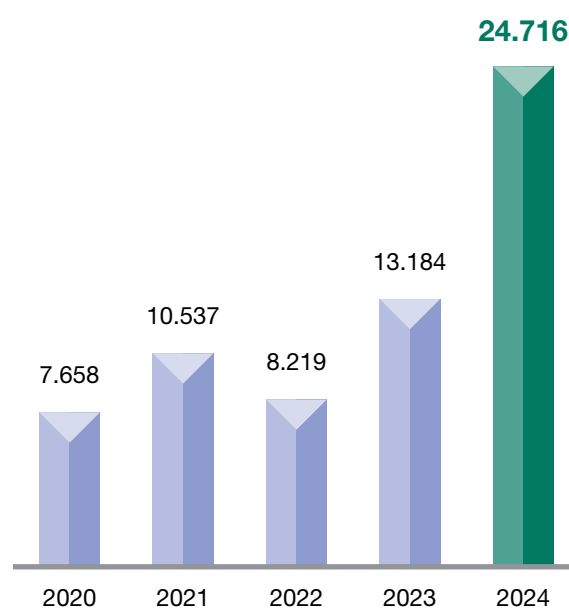
REVENUE

(RM'million)



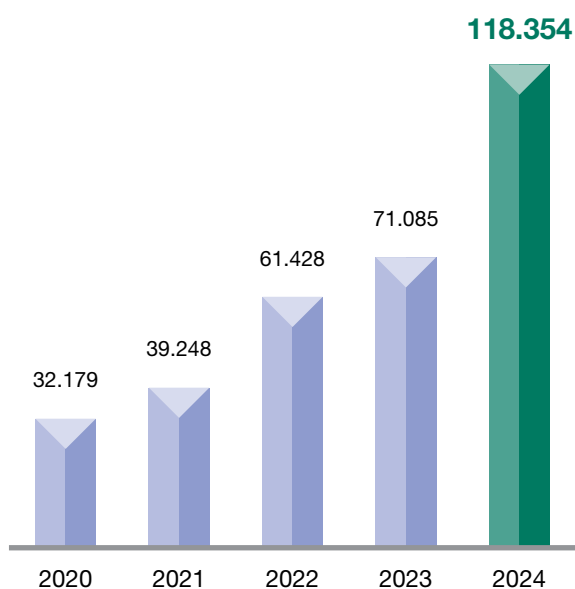
PROFIT BEFORE TAX

(RM'million)



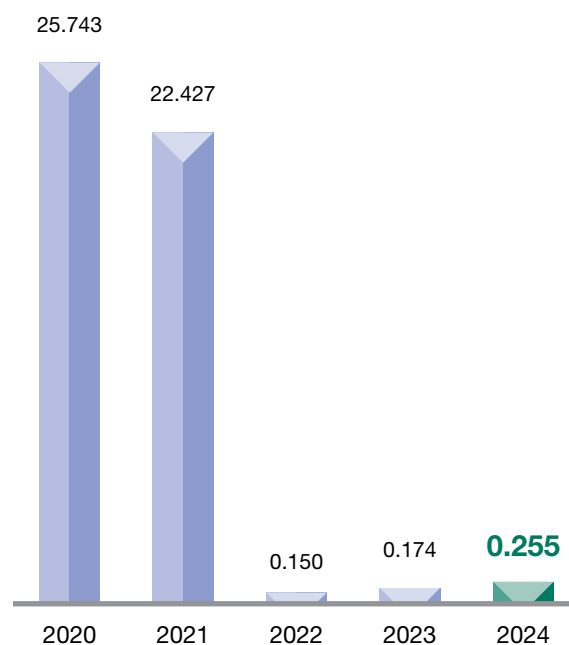
SHAREHOLDER FUNDS

(RM'million)



NET ASSET PER SHARE

(RM'million)



BOARD OF DIRECTORS' PROFILE



DATO' SRI IR. BAHARIN BIN DIN

Independent Non-Executive Chairman

Nationality

Malaysian

Aged

61

Gender

Male

Dato' Sri Ir. Baharin bin Din, a Malaysian, aged 61, is our Independent Non-Executive Chairman. He was appointed to our Board on 15 March 2024.

Dato' Sri obtained his Bachelor of Science (Electrical Engineering) from Syracuse University, New York, USA and Master of Business Administration (MBA) from Bond University, Australia - University Tenaga Nasional, Malaysia in 1985 and 2004 respectively. He is a Certified Professional Engineer of the Board of Engineers Malaysia, (BEM) since 1993 and a Certified Competent Engineer and Certified Service Engineer of the Energy Commission Malaysia since 1996 and 2000 respectively. He is also a member of the Institution of Engineers Malaysia (IEM) since 1991.

Dato' Sri built his career in Tenaga Nasional Berhad ("TNB") of which he had served in various engineering and managerial positions within TNB, including Business Development, Network Maintenance, Network Planning, Construction Services, Metering Service and Engineering Services. Subsequently, he worked in the Ministry of Energy, Telecommunication and Post Malaysia and served as Director of Electrical Inspectorate Department, Sabah and Director of Electrical Inspectorate Department, Pahang for two (2) and a half years.

Dato' Sri then being appointed as the Managing Director of Sabah Electricity Sdn. Bhd. on 1 March 2007 which responsible for overall business & technical performance of the company and managed to address frequent electricity breakdown problems in Sabah by improving the States SAIDI supply reliability performance.

On 1 January 2012, he has appointed as the Vice President of the Distribution Division in TNB which responsible for the management of the division involving over 15,000 workforce strength. He then being promoted as the Chief Distribution Network Officer of TNB on 1 August 2018 which responsible for overall management of TNB Distribution Network nationwide covering 83,000 substations, with workforce strength of 11,200.

Dato' Sri has been appointed as Chief Executive Officer of TNB on 1 March 2021 which responsible for leading the TNB management team to drive TNB forward and also responsible for guiding TNB on its path toward the company's strategic aspiration to become a leading supplier of sustainable energy solutions in Malaysia and internationally. He had ceased his office as Chief Executive Officer of TNB on 29 February 2024 due to the expiry of his service tenure.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

BOARD OF DIRECTORS' PROFILE
(CONT'D)



DATO' TOH ENG KEAT

Managing Director

Nationality
Malaysian

Member of
Risk Management Committee

Aged
49

Gender
Male

Dato' Toh Eng Keat, a Malaysian, aged 49, is our Managing Director. He was appointed to our Board as an Executive Director on 26 November 2020. He was re-designated to his present position as the Managing Director on 27 February 2024. He has spearheaded the business growth of our Group together with Datuk Loy Siong Hay and Datuk Dang Siong Diang. He is responsible for overseeing the strategic direction, operations and overall performance of the Group, particularly in the operations of Mutu Nusantara Sdn Bhd ("MNSB") underground utilities engineering business. He is a member of our Risk Management Committee.

He graduated with a Bachelor of Science (Chemistry) from Universiti Kebangsaan Malaysia in 1999. Upon his graduation, he joined Prima Inter-Chem Sdn Bhd in 1999 as a Sales Executive where he was responsible for the marketing and sales of the company's food chemical products. In 2000, he left Prima Inter-Chem Sdn Bhd and joined B&G Intertrade Sdn Bhd as Marketing and Operations Executive where he supported the marketing and operations teams in promotional activities as well as daily sales operations. He then left B&G Intertrade Sdn Bhd and joined B&G World Sdn Bhd in 2004 as Marketing Manager, overseeing a team of sales personnel promoting the company's piping products. In 2006, he was transferred from B&G World Sdn Bhd to Best Ventures Sdn Bhd (known as B&G Concept Engineering Sdn Bhd) as Marketing Manager, where he was responsible for business development activities for underground utility projects. Subsequently, in 2007, he was promoted to Project Manager, where he was involved in overseeing underground utility projects.

In 2008, he left Best Ventures Sdn Bhd (known as B&G Concept Engineering Sdn Bhd) and joined MNSB as a General Manager where he was involved in business development activities, overseeing daily operations as well as project management of the company's underground utilities construction projects. In 2010, he was appointed as an Executive Director of MNSB and subsequently in 2011, became a shareholder of MNSB. In his current role in MNSB, he is responsible for overseeing the operations of MNSB's underground utilities engineering business, as well as leading business development activities.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

BOARD OF DIRECTORS' PROFILE
(CONT'D)**DATUK LOY SIONG HAY**

Executive Director

Nationality

Malaysian

Aged

58

Gender

Male

Datuk Loy Siong Hay, a Malaysian, aged 58, is our Executive Director. He was appointed to our Board as Managing Director on 26 November 2020 and assumed his present position as an Executive Director on 27 February 2024. He has played a key role in the growth and development of our Group since acquiring Mutu Nusantara Sdn Bhd ("MNSB") alongside Dato' Toh Eng Keat in 2012.

He has more than 26 years of working experience in the underground utilities industry. He graduated with a Bachelor of Engineering from the University of Malaya in 1992. Upon graduation, he joined L&M Corporation (M) Berhad in 1992 as a Structural Engineer where he was involved in projects relating to reinforced concrete structural repair and maintenance. He then joined Concrete Products Marketing Sdn Bhd as Marketing Engineer in 1993 where he was tasked to promote concrete products. He was then transferred to Concrete Products Marketing Sdn Bhd's parent company, Hume Industries (Malaysia) Berhad in the following year, where he was assigned to the position as Product Design Engineer in charge of concrete product design and production activities.

In 1996, he left Hume Industries (Malaysia) Berhad to join Mega Concrete Sdn Bhd as a Factory Manager and was responsible for setting up a concrete product plant, overseeing and managing daily production operations, including implementing systems that led to this concrete product plant being certified ISO 9002 compliant during his tenure at this company. In 1997, he left Mega Concrete Sdn Bhd and joined Mersing Construction & Engineering Sdn Bhd as a Project Manager and was tasked to manage the pipe

jacking and HDD underground utility projects undertaken by the company. In the same year, he was promoted to the role of Project Director and continued to be responsible for the overall delivery of construction projects undertaken by the company. He was also appointed as an initial director of Guide Drill Sdn Bhd in a non-executive capacity. In 2002, he left Mersing Construction & Engineering Sdn Bhd and joined Guide Drill Sdn Bhd, where he became actively involved in the daily operations of the company as an executive director.

He left his executive role in Guide Drill Sdn Bhd and joined MNSB in 2007 as a General Manager, where he was involved in business development activities, overseeing daily operations as well as project management of the company's underground utilities construction projects. In 2012, he became a shareholder of MNSB and was appointed as Executive Director of MNSB in the following year.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

BOARD OF DIRECTORS' PROFILE
(CONT'D)



DATUK DANG SIONG DIANG

Executive Director

Nationality

Malaysian

Aged

48

Gender

Male

Datuk Dang Siong Diang, a Malaysian, aged 48, is our Executive Director. He was appointed to our Board on 15 December 2020. He is responsible for managing and implementing our Group’s business development plans and strategies, particularly in the operations of MN Power Transmission Sdn Bhd (“MPTSB”)’s substation engineering business.

He graduated with a Bachelor in Electronic and Electrical from the Robert Gordon University, Scotland in 1997.

He began his career upon graduation as a Sales and Services Engineer at ABB Malaysia Sdn Bhd in 1997 where he was involved in sales as well as after sales activities of power engineering products. In 2001, he left ABB Malaysia Sdn Bhd and joined YPN Electrical Engineering & Construction Sdn Bhd as Project Manager before being promoted to the role of Project Director in 2012. He was responsible for overseeing, managing and delivering electrical engineering projects undertaken by the company, including power engineering construction projects.

After leaving YPN Electrical Engineering & Construction Sdn Bhd, he joined MPTSB as Managing Director in December 2012. As Managing Director of MPTSB, he was involved in business development activities and manages day-to-day operations as well as project management of MPTSB’s substation engineering projects. Currently, as an Executive Director of the Group, he is responsible for overseeing the operations of MPTSB’s substation engineering business as well as leading business development activities.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

BOARD OF DIRECTORS' PROFILE
(CONT'D)**SOH ENG HOOI**

Independent Non-Executive Director

Nationality**Malaysian****Aged****54****Gender****Female***Chairperson of
Audit Committee**Member of
Remuneration Committee**Member of
Risk Management Committee*

Soh Eng Hooi, a Malaysian, aged 54, is our Independent Non-Executive Director. She was appointed to our Board on 15 December 2020. She is the Chairperson of our Audit Committee, and a member of our Remuneration Committee and Risk Management Committee.

She graduated with a Bachelor of Accounting (Honours) from the University of Malaya in 1994. She has been a member of the Malaysian Institute of Certified Public Accountants since 27 June 1998 and a member of the Malaysian Institute of Accountants since 1 April 1999.

In 1994, she started her career at Arthur Anderson & Co. Kuala Lumpur ("AAKL") as an Audit Assistant, where she assisted in audit assignments. In 2000, she was promoted to the role of Manager and was tasked with leading and supervising a team of auditors to undertake audit engagements for clients in various industries. In 2001, she left AAKL and joined Arthur Andersen Hua Qiang CPA, China ("AA China") as Manager, where she was responsible for managing various audit assignments for clients of the firm. AA China subsequently merged with PricewaterhouseCoopers Zhong Tian CPAs, Co. Ltd. China in 2002.

In August 2003, she resigned from PricewaterhouseCoopers Zhong Tian CPAs Co. Ltd, China and thereafter, took a career break to travel across the world. Subsequently, she resumed her career in 2004 and became a Director of Axial Capital Sdn Bhd, a boutique corporate advisory service company, where she was

primarily responsible for its overall operations. In 2008, she stepped down from her executive role in Axial Capital Sdn Bhd and joined Moore Stephens AC (currently known as Baker Tilly AC ("BTAC") as a result of a merger exercise in 2012) as Executive Director, where she was involved in overseeing all aspects of operation of the audit division. In 2014, she left BTAC and founded EH Soh & Partners, an audit firm where she presently serves as its Managing Partner.

Currently, she sits on the board of NuEnergy Holdings Berhad (formerly known as ILB Group Berhad), a company listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") as its Independent Non-Executive Director since 2018. She also sits on the board of Warisan TC Holdings Berhad, a company listed on the Main Market of Bursa Securities, as its Independent Non-Executive Director since 2020.

She does not have family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon her by any relevant regulatory bodies for the financial year ended 30 June 2024.

BOARD OF DIRECTORS' PROFILE
(CONT'D)**PANKAJKUMAR A/L
BIPINCHANDRA**

Independent Non-Executive Director

Nationality**Malaysian****Aged****58****Gender****Male***Chairman of
Risk Management Committee**Member of
Nominating Committee**Member of
Audit Committee*

Pankajkumar A/L Bipinchandra, a Malaysian, aged 58, is our Independent Non-Executive Director. He was appointed to our Board on 15 December 2020. He is the Chairman of our Risk Management Committee, and a member of our Nominating Committee and Audit Committee.

He graduated with a Bachelor in Accounting (Honours) from the University of Malaya in 1990. He then obtained his Masters in Business Administration (Finance) from the University of Malaya in 2014. He has been a member of the Institute of Corporate Directors Malaysia ("ICDM") since 2 November 2018, a former member of Financial Times Stock Exchange (FTSE) – Bursa Malaysia Industry Advisory Panel since December 2020 and FTSE Bursa Malaysia Index Advisory Committee between December 2008 and September 2021. He is also a registered under the FIDE Forum's Directors Register since April 2023.

Upon graduation in 1990, he joined Nova Hopi (M) Sdn Bhd as an Accountant and Business Development Executive. He then left Nova Hopi (M) Sdn Bhd and joined OSK Research Sdn Bhd in 1996 as a Research Analyst before being promoted to the positions of Senior Analyst, Manager, Senior Manager and Assistant General Manager in 2000, 2001, 2002 and 2003 respectively. His last held position in OSK Research Sdn Bhd was Head of Research, a position to which he was promoted to in 2004, where he was tasked to oversee the research activities undertaken and recommend investment strategies for clients of the company, develop articles for publication in the newspapers and manage a team of analysts undertaking company and sectorial research assignments. In 2005, he left OSK Research Sdn Bhd and joined Kurnia Insurans (Malaysia) Berhad (then wholly owned by Kurnia Asia Berhad ("KAB"), a company which was listed on the Main Market of Bursa Malaysia Securities Berhad) as Chief Investment Officer, where he was responsible for managing the company's fixed income and equity portfolio, staff and agent housing loans as well as property investments. In addition, he was also involved in

evaluating and presenting the overall economic and financial market assessments to the company's investment committee and board of directors, and participated in investor relation activities for KAB. He was transferred to KSK Group Berhad (previously known as KAB) in 2012 as Director, Head of Corporate Strategy & Investments where he was responsible for managing the company's investment portfolio, preparing reports for the company's investment committee and board of directors, as well as involved in developing growth strategies for the company's business.

In August 2021, he was appointed as the Managing Director of Datametrics Research and Information Centre Sdn Bhd ("DARE"), a Malaysian-based think tank that undertakes research and advocacy on a diverse range of policy issues. He also writes articles on the economy, market and sectorial topics as well as on issues related to governance and ethics for the StarBiz7 weekend edition under "Inside Insight" column. He is also actively involved in providing views on the economy and markets via the various media platforms as well as podcast and webinars.

Currently, he sits on the board of OSK Ventures International Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad as Independent Non-Executive Director since 18 April 2023.

He does not have family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

BOARD OF DIRECTORS' PROFILE
(CONT'D)



KHO ZHEN QI

Independent Non-Executive Director

Nationality	Chairperson of Nominating Committee
Malaysian	
Aged	Member of Audit Committee
36	
Gender	Member of Remuneration Committee
Female	

Kho Zhen Qi, a Malaysian, aged 36, is our Independent Non-Executive Director. She was appointed to our Board on 15 June 2021. She is the Chairperson of our Nominating Committee, and a member of our Audit Committee and Remuneration Committee.

She graduated with Bachelor of Laws (Honours) from the University of Malaya in 2012. She then obtained her Master of Business Administration (with Distinction) from the University of Malaya in 2024. She was admitted as an advocate and solicitor of the High Court of Malaya in September 2013 and has been a registered member of the Malaysian Bar since December 2013.

In December 2013, she began her career at Justin Voon Chooi & Wing as a Legal Assistant, where she was tasked to assist in dispute resolution and general litigation matters. During her tenure with the firm, she had undertaken various dispute resolution cases, among others, including estate administration and management disputes, acting for foreign clients in relation to recovery of ownership and building construction contract disputes in both arbitration and litigation.

In April 2016, she left Justin Voon Chooi & Wing and joined Ng, Gan & Partners (previously known as Li Kian & Co) as a Partner. In her present capacity, she oversees the operations of the firm, and handles various disputes resolution matters including civil and commercial litigation, corporate and banking litigation, industrial relations and construction, as well as land-related litigations.

Currently, she sits on the board of West River Berhad as its Independent Non-Executive Director since 1 November 2023, a company currently seeking a listing on the ACE Market of Bursa Malaysia Securities Berhad.

She does not have family relationship with any other Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon her by any relevant regulatory bodies for the financial year ended 30 June 2024.

BOARD OF DIRECTORS' PROFILE
(CONT'D)



DATO' DR IR. HASNUL BIN MOHAMAD SALLEH

Independent Non-Executive Director

Nationality

Malaysian

Aged

67

Gender

Male

*Chairman of
Remuneration Committee*

*Member of
Nominating Committee*

*Member of
Risk Management Committee*

Dato' Dr Ir. Hasnul bin Mohamad Salleh, a Malaysian, aged 67, is our Independent Non-Executive Director. He was appointed to our Board on 15 May 2024. He is the Chairman of our Remuneration Committee, and a member of our Nominating Committee and Risk Management Committee.

Dato' Dr Ir. Hasnul holds Doctor of Philosophy (PhD) in Civil Engineering from Heriot-Watt University, United Kingdom, Master in Science in Public Health and Environmental Control Engineering from Strathclyde University, United Kingdom and Bachelor of Science in Civil Engineering from University College Swansea, United Kingdom. He is a registered Professional Engineer (PE) and Professional Engineer with Practising Certificate (PEPC) with the Board of Engineers, Malaysia and a member of The Institution of Engineers Malaysia.

Dato' Dr Ir. Hasnul is a former Deputy Director General (Infra Sector) and Deputy Director General (Building Sector) of Public Works Department in the Ministry of Works Malaysia (KKR). He was also former Director of Water Supply Department in the Ministry of Energy, Green Technology and Water (KeTTHA). He had served the Government of Malaysia for 34 years with work experience in asset maintenance and management (water, infra and building) and water supply management including design, project management, planning and supervision, price negotiation, Non-Revenue Water, and construction of raw water tunnels, large water supply dams, trenchless pipe construction and laying of submarine water supply pipelines. He also has experience in construction of airports, roads, buildings and bridges.

He was also formerly appointed as a Commissioner of Suruhanjaya Perkhidmatan Air Negara from 1 October 2017 to 30 September 2019 and had a hand in the restructuring of the water industry in Malaysia through the implementation of Water Services Industry Act 2006 (Act 655) and Suruhanjaya Perkhidmatan Air Negara Act (Act 654). He was also a Chairman of Suruhanjaya Perkhidmatan Air Negara from 2 February 2023 to 10 March 2023. He also served as a special advisor to Cypark Resources Berhad starting on 11 March 2020 to 7 June 2022, and as an independent director from 7 June 2022 to 26 October 2023.

He is well-versed in strategic planning and management, facility maintenance, procurement management for conventional tender, design and build, direct negotiation and restricted tenders, government liaison and public relation/strategies, amongst others.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any Director and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

KEY SENIOR MANAGEMENTS' PROFILE

PANG CHIEN CHANG

Chief Financial Officer

Nationality

Malaysian

Aged

36

Gender

Male

Pang Chien Chang, a Malaysian, aged 36, is our Chief Financial Officer. He is responsible for the overall finance and accounting functions of our Group.

He graduated with a Bachelor of Accounting from Multimedia University in 2010. He is a member of the Malaysian Institute of Accountants since 25 October 2016.

Upon graduation, he began his career in 2010 as an Audit Associate at SY Lim & Co. Chartered Accountants, where he participated in statutory audit assignments for clients of the firm. In 2012, he left SY Lim & Co. Chartered Accountants and joined Sekhar & Tan Chartered Accountants as Audit Senior Associate before being promoted to Assistant Manager in 2015. He was responsible in leading a team of auditors to undertake audit assignments for clients from various industries and was also responsible for staff resource planning as well as managing client communications. He subsequently left Sekhar & Tan Chartered Accountants and joined Target Precast Industries Sdn Bhd (a subsidiary of SK Target Group Limited) in January 2017 as Accounts & Finance Manager, where he oversaw all back-end operations including staffing, operational budget matters, prepared monthly and quarterly financial reports, and supervised internal and external audits. In January

2018, he left Target Precast Industries Sdn Bhd to join Herman Corporate Advisory Sdn Bhd as a Manager under the Corporate Finance Division, tasked to provide financial and business consulting services including assisting clients in preparing detailed analysis of financial information, monitoring internal control procedures and assessing business development opportunities. In September 2019, he left Herman Corporate Advisory Sdn Bhd and joined our Group as Financial Controller and he was subsequently re-designated as our Group's Chief Financial Officer in January 2021.

Presently, he does not hold any directorship in any other public companies and listed issuer.

Currently, he holds 369,800 ordinary shares in the Company. He has no family relationship with any Directors and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

KEY SENIOR MANAGERMENTS’ PROFILE
(CONT'D)

TOH YENG YENG

Sustainability Manager

Nationality	Aged	Gender
Malaysian	39	Female

Toh Yeng Yeng, a Malaysian, aged 39, is our Sustainability Manager. She joined our Group as a Contract Manager on 1 June 2018 which was responsible for drafting, evaluation and execution of contracts in which our Group enters, including financial monitoring and control of the contracts as well as ensuring health, safety and environmental compliance. She has recently been promoted to her present position as the Sustainability Manager, and is responsible for overseeing various aspects related to risk management, sustainability practices, and regulatory compliance within the Group.

She graduated with a Bachelor of Science (Environment) from Universiti Putra Malaysia in 2007. She subsequently obtained a Master of Engineering (Safety, Health and Environment) from the University of Malaya in 2013. She also holds a certificate from The National Institute of Occupational Safety & Health (NIOSH) since 2008.

She began her career in 2008 as an Environment, Safety and Health Executive with O.Y.L. Manufacturing Company Sdn Bhd, where she was tasked with establishing, maintaining and improving environmental, safety and health management processes based on Occupational Health and Safety Assessment Series 18001 and ISO 14001 standards, as well as performing environmental, safety and health audits. She then left O.Y.L. Manufacturing Company Sdn Bhd and joined Technip Geoproduction (M) Sdn Bhd in 2010 as an Environmental Executive where she assisted in the preparation of project

health, safety and environment plans, and its subsequent implementation, as well as training for employees. In 2016, she left Technip Geoproduction (M) Sdn Bhd and joined NS BlueScope Lysaght Malaysia Sdn Bhd as Health, Safety, Environment and Quality Professional, responsible for ensuring the company’s compliance with local health, safety, environment and quality requirements. She left NS BlueScope Lysaght Malaysia Sdn Bhd and joined our Group as Senior Contract and Commercial Executive in 2018, prior to being promoted to Contract Manager in January 2021. On 1 October 2023, she has been re-designated as Head of Corporate Administrative, who incharge of administrative functions of the Group, as well as compliance issue regulations related to administrative functions.

Presently, she does not hold directorship in any other public companies and listed issuer.

She is the younger sister of our Managing Director, Dato’ Toh Eng Keat. She does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

She has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon her by any relevant regulatory bodies for the financial year ended 30 June 2024.

LEADERSHIP PROFILE

KEY SENIOR MANAGERMENTS' PROFILE
(CONT'D)**MUHAMMAD FAIZUL BIN
KOYAMANI @ HASSAN**

Project Director – Operation (Substation)

Nationality

Malaysian

Aged

34

Gender

Male

Muhammad Faizul Bin Koyamani @ Hassan, a Malaysian, aged 34, is our Project Director – Operation in the Substation division. He oversees a range of crucial responsibilities, including project management, coordination, planning, project budgeting, installation, testing, commissioning, and safety management. He is also actively involved in client meetings, interactions with OEMs (Original Equipment Manufacturers), suppliers, and regulatory authorities. Additionally, he takes charge of preparing and submitting drawings to clients for approval.

He holds a Bachelor's Degree in Power Electrical Engineering, which he obtained from Universiti Tun Hussein Onn Malaysia in 2013.

He began his career in 2011 as a machine operator, where he was responsible for handling machinery at Ohta Precision (M) Sdn Bhd. In 2013, he joined T&T Inspection and Engineering Sdn Bhd as an Engineering Assistant, focusing on preparing inspection reports. His duties included conducting thermographic and ultrasound inspections, as well as partial discharge location assessments on switchgears, transformers, and overhead line cables. Subsequently, he moved to Magna Core Engineering Sdn Bhd, a fire protection company, as a Site/Project Engineer. In this role, he monitored site progress to ensure adherence to schedules, prepared shop drawings, and handled quantity assessments for various projects.

In 2014, he joined MN Power Transmission Sdn Bhd as a Project Engineer and was later promoted to the role of Project Director – Operation on 1 October 2023. In this capacity, he oversees the Substation Operation division, which include project execution and implementation and reports directly to the Executive Directors of the Company.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any Directors and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

KEY SENIOR MANAGERMENTS’ PROFILE
(CONT'D)

WONG SIU HAO

Project Director – Service (Substation)

Nationality	Aged	Gender
Malaysian	51	Male

Wong Siu Hao, a Malaysian, aged 51, is our Project Director – Service for Substation division. He oversees the coordination of service and maintenance work for high-voltage (HV) equipment, including transformers and circuit breakers. His responsibilities also encompass active participation in tender processes, support for specialist work related to Gas Insulated Switchgear (GIS) erection, installation, testing, and commissioning across various locations, as well as the maintenance, overhaul, and installation of HV circuit breakers at substations.

He graduated from ITP College Kuala Lumpur and hold a Diploma in Electrical and Electronic Engineering in 1994.

He began his career in 1994 as a Testing and Commissioning Technical Assistant. In 1996, he joined ABB Malaysia Sdn Bhd as Technical Assistant/Site Supervisor and responsible for erection, testing and commissioning for Main Intake substation for several projects. He also supervised and assisted in Substation works, including erection, installation, testing, and commissioning. In 2010, he left ABB Malaysia Sdn Bhd and joined YPN Electrical Engineering & Construction Sdn Bhd and responsible for supervising online filtration, service and maintenance, and circuit breaker installation. His career progression led him to assume the role of Project Manager at MN Power Transmission Sdn Bhd in 2015, and later promoted to the role of Project Director – Services on 1 October 2023.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any Directors and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

LEADERSHIP PROFILE

KEY SENIOR MANAGERMENTS' PROFILE
(CONT'D)

YIP KOK KEEN

Contract Manager

Nationality

Malaysian

Aged

36

Gender

Male

Yip Kok Keen, a Malaysian, aged 36, is our Contract Manager. He is responsible for drafting, evaluating, and executing contracts on behalf of our Group. He also oversees financial monitoring and control of contracts.

He holds a Bachelor's Degree in Contract Management from Liverpool John Moores University in 2009.

He began his career in 2009 as a Contract Executive at PJD Construction Sdn Bhd. His responsibilities included overseeing post-contract activities such as interim claims, variation orders, sub-contractor payment claims, and reporting. He also managed budget revisions, sourced direct-sub workers, and handled material procurement. Additionally, he conducted productivity analysis and prepared reports for meetings, managed material control, and conducted regular on-site material inspections. In 2012, he left PJD Construction Sdn Bhd to join Sunway Construction Sdn Bhd as an Assistant Contract Executive. His dedication and performance led to his promotion and last position held as Assistant Contract Manager in 2020 before his departure in 2020, where he oversaw the post-contract team and handled tender calls for sub-contracts through SAP Ariba for numbers of project site.

In 2021, he took on the role of Contract Manager at SKE Alliance Sdn Bhd, where he oversaw the procurement and tendering processes of the Contract Department. He also played a key role in budget approval and monitored financial reports to ensure adherence to project budgets. In August 2023, he joined Mutu Nusantara Sdn Bhd as a Contract Manager for underground utilities segment.

Presently, he does not hold any directorship in any other public companies and listed issuer.

He has no family relationship with any Directors and/or major shareholders of the Company nor any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

He has not been convicted of any offences within the past five (5) years other than traffic offences, if any, and there have not been any public sanctions nor penalties imposed upon him by any relevant regulatory bodies for the financial year ended 30 June 2024.

CHAIRMAN'S STATEMENT

**Dear
Esteemed
Shareholders,**

“It is with great honour that I address you as the Chairman of MN Holdings Berhad, reflecting on a milestone year of substantial growth and forward momentum. I am pleased to present the MN Holdings Annual Report 2024, detailing our performance for the financial year ended 30 June 2024 ("FY2024").”

**Dato' Sri Ir. Baharin
Bin Din**

Independent
Non-Executive Chairman



CHAIRMAN'S STATEMENT
(CONT'D)

For MN Holdings Berhad ("MN Holdings" or "the Group"), FY2024 has been a year marked by significant progress and growth. Major economic factors, including increased investment from key local infrastructure owners such as Tenaga Nasional Berhad (TNB), Gas Malaysia and various solar project developers, as well as Foreign Direct Investment (FDI) from data centre and semiconductor owners, have contributed to this growth. These investments, particularly in new infrastructure and the upgrading of existing facilities, are a response to the rising demand for essential services such as power, gas and water. The influx of both local and foreign investments has propelled the need for robust infrastructure, positioning MN Holdings to capitalise on these opportunities.

This year, we have also taken significant steps to enhance our sustainability practices. In comparison to the previous year, our Sustainability Statement 2024 reflects a deeper commitment to sustainability, with the introduction of new governance measures and expanded disclosure practices. These efforts reinforce MN Holdings' dedication to responsible growth, ensuring that our operations align with long-term environmental, social and governance ("ESG") objectives as we continue to play a critical role in the nation's infrastructure development.

Sustained Growth and Financial Strength

MN Holdings has continued to make significant strides in our growth journey, reaffirming our commitment to progress and strengthening our position in the industry. FY2024 was marked by strategic investments aimed at increasing operational capacity, enhancing financial performance, and positioning the Group for sustained success in the coming years.

A key highlight of our capital expenditure strategy was the allocation of RM4 million, primarily for the purchase of new machinery and motor vehicles. These investments were made to expand our capacity, enabling us to undertake a greater volume of contracts. The increase in equipment and vehicles directly contributes to our ability to take on more complex projects and deliver timely, high-quality solutions to our clients.

Further underscoring MN Holdings' financial health is the significant growth in our order book, which reached RM428.2 million as at 30 June 2024, a sharp increase from RM339.8 million in the previous year. Although the year-on-year increase in order book stood at around 26%, turnover saw a remarkable rise of approximately 55%. This substantial growth has been driven by our proactive approach to tendering new projects across both the substation engineering and underground utilities engineering sectors, ensuring a steady flow of contracts and future earnings. Additionally, our proven track

record, including our ability to complete projects on time and the synergy between our two core segments, has further strengthened our market reputation. Offering a one-stop service through the integration of underground utilities engineering and substation segments positions MN Holdings as a preferred partner for project owners and main contractors alike.

The continued rise in digitalisation, particularly the growing demand for data centres, has created new growth opportunities that further enhance our operational performance and future outlook. As of 30 June 2024, MN Holdings has strengthened its financial position, with a cash and cash equivalents of RM35.0 million, up from RM11.3 million in the previous year, and an improved working capital from RM63.2 million to RM110.2 million as at FY2024. This solid financial foundation equips us to confidently pursue future investments and navigate challenges, ensuring sustained growth in the year ahead.

The Drive for Sustainability and Nation-Building

In FY2024, MN Holdings reinforced its commitment to sustainability and nation-building, recognising the vital role we play in supporting Malaysia's development through responsible and forward-thinking initiatives. Our efforts are focused not only on advancing our business but also on aligning with global sustainability goals and contributing to the nation's energy and infrastructure evolution.

Key to these improvements was the establishment of a dedicated ESG Team in 2024, tasked with leading and overseeing all sustainability efforts across the organisation. This development represents a significant step in strengthening sustainability governance, as it formalises the roles and responsibilities needed to drive our ESG agenda. The ESG Team works closely with management and various departments to embed sustainability across all operational levels, ensuring that it remains central to our corporate strategy.

One of the most notable advancements in our sustainability framework has been the introduction of a Sustainability Scorecard. This tool provides a clear and measurable overview of our progress across economic, environmental, social and governance pillars, aligning our efforts with the United Nations Sustainable Development Goals (UNSDGs). Additionally, we developed a Stakeholder Influence-Dependency Matrix, prioritising key stakeholders such as employees, customers and suppliers, ensuring that our sustainability initiatives are aligned with their expectations and needs.

We have also enhanced our materiality assessment process, identifying 25 key sustainability matters, of which 10 were deemed significant. This comprehensive

CHAIRMAN'S STATEMENT
(CONT'D)

assessment process, conducted every three years, ensures our sustainability focus remains aligned with evolving stakeholder priorities. Moreover, we have aligned our ESG data with Bursa Malaysia's Enhanced Sustainability Reporting Requirements, including the 11 Common Indicators for ACE Market issuers. This alignment improves transparency and strengthens our compliance with industry standards, while our expanded ESG data disclosure—particularly in GHG emissions (Scope 2), energy consumption and waste management—demonstrates our commitment to environmental stewardship.

As a key player in the power industry, MN Holdings continues to actively contribute to the nation's infrastructure upgrade, particularly in providing critical services to the power utilities sector. In line with Malaysia's National Energy Transition Roadmap (NETR) and global net zero carbon emission objectives, we are well-positioned to support new investments and initiatives. Whether through new policy implementations or high-demand periods such as the pandemic-driven expansion of the local glove industry, MN Holdings has consistently stepped in as a reliable contractor to connect and deliver essential power solutions, contributing to the nation's progress towards a sustainable and low-carbon future.

Growth through Digitisation and Diversification

The year 2023 presented a unique mix of recovery and challenges. While the World Health Organization officially declared the end of COVID-19 as a global health emergency, global economic stability remained fragile due to geopolitical tensions and policy changes. Although the world moved past the immediate impacts of the pandemic, ongoing conflicts in regions like Ukraine and the Middle East, coupled with tightening economic measures, weighed heavily on global growth. In Malaysia, the economy experienced a moderate growth rate of 3.8%, falling short of the government's 4% target and significantly lower than the previous year's exceptional 8.7%.

Despite the broader economic challenges, MN Holdings demonstrated remarkable adaptability, maintaining a strong financial performance and achieving impressive growth. In FY2024, the Group's total revenue surged to RM256.2 million, up from RM164.5 million in FY2023, representing a notable year-on-year increase of 55.7%. Profitability also saw significant improvement, with net profit rising to RM17.2 million, compared to RM9.3 million in the previous year, achieving a year-on-year growth of 84.9%. This outstanding growth was largely driven by the Substation Engineering segment, which experienced a substantial boost in revenue, increasing from RM76.8 million in FY2023 to RM135.2 million in FY2024. The Underground Utilities Engineering ("UUE") segment also

contributed to this upward trend, with revenue growing by 38.1%, from RM87.6 million in FY2023 to RM121.0 million in FY2024. Together, these segments contributed significantly to the Group's success, with the Substation Engineering business being the primary growth engine in FY2024.

The growth in both the UUE and Substation Engineering segments highlights our ability to capitalise on high-growth opportunities, particularly in the energy and infrastructure sectors. The significant increase in the substation segment was driven by the completion of several Large-Scale Solar (LSS) projects alongside with energisation of two substation projects for a data centre owner, with the operation and maintenance handover scheduled, reflecting the Group's expertise in renewable energy and digital infrastructure. Looking ahead, we will continue to expand our footprint beyond our core engagements with Tenaga Nasional Berhad (TNB), broadening our reach into private sectors such as the data centre, solar power, property development and semiconductor industries. This diversification strengthens MN Holdings' market presence and enhances our capacity to deliver value across a wider range of high-growth sectors.

Acknowledgements

In May 2024, we were honoured to welcome Dato' Dr Ir. Hasnul Bin Mohamad Salleh to our Board as an Independent Non-Executive Director. Dato' Dr Ir. Hasnul brings a wealth of experience as a former commissioner for SPAN (Suruhanjaya Perkhidmatan Air Negara), further enhancing our ability to expand into the water industries.

To our stakeholders, staff, Board Members and Key Senior Management, your unwavering support, commitment and leadership have been the foundation of our achievements. As we move forward, our collective efforts will continue to drive innovation, growth and success, solidifying MN Holdings as a leader in the industry.

Thank you for being an integral part of our journey and for helping to shape a future filled with opportunity, progress and accomplishment. Together, we will reach even greater heights.

Dato' Sri Ir. Baharin Bin Din

Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

"DEAR VALUED SHAREHOLDERS,

In a defining FY2024, MN Holdings adeptly navigated the complexities of the Malaysian economic landscape while successfully managing global challenges and seizing opportunities within the rapidly evolving and innovating data centre sector, and the renewable energies sector due to Malaysia's push for net-zero through the National Energy Transition Roadmap (NETR). This is a testament to the Group's ability to capitalise on industry trends and developments, showcasing its adaptability and forward-thinking strategies throughout the year. Amidst strategic transformation and solid performance, our alliances and collaborations demonstrated a proactive response to market shifts, reinforcing our position in an increasingly digital economy. In this Management Discussion and Analysis ("MDA"), we invite you to explore our strategic journey through FY2024, and we extend our sincere gratitude for your continued support and trust in MN Holdings."

It is my pleasure to present the Annual Report of MN Holdings, detailing our operations and financial performance for the financial year ended 30 June 2024 ("FY2024"). Reflecting on the year under review, MN Holdings finds itself amid riding the developmental wave of the industries we are involved in after a year of expansion of our key services. Diversifying our services has also been a key component of our progress, with the Group looking for opportunities in other sectors and industries.

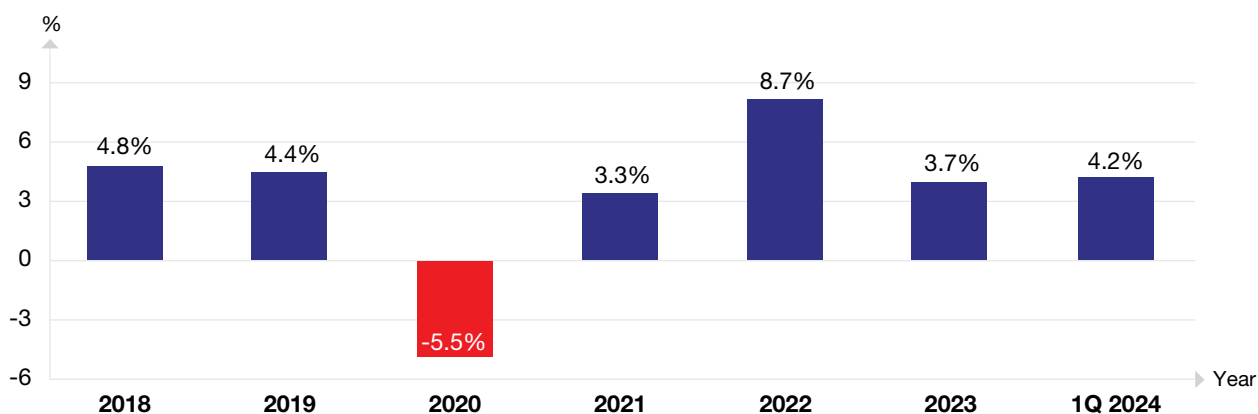
The year 2023 was one of stark contrasts. While the World Health Organization declared an end to COVID-19 as a global health emergency, the global economy grappled with the realities of geopolitical tensions and policy shifts. As the world breathed a collective sigh of relief following the pandemic, simmering conflicts in Ukraine and the Middle East, alongside tightening economic policies, cast a shadow over global growth prospects.

Malaysia was not immune to these global pressures. After experiencing a post-pandemic surge, the national economy grew modestly by 3.8%—below the government's 4% projection and a sharp contrast to the prior year's remarkable 8.7%, a 22-year high.

Despite these challenges, the outlook for 2024 remains optimistic. Bank Negara Malaysia (BNM) forecasts a positive trajectory for the economy, driven by strong domestic consumption and a revival in external demand. Globally, the International Monetary Fund (IMF) predicts a rebound in trade, with growth expected to rise from a subdued 0.4% in 2023 to 3.3% in 2024. This is anticipated to be bolstered by a technological sector upswing, further enhancing Malaysia's exports, alongside a recovering tourism sector.

In the first quarter of 2024, the Malaysian economy expanded by 4.2%, underpinned by stronger private expenditure and a recovery in exports. Household spending increased as employment and wages continued to grow, and investment activities gained momentum, supported by higher capital spending in both the private and public sectors. Exports rebounded with rising external demand, while most sectors registered higher growth on the supply side.

GDP Growth (%)



Sources: <https://open.dosm.gov.my/dashboard/gdp>, <https://tradingeconomics.com/malaysia/full-year-gdp-growth>

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

The increase in Foreign Direct Investment (FDI), the rapid expansion of data centres and the transition towards renewable green energy have all driven the need for new power connections and upgrades to existing power infrastructure. This surge in demand aligns with MN Holdings’ core expertise, enabling the Group to leverage its proven track record in delivering large-scale infrastructure projects. As a trusted player in the industry, MN has been able to actively participate in the construction of new utilities infrastructure as well as critical upgrade projects for existing power systems.

In line with the heightened activity in these sectors, MN Holdings’ order book has continued to grow, even as the Group recorded a 56% increase in revenue. This sustained demand for MN’s engineering services highlights the strong pipeline of projects on the horizon, particularly in renewable energy and data centre developments.

BUSINESS OVERVIEW

MN Holdings operates as an investment holding company, primarily focused on two key areas through our wholly-owned subsidiaries, Mutu Nusantara Sdn Bhd (“MNSB”) and MN Power Transmission Sdn Bhd (“MPTSB”):

**UNDERGROUND UTILITIES
ENGINEERING SERVICES AND
SOLUTIONS**

Through MNSB, MN Semantra Sdn Bhd (“MSSB”) and MN Moxtech Sdn Bhd (“MMSB”), we engage in the comprehensive process of procuring, supplying, delivering, installing, laying, constructing, testing, commissioning, inspecting, repairing, and maintaining underground utilities and product pipelines, which collectively comprise the essential components of utility systems for our valued customers.

**SUBSTATION ENGINEERING
SERVICES AND
SOLUTIONS**

We primarily offer substation engineering services and solutions to both private and public utilities companies within the power industry of Malaysia through MPTSB.

Dual Key Strategies to Drive Growth

In navigating the evolving landscape of the power utilities construction industry, MN Holdings implemented two key strategic initiatives to solidify its market position and enhance value for stakeholders. These strategies are outlined as follows:

Focus on the Latest Industry Growth Trends

Recognising the constant demand for power connections across all sectors, MN Holdings aligns its operations with emerging industry trends. The universal need for dependable power infrastructure serves as a foundation for our strategic planning, ensuring that our solutions remain relevant and adaptable to the ever-changing needs of the industry.

Active Engagement with Customers and Suppliers

Furthermore, we recognise that building strong relationships and collaborating closely with our stakeholders, including customers and suppliers, is essential to driving innovation and achieving success. Our proactive engagement strategy promotes open dialogue on potential collaborations, encouraging collective contributions towards new projects and development opportunities. This approach enhances our service offerings and strengthens our position and relevance within the industry.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)**BUSINESS OVERVIEW (CONT'D)****Our Legacy and Services: Engineering Robust Foundations**

With over 17 years of experience in Malaysia's power utilities construction industry, MN Holdings has built a strong legacy rooted in expertise, innovation and service excellence. Our subsidiaries, MNSB and MPTSB, are recognised as Grade 7 (G7) contractors by the Construction Industry Development Board (CIDB), and MPTSB also holds the Sijil Perolehan Kontrak Kerajaan (SPKK), allowing us to participate in high-value tenders across both the public and private sectors in Malaysia. Through a range of contract offerings—EPCC/Turnkey, Bulk Contracts, or Single Contracts—we uphold engineering excellence, providing customised solutions from project inception to operation.

Enabling Future Growth through Strategic Listing

The strategic listing of MN Holdings has significantly bolstered our ability to accelerate growth, as demonstrated by the strong performance in FY2024. This listing has enhanced our financial capacity and strengthened our position to capitalise on rapidly expanding sectors, such as data centres and national infrastructure development. The growing demand for data centres, driven by technological advancements and the increasing reliance on digital infrastructure, aligns perfectly with our expertise in powering such facilities.

As national infrastructure development continues to thrive, our comprehensive range of underground utilities and substation engineering services is well-positioned to support and contribute to these large-scale projects. Our services play a critical role in ensuring reliable power supply to new developments such as data centres and infrastructure developments, reinforcing our pivotal contribution to the nation's digital and infrastructural transformation.

Clientele and Final Notes: Harnessing Power, Empowering Developments, and Diversifying

Our clientele primarily comprises main contractors, property developers, and various industries, all of whom rely on our specialised services and solutions to ensure a reliable power supply to their specific sites and facilities. At MN Holdings, we are more than just a project partner; we are dedicated to energising landscapes, driving industrial growth and shaping sustainable development. We achieve this through the integration of expert knowledge and forward-thinking engineering solutions, consistently delivering excellence across every project.

In conclusion, the Group continues to advance with a strategic focus on industry trends, maintaining an unwavering commitment to collaborative stakeholder engagement and seizing opportunities made possible by our strategic listing. This approach positions us to drive growth while making substantial contributions to national development initiatives.

To further solidify MN Holdings' track record, we are not only expanding our presence within Tenaga Nasional Berhad (TNB) but also broadening our reach across private industries. These include the data centre sector, solar power industry, property developers and the semiconductor industry.

MN Holdings is not solely focused on the power industry; we are also actively involved in the gas sector. This includes a major contract valued at RM20 million for Engineering, Procurement, Construction and Commissioning (EPCC) work on the gas distribution system at Proton's Tanjung Malim plant, with potential applications for new energy vehicles (NEV). Additionally, the water and sewerage industry is a key area of focus for us in the coming years. The growing concern around non-revenue water (NRW) and the rapid expansion of data centres will inevitably drive the need for infrastructure upgrades in the water sector, positioning MN Holdings to play a vital role in these developments.

This diversification strengthens our market presence and enhances our ability to deliver value across a range of high-growth industries.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FINANCIAL REVIEW

Despite macroeconomic challenges such as persistent inflationary pressure and a rising interest rate environment, MN Holdings firmly established itself as a financially stable and resilient entity in FY2024, achieving notable success across key financial metrics.

The Group showcased remarkable adaptability, maintaining strong financial performance and delivering impressive growth. MN Holdings experienced a remarkable increase in revenue during FY2024, with total revenue rising to RM256.2 million from RM164.5 million in FY2023, a 55.7% year-on-year (“yoy”) growth. Similarly, MN Holdings’ profitability surged in FY2024, with profit increasing to RM17.2 million, up from RM9.3 million in the previous year, a 84.9% year-on-year (“yoy”) growth.

This significant growth was largely driven by the performance of the Substation Engineering segment, which saw a substantial boost in revenue, increasing from RM76.8 million in FY2023 to RM135.2 million in FY2024. In turn, the Underground Utilities Engineering (UUE) segment saw a growth in revenue of 38.1%, from RM87.6 million in FY2023 to RM121.0 million in FY2024. The underground utilities engineering segment contributed 47.2% of total revenue, while the substation engineering business accounted for 52.8%, with the latter being the primary growth engine for the Group in FY2024.

Both the UUE and Substation Engineering segments recorded growth in FY2024, though the increase in the substation segment was notably higher. This significant rise in substation engineering segment was driven by the successful completion of three Large-Scale Solar (LSS) projects, alongside with energisation of two substation projects for a data centre owner, with the operation and maintenance handover scheduled.

MN Holdings’ financial health is further demonstrated by its robust order book, which stood at RM428.2 million as of 30 June 2024, a substantial increase from RM339.8 million reported in the previous year. This increase in the orderbook is reflected in the 55.7% increase in revenue. The Group has proactively tendered for new projects in both the substation engineering and underground utilities engineering sectors, a strategic move aimed at maintaining a healthy order book and ensuring consistent earnings in the future. This approach positions MN Holdings for continued revenue growth in the upcoming quarters.

The ongoing momentum of digitalisation, particularly the rising demand for data centres, presents sustained growth opportunities that continue to strengthen the Group’s operational performance and future prospects. MN Holdings has also demonstrated strong financial health, with an enhanced cash and cash equivalents of RM35.0 million as of 30 June 2024, up from RM11.3 million the previous year. Working capital improved to RM110.2 million from RM63.2 million during the same period, underscoring the Group’s solid financial foundation and its ability to navigate future investments and challenges with confidence.

In conclusion, the power industry remains MN Holdings’ core area of involvement, aligning with the ongoing data centre expansion and the NETR. As the demand for energy continues to grow, driven by the rise of data centres and the increasing emphasis on sustainability, MN Holdings is well-positioned to support the nation’s shift towards renewable energy and a low-carbon future.

Through strategic initiatives across its business segments and alignment with digitalisation trends, MN Holdings has solidified its financial position and is well-prepared for continued success in the coming years. The Group remains committed to strengthening its financial foundation by pursuing ventures and opportunities aligned with its corporate ethos, driving financial prudence and sustainable growth.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OPERATIONS REVIEW

As of the time of this financial report, MN Holdings has firmly established its operations within the Malaysian market, demonstrating significant growth in its revenue streams throughout FY2024.

The main contributor to the Group's total revenue has shifted from underground utilities engineering services and solutions in the previous year to substation engineering services and solutions this year, accounting for 52.8% of the Group's revenue for the year, up from 46.7% in the previous year.

The substation division has seen a substantial rise in performance, primarily due to our enhanced capacity to secure more EPCC ("Engineering, Procurement, Construction, and Commissioning") projects directly from project owners. While the substation division now accounts for a slight majority of our revenue, the underground utilities division has also seen growth as compared to the previous year.

Our revenue growth this year has been further strengthened by the Group's listed status on Bursa Malaysia, which has provided a solid platform for building a strong reputation and track record, attracting trust from stakeholders and enabling the acquisition of high-value projects.

Power continues to be the major revenue driver for MN Holdings, contributing approximately 91.5% of total revenue. However, we have also diversified our focus to include the gas and water sewerage sectors, positioning ourselves for future growth in these essential infrastructure industries.

Our reputation for completing projects on time and delivering high-quality services has further enhanced our competitive advantage, enabling the Group to maintain and expand its client base. The synergy between our two core segments—substation and underground utilities engineering—remains one of our greatest strengths, allowing us to provide a comprehensive, one-stop solution, particularly in the growing data centre and solar sectors.

Since the Group's IPO, MN Holdings has experienced commendable operational and financial strides, securing new projects and strengthening our corporate profile. As of 30 June 2024, the Group's order book has surged to RM428.2 million, a sharp increase from RM339.8 million recorded the previous year. This reflects the Group's robust financial health and upward trajectory.

Looking ahead, MN Holdings remains focused on exploring new opportunities, particularly in the expanding data centre sector, while leveraging our operational diversification and financial strength to drive sustained growth and long-term success.

KEY MILESTONES AND DEVELOPMENTS

- MNSB secured its first project which contract sum exceeded RM50 million, for design, build and commissioning the high voltage horizontal directional drilling and cable bridge works for a data centre with contract sum of RM98 million.
- MPTSB successfully completed and commissioned 3 large scale solar projects and energised 2 substation projects for a data centre owner, with the operation and maintenance handover scheduled. The total contract value for these projects are RM72 million and RM45 million respectively.
- MPTSB was certified compliant to ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health & Safety Management Systems.
- MNSB's Electrical Contractor registration with Energy Commission of Malaysia was upgraded to Class A. MNSB also certified compliant to ISO 14001:2015 Environmental Management Systems and ISO 45001:2018 Occupational Health & Safety Management Systems.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)**KEY RISKS AND CHALLENGES**

In the ever-evolving electrical and power industry, MN Holdings—despite its commendable growth and strategic initiatives—operates in a landscape where potential risks and challenges may emerge amidst progress. Recognising and addressing these factors is crucial to sustaining growth and ensuring long-term development.

Outlined below are some of the key risks and challenges the Group may encounter in the future:

Key risks and Challenges	Description
Global economic volatility	- Potential impacts of global economic downturns or instability, which could affect the domestic economy. - Geopolitical tensions affecting the industry and markets.
Technology advancement and adaptability	- Risk of obsolescence due to rapid technological developments. - Challenges in integrating and adapting to new technologies.
Regulatory and compliance	- Ensuring consistent adherence to local and global regulations. - Managing impacts of changes in legislation and industry standards.
Supply chain risks	- Disruptions in the procurement of materials and labor. - Potential escalation of costs due to global economic factors.
Competitive landscape	- Aggressive competitive bidding for projects. - Emergence of new players and strategic alliances among competitors.
Labour management	- Sourcing skilled labor and managing workforce requirements. - Ensuring continuous training and development to upload quality.
Project management and execution	- Ensuring projects are delivered on time and within budget. - Managing the quality and client satisfaction in project delivery.
Environment and sustainability challenges	- Addressing increasing demand for sustainable and eco-friendly practices. - Managing environmental impacts and adhering to green policies.
Market demand fluctuations	- Predicting and responding to changes in market demand for services. - Adjusting strategies to align with industry trends and client needs.
Clients' dependency	- Risk associated with dependency on key clients for revenue. - Diversifying client base to safeguard against client loss impacts.

As MN Holdings looks toward the future, it celebrates its achievements, outlines future strategies, and carefully examines potential risks and challenges. Ensuring a robust risk management and mitigation strategy is essential to navigating these challenges and turning them into opportunities for progress within the industry.

In this regard, the Risk Management Committee at MN Holdings plays a crucial role in driving a comprehensive approach to business risk management. Their responsibilities include overseeing the development and implementation of a thorough risk management framework, as well as conducting regular evaluations to ensure its effectiveness.

The framework serves multiple purposes: it not only ensures the delivery of high-quality products and services but also closely monitors the risk culture and processes across the entire Group. This balanced approach enables us to seize opportunities while managing risks that could potentially harm our reputation or hinder the achievement of our business objectives.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)**KEY RISKS AND CHALLENGES (CONT'D)**

Furthermore, MN Holdings remains committed to ethical conduct and legal compliance. Our Whistleblowing and Anti-Bribery and Corruption policies reflect our dedication to transparent and ethical practices. We also strictly comply with all relevant laws and regulations, including the Capital Markets & Services Act 2007, Companies Act 2016, Personal Data Protection Act 2010, Employment Act 1955, Occupational Safety and Health Act 1994, and the CIDB Act, ensuring that our operations are consistently lawful and uphold the highest ethical standards.

OUTLOOK AND PROSPECTS

The outlook for MN Holdings remains highly positive, driven by significant opportunities within the energy and utilities sectors. TNB has committed to a substantial capital expenditure of approximately RM45 billion from 2025 to 2027 under Regulatory Period 4 (RP4). This investment is aimed at ensuring the delivery of reliable energy to customers across Malaysia. The Group is well-positioned to capitalise on the opportunities arising from TNB's initiatives, particularly in the development of critical infrastructure required to support this significant energy commitment. Additionally, large-scale projects such as the Large-Scale Solar 5 (LSS5) and the Corporate Green Power Programme (CGPP) are set to provide further growth prospects in the renewable energy space in the coming years.

Beyond the power sector, the water industry is also a key focus area for the Malaysian government, particularly in addressing the issue of non-revenue water (NRW). The regions of Perlis, Kedah, Kelantan, and Pahang are expected to see increased activity in water infrastructure upgrades, driven by government initiatives to reduce NRW. MN Holdings is well-placed to contribute to these projects, leveraging its expertise in utilities engineering. Additionally, the rapid expansion of data centres across the country is creating further demand for water infrastructure improvements, providing another avenue for the Group to deliver impactful solutions in the evolving utilities sector.

As these sectors continue to develop, MN Holdings is strategically positioned to play a pivotal role in sectors and industries we are involved in, strengthening our market presence and contributing to Malaysia's broader economic and environmental goals. Our diversification efforts will also bear fruit in the long-term as we expand our key services and offerings to better adapt to the evolving needs of the nation.



SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

A. INTRODUCTION

MN Holdings presents its annual Sustainability Statement, herein referred to as “this Statement,” offering an overview of our sustainability initiatives and highlighting our Environmental, Social, and Governance (“ESG”) performance for the financial year ended 30 June 2024 (“FY 2024”). At MN Holdings Berhad (referred to as “MN Holdings” or the “Group”), we are committed to operating in a socially responsible and ethical manner, while generating lasting value for our stakeholders. Within these pages, we detail the initiatives implemented to foster sustainability across our business and operations, ultimately contributing to the wellbeing of our stakeholders and the environment. This Statement delves into the risks and opportunities that shaped our operations, encompassing challenges in both ESG and economic domains during the review period. At the core of our sustainability journey lie our approaches, a solid framework, and diverse initiatives propelling us toward our sustainability goals and targets. Essentially, this Statement serves as a record of our progress, achievements, and challenges encountered on our sustainability journey throughout the FY 2024.

B. REPORTING SCOPE AND BOUNDARIES

This Sustainability Statement encapsulates MN Holdings’ commitment, initiatives and achievements throughout the FY 2024, offering an overview of our impact on economic, environmental, social, and governance aspects. Covering our operations in Malaysia, including two (2) principal activities representing 100% of our revenue, this statement is issued annually and integrates into our broader Annual Report. The selected content ensures meaningful, accurate and balanced representation, providing shareholders with a deeper understanding of the Group’s sustainability performance and its unique context. The included business segments are as follows:

- Underground Utilities Engineering services and solutions contributing 47% of the Group’s revenue.
- Substation Engineering services and solutions contributing 53% of the Group’s revenue.

C. MEMBERSHIP IN ASSOCIATION

MN Holdings’ is a member of the following professional bodies and industry associations:

- Member, Construction Industry Development Board (“CIDB”)

D. ASSURANCE STATEMENT

The data presented in this Sustainability Statement is sourced internally from within the Group. It is compiled and measured against industry standards in alignment with our sustainability targets. To the best of our ability, the results are verified by the Management and undergo a review by the ESG Team.

While we have yet to adopt external assurance practices, we are committed to continuously improving our data collection and reporting processes in line with industry best practices.

E. GUIDELINES AND STANDARDS

This report is prepared in accordance with the following guidelines and frameworks:

- Bursa Malaysia’s Enhanced Sustainability Reporting Requirements for ACE Market issuers, including the 11 common indicators.
- Global Reporting Initiative (GRI) Standards.
- United Nations Sustainable Development Goals (UNSDGs), as part of our long-term vision.
- Malaysian Code on Corporate Governance (MCCG) of Securities Commission Malaysia.
- MN Holdings’ internal policies, including our Sustainability and Environmental Policies.

SUSTAINABILITY STATEMENT
(CONT'D)

ABOUT THIS STATEMENT (CONT'D)

F. EXCLUSIONS, LIMITATIONS AND DISCLAIMERS

While MN Holdings acknowledges that there may be significant ESG impacts across its value chain, this Statement focuses on the impacts of its own operations. Nevertheless, MN Holdings remains committed to embedding sustainability practices throughout the entire Group and sharing its ESG Team with business partners, suppliers, and contractors. We are also in the process of implementing a more rigorous data-gathering process to address any gaps in our sustainability reporting.

We advise shareholders that forward-looking statements in this Statement regarding future plans, targets, and expectations are made with reasonable assumptions based on current business trajectories. Actual results may vary as MN Holdings adjusts its business strategies and operational decisions to respond to emerging risks, opportunities, and changing circumstances.

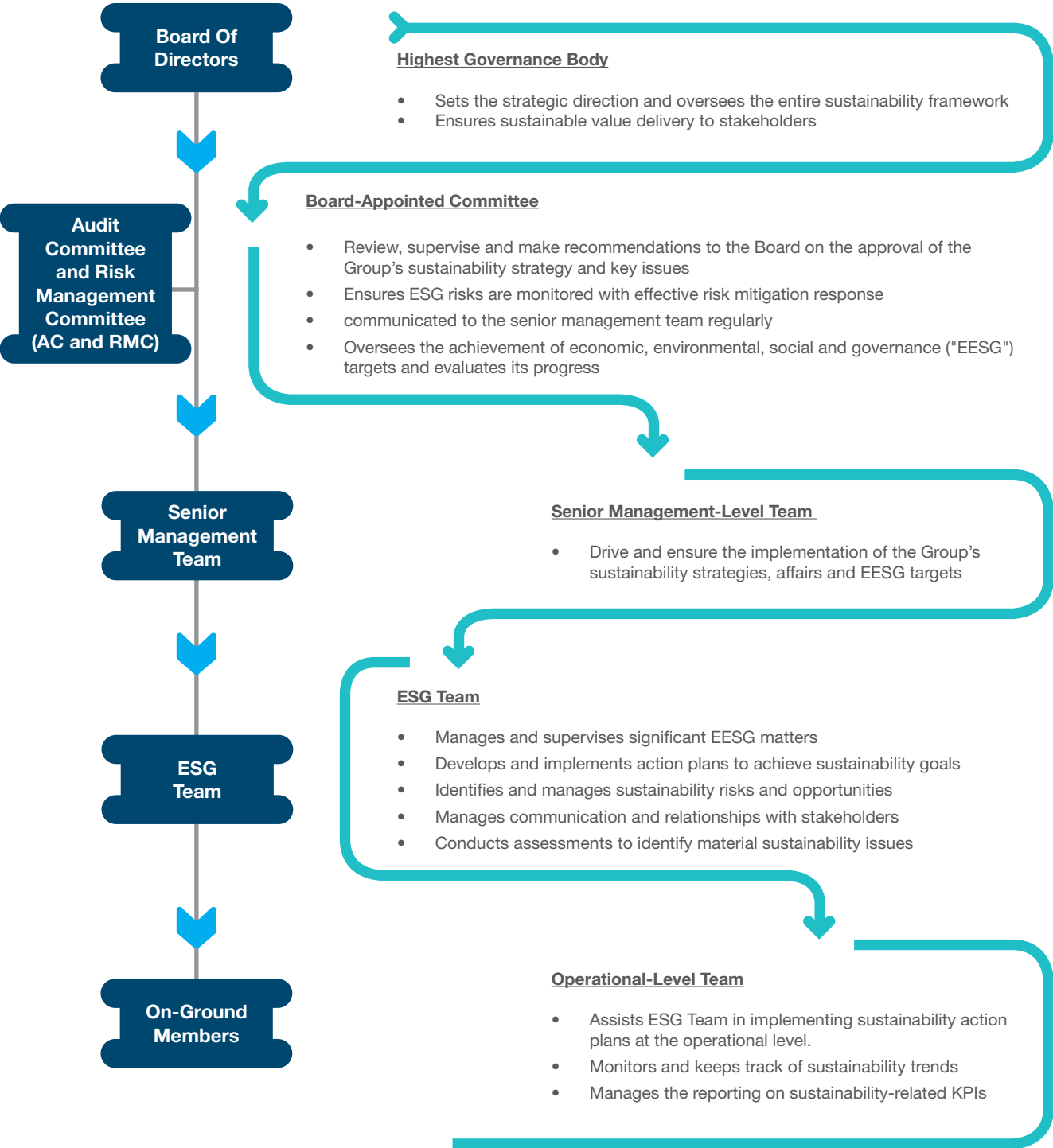
G. FEEDBACK AND ENQUIRIES

In line with MN Holdings' continuous effort to raise its performance in sustainability standards, the Group welcomes stakeholders' feedback on any issues. Comments and enquiries related to this Sustainability Statement can be directed to info@mnholdings.com.my



SUSTAINABILITY GOVERNANCE FRAMEWORK

For a company to effectively manage sustainability and achieve successful implementation, committed leadership, clear direction and strategic influence are vital. At MN Holdings, we have established a governance structure that ensures sustainable practices are integrated into our business strategies in alignment with the Group’s vision and mission.



SUSTAINABILITY STATEMENT
(CONT'D)

SUSTAINABILITY GOVERNANCE FRAMEWORK (CONT'D)

MN HOLDINGS's Sustainability Scorecard

The table provided below presents MN Holdings' Sustainability Scorecard for FY 2024. These achievements are linked to the Group's 4 Sustainability Pillars, demonstrating the progress made in pursuing our sustainability objectives and priorities. Furthermore, we have correlated these highlights and achievements with the UNSDGs, thereby aligning our efforts with the global sustainability agenda.

ESG Pillars (Material Matters)	Targets	Current Progress against targets	Progress Tracking	Linkage to UNSDGs
Economic Resilience	1. Upholding Customer Satisfaction Index ("CSI") at 90% and above 2. To exceed our Supplier Conformance Requirement	1. Achieved CSI score of 97% and above 2. All supplier exceed our set performance		 
Environmental Sustainability	1. Pledged "carbon neutrality by 2050" 2. To disclosure GHG emission data; 2.1 Disclosure of GHG Scope 2 emissions in FY 2024 2.2 To conduct GHG baseline assessment for scope 1 in FY2025 2.3 To conduct GHG baseline assessment for scope 3 in FY2025 3. Zero (0) environmental violations 4. To conduct baseline energy saving and resources conservation	1. At planning stage for conducting awareness on "carbon neutrality" in FY 2025 2. At initial stage of GHG emission data collection 2.1 Completed disclosure of GHG Scope 2 emission 2.2 Plan GHG Scope 1 emission data collection 2.3 Plan GHG Scope 3 emission (for business travel data and employee commuting categories) 3. Achieved Zero (0) environmental violations 4. At planning stage for energy saving and resources conservation		     

SUSTAINABILITY STATEMENT
(CONT'D)

SUSTAINABILITY GOVERNANCE FRAMEWORK (CONT'D)

MN HOLDINGS's Sustainability Scorecard (Cont'd)

ESG Pillars (Material Matters)	Targets	Current Progress against targets	Progress Tracking	Linkage to UNSDGs
Social - Sustainable Workforce & Community	- To conduct 8 hours of training per annum for employees - Maintaining zero (0) workplace fatalities - Target zero (0) incident of Human Rights violations complaints - To extend the supplier disclosure and evaluation to include ESG aspects	- Achieved above 9 hours per annum for employees (all categories) in FY 2024 - Achieved Zero (0) workplace fatalities (employee, supplier and contractor) - Achieved Zero (0) reported cases of human rights violations - At planning stage for improvement on the supplier evaluation criteria to include ESG		     
Governance and Ethics	- Target zero (0) incident of whistleblowing cases - Target zero (0) incident of corruption cases - Target zero (0) incident of regulatory breach	- Achieved zero (0) reported whistleblowing cases - Achieved zero (0) reported corruption cases - Achieved zero (0) incident of regulatory breach		 

Legend: Progress Tracking



Progressing well and on track to achieving targets by 2030



Progressing but slightly behind targets, to increase efforts



Progressing with delays, to review current approach

SUSTAINABILITY STATEMENT
(CONT'D)

STAKEHOLDER ENGAGEMENT

We consistently engage with our stakeholders via various methods and platforms. We understand the importance of engaging with our stakeholders to ensure that our sustainability initiatives align with their expectations. We maintain open communication with investors, customers, employees, suppliers, regulators, and local communities. Our stakeholder engagement efforts help us address relevant concerns and identify opportunities to create value for all parties involved. The table below illustrates our key focus areas and methods of engagement with our stakeholders:

Stakeholders	Key Focus Area	Methods of Engagement
Shareholders, Financiers and Investors	- Profitability - Dividend - Shareholders' value/responsibility	- Annual General Meetings - Company website - Annual Reports
Clients/Customers, Suppliers, and Industry Partners	- Product and service quality - Timely delivery of products/ projects - Payment terms and timeliness - Product innovation	- Customer satisfaction survey and supplier evaluation form - Customer service platforms, including phone calls and emails - Face-to-face meetings - Events and site visits - Company policies compliance declarations - Social media
Regulators and Government Authorities	- Compliance with laws and regulations - Certifications/awards - Industry best practices and updates	- Compliance and certification exercises - Periodic site visits and audits - Company representation at initiatives/ technical working groups - Briefings and trainings
Employees	- Business performance and direction - Career development - Learning and development - Employee welfare and benefits - Employee wellness - Safety and health	- Regular meetings and discussions - Townhall meetings - Annual performance appraisal - Forums, training, and workshops - Employee events including festive celebrations and annual gathering - Company policies compliance declarations
Local Community, Industry Associations, Academia and Non-Governmental Organisations ("NGOs")	- Company reputation and branding - Corporate social responsibility - Best management practices and industry-related research - Partnerships - Research and collaborations with the industry and academia institutions	- Community outreach and development programs - Public events e.g., forums and symposiums - Annual Report - Educational site visits - Briefings and trainings

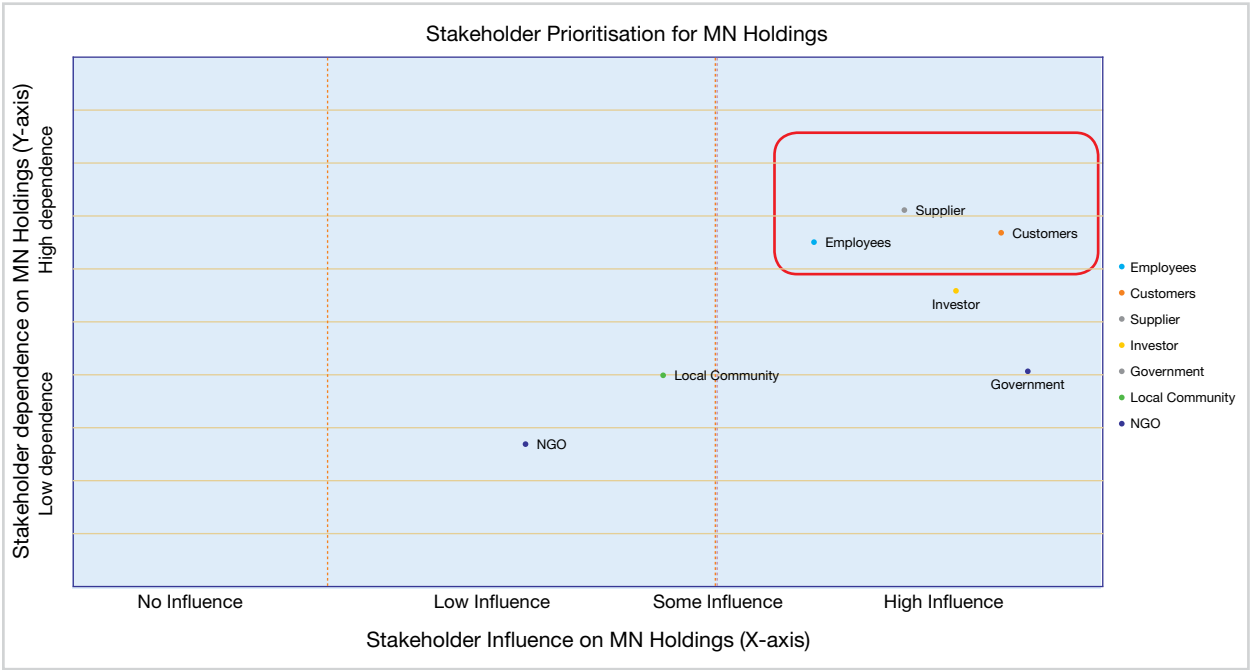
STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Influence – Dependency Matrix

To ensure that our sustainability efforts meet the expectations of our most critical stakeholders, we have developed a Stakeholder Influence – Dependency Matrix. This tool helps us assess both the influence of different stakeholder groups on our business and their dependence on MN Holdings. Given that we are still in the early stages of our sustainability journey, we are concentrating on stakeholders who are both highly influential and highly dependent on us—namely, our employees, customers, and suppliers.

These key stakeholders are instrumental in shaping our operational and strategic decisions, making them central to our sustainability initiatives. Our materiality assessment, which underpins our sustainability strategy, also focuses exclusively on these three groups. By honing in on their needs and priorities, we aim to drive meaningful and impactful progress in the areas that matter most to both our stakeholders and our business.

Stakeholder Prioritisation Process and Matrix



SUSTAINABILITY STATEMENT
(CONT'D)

OUR MATERIALITY MATTERS

MATERIALITY ASSESSMENT

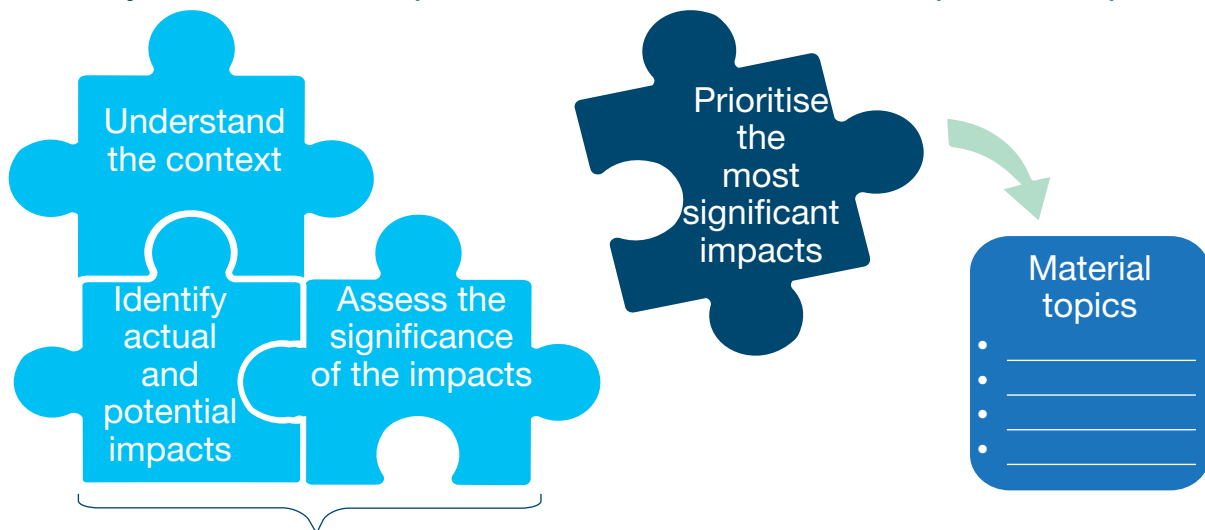
This year, we conducted a more comprehensive materiality assessment compared to previous sustainability statements. This in-depth survey allowed us to better identify the sustainability issues that are most important to our stakeholders and our business. Our assessment covers 25 materiality matters, spanning across the economic, environmental, social, and governance aspects of our operations. Moving forward, we aim to conduct such comprehensive assessments every three years to ensure that our sustainability initiatives remain aligned with evolving stakeholder expectations.

Our key stakeholders—employees, customers, and suppliers—continue to play a vital role in shaping our operational and strategic decisions. By focusing our materiality assessment on these groups, we are able to prioritize their needs, ensuring that our efforts drive meaningful progress in areas that matter most to both our stakeholders and our business. Our materiality assessment process flow, accompanied by a table illustrating our materiality matters and their correlation to the UNSDGs is shown below.

Materiality Assessment Process Flow

Identify and assess impacts

Determine material topics for reporting



Engage with relevant stakeholders and experts

SUSTAINABILITY STATEMENT
(CONT'D)

OUR MATERIALITY MATTERS (CONT'D)

Our Material Matters and their correlation to UNSDGs

ESG Pillars (Material Matters)	Targets	Current Progress against targets	Linkage to UNSDGs
Economic 	1. Economic Value Created	Creating economic value means contributing to the financial success of the company while benefiting society, by driving growth, providing jobs, and generating profits for shareholders.	SDG 8 SDG 9
	2. Corporate Branding & Reputation	Maintaining and enhancing the company's public image through consistent branding and ethical practices that inspire trust and loyalty among customers, investors, and the public.	SDG 12 SDG 7
	3. Product Quality & Responsibility	Ensuring that products meet high standards of safety, quality, and compliance to create value for customers and minimize risks associated with product failures.	SDG 12 SDG 9
	4. Efficient Supply Chain	Implementing effective supply chain management that focuses on reducing waste, improving logistics, and optimizing resources to enhance overall operational efficiency.	SDG 12 SDG 9
	5. Digitalization & Technology	Investing in advanced technology and digital solutions to improve operational efficiency, customer experience, and innovation across all business functions.	SDG 9 SDG 8
	6. Prioritising Local Suppliers	Fostering relationships with local suppliers to support community growth, reduce transportation emissions, and create local economic benefits.	SDG 8 SDG 12
Environmental 	7. Climate Change and GHG Emission	Reducing greenhouse gas emissions and mitigating climate change risks through energy efficiency, renewable energy, and sustainable practices.	SDG 13 SDG 7
	8. Resources Consumption	Optimizing the use of natural resources, such as water and raw materials, to reduce waste and improve operational efficiency.	SDG 12 SDG 7
	9. Energy Consumption	Managing and reducing energy use to minimize environmental impact and improve energy efficiency across operations.	SDG 7 SDG 13
	10. Water Consumption	Implementing water conservation measures to reduce the consumption of water resources, particularly in areas prone to water scarcity.	SDG 6 SDG 12
	11. Environmental Compliance	Adhering to all applicable environmental regulations and standards to avoid legal penalties and contribute to sustainable business practices.	SDG 12 SDG 13
	12. Waste Management & Recycling	Developing systems to reduce waste generation and promote recycling, reducing the overall environmental footprint of operations.	SDG 12 SDG 13
	13. Biodiversity	Preserving natural habitats and ecosystems to protect biodiversity and support sustainable development goals.	SDG 14 SDG 15

SUSTAINABILITY STATEMENT
(CONT'D)

OUR MATERIALITY MATTERS (CONT'D)

Our Material Matters and their correlation to UNSDGs (Cont'd)

ESG Pillars (Material Matters)	Targets	Current Progress against targets	Linkage to UNSDGs
Social 	14. Employee Retention & Development	Fostering a positive work environment by investing in training, development, and retention programs to attract and retain top talent.	SDG 4 SDG 8
	15. Talent Management	Implementing strategic workforce planning and talent development programs to ensure long-term organizational success and innovation.	SDG 4 SDG 8
	16. Succession Planning	Developing a succession planning framework to ensure leadership continuity and minimize disruptions in key business functions.	SDG 8 SDG 9
	17. Occupational Health and Safety (OHS)	Ensuring the health, safety, and well-being of employees by adhering to industry safety standards and implementing preventive measures.	SDG 3 SDG 8
	18. Human & Labor Right	Upholding the rights of all employees, including fair wages, safe working conditions, and non-discrimination, in line with international standards.	SDG 8 SDG 16
	19. Diversity and Equal Opportunity	Promoting diversity and inclusivity in the workplace, ensuring equal opportunities for all employees regardless of gender, race, or background.	SDG 5 SDG 10
	20. Local Community Development	Supporting the development of local communities through job creation, social programs, and infrastructure investments that enhance the well-being of residents.	SDG 8 SDG 11
Governance 	21. Corporate Governance	Ensuring strong governance practices, including transparency, accountability, and ethical conduct, to promote long-term business sustainability.	SDG 16 SDG 17
	22. Risk Management & Mitigation	Implementing a proactive risk management framework to identify, assess, and mitigate risks that could impact the business's operational and financial performance.	SDG 9 SDG 12
	23. Regulatory Compliance	Ensuring adherence to applicable laws, regulations, and industry standards to minimize legal risks and maintain the company's license to operate.	SDG 6 SDG 12
	24. Anti-Corruption & Ethical Conduct	Promoting a culture of integrity by ensuring that all business practices are free from corruption, bribery, and unethical behavior.	SDG 16 SDG 17
	25. Data Privacy and Security	Protecting personal and business data by implementing robust data security measures to prevent data breaches and safeguard sensitive information.	SDG 16

SUSTAINABILITY STATEMENT
(CONT'D)

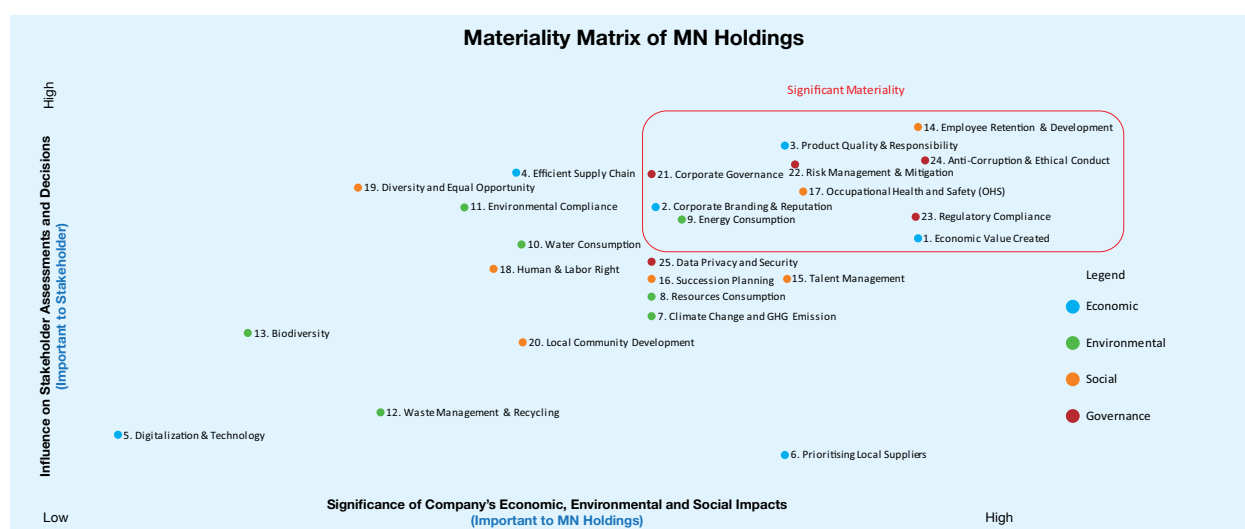
MATERIALITY MATRIX

Our Materiality Matrix outlines the most important EESG matters for MN Holdings. Through consultations with both internal and external stakeholders, we identified 25 materiality matters, of which 10 have been determined as significant to our business and stakeholders. These matters reflect the areas where our efforts can make the most impact.

Aligned with Bursa Malaysia's Enhanced Sustainability Reporting Requirements, including the 11 Common Indicators for ACE Market issuers, our materiality matrix ensures that our sustainability initiatives are relevant and transparent. It also helps us to focus our resources on the key areas that align with both stakeholder expectations and regulatory requirements.

The significant matters identified span across the economic, environmental, social, and governance dimensions, covering issues such as employee well-being, responsible supply chain management, and governance practices. These priority areas will guide our sustainability efforts as we continue to integrate sustainability into our business operations.

Our materiality matrix is an evolving tool, regularly updated to reflect changing stakeholder priorities and business needs. It ensures that we remain focused on the most relevant sustainability issues as we progress on our sustainability journey. Going forward, we plan to conduct comprehensive materiality assessments every three years to ensure our strategy remains responsive to emerging trends and stakeholder needs.



Note: A total of 25 material matters and 10 priorities were concluded through the assessment.

The 10 significant matters, identified in the top-right quadrant of the matrix, are:

Sustainability pillars	Significant Materiality Matters – Our Priority & Focus
E - Economic	1. Economic Value Created 2. Corporate Branding & Reputation 3. Product Quality & Responsibility
E - Environmental	4. Resources Conservation
S – Social	5. Employee Retention & Development 6. Occupational Health and Safety (OHS)
G – Governance	7. Corporate Governance 8. Risk Management & Mitigation 9. Regulatory Compliance 10. Anti-Corruption & Ethical Conduct

SUSTAINABILITY STATEMENT (CONT'D)

These significant matters highlight the high influence they have on both stakeholder decisions and the direction of our business. By prioritizing areas such as product responsibility, resource efficiency, employee well-being, and governance, MN Holdings remains committed to driving meaningful progress. The outcomes of our materiality assessment have informed management's resource allocation, fostering long-term value creation for both our business and stakeholders. Each material matter plays a critical role in our decision-making and is closely aligned with our four pillars of sustainability.

Our Sustainability framework is focused on 4 Sustainability Pillars as follows:



Pillar 1 : Economic



Pillar 2 : Environmental



Pillar 3 : Social



Pillar 4 : Governance

Pillar No. 1: Our Business, and the Economic

Economic Value Created

At MN Holdings, we aim to create long-term economic value by gradually integrating sustainability into our business. We prioritize responsible sourcing, ethical labor practices, and environmental considerations across our operations. Our focus is on maintaining economic value by meeting customer needs, supporting job security, and contributing to local economic growth. While still in the early stages, we are taking gradual steps to adopt digital technologies that can enhance operational efficiency and better serve our stakeholders. Through careful resource management and ongoing engagement with stakeholders, we strive to balance our business objectives with positive outcomes for the community and environment. We remain committed to taking small, thoughtful steps toward sustainable growth that benefits both our stakeholders and society.

Corporate Branding and Reputation

At MN Holdings, we prioritize building and maintaining a positive corporate brand and reputation. Our commitment to ethical business practices, quality products, and sustainable operations plays a crucial role in achieving this goal. We strive to ensure consistent branding and messaging across all channels to foster a positive perception of our company.

Product Quality and Responsibility

At MN Holdings, we recognize the importance of maintaining high standards for the quality of our products and services in both underground utilities and substation engineering. While we are still developing our approach, we remain committed to ensuring customer satisfaction and upholding our reputation through careful attention to quality and safety.

Our efforts begin at the sourcing stage, where we apply quality control measures to ensure that products meet our standards. We aim to align our sourcing practices with relevant industry certifications, taking gradual steps to improve our processes. Throughout our operations, from project planning to delivery, we emphasize the importance of product safety and reliability.

To support these efforts, we are progressively implementing integrated Quality, Environmental, and Occupational Health and Safety (OHS) Management Systems (ISO 9001, ISO 14001, and ISO 45001) to ensure we meet both regulatory and customer expectations.

SUSTAINABILITY STATEMENT
(CONT'D)**Pillar No. 1: Our Business, and the Economic (Cont'd)****Upholding Customer Satisfaction**

Customer feedback is important to us. As part of our efforts to enhance satisfaction, we conduct an annual survey to gauge customer expectations around quality, delivery, and services. In FY2024, we received valuable feedback that continues to help us improve. Our Customer Satisfaction Index for FY2024 was 97%, with 14 customers surveyed and no project claims due to defects. We remain focused on making steady progress in improving customer satisfaction.

Customer Satisfaction Index	
	FY 2024
Customer Satisfaction Index/Score (%), target $\geq 90\%$	97%
Number of customers surveyed	14
Project claims from market due to project defects (case)	0

Efficient Supply Chain

At MN Holdings, we are gradually building a more responsible and efficient supply chain, with a focus on sourcing goods and services locally. By prioritizing suppliers and vendors based in Malaysia, we support local communities while aiming to improve the quality and relevance of our projects by leveraging local expertise and materials. Local procurement helps us operate more efficiently by reducing costs and improving response times. It also helps lower our reliance on distant suppliers, which mitigates the risks of supply chain disruptions and reduces transportation-related carbon emissions. By choosing local products and services, we contribute to local economic growth and generate tax revenues. In FY2024, we achieved 100% spending on local suppliers, reflecting our commitment to gradually supporting the local economy through local procurement.

To ensure our suppliers meet our standards, we use the **Supplier Conformance Index**, which tracks their performance in areas such as quality, delivery, and services. This index helps us promote quality sourcing throughout our supply chain. By working closely with our suppliers and ensuring they align with our values, we aim to gradually enhance both the efficiency of our supply chain and our overall impact on the community.

FY2024 Supplier Performance Data:

Supply Chain Management	
Total Number of Suppliers	410
Proportion of spending on local suppliers	97%
Supplier Conformance Index	
Supplier Conformance Index/Score (%), exceed requirements	92%
Number of supplier surveyed	21

SUSTAINABILITY STATEMENT
(CONT'D)**Pillar No. 2 Environmental Responsibility**

At MN Holdings, we are gradually embedding environmental responsibility into our business operations. From sourcing materials to delivering projects, we are making steady efforts to adopt more sustainable practices. Our key focus areas include energy and resource conservation, minimizing GHG emissions, addressing climate change, promoting responsible waste management, and ensuring compliance with environmental regulations.

Although we are still early in our sustainability journey, we are committed to taking small, practical steps to reduce our environmental impact and contribute to the fight against climate change. These efforts reflect our long-term goal of creating a more sustainable and greener future.

Conservation of Energy and Resources

At MN Holdings, we are gradually embracing resource efficiency and responsible consumption as part of our commitment to environmental sustainability. We continuously explore practical solutions and collaborate with industry partners to improve our practices. In line with our long-term vision, we have pledged to achieve net-zero carbon emissions by 2050, aligning with the Malaysian government's objectives under the 12th Malaysia Plan.

We are in the early stages of evaluating greenhouse gas (GHG) data collection to better understand our environmental impact. These efforts reflect our ongoing commitment to enhancing resource efficiency and contributing to a more sustainable future.

Waste Management

As we begin our journey toward environmental responsibility, our initial focus is on waste reduction, materials management, and improving productivity. We are gradually implementing an environmental management system to help us address environmental impacts more systematically.

Compliance with Environmental Regulations

We are committed to complying with regulatory requirements, including the Malaysian Environmental Quality Act 1974. During FY2024, there were no legal cases involving environmental violations related to discharges. Additionally, we worked with licensed waste disposal companies to responsibly manage our waste.

Metrics and Responsible Practices

In FY2024, we continued to explore responsible practices in response to environmental challenges. Our efforts included developing environmental, social, and governance compliance policies, collaborating with suppliers to promote responsible sourcing, and identifying ways to reduce energy consumption.

Metrics related to environmental performance collected during the reporting period include:

**Energy Management****144 MWh**Total Electricity
Consumption**Water Usage****1,091 m3**Total Water
Consumption**Waste Management**

0
Total Waste
diverted from disposal
383 tonnages
Total Waste directed
to disposal

**Emissions**

144 CO₂e
Scope 2 emissions
in tonnes

Note: The scope 2 emission factor used for calculating energy emissions is 0.758 kgCO₂e/kwh (0.000758 tCO₂e) from Energy Commission in 2021.

Pillar No. 3 – People, Social, and Community Engagement

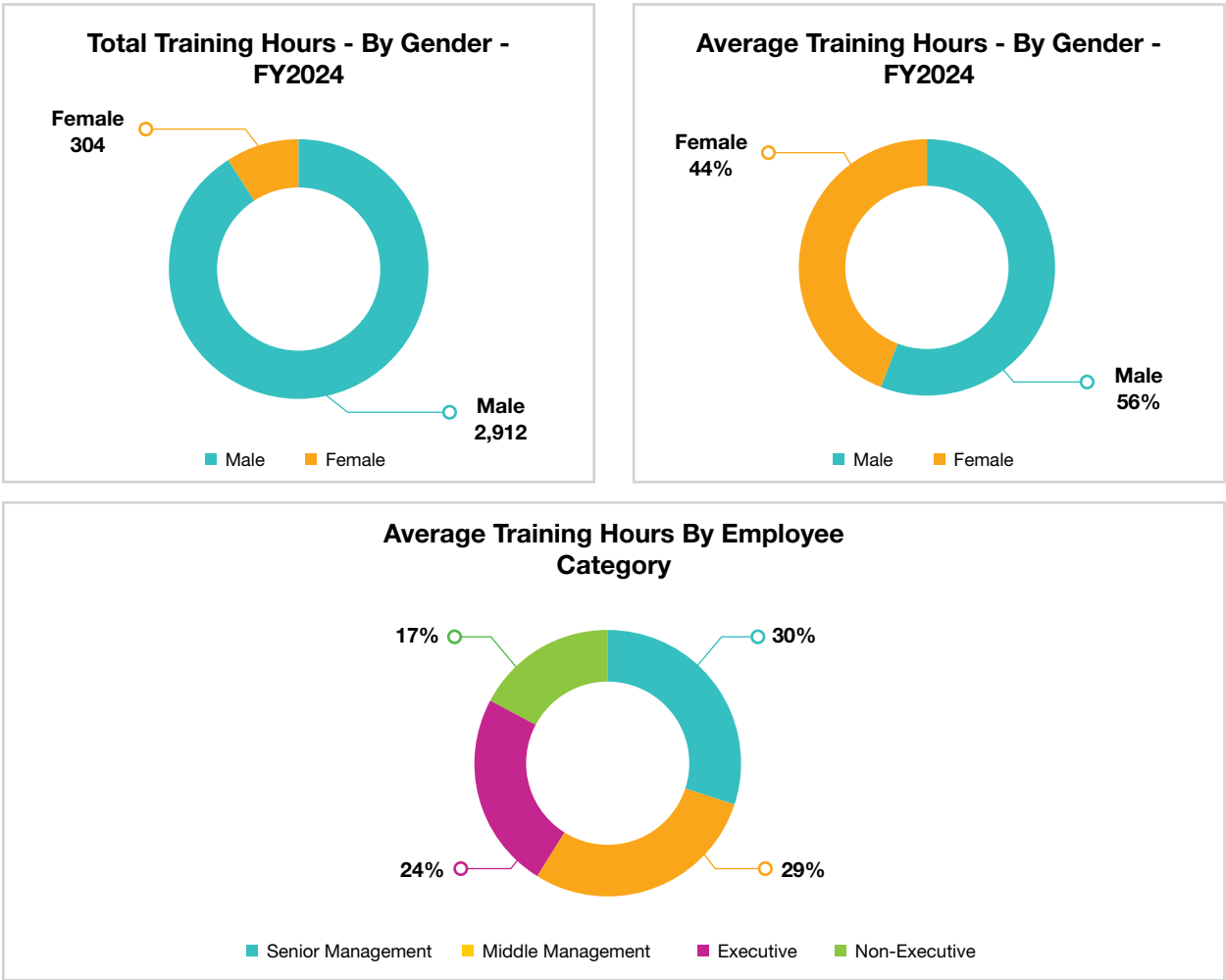
Social performance is an important aspect of MN Holdings’ business, particularly in how we manage our workforce, which is essential for maintaining business continuity. We focus on key areas such as employee retention, development, and human and labor rights, ensuring our employees’ well-being and growth remain a priority. We also aim to create positive impacts within the communities where we operate by supporting local community development, contributing in ways that align with our business capacity.

Employee Retention and Development at MN Holdings

At MN Holdings, we understand that the success of our Group depends on our employees. As the foundation of our operations, we prioritize the upskilling, talent management, and succession planning needed to ensure our workforce is equipped for the future. We focus on offering learning and development opportunities, introducing training programs for both new and existing staff to enhance their skills and knowledge.

We conduct annual performance appraisals to monitor employee progress and identify areas for improvement. By investing in training and development, we not only support the growth of our organization but also empower our employees to advance in their careers. In an ever-evolving industry, maintaining a strong focus on human capital development helps us remain competitive.

The following table presents our Learning and Development Performance data:



Total Amount Invested in Employee Learning and Development (RM) – FY2024

RM 162,633

SUSTAINABILITY STATEMENT (CONT'D)

Pillar No. 3 – People, Social, and Community Engagement (Cont'd)

Employee Health, Safety, and Well-being

At MN Holdings, we are committed to creating a workplace that prioritizes the health, safety, and well-being of our employees. We have implemented comprehensive health and safety measures overseen by a dedicated safety officer who reports directly to our Director. These measures ensure compliance with all relevant Malaysian laws and regulations governing our business operations.

In FY2024, we achieved zero Lost Time Injury Rate (LTIR) and maintained zero work-related fatalities, reflecting the effectiveness of our precautionary measures. Our goal is to uphold this track record as we continue improving our safety protocols to ensure the well-being of our employees.

We also invest in training and education to equip our employees with the knowledge needed to identify and mitigate potential hazards. This proactive approach not only strengthens our safety culture but also reinforces our commitment to employee well-being.

Human and Labor Rights

We are committed to upholding human rights, fair labor practices, and promoting diversity, equity, and inclusion within our workforce. Through ongoing training programs and awareness initiatives, we actively create a workplace that respects and supports these principles.

In FY2024, we are proud to have recorded zero human rights violations, which reflects our commitment to fostering an environment free from discrimination or unfair practices. Our policies ensure that all employees are well-informed about their rights and responsibilities, and that they contribute to a culture of respect and inclusion.

As we move forward, we remain dedicated to continuously improving our practices, ensuring that our workplace is not only compliant with labor standards but also a place where fairness and equality thrive for everyone.

A Safe and Healthy Workplace



0

Number of
work-related
fatalities



0

Lost time
incident rate



176

Number of
employees trained
on health and
safety standards



0

Incident of
human rights
violations complaints

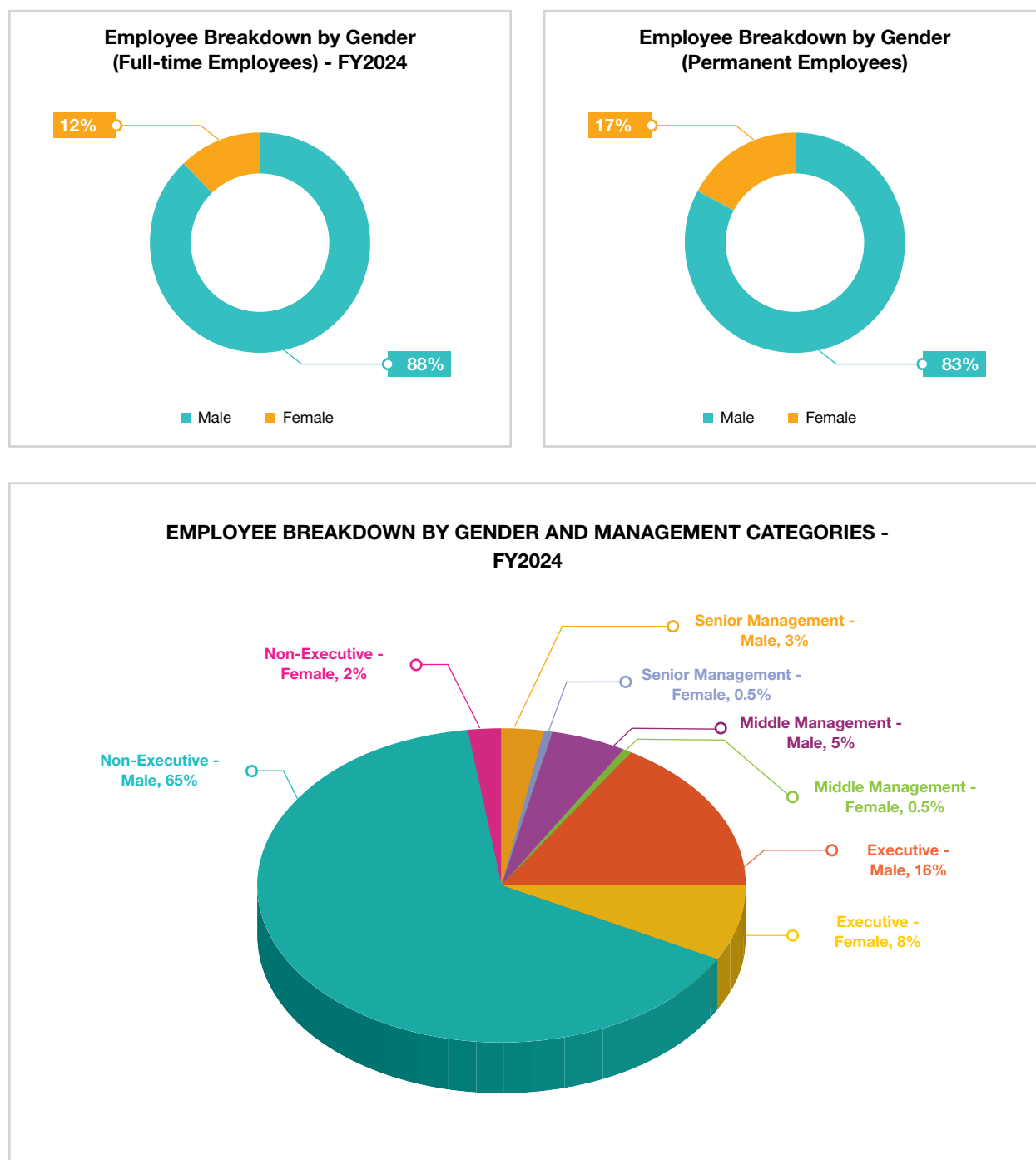
Diversity and Equal Opportunity

As a responsible employer, we are committed to fostering an inclusive, non-discriminatory work environment that provides equal opportunities for all, guided by our Policies. We aim to create a respectful workplace that values individual differences, including cultural expressions, religion, and socio-economic backgrounds.

Our team, with diverse skills and abilities, works together successfully, regardless of gender, age, or background. We believe that when our workforce feels valued and included, they are more engaged, which leads to better retention, higher productivity, and overall satisfaction.

SUSTAINABILITY STATEMENT
(CONT'D)**Pillar No. 3 – People, Social, and Community Engagement (Cont'd)**

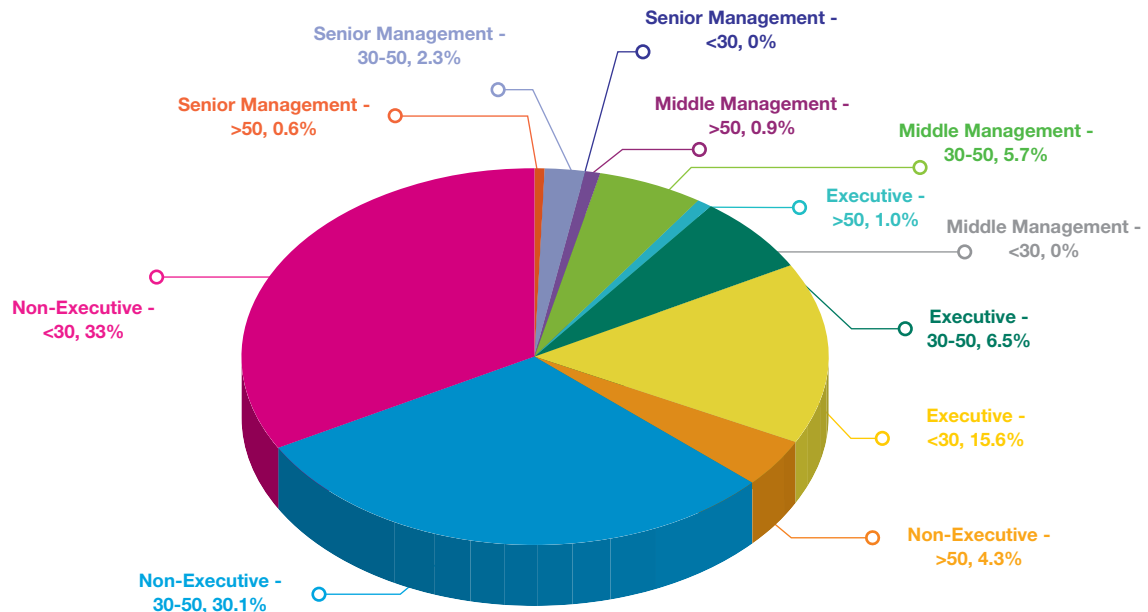
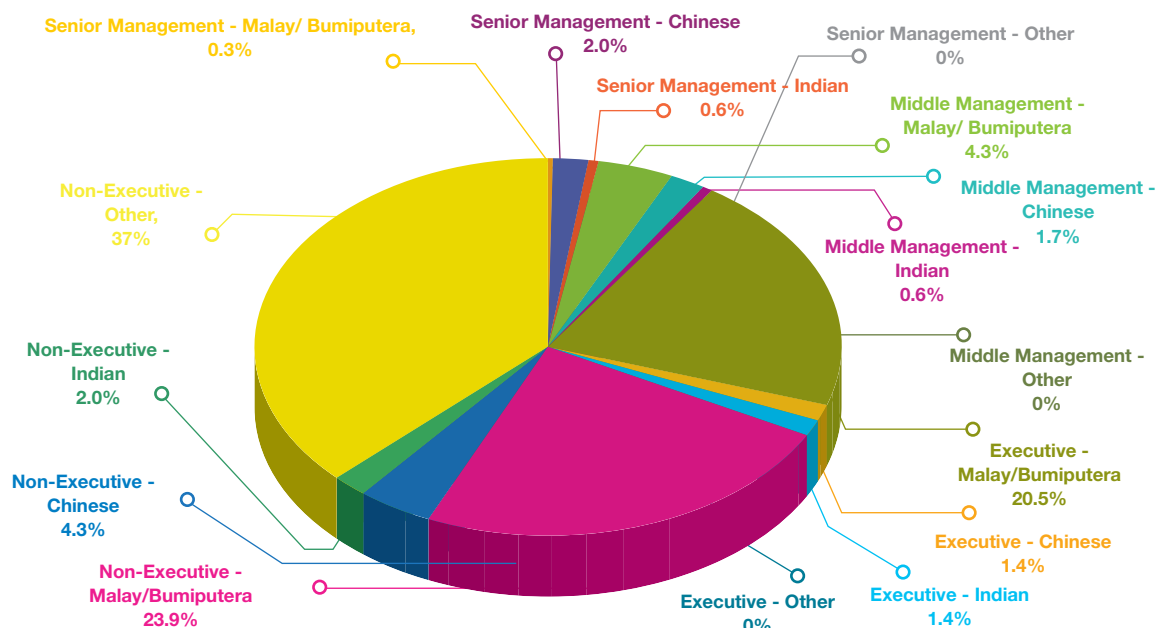
While our core business in engineering tends to attract more male talent due to industry norms, we remain committed to merit-based hiring practices. Our approach ensures that talent selection is based solely on skills and qualifications, and this applies across all aspects of our hiring, including gender and ethnicity.

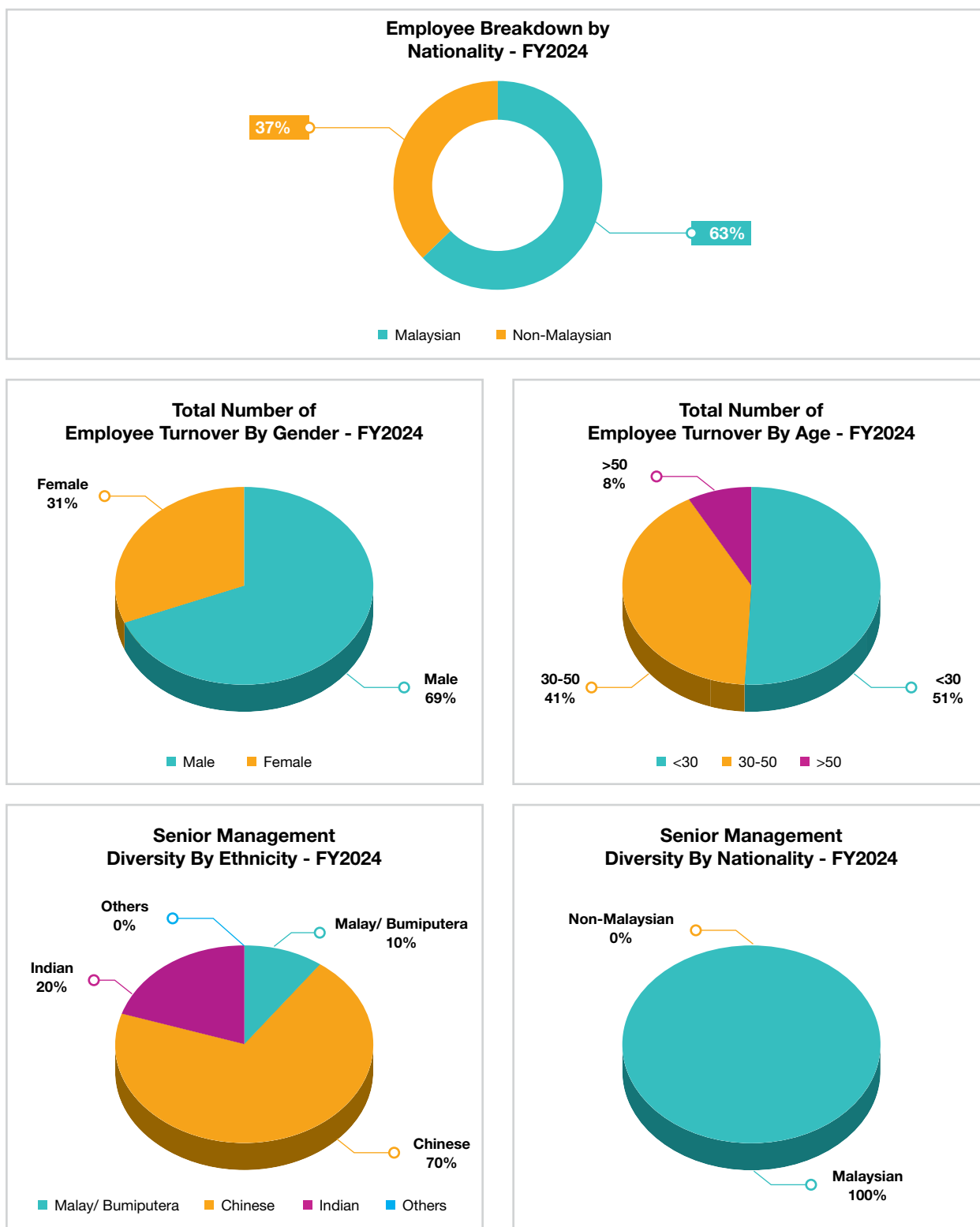
Our workplace diversity data for FY2024

SUSTAINABILITY STATEMENT
(CONT'D)

Pillar No. 3 – People, Social, and Community Engagement (Cont'd)

Our workplace diversity data for FY2024 (Cont'd)

EMPLOYEE BREAKDOWN BY AGE AND MANAGEMENT CATEGORIES -
FY2024EMPLOYEE BREAKDOWN BY ETHNICITY AND MANAGEMENT CATEGORIES -
FY2024

Pillar No. 3 – People, Social, and Community Engagement (Cont'd)**Our workplace diversity data for FY2024 (Cont'd)**

SUSTAINABILITY STATEMENT (CONT'D)

Pillar No. 3 – People, Social, and Community Engagement (Cont'd)

Community Investment and Development

At MN Holdings, we are gradually working towards supporting community investment and development by helping create jobs and promoting local economic growth. Our focus on local procurement plays a key role in fostering sustainable economic development and aligns with our commitment to responsible consumption.

By prioritizing local suppliers, we aim to reduce environmental impact through shorter transportation cycles, contributing to more sustainable operations. We also encourage sustainable sourcing practices and seek to minimize waste within our supply chain.

In addition, we engage in Corporate Social Responsibility (CSR) initiatives through sponsorships related to education, supporting the communities we serve. These efforts aim to enhance educational opportunities, contributing to the long-term well-being and economic growth of local communities while promoting responsible business practices.



RM 14,500

Total amount invested in the community where the target beneficiaries are external to the company



4

Total number of beneficiaries of the investment in communities



100%

Proportion of spending are on local suppliers

Pillar No. 4 - Governance – Ethical Workplace

At MN Holdings, we are committed to conducting business ethically and in compliance with applicable laws and regulations. We are gradually adopting the principles of the Malaysian Code on Corporate Governance 2021 ("MCCG") where relevant, with a focus on good governance, transparency, and accountability.

Our governance framework includes policies and procedures designed to ensure ethical business practices, including our code of ethics and conduct. We maintain a zero-tolerance policy towards bribery and corruption, supported by measures to manage corporate liability risks.

We strive to be transparent through regular performance reporting and ongoing stakeholder engagement. These practices help foster accountability across the organization and build trust, forming a foundation for long-term sustainability and success.

Corporate Governance

At MN Holdings, we recognize that integrity, transparency, and commitment are essential to sustaining our business and enhancing shareholder value. The Board and Management work to cultivate a positive corporate culture that promotes ethical and professional behavior across all levels of the organization.

To support strong corporate governance, the Board has implemented key policies such as the Code of Ethics, Corporate Disclosure Policy, Whistleblowing Policy, and Anti-Bribery and Anti-Corruption Policy. These policies help ensure that we operate in line with our core values and principles. Further details on our governance practices can be found in the Corporate Governance Overview Statement and Corporate Governance Report in the Annual Report for FY2024.

Pillar No. 4 - Governance – Ethical Workplace (Cont'd)

Corporate Governance (Cont'd)

In FY2024, we incurred no fines or censures from regulatory authorities and reported zero incidents of corruption, customer data breaches, or regulatory non-compliance. All employees, regardless of category, received a briefing and signed the Anti-Bribery and Corruption Declaration Form during FY2024, reinforcing our commitment to maintaining ethical business practices.

Anti-Fraud, Bribery and Corruption	
	FY 2024
Percentage of employees who have received training on anti-corruption by employee category. All employees were briefed and signed off the Anti-Bribery and Corruption Declaration Form	100%
Percentage of operations assessed for corruption-related risks	100%
Confirmed incidents of corruption and action taken	0
Cyber Security and Customer Privacy	
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0

Risk Management, Mitigation and Regulatory Compliance

At MN Holdings, we prioritize managing risks to protect our business and ensure sustainable operations. We regularly assess potential risks across key areas, including finance, environment, and reputation. To mitigate these risks, we implement controls and response plans that focus on prevention and continuous monitoring. Our risk management strategies are updated regularly to adapt to changing conditions, fostering a culture of risk awareness that supports business resilience and sustainability. Details on our risk management efforts can be found in the Audit Committee Report within this Annual Report.

In addition to risk management, we are committed to ensuring full compliance with all laws, regulations, and guidelines set by authorities. Non-compliance could result in penalties or sanctions, which may harm our reputation. Therefore, we take proactive steps to manage regulatory compliance risks by ensuring accurate and comprehensive disclosures in line with corporate governance standards and relevant laws. In FY2024, MN Holdings did not face any regulatory actions related to corporate integrity, anti-corruption, or corporate governance.

MN Holdings' Ongoing Sustainability Commitment

At MN Holdings, we remain committed to our sustainability journey, continually assessing our ESG performance with the support of the Board, Management, and the ESG Team. A key part of our approach is the gradual adoption of technology to improve efficiency and reduce environmental impact, in alignment with Malaysia's vision for carbon neutrality by 2050.

By incorporating technology, we aim to boost productivity, reduce reliance on manual labor, and enhance cost efficiency, all while working to minimize our environmental footprint. We also engage with various stakeholders, including government agencies, educational institutions, and industry partners, to promote good engineering practices and further our sustainability efforts. As we move forward, we remain focused on creating long-term value—ensuring that our business contributes to the well-being of the communities we serve and supports a healthier environment for future generations.

SUSTAINABILITY STATEMENT
(CONT'D)**BURSA SUSTAINABILITY DISCLOSURE INDEX**

Statement of use: MN Holdings has reported in accordance with the enhanced BURSA sustainability framework for the period 1 July 2023 - 30 June 2024

COMMON INDICATOR		PAGE
C1) Anti-corruption		
C1 (a)	Percentage of employees who have received training on anti-corruption by employee category	53
C1 (b)	Percentage of operations assessed for corruption-related risks	53
C1 (c)	Confirmed incidents of corruption and action taken	53
C2) Community/Society		
C2 (a)	Total amount invested in the community where the target beneficiaries are external to the lister issuer	52
C2 (b)	Total number of beneficiaries of the investment in communities	52
C3) Diversity		
C3 (a)	Percentage of employees by gender and age group, for each employee category	49, 50
C3 (b)	Percentage of directors by gender and age group	51
C4) Energy Management		
C4 (a)	Total energy consumption	46
C5) Health and Safety		
C5 (a)	Number of work-related fatalities	48
C5 (b)	Lost time incident rate	48
C5 (c)	Number of employees trained on health and safety standards	48
C6) Labour Practices and Standard		
C6 (a)	Total hours of training by employee category	47
C6 (b)	Percentage of employees that are contractors or temporary staff	51
C6 (c)	Total number of employee turnover by employee category	51
C6 (d)	Number of substantiated complaints concerning human rights violation	48
C7) Supply Chain Management		
C7 (a)	Proportion of spending on local suppliers	45
C8) Data Privacy and Security		
C8 (a)	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	53
C9) Water		
C9 (a)	Total volume of water used	46
C10) Waste management		
C10 (a)	Total waste generated, and breakdown of the following: - Total Waste diverted from disposal - Total waste directed to disposal	46
C11) Emissions Management		
C11 (a)	Scope 1 emissions in tonnes of CO ₂ e	-
C11 (b)	Scope 2 emissions in tonnes of CO ₂ e	46
C11 (c)	Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	-

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of MN Holdings Berhad (“**MNHB**” or the “**Company**”) acknowledges the importance of implementing the Principles and Practices outlined in the Malaysian Code on Corporate Governance 2021 (“**MCCG**”) issued by the Securities Commission Malaysia across the Company and its subsidiaries (“**Group**”). The Board is committed to ensuring that good corporate governance is observed, practiced, and continuously improved throughout the Group, as these are central to the effective operation of the Group and to upholding the highest standards of accountability and transparency.

This statement has been prepared in accordance with the ACE Market Listing Requirements (“**AMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and should be read in conjunction with the Company’s Corporate Governance Report 2024 (“**CG Report**”), which is available on the Company’s website at www.mnholdings.com.my.

The Board is pleased to present below how the Group has applied the three main principles of the MCCG during the financial year ended 30 June 2024 (“**FY2024**”), as outlined below:

- Principle A: Board Leadership and Effectiveness;
 Principle B: Effective Audit and Risk Management; and
 Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Board assumes full responsibility for the overall performance of the Group, providing strategic direction to achieve both short-and long-term objectives, and setting corporate strategies for growth and business development. The Board has delegated the day-to-day management of the Group to the Managing Director (“**MD**”) and Executive Directors (“**EDs**”), who oversee the Group’s operations in line with the strategies and policies approved by the Board.

To ensure the orderly and effective discharge of its functions and responsibilities, the Board has delegated specific powers and duties to various Board Committees, namely the Audit Committee, Remuneration Committee, Nominating Committee, and Risk Management Committee. The functions of each Committee are outlined in their respective Terms of Reference (“**TOR**”), which are approved and periodically reviewed by the Board. The TORs for each Committee are available on the Company’s website at www.mnholdings.com.my.

The responsibilities of the Board include, but are not limited to:

- Providing leadership and overseeing the overall conduct of the Group’s businesses to ensure they are properly managed.
- Reviewing and adopting strategic plans for the Group, ensuring that such plans effectively integrate and appropriately balance risk, performance, and sustainability.
- Reviewing and adopting corporate governance best practices, particularly in relation to risk management, legal and compliance management, and internal control systems, to safeguard the Group’s reputation, employees, and assets, while ensuring compliance with applicable laws and regulations.
- Ensuring the Company has effective Board Committees as required by applicable laws, regulations, rules, directives, and guidelines, as well as those recommended by the MCCG.
- Reviewing and approving the annual business plans, financial statements and annual reports.
- Monitoring the relationship between the Group and its management, shareholders and stakeholders, and developing and implementing an investor relations programme or shareholders’ communications policy for the Group.
- Delegating powers to the Board Committees, reviewing their composition, performance and effectiveness, and reviewing reports prepared by these Board Committees, while deliberating on their recommendations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

CHAIRMAN

The Chairman of the Board, Dato' Sri Ir. Baharin bin Din, who serves as the Independent Non-Executive Chairman ("**Chairman**"), is responsible for ensuring the integrity and effectiveness of the Board's governance processes. He acts as a facilitator during meetings and ensures that Board proceedings adhere to good conduct and best practices.

1. Separation of positions of the Chairman with MD and EDs

The positions of Chairman and MD are held by different individuals to ensure a balance of control, power and authority within the Group. The Non-Executive Chairman assumes a leadership role in the conduct of the Board with the primary responsibilities as follows:

- Leading the Board and ensuring the effectiveness of all aspects of its role.
- Ensuring the efficient organisation and conduct of the Board's functions and meetings.
- Facilitating the effective contribution of all Directors during Board meetings.
- Promoting constructive and respectful relationships among Directors, as well as between the Board and management.
- Ensuring effective communication with shareholders and relevant stakeholders.

The MD, Dato' Toh Eng Keat, holds overall responsibility for the performance of the Group's businesses and manages the Group in accordance with the strategies and policies approved by the Board.

Meanwhile, our EDs, Datuk Loy Siong Hay and Datuk Dang Siong Diang, play key leadership roles in overseeing the day-to-day operations and management within their respective areas of expertise or assigned responsibilities. They are also responsible for implementing the strategic plans and policies established by the Board and assist the MD in carrying out his duties.

2. Chairman of the Board should not be a member of the Board Committees

The Board complies with Practice 1.4 of the MCCG whereby the Chairman of the Board is not a member of Audit Committee, Remuneration Committee, Nominating Committee and Risk Management Committee. This is to ensure the Chairman can maintain an independent and objective perspective while offering suggestions to the Board Committees based on his extensive experience.

QUALIFIED AND COMPETENT COMPANY SECRETARY

The Board is supported by qualified and competent Company Secretaries to provide support and guidance in advising the Board on all secretarial matters of the Company in relation but not limited to Companies Act 2016 (the "**Act**"), AMLR of Bursa Securities and MCCG.

The Company Secretaries are the members of the Malaysian Institute of Chartered Secretaries and Administrators ("**MAICSA**") and are qualified to act as Company Secretary pursuant to Section 235(2) of the Act.

The Company Secretaries are responsible for providing support and guidance in advising the Board on all secretarial matters of the Company, particularly regarding compliance with the AMLR of Bursa Securities. They also ensure the Board is informed and kept up to date on the latest developments in corporate governance, changes in the legal and regulatory framework, new statutory requirements and best practices.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

ACCESS TO INFORMATION AND ADVICE

The meeting materials for each Board meeting are provided to all Directors at least seven (7) days in advance of the meeting. This allows sufficient time for Directors to review the Board papers, ensuring that any matters arising can be thoroughly deliberated during the meeting, enabling the Board to make informed and appropriate decisions.

The Board shall have full access to the advice and services of the Company Secretaries and may request information and documents relating to the Company from the Company Secretaries in order to facilitate their duties as a Director.

The Board may also seek independent professional advice at the Company's expense to ensure they have sufficient knowledge and understanding of the matters being deliberated in order to enable them to effectively discharge their duties.

COMPANY'S POLICIES

The Board encourages employees across the Group to adhere to and maintain the highest standards of ethical behaviour. Hence, the Group has adopted the following policies as mechanisms to mitigate potential risks.

1. Board Charter

The Board has adopted a Board Charter to provide guidance in fulfilling its roles, duties and responsibilities in accordance with the principles of good corporate governance. The Board Charter is periodically reviewed and updated as and when necessary to ensure it remains consistent with the Group's policies and procedures, the Board's overall responsibilities and any changes to legislation and regulations. The Board Charter is available on the Company's website at www.mnholdings.com.my.

2. Code of Conduct and Ethics

The Group has adopted a Code of Conduct and Ethics, which serves as a formal documentation of its commitment to conducting business with customers, vendors, suppliers, contractors, government entities, regulators, investors and the broader business community in an efficient, effective, and fair manner. The Code of Conduct and Ethics is available on the Company's website at www.mnholdings.com.my.

3. Whistle Blowing Policy and Procedures

The Group has implemented a Whistleblowing Policy to provide an avenue for employees and members of the public to raise genuine concerns about any wrongdoing or improper conduct involving the Group, its directors, or employees. The Whistleblowing Policy and Procedures are available on the Company's website at www.mnholdings.com.my.

4. Anti-Bribery and Anti-Corruption Policy

The Group is committed to conduct business in an ethical and honest manner while upholding zero-tolerance position on bribery and corruption and hence has adopted an Anti-Bribery and Anti-Corruption Policy. The Anti-Bribery and Anti-Corruption Policy and Guidelines is available on the Company's website at www.mnholdings.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

COMPANY'S POLICIES (CONT'D)

5. Governing Sustainability

The Board has taken proactive steps to integrate sustainability issues as a core component of its strategic planning. Supported by the management, the Board is able to assess and ensure that sustainability governance is structured and effectively functioning across various levels of management.

The Board also acknowledges that the Company has adopted a materiality assessment process, guided by Bursa Securities' Sustainability Reporting Guide and Toolkits. This ensures that stakeholder communication methods are regularly reviewed through information requests to maintain transparency and effectiveness in communication.

The Group's Risk Management Framework outlines the approach for identifying, assessing, managing, monitoring and reporting risks. The Board regularly reviews performance against the established risk tolerance limits. The Risk Management Committee briefs the Board on any identified risks, and the Board ensures that Management has implemented appropriate actions and controls to mitigate these risks, keeping exposures within the acceptable levels approved by the Board.

6. Directors' Fit and Proper Policy

The Board adopted a Directors' Fit and Proper Policy to ensure that Directors possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders. The Directors' Fit and Proper Policy is available on the Company's website at www.mnholdings.com.my.

7. Conflict of Interest Policy

The Board has adopted a Conflict of Interest Policy to ensure that actual potential and perceived conflicts of interest are identified and managed effectively. The Group is committed to maintain the highest ethical standards in all business activities. Accordingly, the Group expects all staff to act with integrity, impartiality and professionalism at all times, and to avoid any conflicts of interest, or potential conflicts of interest, that may arise in the course of their duties. Proper identification and management of conflicts of interest and/or potential conflict of interest would ensure the business decisions are made in the best interests of the Group and protect the Group from any potential harm to its operations and reputation.

8. Limit of Authorisation Policy

The Group has adopted an Limit of Authorisation Policy which sets out the authority limits for entering into contracts, commitments and appropriating assets owned by the Group in the course of conducting the Group's business as well as the requirements for the delegation of those authority limits. The authorisation limits and their delegations within the Group help to ensure consistent good business practices and corporate governance across all divisions, thereby aligning objectives and procedures while safeguarding company assets.

9. External Auditor Services Policy

The Group has adopted an External Auditor Services Policy which is to provide guidelines and procedures for the provision of non-assurance services by external auditors and their network firms, ensuring independence, objectivity and compliance with regulatory requirements. The Company, the Board and the Audit Committee are committed to ensuring the independence of the external auditors in substance as well as in form.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****BOARD COMPOSITION**

The Board is committed to ensure that its composition reflects not only the diversity recommended by the MCCG, to the best extent possible, but also the right mix of skills and balance needed to contribute to the achievement of the Group's goals and business objectives.

The current Board consists of eight (8) members, comprising of one (1) Independent Non-Executive Chairman, one (1) MD, two (2) EDs and four (4) Independent Non-Executive Directors. The Company has complied with Rule 15.02 of the AMLR of Bursa Securities of having at least two (2) or one third (1/3) of the Board, whichever is the higher, are independent directors and one (1) director is a woman. The Company also in line with Practice 5.2 of the MCCG where at least half of the Board are Independent Directors.

The Board includes two (2) female members, representing 25% of the total Board composition. The presence of female Directors enhances gender diversity, contributing valuable perspectives, approaches and leadership styles to Board discussions.

BOARD MEETINGS

The Board meets at least four (4) times a year and follows a formal schedule of matters reserved for its consideration. Additional meetings are convened as needed. During FY2024, eight (8) meetings were held, where the Board deliberated and considered various issues, including the Group's financial results, business performance, business plans, policies and strategic matters affecting the Group's operations.

The following is the record of attendance of the Board Members:

Name of Directors	Attendance for FYE2024
(a) Dato' Ir Zainurin bin Haji Karman (<i>deceased on 2 March 2024</i>)	5/5
(b) Dato' Sri Ir. Baharin bin Din (<i>appointed w.e.f. 15 March 2024</i>)	2/2
(c) Dato' Toh Eng Keat	8/8
(d) Datuk Loy Siong Hay	8/8
(e) Datuk Dang Siong Diang	8/8
(f) Soh Eng Hooi	8/8
(g) Pankajkumar A/L Bipinchandra	8/8
(h) Kho Zhen Qi	8/8
(i) Dato' Dr Ir. Hasnul bin Mohamad Salleh (<i>appointed w.e.f. 15 May 2024</i>)	1/1

Continuing Professional Development

The Directors are encouraged to attend continuous education programmes, seminars and conferences, and are expected to receive further training from time to time. This ensures they remain up to date with the latest developments in statutory laws, regulations and best practices, in line with the evolving business environment. Such training enhances their business acumen and professionalism, enabling them to effectively discharge their duties to the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

Details of seminars/conferences/training programmes attended by the Board members during the FY2024 are as listed below:

Name of Directors	Seminars/Conferences/Training/Programmes Attended
Dato' Sri Ir. Baharin bin Din (appointed w.e.f. 15 March 2024)	- Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact) - Clean Power And New Energy 2024 "Tripling Renewable Power & Doubling Energy Efficiency By 2030
Dato' Toh Eng Keat	Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact)
Datuk Loy Siong Hay	Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact)
Datuk Dang Siong Diang	- Accelerating Energy Storage Deployment, Innovation and Investment in Asia - Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact)
Soh Eng Hooi	- TC iTech Sdn Bhd: Cybersecurity Awareness Training 2023 for Directors (Yearly Refresher Training) - MIA Blended Learning Series: Key MFRS Standards - Underlying principles and applications - Securities Commission Malaysia: Invitation to the SC's Audit Oversight Board Conversation with Audit Committees - WTCH Group Compliance Department: 2023 Anti-Bribery Anti-Corruption, Fraud Prevention and Special Complaint Online Training (Yearly Refresher Training) - ILB Group Berhad: Anti-Corruption Training for Directors - MIA Webinar Series: Audit Evidence and Sampling - MIA Webinar Series: The IFRS S1 and S2: Reporting, Management and Value Creation - Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact) - Mastering your Personal Taxes: Avoiding Common Mistakes in Income Tax Return Form Lodgement - Complimentary Webinar on ISA600 (Revised) Special Considerations — Audits of Group Financial Statements (Including the Work of Component Auditors) - MIA Webinar Series : ISRS 4400 (Revised) AUP, and ISRS 4410 (Revised) Compilation Engagement
Pankajkumar A/L Bipinchandra	- Global Emerging Market Conference 2023: Spotlight on Asia-Pacific - Generative AI – An Opportunity or Risk - Asia School of Business CEO Fireside Chat Series – Leading with Impact: Uniting, Empowering and Igniting - ICMR-SIDC Conference - Reshaping Markets & Finance: Thought Leadership, Technology & Talent as Levers for Change - IERP Global Conference 2023; ERM & ESG: Managing the Grey Rhino and Sustainability - Navigating the Rising Tide of Financial Crime & Technology - The Cooler Earth Sustainability Summit 2023 - Underground Economy in Malaysia: How Bad Is It? - MARC 360 Pre-Budget 2024 Views Series 2: Malaysia's Long Story of Fiscal Consolidation - ICDM Post-Budget 2024 Dialogue - Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - ICDM Advocacy Dialogue & Networking : The Launch of 2024 ASEAN Board Trends Report & The ASEAN Directors Registry - The Iclif Executive Education Center: Sustainable Sustainability – Why ESG Is Not Enough - Future Proofing Your Business: What You Need to Know about the "S" in "ESG" - Climate Governance 101: A Board's Guide to Effective Oversight - Directors Masterclass - Biodiversity Matters: Leveraging Nature's Wealth for Business Sustainability

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

Details of seminars/conferences/training programmes attended by the Board members during the FY2024 are as listed below:

Name of Directors	Seminars/Conferences/Training/Programmes Attended
Kho Zhen Qi	- Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact) - ICDM Webinar PowerTalk “Climate Change & Carbon Footprint – Getting the Right Financial Risk & Reporting Perspectives” - Pertubuhan Alumni Rumpun Fakulti Undang-Undang Universiti Malaya – CORPORATE LIABILITY FOR CORRUPTION OFFENCES - A GAME CHANGER?
Dato' Dr Ir. Hasnul bin Mohamad Salleh (appointed w.e.f. 15 May 2024)	Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact)

The Directors are also regularly provided with relevant reading materials and technical updates to enhance their knowledge and equip them with the necessary skills to effectively discharge their duties as Directors of the Company. Additionally, relevant guidelines on statutory and regulatory requirements are circulated to the Board periodically for their reference.

RE-ELECTION OF DIRECTORS

In accordance with the Company's Constitution and in compliance with the AMLR of Bursa Securities, a Director shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Pursuant to Clause 105 of the Company's Constitution, an election of Directors shall take place each year at the Annual General Meeting (“**AGM**”) of the Company, where one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election. The Directors to retire in every year shall be the Directors who have been longest in office since their last election.

Pursuant to Clause 114 of the Company's Constitution, any Director so appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following AGM of the Company and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Upon the recommendation of the Nominating Committee and the Board, the Directors who are standing for re-election at the forthcoming AGM of the Company are:-

1. Dato' Toh Eng Keat;
2. Datuk Loy Siong Hay;
3. Dato' Sri Ir. Baharin bin Din; and
4. Dato' Dr Ir. Hasnul bin Mohamad Salleh.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

TENURE OF INDEPENDENT DIRECTORS

In accordance with the Board Charter, the tenure of an independent director should not exceed a term limit of nine (9) years. In the event that the Board intends to retain the independent director beyond nine (9) years, the Board should provide justification and seek annual shareholders' approval through a Two-tier Voting Process and the manner to obtain the shareholders' approval on the resolution shall follow the recommendation of MCCG.

Currently, none of the Independent Director of the Company whose tenure has exceeded a cumulative term of nine (9) years.

NOMINATING COMMITTEE

The Company's Nominating Committee ("NC") consists of three (3) Independent Non-Executive Directors, who support and advise the Board in fulfilling its responsibilities to shareholders. The NC ensures that the Board comprises the right mix of individuals with the appropriate combination of skills, knowledge, experience and independent perspectives that align with the Company's objectives and strategic goals.

Full details of the NC's duties and responsibilities are stated in the TOR which is available on the Company's website at www.mnholdings.com.my.

The NC shall meet at least once a year and as frequently as may be required.

During the FY2024, NC had undertaken the following activities in discharging its duties: -

- a) Reviewed and recommended to the Board the appointment of Directors within the Group.
- b) Conducted an assessment of the Board, Board Committees and individual Directors.
- c) Performed an annual evaluation of the Independent Directors and recommended their continuance.
- d) Reviewed and recommended the re-election of retiring Directors for the Board's approval. Reviewed the size and composition of the Board and provided recommendations regarding any changes that could benefit the Company.
- e) Assessed the effectiveness of the Board as a whole, its committees, and the contributions of individual Directors.

1. Annual Assessment

Through the NC, the Board conducts an annual assessment of the performance and effectiveness of the Board as a whole, the Board Committees and the individual contributions of Directors to the Board's overall effectiveness. The Board's effectiveness is evaluated based on specific criteria, including the mix of skills, experience, tenure and other key qualities possessed by the Directors.

Based on the assessment, the NC concluded that the current structure, size and composition of the Board are appropriate. The Board comprises Directors with a broad range of expertise, experience and skills across various fields, enabling them to effectively discharge their duties and responsibilities. Additionally, the Chairman of the Board was found to have performed excellently and made significant contributions to the Board's overall effectiveness.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****DIRECTORS' REMUNERATION**

The Board has set up a Remuneration Committee which comprises exclusively Independent Non-Executive Directors, which responsible for reviewing and recommending to the Board on matters relating to the remuneration of the Board and key senior management, which comprised of compensation, bonuses, incentives and benefits.

The details of the Directors' remuneration comprising remuneration received from the Company in the FY2024 are as follows: -

Category	Directors' Fee and Meeting Fees	Salaries and Other Remuneration	Benefits-in-Kind	Statutory Contribution	Total
	(RM)	(RM)	(RM)	(RM)	(RM)
Executive Directors					
Dato' Toh Eng Keat	–	513,000	3,331	62,719	579,050
Datuk Loy Siong Hay	–	513,000	3,331	62,719	579,050
Datuk Dang Siong Diang	–	513,000	8,700	62,719	584,419
Non-Executive Directors					
Dato' Ir Zainurin Bin Haji Karman (deceased on 2 March 2024)	40,000	–	–	–	40,000
Soh Eng Hooi	64,500	–	–	–	64,500
Pankajkumar A/L Bipinchandra	64,500	–	–	–	64,500
Kho Zhen Qi	30,000	–	–	–	30,000
Dato' Sri Ir. Baharin bin Din (appointed w.e.f. 15 March 2024)	23,742	–	–	–	23,742
Dato' Dr Ir. Hasnul bin Mohamad Salleh (appointed w.e.f. 15 May 2024)	7,742	–	–	–	7,742

The MCCG recommends that the Board shall disclose, on a named basis, the remuneration components of the top five senior management, including salary, bonus, benefits in-kind, and other emoluments, in bands of RM50,000. However, the Board believes that, given the highly competitive nature of the human resource market, disclosing such details may not be in the best interest of the Company. Therefore, the remuneration of the top 5 (five) senior management in each successive RM50,000 band during FY2024 is presented as follows: -

Range of Remuneration (RM)	Number of Employee
100,001 – 150,000	3
150,001 – 200,000	1
200,001 – 250,000	–
250,001 – 300,000	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

During FY2024, the Board is supported by the Audit Committee (“**AC**”), which is composed entirely of three (3) Independent Non-Executive Directors, to oversee the Group’s financial reporting process. The Chairman of the AC is not the Chairman of the Board.

The Board took note of Practice 9.2 of the MCCG requires the AC to have a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC and has incorporated the said practice in the TOR of AC.

The AC conducts an annual review of the independence, suitability and appointment or re-appointment of the external auditors.

The composition of the AC is reviewed annually to ensure it remains independent and effective. In line with the principles of the MCCG, all members of the AC are committed to continuously improving their financial literacy by attending training sessions on developments and changes in the Malaysian Financial Reporting Standards. This ensures they can effectively discharge their duties.

Details of the activities carried out by the AC for the FY2024 are set out in the AC Report in the Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board holds overall responsibility for risk oversight and management within the Group. It is tasked with establishing a risk management framework and maintaining a sound system of risk management and internal control throughout the Group, providing reasonable assurance of the effectiveness and efficiency of operations. To assist the Board in this ongoing process of identifying, evaluating and managing significant risks, a Risk Management Committee has been established, comprising three (3) Independent Non-Executive Directors and one (1) Executive Director. This process is regularly reviewed and adheres to the Statement on Risk Management and Internal Control: Guidance for Directors of Public Listed Companies.

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

COMMUNICATION WITH STAKEHOLDERS

The Board acknowledges the importance of maintaining accountability to shareholders and the investing public through direct and effective communication. The Company ensures the timely release of announcements regarding significant events, quarterly financial results and contracts awarded, all of which are available on the Company's website at www.mnholdings.com.my.

The Company utilizes various methods to disseminate information to shareholders, stakeholders, and the public, including announcements through BursaLink, Annual Reports, General Meetings, as well as investor, analyst and media briefings.

CONDUCT OF GENERAL MEETINGS

General meetings serve as an invaluable platform for shareholders to engage in productive dialogue with the Board and Senior Management, offering constructive feedback that contributes to the overall improvement and progress of the Group.

As recommended by the MCCG, the notice of the AGM will be despatched to shareholders at least twenty-eight (28) days prior to the AGM, allowing shareholders ample time to review the Annual Report and make necessary attendance and voting arrangements. The notice of the AGM, outlining the business to be transacted, will also be published in a major local newspaper.

The Board ensures that each item of special business included in the AGM or Extraordinary General Meeting notices is accompanied by a full explanation of the effects of any proposed resolution. In line with Rule 8.31A of the AMLR of Bursa Securities, all resolutions set out in the notice of the general meeting will be voted on by poll. The Company will also appoint an independent scrutineer to validate the votes cast during the meeting. The outcome of the general meeting will be announced to Bursa Securities on the same day.

All Directors were present in person to address shareholders' queries and feedback at the 3rd AGM held on 26 December 2023. All resolutions were voted on by way of poll.

COMPLIANCE STATEMENT

Saved as disclosed above, the Board is of the view that the Group has complied with and shall remain committed to attaining the highest possible standards through the continuous adoption of the principles and best practices set out in MCCG and all other applicable laws, where applicable and appropriate.

This Corporate Governance Overview Statement was approved by the Board on 24 October 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("**Board**") of MN Holdings Berhad ("**the Company**") is pleased to present the Statement on Risk Management and Internal Control ("**Statement**") for the financial year ended 30 June 2024 ("**FY 2024**"). This Statement, detailing the state of risk management and internal control of the Company and its subsidiaries (collectively "**the Group**"), in all material aspects, is prepared pursuant to Rule 15.26(b) of the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") and in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("**Guidelines**").

This Statement outlines the nature and scope of risk management and internal control of the Group for the financial period review and up to the date of approval of this Statement. The Board is committed to achieving the intended outcomes and practices outlined in Part II of Principle B of the Malaysian Code on Corporate Governance 2021 ("**MCCG**") regarding effective risk management and internal control.

BOARD'S RESPONSIBILITY

The Board recognises that it is ultimately responsible for the Group to practice good risk management and sound internal controls as a platform for good corporate governance. The Board also acknowledges its overall responsibility for maintaining a sound risk management and internal control system, and reviewing its adequacy, effectiveness and integrity to safeguard shareholders' interests and the Group's assets. The Board is assisted by the Managing Director ("**MD**"), Executive Directors ("**ED**"), and Senior Management in implementing policies and procedures for governance, risk management and internal control not only cover the financial aspects, but also operational and compliance aspects of the Group.

The Risk Management Committee ("**RMC**") has been established to oversee the Group's risk management process, evaluate significant risks and report any concerns to the Board. This process includes enhancing the risk management and internal control system as and when there are changes to the business environment and regulatory requirements.

The effectiveness of the internal controls was reviewed by the Audit Committee ("**AC**") through internal audit reports during FY 2024. Internal audit issues and actions taken by management to address the issues presented by the internal auditor were discussed during the AC meetings, with minutes documented and subsequently presented to the Board. The Board continues to ensure the system is adequate, addressing financial, operational and compliance risks.

RISK MANAGEMENT FRAMEWORK

The Group maintains an ongoing process to identify, evaluate and manage significant risks as part of its business operations. Risk management is embedded in strategic planning and business decision-making processes and this process goes through a review process by the Board.

The RMC, comprising a majority of Independent Non-Executive Directors and one of the ED, plays a central role in identify, evaluate and manage significant risks faced by the Group as well as report to the Board on significant risks affecting the Group's strategic and business plans, if any. Its key responsibilities in relation to risk management include: -

- To oversee and recommend the risk management policies and procedures of the Group;
- To review and recommend changes as needed to ensure that the Group has in place at all times a risk management policy which addresses the strategic, operational, financial and compliance risks;
- To implement and maintain a sound risk management framework which identifies, assesses, manages and monitors the Group's business risks;
- To set reporting guidelines for management to report to the committee on the effectiveness of the Group's management of its business risks;
- To review the risk profile of the Group including all the subsidiaries and to evaluate the measures taken to mitigate the business risks; and
- To review the adequacy of management response to issues identified in risk registers, ensuring that the risks are managed within the Group's risk appetite.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT FRAMEWORK (CONT'D)

The RMC meets periodically to identify and manage risks; the risks are continually monitored and appropriate actions are taken to address any change in the existing risks or any new risks identified as part of an ongoing proactive risk management exercise.

The Group continues to maintain a risk-aware culture across all decision-making processes and actively manage risks to respond effectively to the evolving business environment and competitive landscape.

INTERNAL CONTROL SYSTEM

The Board acknowledges that while the internal control system mitigates risks associated with poor judgment, human error and unforeseen circumstances, it cannot eliminate them. The system is designed to manage risks in achieving the Group's objectives, rather than to eliminate them entirely.

The Board regularly receives and reviews reports on key financial data, performance indicators and regulatory matters. This is to ensure that the matters require Board's attention are promptly identified for review, discussion and decision-making. The Board will approve necessary responses or updates to the Group's policies as and when required.

Internal control matters are assessed, and any significant control gaps are brought to the Board's attention for action. Significant operational issues are also highlighted during Board meetings and any notable fluctuation or exceptions are addressed in a timely manner.

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

- A defined organisational structure with clear lines of responsibility and authority;
- Clearly defined terms of reference, authorities and responsibilities for the AC, RMC, Nominating Committee and Remuneration Committee;
- Formalised internal policies and procedures that support compliance with regulations and align with the business objectives;
- Regular reviews of financial performance, regulatory compliance and operational matters;
- Regular engagement by the MD and ED in running the Group's major day-to-day business operations;
- Ongoing monitoring and discussion of business operations and performance by Senior Management;
- Timely review and reporting of internal audit findings to the AC and corrective actions undertaken by Management.

INTERNAL AUDIT FUNCTION

The internal audit function remains outsourced to Eco Asia Governance Advisory Sdn Bhd, an independent professional services firm. This firm conducts internal audit reviews in accordance with the internal audit plan approved by the AC, with a focus on critical business processes, identifying internal control gaps, and assessing the adequacy of the risk management system.

The internal audit team reports directly to the AC. The internal audit engagement team is led by the Head of Department, Ms Janeeta Salim, who is an Associate Member of The Institute of Internal Auditors ("AIIA"). She has vast experience and exposure in the internal audit field. She was assisted by one (1) Manager, one (1) Assistant Manager, one (1) Senior Consultants and one (1) Junior Consultant in the audit reviews.

The internal audit firm provides the AC with an independent assessment of the Group's internal control environment, offering recommendations for improvement. The AC reviews the appointment and resignation of the internal audit function, as well as the proposed audit fees, before reporting to the Board. The internal audit engagement team is free from any relationships or conflicts of interest with the Group, ensuring their ability to perform audits objectively, independently, proficiently, and with due professional care.

The internal audit reviews are conducted in accordance with the International Professional Practices Framework (IPPF).

The outsourced internal audit function follows a risk-based approach to develop its audit plan, focusing on critical business processes, identifying internal control gaps, assessing the effectiveness and adequacy of current internal controls and recommending potential improvements to the internal control process. Each internal audit cycle within the audit plan is tailored to specific audit objectives, key risks evaluated and the scope of the internal control review. The audit results are presented to the AC at their meetings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTION (CONT'D)

Follow-up reviews are also conducted to ensure the implementation of corrective actions, which are based on internal audit recommendations. The results of these follow-up reviews are also presented to the AC at their meetings.

During FY2024, the outsourced internal audit function focused on:-

- Review of Revenue Recognition for Mutu Nusantara Sdn Bhd ("MNSB") and MN Power Transmission Sdn Bhd ("MPTSB");
- Review of Project Management for MNSB and MPTSB;
- Follow-up review on Internal Control Weaknesses Highlighted by External Auditor;
- Follow-up review on Payroll and Human Resource Management; and
- Follow-up review on Anti-Bribery and Corruption Policy

The total cost of maintaining the outsourced internal audit function for FY2024 amounted to RM14,000.

ASSURANCE FROM MANAGEMENT

The Board confirms that the process for identifying, evaluating and managing significant risks within the Group is on-going. The role of the management is to implement the Board's policies and guidelines on risks and controls, identify and evaluate the risks faced and operate a suitable system of internal controls to manage these risks. For FY2024, there was no material losses resulting from significant control weaknesses. The Board is satisfied that the existing level of systems of internal control and risk management are effective to enable the Group to achieve its business objectives.

The Board wishes to reiterate that risk management and internal control systems will be continuously improved in line with the evolving business development. It should be noted that all risk management and internal control systems can only manage, rather than eliminate, the risks associated with failing to achieve business objectives. Therefore, these systems within the Group could only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

The Board has obtained assurances from the MD, ED and Chief Financial Officer that the Group's system of risk management and internal control is operating adequately and effectively for the financial year under review and up to date as of this Statement.

BOARD ASSURANCE AND LIMITATION

The Board confirms that the process for identifying, evaluating and managing significant risks in the Group is on-going. For FY2024, there was no material loss resulted from significant control weaknesses. The Board is satisfied that the existing level of systems of internal control and risk management are effective to enable the Group to achieve its business objectives.

The Board wishes to reiterate that risk management and systems of internal control would be continuously improved in line with the evolving business development, it should be noted that all risk management systems and systems of internal control could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, these systems of internal control and risk management in the Group could only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the AMLR, the External Auditors have reviewed this Statement pursuant to the scope set out in Audit and Assurance Practice Guide 3 ("AAPG 3") - Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report (Revised November 2022), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") and reported to the Board that nothing has come to their attention that causes them to believe that the Statement, in all material aspects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

This Statement was approved by the Board on 24 October 2024.

AUDIT COMMITTEE REPORT

The primary objective of the Audit Committee (“**AC**”) is to provide the Board of Directors (“**Board**”) of the Group with additional assurance by offering an objective and independent review of the Group’s financial, operational, and administrative controls and procedures. The AC is responsible for establishing and maintaining internal controls, reinforcing the independence of the Group’s External Auditors, evaluating the quality of the Internal Audit function, and overseeing compliance with laws and regulations as well as adherence to a proper code of conduct.

The Board of MN Holdings Berhad (“**MNHB**” or “**the Company**”) is pleased to present the AC Report for the financial year ended 30 June 2024 (“**FY2024**”).

COMPOSITION

The present members of the AC are as follows:

Name	Position	Designation
Soh Eng Hooi	Chairperson	Independent Non-Executive Director
Pankajkumar A/L Bipinchandra	Member	Independent Non-Executive Director
Kho Zhen Qi	Member	Independent Non-Executive Director

The AC comprises solely of Independent Non-Executive Directors. The AC Chairperson, Ms. Soh Eng Hooi, is a member of the Malaysian Institute of Accountants. Therefore, the AC meets the requirement of Rules 15.09 and 15.10 of the ACE Market Listing Requirements (“**AMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and Practice 9.4 of the Malaysian Code on Corporate Governance 2021 (“**MCCG**”).

The Company recognizes the importance of maintaining the independence of its External Auditors and ensuring that no potential conflicts of interest arise. None of the members of the AC are former audit partners of the Group’s External Auditors. In the event that any potential candidate to be appointed as a member of the AC was previously an audit partner of the Group’s External Auditors, the Company will observe a mandatory cooling-off period of at least three (3) years.

MEETINGS

The AC held five (5) meetings during the financial year under review. The details of attendance of the AC members are as follows: -

AC Members	Attendance
Soh Eng Hooi	5/5
Pankajkumar A/L Bipinchandra	5/5
Kho Zhen Qi	5/5

The Chief Financial Officer is invited to all AC meetings to facilitate direct communication and provide clarification on financial reports. Other Board members and designated members of Management may also attend these meetings at the AC’s invitation. The Internal Auditors and External Auditors are also invited to present their audit plans and audit findings to the AC in its review of the unaudited year-end financial statements. Minutes of each meeting are recorded, confirmed at the subsequent AC meeting, and then presented to the Board for notation.

TERMS OF REFERENCE

The Terms of Reference (“**TOR**”) of the AC which set out its duties and responsibilities are accessible via the Company’s website at www.mnholdings.com.my.

AUDIT COMMITTEE REPORT (CONT'D)

FINANCIAL LITERACY OF THE MEMBERS OF THE AC

The members of the AC possess the necessary experience and expertise in finance and accounting and have performed their duties in accordance with the AC's TOR. The qualifications and experience of each individual AC member are detailed in the Directors' Profile section of the Annual Report.

All AC members have also undertaken and will continue to pursue continuous professional development to stay informed of relevant developments in accounting and auditing standards, practices and regulations. This ensures they can effectively discharge their responsibilities.

SUMMARY OF ACTIVITIES OF THE AC

The activities undertaken by the AC in discharge of its functions and duties for the FYE2024 are summarised as follows: -

(a) Financial reporting

- Reviewed the unaudited quarterly financial reports and annual financial statements before presented to the Board for approval, and discussed with the Management and the External Auditors on the financial reporting standards applied, including the judgments exercised in the application of those standards and the critical accounting estimates and assumptions used in arriving at the reported amounts of items in the quarterly financial reports and year-end financial statements.

The above review is to ensure that the Group's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with the Malaysian Financial Reporting Standards and other legal and regulatory requirements as well as applicable disclosure provisions of the AMLR of Bursa Securities.

(b) Corporate Reporting

- Reviewed the AC Report for inclusion in the Annual Report.

(c) External Audit

- Reviewed with the External Auditors, Messrs. Crowe Malaysia PLT, the Audit Planning Memorandum for the FY2024 and thereafter recommended the same to the Board for notation and approval respectively.
- Updated by the External Auditors on changes to the relevant guidelines on the regulatory and statutory requirements.
- One (1) private session was held with the External Auditors without the presence of the Management to discuss on issues of concern.
- Reviewed and evaluated the performance, effectiveness, suitability and independence of the External Auditors prior to the recommendation to the Board on their re-appointment.

(d) Internal audit function

- Reviewed the internal audit report which was tabled during the year, the audit recommendations made and the Management's response to these recommendations. Where appropriate, the AC has directed the Management to rectify and improve control procedures and workflow processes based on the Internal Auditors' recommendations and suggestions for improvement.
- Reviewed the adequacy of the scope, functions, resources and competency of the internal audit function and that it has the necessary authority to carry out its work.

(e) Matters relating to related party transaction

- Reviewed the quarterly and annual financial statements on the disclosures relating to related party transactions within the Group and ensure compliance with the provisions of the AMLR of Bursa Securities.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

(f) Conflict of Interest or Potential Conflict of Interest Situation

Pursuant to Rule 15.12(1)(h) of the AMLR of Bursa Malaysia, the AC is responsible for reviewing any conflict of interest situations that arise, persist, or may arise within the Group, including transactions, procedures, or courses of conduct that raise questions of management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts.

During FY2024, the Company adopted a Conflict of Interest Policy to ensure that actual, potential and perceived conflicts of interest are identified and effectively managed. The AC noted that no conflicts of interest, potential or otherwise, arose, persisted, or may arise within the Group, including any transaction, procedure, or conduct that raised concerns about management integrity during FY2024.

INTERNAL AUDIT FUNCTION

The internal audit engagement team is led by the Head of Department, Ms Janeeta Salim, who is an Associate Member of The Institute of Internal Auditors ("AIIA"). She has vast experience and exposure in the internal audit field. She was assisted by one (1) Manager, one (1) Assistant Manager, one (1) Senior Consultants and one (1) Junior Consultant in the audit reviews.

The internal audit firm provides the AC with an independent assessment of the Group's internal control environment, offering recommendations for improvement. The AC reviews the appointment and resignation of the internal audit function, as well as the proposed audit fees, before reporting to the Board. The internal audit engagement team is free from any relationships or conflicts of interest with the Group, ensuring their ability to perform audits objectively, independently, proficiently, and with due professional care.

The internal audit reviews are conducted in accordance with the International Professional Practices Framework (IPPF).

The Internal Auditors assist the AC in reviewing the effectiveness of the internal control systems, ensuring that there is an appropriate balance between controls and risks across the Group in pursuit of its business objectives. With the internal audit function in place, remedial actions can be promptly taken to address any weaknesses identified in the systems and controls of the respective operating units. The establishment of the internal audit function is aimed at enhancing efficiency and promoting better management of resources in all aspects of the Group's operations.

The costs incurred for the internal audit function in respect of the FY2024 was approximately RM14,000.

The functions of the outsourced Internal Auditors are to:

- (i) Perform audit work in accordance with the pre-approved internal audit plan, which covers reviews of the internal control system, risk management and follow up audits to address observations reported in preceding internal audit visits;
- (ii) Carry out reviews on the systems of internal control of the Group;
- (iii) Review and comment on the effectiveness and adequacy of the existing internal control policies and procedures; and
- (iv) Provide recommendations, if any, for the improvement of the internal control policies and procedures.

AUDIT COMMITTEE REPORT (CONT'D)

INTERNAL AUDIT FUNCTION (CONT'D)

During the FY2024, the following were the activities carried out by the Internal Auditors in discharging its responsibilities on the audit planned for the year:

- Review of Revenue Recognition for Mutu Nusantara Sdn Bhd ("MNSB") and MN Power Transmission Sdn Bhd ("MPTSB");
- Review of Project Management for MNSB and MPTSB;
- Follow-up review on Internal Control Weaknesses Highlighted by External Auditor;
- Follow-up review on Payroll and Human Resource Management; and
- Follow-up review on Anti-Bribery and Corruption Policy

The AC and the Board are satisfied with the performance of the outsourced Internal Auditors and have in the interest of greater independence and continuity in the internal audit function, taken the decision to continue with the outsourcing of the internal audit function.

This AC Report has been reviewed by the AC and approved by the Board on 24 October 2024.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

I. INITIAL PUBLIC OFFERING (“IPO”)

On 8 April 2022, the Company issued its prospectus in relation to the public issue of 81,750,000 new ordinary shares (“**Public Issue**”) at an issue price of RM0.21 per ordinary share. The listing exercise of the Company’s enlarged share capital of 408,750,000 shares on the ACE Market of Bursa Malaysia Securities Berhad was completed on 28 April 2022.

The gross proceeds raised from the Public Issue, amounting to RM17.168 million, were fully utilised during the financial year ended 30 June 2024, and the proceeds were applied as intended, as outlined below:

No.	Details of utilisation	Proposed IPO Proceeds utilisation RM'000	Variations of the IPO Proceeds utilisation RM'000	After variation of the IPO Proceeds utilisation RM'000	Actual utilisation RM'000	Expected timeframe for utilisation of IPO Proceeds (from the listing date)
1.	Capital expenditure	5,840	(1) (4,120)	1,720	1,720	Within 24 months
2.	Repayment of bank borrowings	3,995	–	3,995	3,995	Within 12 months
3.	General working capital	4,333	(1) 4,120	8,453	8,453	Within 24 months
4.	Estimated listing expenses	3,000	–	3,000	3,000	Within 1 month
		17,168	–	17,168	17,168	

Note:

- (1) The Group had on 27 July 2022 announced the variation on the utilisation of proceeds raised from the initial public offering exercise of RM4.12 million which was earmarked for the purchase of various machineries and equipment to support the business expansion for the Group’s underground utilities and substation engineering services and solutions segments. The variation of the proceeds of RM4.12 million were allocated for working capital requirements for sizeable projects such as performance bond, payment to suppliers and subcontractors for raw material and consumables, and operating expenses such as salaries and wages.

II. 10% PRIVATE PLACEMENT

On 2 February 2024, the Company had obtained approval from Bursa Malaysia Securities in relation to the listing of and quotation for up to 73,583,700 new ordinary shares (“**Placement Shares**”), representing up to 10% of the total number of issued shares in the company.

The Placement shares were issued in three (3) tranches as follows: -

- First tranche was completed on 1 March 2024, following the listing and quotation of 32,314,000 new ordinary shares at an issue price of RM0.5955 per placement share and raised RM19,242,987.00.
- Second tranche was completed on 5 June 2024, following the listing and quotation of 9,108,300 new ordinary shares at an issue price of RM0.7173 per placement share and raised RM6,533,383.59.
- Third tranche was completed on 1 August 2024, following the listing and quotation of 1,745,700 new ordinary shares at an issue price of RM0.8950 per placement share and raised RM1,562,401.50.

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

1. UTILISATION OF PROCEEDS (CONT'D)

II. 10% PRIVATE PLACEMENT (CONT'D)

The status of the utilization of proceeds arising from the 10% Private Placement are as below:

Utilisation of proceeds	Expected timeframe	Actual proceeds raised	Amount utilised as at the LPD	Balance unutilised
		RM'000	RM'000	RM'000
(i) Working capital requirements	Within 24 months from the receipt of placement proceeds	27,123	18,257	8,866
(ii) Private placement expenses	Immediately	216	216	–
Total		27,339	18,473	8,866

2. AUDIT AND NON-AUDIT FEES PAID TO THE EXTERNAL AUDITORS

During the financial year ended 30 June 2024 ("FY2024"), the amount of audit and non-audit fees paid or payable to the External Auditors by the Company and Group respectively as follows:

	Company RM'000	Group RM'000
Audit fees	57	174
Non-audit fees ⁽¹⁾	8	8

Note:

(1) Review of Statement on Risk Management and Internal Control

3. EMPLOYEES SHARE OPTION SCHEME

The Employees Share Option Scheme ("ESOS") was approved at the EGM held on 13 January 2023. The ESOS is for a duration of five (5) years and may be extended for a further period of up to a maximum of five (5) years and shall not in aggregate exceed a maximum period of ten (10) years at the discretion of the Board upon recommendation of the ESOS Committee.

Details of the options offered to eligible persons of the Company are as set out as follows:

Description	Number of Options as at 30 June 2024	
	Total	Directors / Eligible Employees
Granted	10,000,000	10,000,000
Exercised	1,019,100	1,019,100
Lapsed	110,000	110,000
Outstanding	8,870,900	8,870,900

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

3. EMPLOYEES SHARE OPTION SCHEME (CONT'D)

Percentage of options applicable to Directors and Senior Management under the ESOS: -

Directors and Senior Management	During FY2024	Since commencement up to 30 June 2024
Aggregate maximum allocation	70%	70%
Actual granted	9.61%	9.61%

The ESOS options granted and exercised by the non-executive directors during the FY2024 are as follows:

Name of Director	No. of ESOS options granted	No. of ESOS options exercised
Dato' Ir. Zainurin Bin Haji Karman (deceased on 2 March 2024)	50,000	–
Soh Eng Hooi	50,000	–
Pankajkumar A/L Bipinchandra	50,000	–
Kho Zhen Qi	50,000	–

4. MATERIAL CONTRACTS

During the FY2024, there was no material contracts (including contracts not reduced into writing), entered into in the ordinary course of business which have been entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests.

5. MATERIAL CONTRACTS RELATING TO LOANS

During the FY2024, there was no material contracts relating to loans entered into by the Company and its subsidiaries involving Directors', chief executive's and/or major shareholders' interests.

6. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The Company had obtained a general mandate from its shareholders at the 3rd Annual General Meeting ("AGM") held on 26 December 2023 for the Recurrent Related Party Transactions ("RRPTs") of a revenue or trading nature. The details of the RRPTs are disclosed in the Circular to Shareholders dated 31 October 2023.

The RRPTs during the FY2024 are as follows:

Name of Related Parties	Related party within MNHB Group	Nature of Transaction	Aggregate value made during the FY2024 RM'000	Interested Directors, Major Shareholders and Persons Connected and Nature of relationship
Semantra No-Dig Engineering Sdn Bhd ("SNDESB")	MN Semantra Sdn Bhd ("MNSSB")	SNDESB will exclusively award the projects relating to underground utilities construction and pipe jacking services to MNSSB.	428	Wong Yew Choong

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 (**"the Act"**) and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad to prepare the financial statements for each financial year in accordance with the applicable Malaysian Financial Reporting Standards, the International Financial Reporting Standards and requirements of the Act in Malaysia.

The Directors are responsible to ensure that the audited financial statements give a true and fair view of the financial position, financial performance and cash flows of the Group and the Company for the financial year ended 30 June 2024 (**"FY2024"**). In ensuring the preparation of these financial statements, the Directors have observed the following criteria:

- oversee the overall conduct of the Group and the Company's businesses;
- appropriate accounting policies and practices have been adopted and applied consistently;
- the statements are supported by reasonable and prudent judgements and estimates;
- all applicable accounting standards have been followed, subject to any material departure and explained in the financial statements;
- reviewing the adequacy and integrity of internal control systems and management information system in the Company and within the Group; and
- a going-concern basis has been adopted unless it is inappropriate to presume that the Group will continue its business.

The Directors are also responsible for ensuring that the Group and the Company keep proper accounting records which disclose the financial position of the Group and the Company with reasonable accuracy at any time, thus enabling the financial statements to be complied with the requirements of the Act.

The Directors are also responsible for taking the necessary steps to ensure appropriate systems are in place to safeguard the assets of the Group and the Company, and to detect and prevent fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the FY2024, the Group and the Company have used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

Financial Statements



FINANCIAL STATEMENTS



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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit/(loss) after taxation for the financial year	17,160,898	(2,291,927)
Attributable to:-		
Owners of the Company	16,909,852	(2,291,927)
Non-controlling interests	251,046	–
	17,160,898	(2,291,927)

DIVIDENDS

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up share capital from RM49,352,477 to RM78,329,083 by way of:-
- (i) issuance of 13,311,700 new ordinary shares from the exercise of Warrants at the exercise price of RM0.20 per warrant as disclosed in Note 16 to the financial statements which amounted to RM2,662,340;
 - (ii) issuance of 32,314,000 new ordinary shares from the exercise of private placement at the issue price of RM0.5955 per ordinary share which amounted to RM19,242,987 for the purpose of working capital;
 - (iii) issuance of 9,108,300 new ordinary shares from the exercise of private placement at the issue price of RM0.7173 per ordinary share which amounted to RM6,533,384 for the purpose of working capital; and
 - (iv) issuance of 1,019,100 new ordinary shares from the exercise of options under the Company's Employee Share Option Scheme at the exercise prices as disclosed in Note 18 to the financial statements which amounted to RM537,595.

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

- (b) there were no issues of debentures by the Company.

DIRECTORS' REPORT
(CONT'D)**OPTIONS GRANTED OVER UNISSUED SHARES**

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company except for the share options granted pursuant to the Company's Employee Share Option Scheme below.

EMPLOYEE SHARE OPTION SCHEME

The Employee Share Option Scheme of the Company ("ESOS") is governed by the ESOS By-Laws and was approved by shareholders on 13 January 2023. The ESOS is to be in force for a period of 5 years effective from 12 June 2023.

The details of the ESOS are disclosed in Note 18 to the financial statements.

WARRANTS

The Warrants are constituted by the Deed Poll date 10 February 2023 ("Deed Poll").

On 8 March 2023, a total of 204,375,000 Warrants were issued free by the Company pursuant to the bonus issue on the basis of one (1) Warrant for every two (2) existing ordinary shares held.

Salient features of the Warrants are as follows:-

- (a) Each Warrant entitles the registered Warrant holder thereof ("Warrant holders") to subscribe for one (1) new ordinary share at the exercise price of RM0.20, which may be exercised at any time from the date of issuance to the close of business on the market day immediately preceding the date which is the fifth (5th) anniversary from the date of the issuance of Warrants ("Exercise Period");
- (b) Any Warrants not exercised during Exercise Period will thereafter lapse and cease to be valid for any purpose;
- (c) Warrant holders must exercise the Warrants in accordance with the procedures set out in the Deed Poll and share allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, save and except that shall not be entitled to participate in any dividends, rights, allotments and/or other forms of distribution prior to the issue and allotment thereof;
- (d) Warrant holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in the Company unless and until the Warrant holders exercise their warrants for new shares in the Company; and
- (e) The Deed Poll and accordingly the Warrants, are governed by and shall be construed in accordance with the laws of Malaysia.

The movement of the Warrants since the listing and quotation thereof is as follows:-

	Entitlement for Ordinary Shares		
	At 1.7.2023	Exercised	At 30.6.2024
Number of unexercised Warrants	204,373,500	(13,311,700)	– 191,061,800

**DIRECTORS' REPORT
(CONT'D)****BAD AND DOUBTFUL DEBTS**

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS' REPORT
(CONT'D)**DIRECTORS**

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

Datuk Loy Siong Hay *	
Dato' Toh Eng Keat *	
Datuk Dang Siong Diang *	
Pankajkumar A/L Bipinchandra	
Soh Eng Hooi	
Kho Zhen Qi	
Dato' Sri Ir. Baharin Bin Din	(Appointed on 15.3.2024)
Dato' Dr. Ir. Hasnul Bin Mohamad Salleh	(Appointed on 15.5.2024)
Dato' Ir. Zainurin Bin Haji Karman	(Deceased on 2.3.2024)
Lau Chyun In	(Resigned on 14.7.2023)

The names of director of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Wong Yew Choong
Sariman Bin Bakar

* Director of the Company and of the Company's subsidiaries

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares		
	At 1.7.2023/ Date of Appointment	Bought	Sold
			At 30.6.2024
The Company			
<i>Direct Interests</i>			
Datuk Loy Siong Hay	88,252,000	—	—
Dato' Toh Eng Keat	89,686,800	3,760,000	—
Datuk Dang Siong Diang	40,696,000	675,000	—
Pankajkumar A/L Bipinchandra	600,000	—	—
Soh Eng Hooi	510,700	—	(275,000)
Kho Zhen Qi	679,800	—	—
Dato' Sri Ir. Baharin Bin Din	—	110,000	—

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS (CONT'D)

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

	Number of Warrants		
	At 1.7.2023	Bought	Sold
			At 30.6.2024
The Company			
<i>Direct Interests</i>			
Datuk Loy Siong Hay	46,126,000	–	(9,000,000)
Dato' Toh Eng Keat	46,276,000	–	(8,900,000)
Datuk Dang Siong Diang	21,083,000	–	(3,775,000)
Pankajkumar A/L Bipinchandra	1,000,000	–	(259,700)
Kho Zhen Qi	339,900	–	–

	Number of Options under ESOS		
	At 1.7.2023	Granted	Exercised
			At 30.6.2024
The Company			
<i>Direct Interests</i>			
Datuk Loy Siong Hay	–	2,740,000	–
Dato' Toh Eng Keat	–	2,740,000	–
Datuk Dang Siong Diang	–	2,740,000	–
Pankajkumar A/L Bipinchandra	–	50,000	–
Soh Eng Hooi	–	50,000	–
Kho Zhen Qi	–	50,000	–

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 37(b) to the financial statements.

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

DIRECTORS' REPORT
(CONT'D)**DIRECTORS' REMUNERATION**

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

	The Group RM	The Company RM
Fees	215,484	215,484
Salaries, bonuses, allowances and other benefits	1,557,476	15,000
Defined contribution benefits	184,680	–
	1,957,640	230,484

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM15,362.

INDEMNITY AND INSURANCE COST

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Company.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees	174,000	57,000
Non-audit fees	8,000	8,000
	182,000	65,000

Signed in accordance with a resolution of the directors dated 24 October 2024.

Datuk Loy Siong Hay

Dato' Toh Eng Keat

STATEMENT BY DIRECTORS

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

We, Datuk Loy Siong Hay and Dato' Toh Eng Keat, being two of the directors of MN Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 89 to 154 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 24 October 2024.

Datuk Loy Siong Hay

Dato' Toh Eng Keat

STATUTORY DECLARATION

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

I, Pang Chien Chang, MIA Membership No: 41335, being the officer primarily responsible for the financial management of MN Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 89 to 154 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Pang Chien Chang
at Kuala Lumpur
in the Federal Territory
on this 24 October 2024.

Pang Chien Chang

Before me

Shaiful Hilmi Bin Halim
No. W-804
Commissioner for Oaths

INDEPENDENT
AUDITORS' REPORT

To the Members of MN HOLDINGS BERHAD (Incorporated in Malaysia) Registration No.: 202001038774 (1395095-M)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of MN Holdings Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a material accounting policy information, as set out on pages 89 to 154.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition and contract assets and liabilities Refer to Notes 4.1(e), 12 and 29 to the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
The Group recognises revenue on construction contracts based on the percentage of completion method. The percentage of completion is measured using the input method, by reference to the proportion of actual costs incurred for work performed to date to the estimated total costs for the project. The recognition of revenue is therefore dependent on the Group's budgeted construction costs which includes estimates and judgements made by the management. This is a key audit matter as evaluating the accuracy of the budgeted construction costs and the determination of the percentage of completion of construction work require significant judgement and estimates.	Our procedures included, amongst others:- • Verified contracts secured and reviewed budgeted costs; • Assessed the estimated total contract costs to complete through enquiries with management; • Inspected documentation which supports cost estimates made including contract variations and cost contingencies; • Assessed reliability of contract budgets by comparing to actual incurred; • Performed verification on the actual progress billings issued and actual costs incurred for the financial year; and • Recomputed revenue recognised and checked calculation of the percentage of completion.

INDEPENDENT AUDITORS' REPORT (CONT'D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Recoverability of trade receivables and contract assets Refer to Notes 4.1(c), 10 and 12 to the financial statements	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
As at 30 June 2024, the carrying amounts of trade receivables and contract assets are RM44.898 million and RM89.536 million respectively. The management recognised the allowance of impairment losses on trade receivables and contract assets based on the following:- 1. Customers' payment and credit history; and 2. Specific known facts or circumstances on customers' ability to pay. We determined this to be a key audit matter due to the significant judgements and level of uncertainty involved in assessing the recoverability of trade receivables and contract assets.	Our procedures included, amongst others:- • Reviewed the ageing analysis of receivables and tested its accuracy; • Reviewed subsequent collections for major receivables and overdue amounts; • Examined, where applicable, other evidence including customers' correspondences, proposed or existing settlement plans and repayment schedules; and • Evaluated, where applicable, the reasonableness and tested the adequacy of the Group's impairment losses recognised for identified exposures on trade receivables and contract assets by assessing the relevant assumptions and historical data from the Group's previous collection experience.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT
(CONT'D)

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Malaysia PLT

201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur

24 October 2024

Lean Wei Ee

03827/05/2026 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	–	–	32,901,483	32,700,000
Property, plant and equipment	6	7,424,592	6,597,482	–	–
Investment properties	7	582,833	597,633	–	–
Right-of-use assets	8	645,283	847,516	–	–
Deferred tax assets	9	3,452,412	3,250,482	–	–
		12,105,120	11,293,113	32,901,483	32,700,000
CURRENT ASSETS					
Trade receivables	10	44,898,382	42,207,541	–	–
Other receivables, deposits and prepayments	11	10,962,442	10,316,510	–	–
Contract assets	12	89,536,421	61,396,175	–	–
Amount owing by a related party	24	27,720	–	–	–
Amount owing by subsidiaries	13	–	–	25,728,117	11,964,899
Current tax assets		25,221	–	17,721	–
Short-term investments	14	7,191,141	1,102,842	7,191,141	1,102,842
Fixed deposits with licensed banks	15	13,507,285	10,294,910	–	–
Cash and bank balances		27,962,658	10,226,000	10,067,276	2,366,422
		194,111,270	135,543,978	43,004,255	15,434,163
TOTAL ASSETS		206,216,390	146,837,091	75,905,738	48,134,163
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	78,329,083	49,352,777	78,329,083	49,352,777
Merger reserve	17	(30,950,000)	(30,950,000)	–	–
ESOS reserve	18	1,131,225	–	1,131,225	–
Retained profits/ (Accumulated losses)		69,437,465	52,527,613	(3,968,952)	(1,677,025)
Equity attributable to owners of the Company		117,947,773	70,930,390	75,491,356	47,675,752
Non-controlling interests	5	405,897	154,851	–	–
TOTAL EQUITY		118,353,670	71,085,241	75,491,356	47,675,752

FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION
(CONT'D)

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
NON-CURRENT LIABILITIES					
Lease liabilities	19	264,588	471,201	—	—
Hire purchase payables	20	2,850,850	1,589,555	—	—
Term loans	21	849,821	1,349,454	—	—
		3,965,259	3,410,210	—	—
CURRENT LIABILITIES					
Trade payables	22	48,658,535	50,178,107	—	—
Other payables and accruals	23	6,897,343	6,238,696	414,382	458,411
Contract liabilities	12	8,041,813	7,616,145	—	—
Amount owing to a related party	24	241,003	142,040	—	—
Amount owing to directors	25	115,065	—	—	—
Lease liabilities	19	368,160	360,053	—	—
Hire purchase payables	20	1,863,062	924,068	—	—
Term loans	21	500,789	502,250	—	—
Bankers' acceptances	26	9,640,000	4,193,000	—	—
Trust receipt	27	3,966,243	—	—	—
Bank overdraft	28	118,576	—	—	—
Current tax liabilities		3,486,872	2,187,281	—	—
		83,897,461	72,341,640	414,382	458,411
TOTAL LIABILITIES		87,862,720	75,751,850	414,382	458,411
TOTAL EQUITY AND LIABILITIES		206,216,390	146,837,091	75,905,738	48,134,163

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	29	256,175,183	164,452,657	–	–
COST OF SALES		(204,198,255)	(130,686,255)	–	–
GROSS PROFIT		51,976,928	33,766,402	–	–
OTHER INCOME		1,987,824	971,938	180,395	103,209
		53,964,752	34,738,340	180,395	103,209
ADMINISTRATIVE EXPENSES		(21,253,793)	(13,328,745)	(2,472,322)	(965,988)
OTHER EXPENSES		(5,014,525)	(4,223,133)	–	–
FINANCE COSTS		(1,405,128)	(591,483)	–	–
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS	30	(1,575,228)	(3,411,130)	–	–
PROFIT/(LOSS) BEFORE TAXATION	31	24,716,078	13,183,849	(2,291,927)	(862,779)
INCOME TAX EXPENSE	32	(7,555,180)	(3,887,023)	–	–
PROFIT/(LOSS) AFTER TAXATION		17,160,898	9,296,826	(2,291,927)	(862,779)
OTHER COMPREHENSIVE INCOME		–	–	–	–
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE FINANCIAL YEAR		17,160,898	9,296,826	(2,291,927)	(862,779)

FINANCIAL STATEMENTS

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(CONT'D)

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
PROFIT/(LOSS) AFTER TAXATION					
ATTRIBUTABLE TO:-					
Owners of the Company		16,909,852	9,501,975	(2,291,927)	(862,779)
Non-controlling interests		251,046	(205,149)	–	–
		17,160,898	9,296,826	(2,291,927)	(862,779)
TOTAL COMPREHENSIVE INCOME/(EXPENSE)					
ATTRIBUTABLE TO:-					
Owners of the Company		16,909,852	9,501,975	(2,291,927)	(862,779)
Non-controlling interests		251,046	(205,149)	–	–
		17,160,898	9,296,826	(2,291,927)	(862,779)
EARNINGS PER SHARE (SEN)					
Basic	33	4.01	2.32		
Diluted	33	3.31	2.13		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

The Group	Note	Share Capital RM	Non-Distributable Merger Deficit RM	Distributable Retained Profits RM	Attributable to Owners of the Company RM	Non-Controlling Interests RM	Total Equity RM
Balance at 1.7.2022		49,352,477	(30,950,000)	43,025,638	61,428,115	-	61,428,115
Profit after taxation/Total comprehensive income for the financial year		-	-	9,501,975	9,501,975	(205,149)	9,296,826
Issuance of shares	16	300	-	-	300	-	300
Acquisition of subsidiaries	34	-	-	-	-	69	69
Changes in ownership interest in subsidiaries	34	-	-	-	-	359,931	359,931
Total changes in ownership interests in subsidiaries		-	-	-	-	360,000	360,000
Balance at 30.6.2023		49,352,777	(30,950,000)	52,527,613	70,930,390	154,851	71,085,241

STATEMENTS OF CHANGES IN EQUITY
(CONT'D)

The Group	Note	← Non-Distributable →				Distributable		Attributable to Owners of the Company	Non-Controlling Interests	Total Equity
		Share Capital	Merger Deficit	Share Option Reserve	Employee Reserve	Retained Profits	RM	RM	RM	RM
Balance at 30.6.2023/1.7.2023		49,352,777	(30,950,000)	-	-	52,527,613		70,930,390	154,851	71,085,241
Profit after taxation/ Total comprehensive income for the financial year		-	-	-	-	16,909,852		16,909,852	251,046	17,160,898
Issuance of shares pursuant to:										
- private placement	16	25,776,371	-	-	-	-		25,776,371	-	25,776,371
- warrants	16	2,662,340	-	-	-	-		2,662,340	-	2,662,340
Employees' share option scheme:	18									
- granted		-	-	1,275,208	-	-		1,275,208	-	1,275,208
- exercised	16	537,595	-	(129,956)	-	-		407,639	-	407,639
- forfeited		-	-	(14,027)	-	-		(14,027)	-	(14,027)
Total contributions by and distributions to owners		28,976,306	-	1,131,225	-	-		30,107,531	-	30,107,531
Balance at 30.6.2024		78,329,083	(30,950,000)	1,131,225	69,437,465	117,947,773		405,897	118,353,670	

STATEMENTS OF CHANGES IN EQUITY
(CONT'D)

The Company	Note	Share Capital RM	Non-Distributable Employee Share Option Reserve RM	Distributable Accumulated Losses RM	Total Equity RM
Balance at 1.7.2022		49,352,477	–	(814,246)	48,538,231
Loss after taxation/Total comprehensive expenses for the financial year		–	–	(862,779)	(862,779)
Issuance of shares	16	300	–	–	300
Balance at 30.6.2023/1.7.2023		49,352,777	–	(1,677,025)	47,675,752
Loss after taxation/Total comprehensive expenses for the financial year		–	–	(2,291,927)	(2,291,927)
Issuance of share pursuant to:					
- private placement	16	25,776,371	–	–	25,776,371
- warrants	16	2,662,340	–	–	2,662,340
Employees' share option scheme:	18				
- granted		–	1,275,208	–	1,275,208
- exercised	16	537,595	(129,956)	–	407,639
- forfeited		–	(14,027)	–	(14,027)
Total contributions by and distributions to owners		28,976,306	1,131,225	–	30,107,531
Balance at 30.6.2024		78,329,083	1,131,225	(3,968,952)	75,491,356

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Note	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit/(Loss) before taxation	24,716,078	13,183,849	(2,291,927)	(862,779)
Adjustments for:-				
Bad debt written off	1,122	—	—	—
Contract assets written off	1,147,287	—	—	—
Deposit written off	191,400	1,012,915	—	—
Depreciation of property, plant and equipment	3,084,506	2,805,231	—	—
Depreciation of investment properties	14,800	14,800	—	—
Depreciation of right-of-use assets	400,775	351,572	—	—
Impairment loss:				
- trade receivables	2,423,355	2,809,609	—	—
- contract assets	820,630	931,041	—	—
Interest expense on lease liabilities	26,854	30,328	—	—
Interest expense	871,323	561,155	—	—
Property, plant and equipment written off	153,452	—	—	—
Share options to employee	1,261,181	—	1,059,698	—
Unrealised loss on foreign exchange	14,227	11,795	—	—
Gain from disposal of property, plant and equipment	(8,499)	—	—	—
Gain on modification of right-of-use assets	(902)	—	—	—
Interest income	(553,701)	(134,735)	(90,266)	(103,209)
Reversal of impairment loss on trade receivables	(189,060)	(329,520)	—	—
Reversal of impairment loss on contract assets	(1,479,697)	—	—	—
Operating profit/(loss) before working capital changes carried forward	32,895,131	21,248,040	(1,322,495)	(965,988)
Increase in trade and other receivables, deposits and prepayments	(5,763,590)	(21,963,885)	—	—
(Decrease)/Increase in trade and other payables	(680,458)	17,469,134	(44,029)	335,401
Increase in contract assets	(28,628,466)	(6,645,775)	—	—
Increase/(Decrease) in contract liabilities	425,668	(755,351)	—	—
Increase in amount owing by a related party	(27,720)	—	—	—
Increase in amount owing to a related party	98,963	141,771	—	—
CASH (FOR)/FROM OPERATIONS	(1,680,472)	9,493,934	(1,366,524)	(630,587)
Income tax paid	(6,482,740)	(4,172,374)	(17,721)	—
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(8,163,212)	5,321,560	(1,384,245)	(630,587)

STATEMENTS OF CASH FLOWS
(CONT'D)

		The Group		The Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FOR					
INVESTING ACTIVITIES					
Acquisition of subsidiaries		–	69	–	–
Advances to subsidiaries		–	–	(13,763,218)	(5,929,024)
Interest income received		553,701	134,735	90,266	103,209
Increase in placement of pledged fixed deposits with licensed banks		(3,212,375)	(6,420,501)	–	–
Changes in ownership interest in subsidiaries		–	359,931	–	–
Purchase of property, plant and equipment	35(a)	(102,763)	(1,780,858)	–	–
Proceeds from disposal of property, plant and equipment		8,500	–	–	–
NET CASH FOR INVESTING ACTIVITIES		(2,752,937)	(7,706,624)	(13,672,952)	(5,825,815)
CASH FLOWS FROM/(FOR)					
FINANCING ACTIVITIES					
Advances from a related party		–	269	–	–
Advances from directors		115,065	–	–	–
Drawdown of bankers' acceptances	35(b)	25,401,163	16,858,000	–	–
Drawdown of trust receipts	35(b)	12,014,695	4,152,230	–	–
Drawdown of letter of credit	35(b)	1,760,880	1,398,422	–	–
Interest paid		(898,177)	(591,483)	–	–
Proceeds from issuance of ordinary shares		28,438,711	300	28,438,711	300
Proceeds from exercise of employees' share options		407,639	–	407,639	–
Repayment to a subsidiary		–	–	–	(27,423)
Repayment of lease liabilities	35(b)	(396,146)	(340,022)	–	–
Repayment of hire purchase obligation	35(b)	(1,956,711)	(1,855,180)	–	–
Repayment of term loans	35(b)	(501,094)	(480,279)	–	–
Repayment of bankers' acceptances	35(b)	(19,954,163)	(14,901,000)	–	–
Repayment of trust receipt	35(b)	(8,048,452)	(4,152,230)	–	–
Repayment of letter of credit	35(b)	(1,760,880)	(1,398,422)	–	–
NET CASH FROM/(FOR) FINANCING ACTIVITIES		34,622,530	(1,309,395)	28,846,350	(27,123)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		23,706,381	(3,694,459)	13,789,153	(6,483,525)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD		11,328,842	15,023,301	3,469,264	9,952,789
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	35(d)	35,035,223	11,328,842	17,258,417	3,469,264

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

1. GENERAL INFORMATION

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

Registered office	:	B-21-1, Level 21 Tower B, Northpoint Mid Valley City No. 1, Medan Syed Putra Utara 59200 Kuala Lumpur W.P. Kuala Lumpur.
Principal place of business	:	F-07-01, Garden Shoppe One City Jalan USJ 25/1B 47650 Subang Jaya Selangor Darul Ehsan.

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

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 24 October 2024.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

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

- 3.1 During the current financial year, the Group and the Company has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

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

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112: International Tax Reform - Pillar Two Model Rules

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

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**3. BASIS OF PREPARATION (CONT'D)**

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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

4. MATERIAL ACCOUNTING POLICY INFORMATION**4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS***Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment and Right-of-use Assets

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Notes 6 and 8 to the financial statements respectively.

(b) Impairment of Property, Plant and Equipment, Investment Properties and Right-of-use Assets

The Group determines whether an item of its property, plant and equipment, investment properties and right-of-use assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment, investment properties and right-of-use assets as at the reporting date are disclosed in Notes 6, 7 and 8 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(c) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 10 and 12 to the financial statements respectively.

(d) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial assets at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amount of other receivables as at the reporting date is disclosed in Note 11 to the financial statements.

(e) Revenue Recognition for Construction Contracts

The Group recognises certain construction revenue by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 12 to the financial statements.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The Group carrying amounts of current tax assets and current tax liabilities are RM25,221 and RM3,486,872 respectively (current tax liabilities: 2023 - RM2,187,281) and the Company carrying amount of current tax assets is RM17,721 (2023 - Nil) as at the reporting date.

(g) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences or unabsorbed capital allowances to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences or unabsorbed capital allowances could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 9 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(h) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:

(a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

(b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(c) Contingent Liabilities

The recognition and measurement for contingent liabilities are based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business.

(d) Share-based Payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity investments at the date at which they are granted. The estimating of the fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option volatility and dividend yield and making assumptions about them.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.2 FINANCIAL INSTRUMENTS****(a) Financial Assets**Financial Assets Through Profit or Loss

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

Financial Assets at Amortised Cost

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

Financial Assets Through Other Comprehensive Income

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial LiabilitiesFinancial Liabilities Through Profit or Loss

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

Financial Liabilities at Amortised Cost

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

(c) EquityOrdinary Shares

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

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.3 BASIS OF CONSOLIDATION**

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

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

The difference between the cost of the merger and the share capital and reserves of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

4.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries including the share options granted to employees of the subsidiaries, which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

4.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

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

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

Leasehold building	Over the lease term of (71 - 96 years)
Computer equipment	10% - 20%
Electrical fixtures and fittings	20%
Furniture and fittings	10% - 20%
Motor vehicles	20%
Office equipment	10% - 20%
Plant and machinery	20%
Renovation	10% - 20%
Signboard	20%
Tools and equipment	20%

4.6 INVESTMENT PROPERTIES

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

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

Building	5%
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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

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

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

(c) Lease Liabilities

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

4.8 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

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

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

(a) Sales of Goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.8 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)****(b) Rendering of services**

Revenue is recognised at a point in time when the services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

(c) Construction Services

Revenue from construction services is recognised over time in the period in which the services are rendered using the input method, determined based the proportion of construction costs incurred for work performed to date over the estimated total construction costs. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives and penalties. Past experience is used to estimate and provide for the variable consideration, using expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the construction services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the construction services rendered exceed the payment received, a contract asset is recognised. If the payments exceed the construction services rendered, a contract liability is recognised.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024	2023
	RM	RM
Unquoted shares, at cost	32,700,000	32,700,000
Share options granted to employees of subsidiaries	201,483	–
	32,901,483	32,700,000

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
		%	%	
Subsidiaries of the Company				
Mutu Nusantara Sdn. Bhd. (“MNSB”)	Malaysia	100	100	Provision of underground utilities engineering services and solutions.
MN Power Transmission Sdn. Bhd. (“MPTSB”)	Malaysia	100	100	Provision of substation engineering services and solutions.
Subsidiaries of MNSB				
MN Semantra Sdn. Bhd. (“MSSB”)	Malaysia	60	60	Provision of underground utilities construction and pipe jacking services.
MN Moxtech Sdn. Bhd. (“MMSB”)	Malaysia	70	70	Provision of aerial bundled cable engineering services and solutions.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (a) In the previous financial year, a wholly-owned subsidiary; MNSB has acquired 60% equity interests in MSSB and 70% equity interests in MMSB respectively. The details of the acquisition are disclosed in Note 34 to the financial statements.
- (b) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2024 %	2023 %	2024 RM	2023 RM
MSSB	40	40	435,395	155,787
MMSB	30	30	(29,498)	(936)
			405,897	154,851

- (c) The summarised financial information (before intra-group elimination) for the subsidiaries of MNSB that has non-controlling interests that are material to the Group is as follows:-

	MSSB	
	2024 RM	2023 RM
<u>At 30 June</u>		
Non-current assets	3,471	2,751
Current assets	3,590,121	1,288,506
Current liabilities	(2,503,721)	(900,970)
Net assets	1,089,871	390,287
<u>Financial Year Ended 30 June 2024/Financial Period from 15 July 2022 to 30 June 2023</u>		
Revenue	6,766,867	1,027,205
Profit/(Loss) for the financial year/period	699,020	(359,713)
Total comprehensive income/(expenses)	699,020	(359,713)
Total comprehensive income/(expenses) attributable to non-controlling interests	279,608	(144,213)
Net cash flows for operating activities	(219,924)	(728,981)
Net cash flows from/(for) investing activities	117	(2,798)
Net cash flows from financing activities	37,004	1,069,466

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**5. INVESTMENTS IN SUBSIDIARIES (CONT'D)**

- (c) The summarised financial information (before intra-group elimination) for the subsidiaries of MNSB that has non-controlling interests that are material to the Group is as follows:- (Cont'd)

	MMSB	
	2024 RM	2023 RM
<u>At 30 June</u>		
Non-current assets	–	25,634
Current assets	622,982	164,020
Current liabilities	(721,309)	(192,775)
Net liabilities	(98,327)	(3,121)
<u>Financial Year Ended 30 June 2024/Financial Period from 15 December 2022 to 30 June 2023</u>		
Revenue	1,116,765	195,288
Loss for the financial year	(95,206)	(203,121)
Total comprehensive expenses	(95,206)	(203,121)
Total comprehensive expenses attributable to non-controlling interests	(28,562)	(60,936)
Net cash flows for operating activities	(160,791)	(216,428)
Net cash flows for investing activities	–	(27,463)
Net cash flows from financing activities	234,214	248,047

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

6. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.7.2023 RM	Additions (Note 35(a)) RM	Disposal RM	Write Off (Note 31) RM	Depreciation Charges (Note 31) RM	At 30.6.2024 RM
2024						
<i>Carrying Amount</i>						
Computer equipment	80,679	73,079	—	—	(31,691)	122,067
Electrical, fixtures and fittings	8,193	—	—	—	(5,596)	2,597
Furniture and fittings	86,878	12,826	—	—	(27,570)	72,134
Motor vehicles	2,060,168	1,326,257	(1)	(127,818)	(691,780)	2,566,826
Office equipment	60,496	8,420	—	—	(20,545)	48,371
Plant and machinery	3,693,619	2,628,100	—	—	(2,171,786)	4,149,933
Renovation	162,277	16,387	—	—	(45,287)	133,377
Signboard	424	—	—	—	(220)	204
Tools and equipment	444,748	—	—	(25,634)	(90,031)	329,083
	6,597,482	4,065,069	(1)	(153,452)	(3,084,506)	7,424,592

The Group	At 1.7.2022 RM	Additions (Note 35(a)) RM	Depreciation Charges (Note 31) RM	At 30.6.2023 RM
2023				
<i>Carrying Amount</i>				
Computer equipment	46,155	54,111	(19,587)	80,679
Electrical, fixtures and fittings	14,219	—	(6,026)	8,193
Furniture and fittings	30,966	78,000	(22,088)	86,878
Motor vehicles	1,379,164	1,191,349	(510,345)	2,060,168
Office equipment	45,321	34,229	(19,054)	60,496
Plant and machinery	4,017,770	1,844,445	(2,168,596)	3,693,619
Renovation	83,713	112,464	(33,900)	162,277
Signboard	644	—	(220)	424
Tools and equipment	13,055	457,108	(25,415)	444,748
	5,631,007	3,771,706	(2,805,231)	6,597,482

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
2024			
Computer equipment	239,485	(117,418)	122,067
Electrical, fixtures and fittings	50,828	(48,231)	2,597
Furniture and fittings	182,081	(109,947)	72,134
Motor vehicles	6,637,276	(4,070,450)	2,566,826
Office equipment	140,130	(91,759)	48,371
Plant and machinery	20,191,353	(16,041,420)	4,149,933
Renovation	318,421	(185,044)	133,377
Signboard	2,090	(1,886)	204
Tools and equipment	457,654	(128,571)	329,083
	28,219,318	(20,794,726)	7,424,592
2023			
Computer equipment	166,406	(85,727)	80,679
Electrical, fixtures and fittings	50,828	(42,635)	8,193
Furniture and fittings	169,255	(82,377)	86,878
Motor vehicles	5,500,039	(3,439,871)	2,060,168
Office equipment	131,710	(71,214)	60,496
Plant and machinery	17,563,253	(13,869,634)	3,693,619
Renovation	302,034	(139,757)	162,277
Signboard	2,090	(1,666)	424
Tools and equipment	485,117	(40,369)	444,748
	24,370,732	(17,773,250)	6,597,482

The Group has leased certain motor vehicles and plant and machinery under hire purchase arrangements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENT PROPERTIES

	The Group	
	2024 RM	2023 RM
Cost:-		
At 1 July/30 June	740,000	740,000
Accumulated depreciation:-		
At 1 July	(142,367)	(127,567)
Depreciation during the financial year (Note 31)	(14,800)	(14,800)
At 30 June	(157,167)	(142,367)
	582,833	597,633
Fair value	2,170,583	2,144,233

- (a) The freehold buildings have been pledged to a licensed financial institution as security for banking facilities granted to the Company as disclosed in Note 21 to the financial statements.
- (b) The fair values of the investment properties are within level 3 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

8. RIGHT-OF-USE ASSETS

The Group	At 1.7.2023 RM	Addition (Note 35(a)) RM	Modification Of Lease Liabilities (Note 19) RM	Depreciation Charges (Note 31) RM	At 30.6.2024 RM
2024					
<i>Carrying Amount</i>					
Leasehold building	55,358	—	—	(625)	54,733
Land	—	69,755	—	(31,966)	37,789
Office	278,801	—	128,787	(187,548)	220,040
Factory	513,357	—	—	(180,636)	332,721
	847,516	69,755	128,787	(400,775)	645,283

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

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

The Group	At 1.7.2022 RM	Modification Of Lease Liabilities (Note 19) RM	Depreciation Charges (Note 31) RM	At 30.6.2023 RM
2023				
<i>Carrying Amount</i>				
Leasehold building	55,983	–	(625)	55,358
Hostel	9,994	–	(9,994)	–
Office	312,443	126,675	(160,317)	278,801
Factory	693,993	–	(180,636)	513,357
	1,072,413	126,675	(351,572)	847,516
			The Group	2023
			2024	RM
			RM	
Analysed by:				
Cost			1,695,594	1,550,349
Accumulated depreciation			(1,050,311)	(702,833)
			645,283	847,516

The Group leases certain leasehold buildings, land, offices, factory and hostel of which the leasing activities are summarised below:-

- | | |
|------------------------|--|
| (a) Leasehold building | The Group has lease agreements for certain building for its own use. The lease is for a period of 96 (2023 - 96) years, with no renewal or purchase option included in the agreements. |
| (b) Land | The Group has lease agreements for a piece of land for its own use. The lease is for a period of 2 (2023 - Nil) years, with no renewal or purchase option included in the agreements. |
| (c) Offices | The Group leases offices for operating activities. The lease periods of the offices typically run between 3 to 4 (2023 - 1 to 4) years, with options to renew the leases. |
| (d) Factory | The Group leases a factory for its operations. The lease period is 2 (2023 - 2) years with an option to renew. |
| (e) Hostel | In the previous financial year, the Group leases hostel for employees and the lease period of the hostel typically run between 1 to 2 years. |

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

9. DEFERRED TAX LIABILITIES/(ASSETS)

The Group	At 1.7.2023 RM	Recognised in Profit or Loss (Note 32) RM	At 30.6.2024 RM
2024			
<i>Deferred Tax Liabilities</i>			
Contract asset	241,365	13,408	254,773
<i>Deferred Tax Assets</i>			
Property, plant and equipment	(202,637)	(7,850)	(210,487)
Provisions	(3,289,210)	(207,488)	(3,496,698)
	(3,491,847)	(215,338)	(3,707,185)
	(3,250,482)	(201,930)	(3,452,412)

The Group	At 1.7.2022 RM	Recognised in Profit or Loss (Note 32) RM	At 30.6.2023 RM
2023			
<i>Deferred Tax Liabilities</i>			
Contract asset	220,667	20,698	241,365
<i>Deferred Tax Assets</i>			
Property, plant and equipment	(178,288)	(24,349)	(202,637)
Provisions	(2,313,412)	(975,798)	(3,289,210)
	(2,491,700)	(1,000,147)	(3,491,847)
	(2,271,033)	(979,449)	(3,250,482)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**10. TRADE RECEIVABLES**

	The Group	
	2024	2023
	RM	RM
Trade receivables	57,563,030	52,637,894
Allowance for impairment losses	(12,664,648)	(10,430,353)
	44,898,382	42,207,541
Allowance for impairment losses:-		
At 1 July	(10,430,353)	(7,950,264)
Addition during the financial year (Note 30)	(2,423,355)	(2,809,609)
Reversal during the financial year (Note 30)	189,060	329,520
At 30 June	(12,664,648)	(10,430,353)

(a) The Group's normal trade credit term is 30 (2023 - 30) days. Other credit terms are assessed and approved on a case-by-case basis.

(b) Included in the Group's trade receivables are retention sums amounting to RM3,153,444 (2023 - RM2,426,637).

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group	
	2024	2023
	RM	RM
Other receivables	386,712	264,997
Advances to suppliers (a)	3,727,745	3,289,496
Deposits (b)	6,260,001	6,393,056
Prepayments	587,984	368,961
	10,962,442	10,316,510

(a) The advances to suppliers are unsecured and interest-free. The amount owing will be offset against future purchases from the suppliers.

(b) Included in deposits are performance bonds paid to secure the due performance of the Group's obligations in respective projects amounted to RM2,317,822 (2023 - RM2,903,037). These deposits are expected to be refunded after the completion of defect liability.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**12. CONTRACT ASSETS/(LIABILITIES)**

	The Group	
	2024	2023
	RM	RM
Contract Assets		
Contract assets relating to construction contracts	91,497,348	64,016,169
Allowance for impairment losses	(1,960,927)	(2,619,994)
	89,536,421	61,396,175
Allowance for impairment losses:-		
At 1 July	(2,619,994)	(1,688,953)
Addition during the financial year (Note 30)	(820,630)	(931,041)
Reversal during the financial year (Note 30)	1,479,697	–
At 30 June	(1,960,927)	(2,619,994)
Contract Liabilities		
Contract liabilities relating to construction contracts	(8,041,813)	(7,616,145)
(a) The contract assets primarily relate to the Group's right to consideration for construction work completed on construction contracts but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.		
(b) Included in the contract assets are retention sum receivables totalling RM30,629,209 (2023 - RM17,638,012). These retention sums are expected to be collected within the periods ranging from 30 to 365 (2023 - 30 to 365) days.		
(c) The contract liabilities primarily relates to advances received from customers for construction contracts of which the revenue will be recognised over the remaining contract term of the specific contract it relates to. The amount will be recognised as revenue when the performance obligations are satisfied.		
(d) The changes to contract asset and contract liability balances during the financial year are summarised below:-		
	The Group	
	2024	2023
	RM	RM
At 1 July	53,780,030	47,309,945
Revenue recognised in profit or loss during the financial year	255,710,748	163,760,539
Billings to customers during the financial year	(228,655,237)	(156,359,413)
Net impairment losses on contract assets (Note 30)	659,067	(931,041)
At 30 June	81,494,608	53,780,030
Represented by:-		
Contract assets	89,536,421	61,396,175
Contract liabilities	(8,041,813)	(7,616,145)
	81,494,608	53,780,030

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**13. AMOUNT OWING BY SUBSIDIARIES**

	The Company	
	2024	2023
	RM	RM
<u>Current</u>		
Non-trade balances	25,728,117	11,964,899

The non-trade balances (current) represent unsecured payments made on behalf. The amounts owing are repayable on demand and are to be settled in cash.

14. SHORT-TERM INVESTMENTS

	The Group/ The Company			
	2024		2023	
	Carrying Amount	Market Value	Carrying Amount	Market Value
	RM	RM	RM	RM
Short-term investments, at fair value (Note 35(d))	7,191,141	7,191,141	1,102,842	1,102,842

15. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 2.00% to 3.10% (2023 - 1.75% to 3.95%) per annum. The fixed deposits have maturity periods ranging from 30 to 365 days.
- (b) The fixed deposits with licensed banks of the Group amounting to RM13,507,285 (2023 - RM10,294,910) have been pledged to licensed banks as security for banking facilities granted to the Group at the end of the reporting period as disclosed in Notes 21, 26, 27 and 28 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. SHARE CAPITAL

		The Group/The Company		
	2024	2023	2024	2023
	Number of Shares		RM	RM
Issued and Fully Paid- up				
Ordinary Shares				
At 1 July	408,751,500	408,750,000	49,352,777	49,352,477
Issuance of new shares for cash:				
- warrants	13,311,700	1,500	2,662,340	300
- private placement	41,422,300	–	25,776,371	–
New shares issued under the employee share option scheme for cash (Note 18)	1,019,100	–	537,595	–
At 30 June	464,504,600	408,751,500	78,329,083	49,352,777

- (a) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.
- (b) During the financial year the Company increased its issued and paid-up share capital from RM49,352,477 to RM78,329,083 by way of:-
- (i) Issuance of 13,311,700 new ordinary shares from the exercise of Warrants at the exercise price of RM0.20 per warrant as disclosed in Note 16 to the financial statements which amounted to RM2,662,340;
 - (ii) Issuance of 32,314,000 new ordinary shares from the exercise of private placement at the issue price of RM0.5955 per ordinary share which amounted to RM19,242,987 for the purpose of working capital;
 - (iii) Issuance of 9,108,300 new ordinary shares from the exercise of private placement at the issue price of RM0.7173 per ordinary share which amounted to RM6,533,384 for the purpose of working capital; and
 - (iv) Issuance of 1,019,100 new ordinary shares from the exercise of options under the Company's Employee Share Option Scheme at the exercise prices as disclosed in Note 18 to the financial statements which amounted to RM537,595.

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

- (c) In the previous financial year, the Company increased its issue and paid up share capital from RM49,352,477 to RM49,352,777 by way of issuance of 1,500 new ordinary shares from exercise of Warrants at the exercise price of RM0.20 per warrant which amounted to RM300.

17. MERGER RESERVES

The merger reserve represents the difference between the carrying value of the investment in subsidiaries and the share capital of the Company's subsidiaries upon consolidation under the merger accounting principle.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18. EMPLOYEE SHARE OPTION RESERVE

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

The Employee Share Option Scheme of the Company ("ESOS") is governed by the ESOS By-Laws and was approved by shareholders on 13 January 2023. The ESOS is to be in force for a period of 5 years effective from 12 June 2023.

The main features of the ESOS are as follow:-

- (i) Eligible persons are directors of the Company and/or employees within MNHB Group, who has been in full time employment by and is on the payroll of a company within MNHB Group for a continuous period of at least 12 months (which shall include any probation period) and his employment with the MNHB Group have been confirmed in writing on prior to the Offer Date.
- (ii) The maximum number of new ordinary shares of the Company, which may be available under the scheme, shall not exceed in aggregate 30%, or any such amount or percentage as may be permitted by the relevant authorities of the total issued share capital of the Company at any one time during the existence of the ESOS.
- (iii) The option price shall be determined by the Option Committee based on the 5-day weighted average market price of ordinary shares of the Company immediately preceding the offer date of the option, with a discount of not more than 10%.
- (iv) The option may be exercised by the grantee by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new ordinary shares of the Company comprised in the ESOS.
- (v) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new ordinary shares.

All options granted under the ESOS are to be settled by physical delivery of ordinary shares of the Company. Their terms and conditions are as follows:-

Grant Date/Employees Entitled	Number of Options	Vesting Conditions	Contractual Life of Options
Options granted to eligible directors of the Company and employees of subsidiaries on 31 October 2023	10,000,000	Full time service for a continuous period of at least 12 months on or prior to the grant date.	5 years

The option prices and the details in the movement of the options granted are as follow:-

Grant Date	Exercise Price	Remaining Contractual Life of options	At 1.7.2023	Granted	Exercised	Forfeited	At 30.6.2024
2024							
31 October 2023	RM0.40	1 Year	–	10,000,000	(1,019,100)	(110,000)	8,870,900

The options which forfeited during the financial year were due to the resignation or retirement of employees.

For options exercised during the financial year, the weighted average share price at the date of exercise was RM0.40.

The number of options vested and exercisable as at 30 June 2024 was 8,870,900 and have an exercise price of RM0.40 and a weighted average contractual life of 1 year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18. EMPLOYEE SHARE OPTION RESERVE (CONT'D)

The fair values of the share options granted were estimated using Black-Scholes Option Pricing model, taking into account the terms and conditions upon which the options were granted. Service conditions attached to the arrangement were not taken into account measuring the grant date fair value.

The inputs used in the measurement of the fair value at grant date were as follows:-

	Grant Date 31 October 2023
Fair value of share options at the grant date (RM)	0.128
Weighted average ordinary share price (RM)	0.48
Exercise price of share option (RM)	0.40
Expected volatility (%)	52.09
Expected life (years)	1
Risk free rate (%)	3.82
Expected dividend yield (%)	Nil

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price over the last 1 years. Expected dividends are based on historical dividends. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and general behaviour of option holders.

19. LEASE LIABILITIES

	The Group 2024 RM	2023 RM
At 1 July	831,254	1,044,601
Additions (Note 35(b))	69,755	–
Interest expense recognised in profit or loss (Note 31)	26,854	30,328
Changes due to lease modification (Note 35(b))	127,885	126,675
Repayment of principal	(396,146)	(340,022)
Repayment of interest expense	(26,854)	(30,328)
At 30 June	632,748	831,254
Analysed by:-		
Current liabilities	368,160	360,053
Non-current liabilities	264,588	471,201
	632,748	831,254

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**20. HIRE PURCHASE PAYABLES**

	The Group	
	2024	2023
	RM	RM
At 1 July	2,513,623	2,377,955
Additions (Note 35(b))	4,157,000	1,990,848
Interest expense recognised in profit or loss (Note 31)	276,755	177,185
Repayment of principal	(1,956,711)	(1,855,180)
Repayment of interest expense	(276,755)	(177,185)
At 30 June	4,713,912	2,513,623
Analysed by:-		
Current liabilities	1,863,062	924,068
Non-current liabilities	2,850,850	1,589,555
	4,713,912	2,513,623

The hire purchase payables of the Group at the end of the reporting period, with lease terms ranging from 3 to 7 (2023 - 3 to 7) years and bore effective interest rates ranging from 2.91% to 7.42% (2023 - 4.79% to 7.12%) per annum and secured by:-

- (a) the Group's motor vehicles and plant and machinery as disclosed in Note 6 to the financial statements;
- (b) a joint and several guarantee of the directors of the Group; and
- (c) a corporate guarantee of the Company.

21. TERM LOANS (SECURED)

	The Group	
	2024	2023
	RM	RM
Current liabilities	500,789	502,250
Non-current liabilities	849,821	1,349,454
	1,350,610	1,851,704

The term loans of the Group at the end of the reporting period bore effective interest rates ranging from 3.50% to 8.85% (2023 - 3.50% to 8.85%) per annum and secured by:-

- (a) a first legal charge over the Group's investment properties and leasehold buildings as disclosed in Note 7 and Note 8 respectively to the financial statements;
- (b) a fixed deposit with licensed financial institution as disclosed in Note 15 to the financial statements;
- (c) a joint and several guarantee of the directors of the Group;

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**21. TERM LOANS (SECURED) (CONT'D)**

- (d) a corporate guarantee of the Company;
- (e) a guarantee from the Credit Guarantee Corporation Malaysia Berhad ("CGC");
- (f) a guarantee from the Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP"); and
- (g) a Business Loan Level Term Assurance ("BLLTA") of directors of the Group.

22. TRADE PAYABLES

The Group's normal trade credit terms range from 30 to 120 (2023 - 30 to 120) days. Other credit terms are assessed and approved on a case-by-case basis.

23. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other payables:-				
Third parties	1,435,336	956,890	276,659	400,411
Accruals	5,462,007	5,281,806	137,723	58,000
	6,897,343	6,238,696	414,382	458,411

24. AMOUNTS OWING BY/(TO) A RELATED PARTY

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Amount owing by a related party:-				
Trade balance	27,720	—	—	—
Amount owing to a related party:-				
Trade balance	239,001	141,771	—	—
Non-trade balance	2,002	269	—	—
	241,003	142,040	—	—

The trade balance is subjected to the normal trade credit term of 30 days.

The non-trade balance represents unsecured payments made on behalf. The amount owing is repayable on demand and is to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. AMOUNT OWING TO DIRECTORS

The amount owing to directors represents unsecured advances granted to the Group and the Company. The amounts are repayable on demand and are to be settled in cash.

26. BANKERS' ACCEPTANCES

The bankers' acceptances of the Group bore effective interest rates ranging from 3.63% to 6.01% (2023 - 3.56% to 5.90%) per annum respectively at the end of the reporting period and are secured by:-

- (a) fixed deposits with licensed financial institutions as disclosed in Note 15 to the financial statements; and
- (b) a joint and several guarantee of the directors of the Group.

27. TRUST RECEIPTS

The trust receipts of the Group bore effective interest rates ranging from 7.92% to 8.15% (2023 - Nil) per annum respectively at the end of the reporting period and are secured by:-

- (a) fixed deposits with licensed financial institutions as disclosed in Note 15 to the financial statements; and
- (b) a joint and several guarantee of the directors of the Group.

28. BANK OVERDRAFTS

- (a) The bank overdrafts of the Group are secured by fixed deposits with licensed banks as disclosed in Note 15 to the financial statements and a joint and several guarantee of the directors of the Group; and
- (b) the Group bore floating interest rate of 7.95% per annum.

29. REVENUE

	The Group	
	2024 RM	2023 RM
Revenue from Contracts with Customers		
<u>Revenue recognised over time</u>		
Construction contracts	255,710,748	163,760,539
<u>Revenue recognised at a point in time</u>		
Sales of goods	464,435	582,072
Rendering of services	—	110,046
	256,175,183	164,452,657

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**30. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS**

	The Group	
	2024	2023
	RM	RM
Impairment losses:		
- trade receivables (Note 10)	2,423,355	2,809,609
- contract assets (Note 12)	820,630	931,041
Reversal of impairment losses:		
- trade receivables (Note 10)	(189,060)	(329,520)
- contract assets (Note 12)	(1,479,697)	–
	1,575,228	3,411,130

31. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees	174,000	144,000	57,000	50,000
- non-audit fees:				
- auditors of the company	8,000	8,000	8,000	8,000
Material Expenses/(Income)				
Bad debt written off	1,122	–	–	–
Contract assets written off	1,147,287	–	–	–
Deposit written off	191,400	1,012,915	–	–
Depreciation:				
- property, plant and equipment (Note 6)	3,084,506	2,805,231	–	–
- investment properties (Note 7)	14,800	14,800	–	–
- right-of-use assets (Note 8)	400,775	351,572	–	–
Lease expenses:				
- short-term leases	597,714	327,014	–	–
Interest expense on lease liabilities	26,854	30,328	–	–
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bank acceptances	380,374	243,201	–	–
- bank overdrafts	3,503	2,021	–	–
- letter of credit	108,966	8,499	–	–
- hire purchase	276,755	177,185	–	–
- term loans	79,220	100,918	–	–
- trust receipt	22,505	29,331	–	–
Property, plant and equipment written off (Note 6)	153,452	–	–	–

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**31. PROFIT/(LOSS) BEFORE TAXATION**

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):- (Cont'd)				
Material Expenses/(Income) (Cont'd)				
Staff costs:				
- short-term employee benefits	9,746,044	5,583,405	—	—
- defined contribution benefits	1,169,489	697,560	—	—
- others	1,046,023	650,286	—	—
Share option expenses	1,261,181	—	1,059,698	—
Realised loss on foreign exchange	6,956	26,820	—	—
Unrealised loss on foreign exchange	14,227	11,795	—	—
Gain on disposal of property, plant and equipment	(8,499)	—	—	—
Gain on modification of leases	(902)	—	—	—
Interest income on financial assets measured at amortised cost:				
- short-term investments	(88,299)	(102,842)	(88,299)	(102,842)
- fixed deposit with licensed banks	(457,120)	(26,252)	—	—
- others	(8,282)	(5,641)	(1,963)	(367)
Lease income:				
- rental income from investment properties	(22,800)	(22,800)	—	—

32. INCOME TAX EXPENSE**(a) Income Tax Expenses Recognised in Profit or Loss**

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Current tax expense	7,564,000	4,793,713	—	—
Underprovision in the previous financial year	193,110	72,759	—	—
	7,757,110	4,866,472	—	—
Deferred tax (Note 9):				
- origination and reversal of temporary differences	(344,285)	(858,294)	—	—
- overprovision in the previous financial year	142,355	(121,155)	—	—
	(201,930)	(979,449)	—	—
	7,555,180	3,887,023	—	—

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. INCOME TAX EXPENSE (CONT'D)

(a) Income Tax Expenses Recognised in Profit or Loss (Cont'd)

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

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit/(Loss) before taxation	24,716,078	13,183,849	(2,291,927)	(862,779)
Tax at the statutory tax rate of 24% (2023 - 24%)	5,931,859	3,164,124	(550,062)	(207,067)
Tax effects of:-				
Non-deductible expenses	1,093,854	837,977	311,060	231,749
Non-taxable income	239,002	(24,682)	239,002	(24,682)
Differential in tax rates	(45,000)	(42,000)	—	—
Under/(Over) provision in the previous financial year:				
- Current tax	193,110	72,759	—	—
- Deferred tax	142,355	(121,155)	—	—
	7,555,180	3,887,023	—	—

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

33. EARNINGS PER SHARE

(a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting for treasury shares.

	The Group	
	2024	2023
Profit after taxation attributable to owners of the Company (RM)	16,909,852	9,501,975
Weighted average number of ordinary shares in issue (Basic):-		
Ordinary shares at 1 July	408,751,500	408,750,000
Effects of new ordinary shares issued	13,450,120	304
Weighted average number of ordinary shares at 30 June	422,201,620	408,750,304
Basic earnings per ordinary share (SEN)	4.01	2.32

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**33. EARNINGS PER SHARE (CONT'D)****(b) Diluted Earnings Per Share**

The diluted earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting for treasury shares and adjusted for the effects of dilutive potential ordinary shares.

	The Group	
	2024	2023
Diluted earnings per share		
Profit after taxation attributable to owners of the Company (RM)	16,909,852	9,501,975
Weighted average number of ordinary shares in issue (Basic)	422,201,620	408,750,304
Effect of dilution due to conversion of warrants	80,714,472	37,253,773
Effect of dilution due to conversion of ESOS	7,435,424	–
Weighted average number of ordinary shares in issue (Diluted)	510,351,516	446,004,077
Diluted earnings per ordinary share (SEN)	3.31	2.13

34. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTEREST

In the previous financial year, the Group undertook the following acquisitions of subsidiaries and non-controlling interests:-

- (a) On 19 July 2022, a wholly-owned subsidiary of the Company; Mutu Nusantara Sdn. Bhd. ("MNSB") acquired 51% equity interests in MN Semantra Sdn. Bhd. ("MSSB") comprising 51 ordinary shares for a fair value of purchase consideration of RM51 which represents 51% of the issued and paid-up capital of MSSB.

The fair value of net identifiable assets acquired is RM100 and net cash inflow from the acquisition of this subsidiary is RM49.

There was no goodwill arising from the acquisition and the non-controlling interests of MSSB are measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition.

- (b) On 15 December 2022, a wholly-owned subsidiary of the Company; MNSB acquired 80% equity interests in MN Moxtech Sdn. Bhd. ("MMSB") comprising 80 ordinary shares for a fair value purchase consideration of RM80 which represents 80% of the issued and paid-up capital of MMSB.

The fair value of net identifiable assets acquired is RM100 and net cash inflow from the acquisition of this subsidiary is RM20.

There was no goodwill arising from the acquisition and the non-controlling interests of MMSB are measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. ACQUISITION OF SUBSIDIARIES AND NON-CONTROLLING INTEREST (CONT'D)

In the previous financial year, the Group undertook the following acquisitions of subsidiaries and non-controlling interests:- (Cont'd)

- (c) On 21 April 2023, MNSB acquired an additional 9% while disposing 10% of its equity interest in MSSB and MMSB respectively for RM449,949 and RM139,920 in cash respectively. These acquisition and disposal changed the equity interests from 51% to 60% from MSSB and from 80% to 70% for MMSB respectively. The Group is of the view that the changes in non-controlling interests and in retained profits are not material and hence, they were not adjusted for.
- (d) The acquisition of these subsidiaries is to enable the Group to expand its business of underground utilities engineering services and solutions.
- (e) The subsidiaries have contributed revenue of RM1,222,493 and loss after taxation of RM562,834 to the Group since the date of acquisition.

35. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:-

	The Group	
	2024	2023
	RM	RM
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	4,065,069	3,771,706
Less: Acquired through hire purchase arrangements (Note 20)	(4,157,000)	(1,990,848)
Less: Other payables - balances remained unpaid at financial year end	(10,832)	—
	(102,763)	1,780,858
Right-of-use assets		
Cost of right-of-use assets acquired (Note 8)	69,755	—
Less: Additions of new lease liabilities (Note 19)	(69,755)	—
	—	—

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

35. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM	Bank Overdraft RM	Bankers' Acceptances RM	Trust Receipt RM	Lease Liabilities RM	Hire Purchase RM	Letter of Credit RM	Total RM
2024								
At 1 July	1,851,704	-	4,193,000	-	831,254	2,513,623	-	9,389,581
<u>Changes in Financing</u>								
<u>Cash Flows</u>								
Proceeds from drawdown	-	118,576	25,401,163	12,014,695	-	-	1,760,880	39,295,314
Repayment of principal	(501,094)	-	(19,954,163)	(8,048,452)	(396,146)	(1,956,711)	(1,760,880)	(32,617,446)
Repayment of interests	(79,220)	(3,503)	(380,374)	(22,505)	(26,854)	(276,755)	(108,966)	(898,177)
	(580,314)	115,073	5,066,626	3,943,738	(423,000)	(2,233,466)	(108,966)	5,779,691
<u>Other Changes</u>								
Acquisition of new leases	-	-	-	-	69,755	-	-	69,755
Addition of hire purchase (Note 20)	-	-	-	-	-	4,157,000	-	4,157,000
Modifications of leases (Note 19)	-	-	-	-	127,885	-	-	127,885
Interest expense recognised in profit or loss (Note 31)	79,220	3,503	380,374	22,505	26,854	276,755	108,966	898,177
	79,220	3,503	380,374	22,505	224,494	4,433,755	108,966	5,252,817
At 30 June	1,350,610	118,576	9,640,000	3,966,243	632,748	4,713,912	-	20,422,089

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

35. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

The Group	Term Loans RM	Bank Overdraft RM	Bankers' Acceptances RM	Trust Receipt RM	Lease Liabilities RM	Hire Purchase RM	Letter Of Credit RM	Total RM
2023								
At 1 July	2,331,983	3,055	2,236,000	-	1,044,601	2,377,955	-	7,993,594
<u>Changes in Financing</u>								
<u>Cash Flows</u>								
Proceeds from drawdown	-	-	16,858,000	4,152,230	-	-	1,398,422	22,408,652
Repayment of principal	(480,279)	(3,055)	(14,901,000)	(4,152,230)	(340,022)	(1,855,180)	(1,398,422)	(23,130,188)
Repayment of interests	(100,918)	(2,021)	(243,201)	(29,331)	(30,328)	(177,185)	(8,499)	(591,483)
	(581,197)	(5,076)	1,713,799	(29,331)	(370,350)	(2,032,365)	(8,499)	(1,313,019)
<u>Other Changes</u>								
Addition of hire purchase (Note 20)	-	-	-	-	-	1,990,848	-	1,990,848
Modifications of leases (Note 19)	-	-	-	-	126,675	-	-	126,675
Interest expense recognised in profit or loss (Note 31)	100,918	2,021	243,201	29,331	30,328	177,185	8,499	591,483
	100,918	2,021	243,201	29,331	157,003	2,168,033	8,499	2,709,006
At 30 June	1,851,704	-	4,193,000	-	831,254	2,513,623	-	9,389,581

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**35. CASH FLOW INFORMATION (CONT'D)**

(c) The total cash outflows for leases as a lessee are as follows:-

	The Group	
	2024	2023
	RM	RM
Payment of short-term lease	607,714	327,014
Payment of lease liabilities	396,146	340,022
Interest paid on lease liabilities	26,854	30,328
	1,030,714	697,364

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Short-term investments (Note 14)	7,191,141	1,102,842	7,191,141	1,102,842
Fixed deposits with licensed banks	13,507,285	10,294,910	–	–
Cash and bank balances	27,962,658	10,226,000	10,067,276	2,366,422
Bank overdraft (Note 28)	(118,576)	–	–	–
	48,542,508	21,623,752	17,258,417	3,469,264
Less: Fixed deposits pledged with licensed banks with maturity of less than 3 months (Note 15)	(7,661,582)	(5,587,058)	–	–
Fixed deposits pledged with licensed banks with maturity of more than 3 months (Note 15)	(5,845,703)	(4,707,852)	–	–
	(13,507,285)	(10,294,910)	–	–
	35,035,223	11,328,842	17,258,417	3,469,264

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

36. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

(a) Directors

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors of the Company				
Short-term employee benefits:				
- fees	215,484	220,000	215,484	220,000
- salaries, bonuses and allowances	1,554,000	1,320,000	15,000	-
- others	3,476	3,357	-	-
	1,772,960	1,543,357	230,484	220,000
Defined contribution benefits	184,680	158,400	-	-
	1,957,640	1,701,757	230,484	220,000
Directors of the Subsidiaries				
Short-term employee benefits:				
- salaries and bonuses	372,000	286,000	-	-
- others	2,318	1,623	-	-
	374,318	287,623	-	-
Defined contribution benefits	44,040	32,520	-	-
	418,358	320,143	-	-
Total directors' remuneration	2,375,998	2,021,900	230,484	220,000

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM15,362.

(b) Other Key Management Personnel

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Short-term employee benefits:				
- salaries, bonuses and allowances	786,033	330,400	-	-
- others	5,698	2,238	-	-
	791,731	332,638	-	-
Defined contribution benefits	80,088	39,648	-	-
Total compensation for other key management personnel	871,819	372,286	-	-

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**37. RELATED PARTY DISCLOSURES****(a) Subsidiaries**

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Advances to/(from) a related party	3,862	(85,046)	—	—
Advances from director	(135,065)	—	—	—
Rental paid to a director	(74,400)	(74,400)	—	—
Purchases paid or payable to a related party	(102,825)	(56,994)	—	—
Sales to a related party	427,720	—	—	—
Advances to subsidiaries	—	—	13,761,990	5,929,024
Repayment to a subsidiary	—	—	1,525,208	27,423

The outstanding balances of a related party together with their terms and conditions are disclosed in the respective notes to the financial statements.

38. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products provided.

The Group is organised into 3 main reportable segments as follows:-

- (i) provision of underground utilities engineering services and solutions “Underground utilities engineering”.
- (ii) provision of substation engineering services and solutions and trading and supplying “Substation engineering”.
- (iii) provision of investment holding and management services “Investment holding”.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly current tax assets, current tax liabilities and deferred tax assets.

Transaction between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on combination.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**38. OPERATING SEGMENTS (CONT'D)****38.1 BUSINESS SEGMENTS**

2024	Underground utilities engineering RM	Substation engineering RM	Investment holding RM	The Group RM
Revenue				
External revenue	121,009,863	135,165,320	–	256,175,183
Inter-segment revenue	153,720	3,066,730	–	3,220,450
	121,163,583	138,232,050	–	259,395,633
Consolidation adjustments				(3,220,450)
Consolidated revenue				256,175,183
Results				
Segment profit/(loss)	11,635,731	16,867,535	(2,382,060)	26,121,206
Finance costs	(1,212,894)	(192,234)	–	(1,405,128)
Profit before taxation				24,716,078
Other Information				
Gain on disposal of property, plant and equipment	–	(8,499)	–	(8,499)
Interest income	(266,425)	(197,014)	(90,262)	(553,701)
Interest expenses	697,257	174,066	–	871,323
Interest expenses on lease liabilities	8,686	18,168	–	26,854
Depreciation on property, plant and equipment	2,740,507	343,999	–	3,084,506
Depreciation on right-of-use assets	161,710	239,065	–	400,775
Net impairment of trade receivables and contract assets	988,996	586,232	–	1,575,228
Property, plant and equipment written off	153,452	–	–	153,452
Unrealised loss on foreign exchange	–	14,227	–	14,227

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

38. OPERATING SEGMENTS (CONT'D)

38.1 BUSINESS SEGMENTS (CONT'D)

2024	Underground utilities engineering RM	Substation engineering RM	Investment holding RM	The Group RM
Assets				
Segment assets	123,037,329	67,190,911	75,888,017	266,116,257
Unallocated assets:				
- current tax assets	7,500	–	17,721	25,221
- deferred tax assets	–	2,854,176	598,800	3,452,976
Consolidation adjustments				(63,378,064)
Consolidated total assets				206,216,390
Addition to non-current assets other than financial instruments is:-				
Property, plant and equipment	6,264,035	1,160,557	–	7,424,592
Investment properties	582,833	–	–	582,833
Right-of-use assets	187,939	483,804	–	645,283*
	7,034,807	1,644,361	–	8,652,708
Liabilities				
Segment liabilities	76,581,279	31,097,893	414,382	108,093,554
Unallocated liabilities:				
- hire purchase payables	552,760	4,161,152	–	4,713,912
- lease liabilities	192,285	440,463	–	632,748
- term loans	767,408	583,202	–	1,350,610
- current tax liabilities	637,278	2,333,989	–	2,971,267
Consolidation adjustments				(29,899,371)
Consolidated total liabilities				87,862,720

* After consolidation adjustments of RM26,460.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**38. OPERATING SEGMENTS (CONT'D)****38.1 BUSINESS SEGMENTS (CONT'D)**

2023	Underground utilities engineering RM	Substation engineering RM	Investment holding RM	The Group RM
Revenue				
External revenue	87,636,068	76,816,589	–	164,452,657
Inter-segment revenue	6,678,241	999,283	–	7,677,524
	94,314,309	77,815,872	–	172,130,181
Consolidation adjustments				(7,677,524)
Consolidated revenue				164,452,657
Results				
Segment profit/(loss)	7,582,921	7,055,190	(862,779)	13,775,332
Finance costs	(469,178)	(122,305)	–	(591,483)
Profit before taxation				13,183,849
Other Information				
Interest income	(31,526)	–	(103,209)	(134,735)
Interest expenses	461,446	99,709	–	561,155
Interest expenses on lease liabilities	7,732	22,596	–	30,328
Depreciation on property, plant and equipment	2,595,945	209,286	–	2,805,231
Depreciation on right-of-use assets	132,339	219,233	–	351,572
Net impairment of trade receivables and contract assets	3,197,395	213,735	–	3,411,130
Unrealised gain on foreign exchange	–	11,795	–	11,795

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**38. OPERATING SEGMENTS (CONT'D)****38.1 BUSINESS SEGMENTS (CONT'D)**

2023	Underground utilities engineering RM	Substation engineering RM	Investment holding RM	The Group RM
Assets				
Segment assets	101,423,864	45,995,315	48,134,163	195,553,342
Unallocated assets:				
- deferred tax assets	2,862,913	387,569	—	3,250,482
Consolidation adjustments				(51,966,733)
Consolidated total assets				146,837,091
Addition to non-current assets other than financial instruments is:-				
Property, plant and equipment	5,384,089	1,213,393	—	6,597,482
Investment properties	597,633	—	—	597,633
Right-of-use assets	151,107	722,869	—	847,516*
	6,132,829	1,936,262	—	8,042,631
Liabilities				
Segment liabilities	61,155,402	25,404,448	458,411	87,018,261
Unallocated liabilities:				
- hire purchase payables	439,094	2,074,529	—	2,513,623
- lease liabilities	156,959	674,295	—	831,254
- term loans	1,036,329	815,375	—	1,851,704
- current tax liabilities	813,177	858,499	—	1,671,676
Consolidation adjustments				(18,134,668)
Consolidated total liabilities				75,751,850

* After consolidation adjustments of RM26,460.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

38. OPERATING SEGMENTS (CONT'D)

38.2 MAJOR CUSTOMERS

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

	Revenue		Segment
	2024 RM	2023 RM	
Customer A	35,797,674	33,262,586	U and S&T
Customer B	10,572,577	19,433,661	S&T
Customer C	47,024,470	21,904,628	S&T
	93,394,721	74,600,875	

U - Underground utilities engineering services and solutions

S & T - Substation engineering services and solutions and trading and supplying

39. CONTINGENT LIABILITY

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

	The Group	
	2024 RM	2023 RM
Performance guarantee extended by subsidiaries to third parties	30,789,302	17,353,068

40. FINANCIAL INSTRUMENTS

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

40.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Company. The currency giving rise to this risk is primarily United States Dollar ("USD"), Euro ("EUR") and Renminbi ("RMB"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the Company) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	United States Dollar RM	Renminbi RM	Euro RM	Ringgit Malaysia RM	Total RM
2024					
<u>Financial Assets</u>					
Trade receivables	–	–	–	44,898,382	44,898,382
Other receivables	–	–	–	386,712	386,712
Amount owing by a related party	–	–	–	27,720	27,720
Fixed deposits with licensed banks	–	–	–	13,507,285	13,507,285
Short-term investments	–	–	–	7,191,141	7,191,141
Cash and bank balances	8,869	–	–	27,953,789	27,962,658
	8,869	–	–	93,965,029	93,973,898
<u>Financial Liabilities</u>					
Hire purchase payables	–	–	–	4,713,912	4,713,912
Term loans	–	–	–	1,350,610	1,350,610
Trade payables	502,871	–	85,583	48,070,081	48,658,535
Other payables and accruals	–	–	–	6,897,343	6,897,343
Bankers' acceptances	–	–	–	9,640,000	9,640,000
Bank overdrafts	–	–	–	118,576	118,576
Amount owing to a related party	–	–	–	241,003	241,003
Amount owing to directors	–	–	–	115,065	115,065
Trust receipt	–	–	–	3,966,243	3,966,243
	502,871	–	85,583	75,112,833	75,701,287
Net financial (liabilities)/ assets	(494,002)	–	(85,583)	18,852,196	18,272,611
Less: Net financial assets denominated in the Company's functional currency	–	–	–	(18,852,196)	(18,852,196)
Currency Exposure	(494,002)	–	(85,583)	–	(579,585)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

The Group	United States Dollar RM	Renminbi RM	Euro RM	Ringgit Malaysia RM	Total RM
2023					
<u>Financial Assets</u>					
Trade receivables	–	–	–	42,207,541	42,207,541
Other receivables	–	–	–	264,997	264,997
Fixed deposits with licensed banks	–	–	–	10,294,910	10,294,910
Short-term investments	–	–	–	1,102,842	1,102,842
Cash and bank balances	1,285	–	–	10,224,715	10,226,000
	1,285	–	–	64,095,005	64,096,290
<u>Financial Liabilities</u>					
Hire purchase payables	–	–	–	2,513,623	2,513,623
Term loans	–	–	–	1,851,704	1,851,704
Trade payables	–	284,317	1,110,737	48,783,053	50,178,107
Other payables and accruals	–	–	–	6,238,696	6,238,696
Bankers' acceptances	–	–	–	4,193,000	4,193,000
Amount owing to a related party	–	–	–	142,040	142,040
	–	284,317	1,110,737	63,722,116	65,117,170
Net financial assets/ (liabilities)	1,285	(284,317)	(1,110,737)	372,889	(1,020,880)
Less: Net financial assets denominated in the Company's functional currency	–	–	–	(372,889)	(372,889)
Currency Exposure	1,285	(284,317)	(1,110,737)	–	(1,393,769)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**40. FINANCIAL INSTRUMENTS (CONT'D)****40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(a) Market Risk (Cont'd)****(i) Foreign Currency Risk (Cont'd)***Foreign Currency Exposure (Cont'd)***The Company**

The Company does not have any transaction or balances denominated in foreign currencies and hence, is not exposed to foreign currency risk.

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

		The Group	
		2024	2023
		RM	RM
Effects on Profit After Taxation			
USD/RM	- strengthened by 5%	(18,772)	49
	- weakened by 5%	18,772	(49)
EUR/RM	- strengthened by 5%	(3,252)	(42,208)
	- weakened by 5%	3,252	42,208
RMB/RM	- strengthened by 5%	—	(10,804)
	- weakened by 5%	—	10,804
Effects on Other Comprehensive Income			
USD/RM	- strengthened by 5%	(18,772)	49
	- weakened by 5%	18,772	(49)
EUR/RM	- strengthened by 5%	(3,252)	(42,208)
	- weakened by 5%	3,252	42,208
RMB/RM	- strengthened by 5%	—	(10,804)
	- weakened by 5%	—	10,804

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed deposits with licensed banks are carried at amortised cost. Therefore, they are not subject to interest rate risk as in defined MFRS 7 since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Notes 20, 21, 26, 27 and 28 to the financial statements.

Interest Rate Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024 RM	2023 RM
Effects on Profit After Taxation and Other Comprehensive Income		
Increase of 100 basis points	(150,399)	(33,176)
Decrease of 100 basis points	150,399	33,176

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

Equity Price Risk Sensitivity Analysis

The Group does not have any quoted investments and hence, no sensitivity analysis is presented.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 5 customers which constituted approximately 41% of its trade receivables (including related parties) at the end of the reporting period.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group assesses whether any of the financial assets at amortised cost, contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; and
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over a period of 12 months (2023 - 12 months) and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognized for trade receivables and contract assets are as follows:-

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
2024				
Current (not past due)	22,193,886	–	(120,168)	22,073,718
1 to 30 days past due	7,798,879	–	(69,259)	7,729,620
31 to 60 days past due	6,154,762	–	(78,589)	6,076,173
61 to 90 days past due	1,918,940	–	(48,426)	1,870,514
91 to 120 days past due	722,151	–	(28,397)	693,754
121 to 150 days past due	421,746	–	(23,740)	398,006
151 to 180 days past due	2,498,839	–	(171,495)	2,325,344
More than 180 days	15,855,827	(6,967,896)	(5,156,678)	3,731,253
Trade receivables	57,563,030	(6,967,896)	(5,696,752)	44,898,382
Contract assets	91,497,348	–	(1,960,927)	89,536,421
	149,060,378	(6,967,896)	(7,657,679)	134,434,803

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)Allowance for Impairment Losses (Cont'd)

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
2023				
Current (not past due)	21,057,262	—	(90,593)	20,966,669
1 to 30 days past due	10,479,012	—	(119,097)	10,359,915
31 to 60 days past due	4,701,837	—	(86,694)	4,615,143
61 to 90 days past due	2,486,229	—	(35,733)	2,450,496
91 to 120 days past due	205,783	—	(8,123)	197,660
121 to 150 days past due	48,587	—	(2,603)	45,984
151 to 180 days past due	1,554,913	—	(123,262)	1,431,651
More than 180 days	12,104,271	(3,727,252)	(6,236,996)	2,140,023
Trade receivables	52,637,894	(3,727,252)	(6,703,101)	42,207,541
Contract assets	64,016,169	—	(2,619,994)	61,396,175
	116,654,063	(3,727,252)	(9,323,095)	103,603,716

The movements in the loss allowances in respect of trade receivables and contract assets are disclosed in Notes 10 and 12 to the financial statements respectively.

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances. The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

Allowance for Impairment Losses

At the end of the reporting period, there was no indication that the amount owing is not recoverable.

Financial Guarantee Contracts

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

(c) Liquidity Risk

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

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2024						
Non-derivative Financial Liabilities						
Lease liabilities	3.06 - 3.40	632,748	651,200	382,600	268,600	-
Hire purchase payables	2.53 - 5.43	4,713,912	5,271,924	2,106,553	2,963,853	201,518
Term loans	3.50 - 8.85	1,350,610	1,510,331	557,836	706,555	245,940
Trade payables	-	48,658,535	48,658,535	48,658,535	-	-
Other payables and accruals	-	6,897,343	6,897,343	6,897,343	-	-
Amount owing to a director	-	115,065	115,065	115,065	-	-
Amount owing to a related party	-	241,003	241,003	241,003	-	-
Bankers' acceptances	3.63 - 6.01	9,640,000	9,640,000	9,640,000	-	-
Bank overdraft	7.95	118,576	118,576	118,576	-	-
Trust receipt	3.06 - 3.40	3,966,243	3,966,243	3,966,243	-	-
		76,334,035	77,070,220	72,683,754	3,939,008	447,458

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):- (Cont'd)

The Group	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2023						
<u>Non-derivative</u>						
<u>Financial Liabilities</u>						
Lease liabilities	3.20 - 3.40	831,254	866,600	381,600	485,000	-
Hire purchase payables	4.79 - 7.12	2,513,623	2,776,732	1,032,798	1,606,874	137,060
Term loans	3.50 - 8.85	1,851,704	2,080,595	580,242	1,214,932	285,421
Trade payables	-	50,178,107	50,178,107	50,178,107	-	-
Other payables and accruals	-	6,238,696	6,238,696	6,238,696	-	-
Amount owing to a related party	-	142,040	142,040	142,040	-	-
Bankers' acceptances	3.56 - 5.90	4,193,000	4,193,000	4,193,000	-	-
		65,948,424	66,475,770	62,746,483	3,306,806	422,481

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**40. FINANCIAL INSTRUMENTS (CONT'D)****40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)****(c) Liquidity Risk (Cont'd)***Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):- (Cont'd)

The Company	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
2024				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	–	316,965	316,965	316,965

The Company	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
2023				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	–	458,411	458,411	458,411

40.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**40. FINANCIAL INSTRUMENTS (CONT'D)****40.2 CAPITAL RISK MANAGEMENT (CONT'D)**

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2024	2023
	RM	RM
Lease liabilities (Note 19)	632,748	831,254
Hire purchase payables (Note 20)	4,713,912	2,513,623
Term loans (Note 21)	1,350,610	1,851,704
Bankers' acceptances (Note 26)	9,640,000	4,193,000
Trust receipt (Note 27)	3,966,243	—
Bank overdrafts (Note 28)	118,576	—
	20,422,089	9,389,581
Less: Short-term investments (Note 14)	(7,191,141)	(1,102,842)
Less: Fixed deposits with licensed banks (Note 15)	(13,507,285)	(10,294,910)
Less: Cash and bank balances	(27,962,658)	(10,226,000)
Net debt	(28,238,995)	(12,234,171)
Total equity	118,353,670	71,085,241
Debt-to-equity (times)	^	^

^ The debt-to-equity ratio of the Group is not presented as its cash and cash equivalents exceeded the total external borrowings.

There were no changes in the Group's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Assets				
<u>Fair value through profit or loss</u>				
Short-term investments (Note 14)	7,191,141	1,102,842	7,191,141	1,102,842
<u>Amortised Cost</u>				
Trade receivables (Note 10)	44,898,382	42,207,541	—	—
Other receivables (Note 11)	386,712	264,997	—	—
Amount owing by subsidiaries (Note 13)	—	—	25,728,117	11,964,899
Amount owing by a related party (Note 24)	27,720	—	—	—
Fixed deposits with licensed banks (Note 15)	13,507,285	10,294,910	—	—
Cash and bank balances	27,962,658	10,226,000	10,067,276	2,366,422
	86,782,757	62,993,448	35,795,393	14,331,321
Financial Liabilities				
<u>Amortised Cost</u>				
Term loans (Note 21)	1,350,610	1,851,704	—	—
Hire purchase payables (Note 20)	4,713,912	2,513,623	—	—
Trade payables (Note 22)	48,658,535	50,178,107	—	—
Other payables and accruals (Note 23)	6,897,343	6,238,696	316,965	458,411
Amount owing to a related party (Note 24)	241,003	142,040	—	—
Amount owing to directors (Note 25)	115,065	—	—	—
Bankers' acceptances (Note 26)	9,640,000	4,193,000	—	—
Trust receipt (Note 27)	3,966,243	—	—	—
Bank overdrafts (Note 28)	118,576	—	—	—
	75,701,287	65,117,170	316,965	458,411

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.4 GAIN OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group	
	2024	2023
	RM	RM
Financial Asset		
<u>Fair Value Through Profit or Loss</u>		
Net gain recognised in profit or loss by:		
- mandatorily required by MFRS 9	(88,299)	(102,842)
<u>Amortised Cost</u>		
Net gain recognised in profit or loss	929,560	3,379,237
Financial Liability		
<u>Amortised Cost</u>		
Net losses recognised in profit or loss	(871,323)	(591,483)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM	RM	RM
2024								
<u>Financial Assets</u>								
Short-term investments (Note 14)	-	7,191,141	-	-	-	-	7,191,141	7,191,141
<u>Financial Liabilities</u>								
Hire purchase payables (Note 20)	-	-	-	-	4,713,912	-	4,713,912	4,713,912
Term loans (Note 21)	-	-	-	-	1,350,610	-	1,350,610	1,350,610
Bankers' acceptances (Note 26)	-	-	-	-	9,640,000	-	9,640,000	9,640,000
Trust receipt (Note 27)	-	-	-	-	3,966,243	-	3,966,243	3,966,243
Bank overdrafts (Note 28)	-	-	-	-	118,576	-	118,576	118,576

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM	RM	RM	RM
2023								
<u>Financial Assets</u>								
Short-term investments (Note 14)	-	1,102,842	-	-	-	-	1,102,842	1,102,842
<u>Financial Liabilities</u>								
Hire purchase payables (Note 20)	-	-	-	-	2,513,623	-	2,513,623	2,513,623
Term loans (Note 21)	-	-	-	-	1,851,704	-	1,851,704	1,851,704
Bankers' acceptances (Note 26)	-	-	-	-	4,193,000	-	4,193,000	4,193,000

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

The Company	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM	RM	RM
2024								
<u>Financial Assets</u>								
Short-term investments (Note 14)	-	7,191,141	-	-	-	-	7,191,141	7,191,141
Amount owing by subsidiaries (current) (Note 13)	-	-	-	-	-	25,728,117	25,728,117	25,728,117
2023								
<u>Financial Assets</u>								
Short-term investments (Note 14)	-	1,102,842	-	-	-	-	1,102,842	1,102,842
Amount owing by subsidiaries (current) (Note 13)	-	-	-	-	-	11,964,899	11,964,899	11,964,899

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

40. FINANCIAL INSTRUMENTS (CONT'D)

40.5 FAIR VALUE INFORMATION (CONT'D)

(a) Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair value of short-term investments is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.
- (ii) There were no transfer between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

- (i) The fair value of the Group's term loan that carry floating interest rates approximated its carrying amount as it is repriced to market interest rates on or near the reporting date.

	The Group	
	2024	2023
	%	%
Term loans	3.50 - 8.85	3.50 - 8.85
Bankers' acceptances	3.63 - 6.01	3.56 - 5.90
Trust receipt	7.92 - 8.15	—
Bank overdrafts	7.95	—

- (ii) The fair value of amounts owing by subsidiaries (non-current) is calculated based on the present value of the projected repayment of loans.

LIST OF
PROPERTIES

No.	Location	Description/Existing Use	Tenure	Land Area/ Built-up Area (sq feet)	Date of Acquisition	NBV @ 30 June 2024 (RM'000)
1	No. 21 and 21-1, Jalan Sentosa Kawasan Perusahaan Seri Cheeding 42700 Sungai Sedu Selangor Darul Ehsan HS(M) 16384, P.T. No. 59 Pekan Tanjung Dua Belas District of Kuala Langat State of Selangor.	Double storey terraced factory. Rental	Freehold	1,646 / 3,300	5-Aug-13	282
2	No. 23 and 23-1, Jalan Sentosa Kawasan Perusahaan Seri Cheeding 42700 Sungai Sedu Selangor Darul Ehsan HS(M) 16385, P.T. No. 60 Pekan Tanjung Dua Belas District of Kuala Langat State of Selangor.	Double storey terraced factory. Site office and store	Freehold	1,646 / 3,300	15-Jan-14	301
3	No. 7, Tingkat 1F Jalan Intan 1/1 Taman Puchong Intan 47100 Puchong Selangor Daril Ehsan. Block Title H.S.(D) 294451 P.T. No. 5941 Pekan Puchong Perdana District of Petaling State if Selangor.	Apartment located on 1st floor of a four-storey walk-up shop apartment. Store	Leasehold of 99 years expiring on 18 December 2112.	N/A / 675	16-Dec-15	55

ANALYSIS OF SHAREHOLDINGS

As at 2 October 2024

Class of Shares	:	Ordinary Shares
Total Number of Issued Shares	:	482,044,950
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS AS AT 2 OCTOBER 2024

SIZE OF SHAREHOLDINGS	No. of shareholders	Percentage of shares (%)	No. of shares	Percentage of shares (%)
LESS THAN 100	6	0.13	235	0.00
100 TO 1,000	665	13.88	422,515	0.09
1,001 TO 10,000	2,486	51.88	13,596,350	2.82
10,001 TO 100,000	1,365	28.48	43,447,050	9.01
100,001 TO LESS THAN 5% OF ISSUED SHARES	266	5.55	259,663,800	53.87
5% AND ABOVE OF ISSUED SHARES	4	0.08	164,915,000	34.21
TOTAL	4,792	100.00	482,044,950	100.00

DIRECTORS' SHAREHOLDINGS AS AT 2 OCTOBER 2024

No.	Names	Direct		Indirect	
		No. of Shares	Percentage of shares held (%)	No. of Shares	Percentage of shares held (%)
1.	DATO' SRI IR. BAHARIN BIN DIN (appointed w.e.f. 15 March 2024)	110,000	0.02	—	—
2.	DATO' TOH ENG KEAT	91,299,300	18.94	—	—
3.	DATUK LOY SIONG HAY	86,104,500	17.86	—	—
4.	DATUK DANG SIONG DIANG	42,036,000	8.72	—	—
5.	SOH ENG HOOI	235,700	0.05	—	—
6.	PANKAJKUMAR A/L BIPINCHANDRA	600,000	0.12	—	—
7.	KHO ZHEN QI	729,800	0.15	—	—
8.	DATO' DR IR. HASNUL BIN MOHAMAD SALLEH (appointed w.e.f. 15 May 2024)	—	—	—	—

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 2 OCTOBER 2024

No.	Names	Direct		Indirect	
		No. of Shares	Percentage of shares held (%)	No. of Shares	Percentage of shares held (%)
1.	DATO' TOH ENG KEAT	91,299,300	18.94	—	—
2.	DATUK LOY SIONG HAY	86,104,500	17.86	—	—
3.	DATUK DANG SIONG DIANG	42,036,000	8.72	—	—

ANALYSIS OF SHAREHOLDINGS
(CONT'D)

LIST OF TOP 30 SHAREHOLDERS/ DEPOSITORS AS AT 2 OCTOBER 2024

No.	Name of Shareholders	No. of Shares	Percentage of shares held (%)
1.	LOY SIONG HAY	75,364,500	15.63
2.	TOH ENG KEAT	38,060,500	7.90
3.	DANG SIONG DIANG	26,346,000	5.47
4.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT	25,144,000	5.22
5.	CARTABAN NOMINEES (TEMPATAN) SDN BHD CN CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH FUND SERIES 2	12,770,200	2.65
6.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOY SIONG HAY (MY4612)	10,740,000	2.23
7.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT	10,500,000	2.18
8.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	7,356,600	1.53
9.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	6,857,000	1.42
10.	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD AS BENEFICIAL OWNER (TMEF)	6,000,000	1.24
11.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT (7012760)	5,500,000	1.14
12.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (NOMURA 2)	5,400,000	1.12
13.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DANG SIONG DIANG (7015171)	5,000,000	1.04
14.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT (MY4687)	5,000,000	1.04
15.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BHD FOR NOMURA TNB RBTF (EQ) (433137)	4,600,000	0.95
16.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DANG SIONG DIANG	4,500,000	0.93
17.	AMANAHRAYA TRUSTEES BERHAD PUBLIC SELECT TREASURES EQUITY FUND	4,450,000	0.92
18.	DANG SIONG DIANG	4,040,000	0.84
19.	AMANAHRAYA TRUSTEES BERHAD PUBLIC STRATEGIC SMALLCAP FUND	4,000,000	0.83

ADDITIONAL INFORMATION

ANALYSIS OF SHAREHOLDINGS
(CONT'D)

LIST OF TOP 30 SHAREHOLDERS/ DEPOSITORS AS AT 2 OCTOBER 2024 (CONT'D)

No.	Name of Shareholders	No. of Shares	Percentage of shares held (%)
20.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD FOR PMB SHARIAH EQUITY FUND	4,000,000	0.83
21.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT	3,894,800	0.81
22.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	3,840,000	0.80
23.	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR ACADIAN EMERGING MARKETS MICROCAP EQUITY MASTER FUND	3,624,400	0.75
24.	AMANAHRAYA TRUSTEES BERHAD	3,600,000	0.75
25.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT PROGRESS FUND (4082)	3,543,000	0.73
26.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LIM CHIN SIU (SMART)	3,522,200	0.73
27.	AMANAHRAYA TRUSTEES BERHAD PB SMALLCAP GROWTH FUND	3,409,200	0.71
28.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT (M04)	3,000,000	0.62
29.	NGEW SEOW PIN	3,000,000	0.62
30.	PROVEN VENTURE CAPITAL PLT	3,000,000	0.62
Total		300,062,400	62.25

ANALYSIS OF WARRANTS A HOLDINGS

As at 2 October 2024

Class of Shares : Warrants A
Total Number of Warrants A : 183,964,750

DISTRIBUTION OF WARRANTS A HOLDINGS AS AT 2 OCTOBER 2024

SIZE OF HOLDINGS	No. of Warrants A Holders	Percentage of Warrants A (%)	No. of Warrants A	Percentage of Warrants A (%)
LESS THAN 100	100	8.76	4,837	0.00
100 TO 1,000	119	10.42	62,050	0.03
1,001 TO 10,000	414	36.25	2,015,850	1.10
10,001 TO 100,000	385	33.71	15,175,550	8.25
100,001 TO LESS THAN 5% OF ISSUED WARRANTS	120	10.51	72,746,463	39.54
5% AND ABOVE OF ISSUED WARRANTS	4	0.35	93,960,000	51.08
TOTAL	1,142	100.00	183,964,750	100.00

DIRECTORS' INTERESTS IN WARRANTS A AS AT 2 OCTOBER 2024

No.	Names	Direct		Indirect	
		No. of Warrants A	Percentage of Warrants A held (%)	No. of Warrants A	Percentage of Warrants A held (%)
1.	DATO' SRI IR. BAHARIN BIN DIN (appointed w.e.f. 15 March 2024)	–	–	–	–
2.	DATO' TOH ENG KEAT	37,376,000	20.32	–	–
3.	DATUK LOY SIONG HAY	37,126,000	20.18	–	–
4.	DATUK DANG SIONG DIANG	17,308,000	9.41	–	–
5.	SOH ENG HOOI	–	–	–	–
6.	PANKAJKUMAR A/L BIPINCHANDRA	740,300	0.40	–	–
7.	KHO ZHEN QI	339,900	0.18	–	–
8.	DATO' DR IR. HASNUL BIN MOHAMAD SALLEH (appointed w.e.f. 15 May 2024)	–	–	–	–

ADDITIONAL INFORMATION

ANALYSIS OF WARRANTS A HOLDINGS
(CONT'D)

LIST OF TOP 30 WARRANTS A HOLDERS/ DEPOSITORS AS AT 2 OCTOBER 2024

No.	Name of Warrants A Holders	No. of Warrants A	Percentage of Warrants A held (%)
1.	TOH ENG KEAT	31,276,000	17.00
2.	LOY SIONG HAY	31,126,000	16.92
3.	NGEW SEOW PIN	16,000,000	8.70
4.	DANG SIONG DIANG	15,558,000	8.46
5.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	8,042,100	4.37
6.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOY SIONG HAY (MY4612)	6,000,000	3.26
7.	LIM SIONG KEE	4,716,000	2.56
8.	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	2,554,750	1.39
9.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT	2,500,000	1.36
10.	TAN LYE BENG	2,500,000	1.36
11.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT (7012760)	1,750,000	0.95
12.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DANG SIONG DIANG	1,750,000	0.95
13.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH ENG KEAT	1,750,000	0.95
14.	MERANTI ASSET GROWTH SDN BHD	1,600,000	0.87
15.	CHIN SIN LIN	1,584,200	0.86
16.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN YAT KIANG (MY1469)	1,350,700	0.73
17.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP JA CEEN (7013101)	1,269,200	0.69
18.	LIM HERN GENE	1,134,100	0.62
19.	MAYBANK NOMINEES (TEMPATAN) SDN BHD WONG KA PAU	1,100,000	0.60

ANALYSIS OF WARRANTS A HOLDINGS
(CONT'D)

LIST OF TOP 30 WARRANTS A HOLDERS/ DEPOSITORS AS AT 2 OCTOBER 2024

No.	Name of Warrants A Holders	No. of Warrants A	Percentage of Warrants A held (%)
20.	RENTAK SEGAR SDN.BHD.	1,000,000	0.54
21.	KHAW LAY SEE	990,000	0.54
22.	CHIN KHEE KONG & SONS SENDIRIAN BERHAD	933,600	0.51
23.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN YAT TENG	929,500	0.51
24.	KHO HOCK WAN	902,000	0.49
25.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LSMCF)	857,400	0.47
26.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BOB CENTURY SDN BHD	826,700	0.45
27.	GOO SIEW HUAY	750,900	0.41
28.	PANKAJKUMAR A/L BIPINCHANDRA	740,300	0.40
29.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE WAI	700,000	0.38
30.	IFAST NOMINEES (TEMPATAN) SDN BHD CHIA YEW THONG	684,700	0.37
Total		142,876,150	77.67

NOTICE OF FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourth (“4th”) Annual General Meeting (“AGM”) of MN Holdings Berhad (“MNHB” or “the Company”) will be held at The Heron, Level 2, Four Points by Sheraton Puchong, 1201, Tower 3, Puchong Financial Corporate Centre (PFCC), Jalan Puteri 1/2, Bandar Puteri, Puchong, 47100 Selangor, Malaysia on Monday, 23 December 2024 at 10:00 a.m. or any adjournment thereof for the purpose of transacting the following businesses:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon. *(Please refer Explanatory Notes 1)*
2. To approve the payment of Directors’ fees and other benefits payable of up to RM350,000 payable to Non-Executive Directors of the Company for the period commencing from the conclusion of the 4th AGM up to the conclusion of the Fifth (“5th”) AGM of the Company. *Ordinary Resolution 1*
3. To re-elect the following Directors who retire pursuant to Clause 105(1) of the Company’s Constitution and being eligible, have offered themselves for re-election: -
 - (i) Dato’ Toh Eng Keat *Ordinary Resolution 2*
 - (ii) Datuk Loy Siong Hay *Ordinary Resolution 3*
4. To re-elect the following Directors who retire pursuant to Clause 114 of the Company’s Constitution and being eligible, have offered themselves for re-election: -
 - (i) Dato’ Sri Ir. Baharin bin Din *Ordinary Resolution 4*
 - (ii) Dato’ Dr Ir. Hasnul bin Mohamad Salleh *Ordinary Resolution 5*
5. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company. *Ordinary Resolution 6*

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions: -

6. **PROPOSED AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** *Ordinary Resolution 7*

“THAT subject to Sections 75 and 76 of the Companies Act 2016 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons, firms or corporations and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued share capital of the Company or such higher percentage as Bursa Malaysia Securities Berhad allowed for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company.

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 61 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with existing issued shares in the Company.”

NOTICE OF FOURTH ANNUAL GENERAL MEETING
(CONT'D)7. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE***Ordinary Resolution 8*

"THAT, subject always to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries (collectively the "**Group**") to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 5 of the Circular to Shareholders dated 30 October 2024, provided that such transactions and/or arrangements which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company (hereinafter referred to as the "**Proposed Renewal of Shareholders' Mandate**"):-

THAT the Proposed Renewal of Shareholders' Mandate shall only continue to be in full force until: -

- a) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the said AGM, such authority is renewed; or
- b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate."

8. **PROPOSED GRANTING OF EMPLOYEES' SHARE OPTION SCHEME ("ESOS") OPTIONS TO THE DIRECTORS OF MNHB ("PROPOSED GRANTING OF ESOS OPTIONS")**

"THAT the Company has an existing ESOS which was effective on 12 June 2023 and shall expire on 11 June 2028, and subject to the approvals of the relevant authorities and/or parties (where required) being obtained, the approval be and is hereby given to the Board to authorise the ESOS Committee which administer the ESOS in accordance to the By-Laws, at any time and from time to time throughout the duration of the ESOS, to offer and grant to the following persons, ESOS options to subscribe for such number of ordinary shares in MNHB under the ESOS:

- (i) Dato' Sri Ir. Baharin bin Din
- (ii) Dato' Dr Ir. Hasnul bin Mohamad Salleh

Ordinary Resolution 9
Ordinary Resolution 10

NOTICE OF FOURTH ANNUAL GENERAL MEETING (CONT'D)

PROVIDED ALWAYS THAT:

- a) The granting of ESOS options to the abovementioned persons will occur only after they fulfill the criteria outlined in the By-Laws;
- b) The abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation;
- c) Not more than 10% of the total number of new MNHB Shares to be issued under the ESOS would be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected to them, holds 20% or more of the total number of issued shares of the Company;
- d) Not more than 70% of the total number of new MNHB Shares to be issued under the ESOS would be allocated in aggregate to the Directors (executive and non-executive) and/or senior management of the MNHB Group (excluding dormant subsidiaries within the MNHB Group); and
- e) The allocation of ESOS options to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, or any prevailing guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authorities, as amended from time to time.

AND THAT subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-Laws, the Board be and is hereby authorised to take such steps as necessary or expedient to implement, finalise or to give full effect to the Proposed Granting of ESOS Options above with full power to assent to any terms, conditions, modifications, variations and/or amendments as may be imposed and/or permitted by the relevant authorities and to take all such steps and do all acts and things thought fit by the Board to be in the best interest of the Company; to execute, sign and deliver on behalf of the Company all such agreements, arrangements and documents as may be necessary to give full effect to, complete and implement the Proposed Granting of ESOS Options as above as well as to deal with all matters relating thereto and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.

AND THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 61 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights to be offered under the ESOS and/or any new shares ranking equally to the existing issued shares of the Company”

9. To transact any other business of which due notice have been given in accordance with the Companies Act 2016.

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482) (SSM PC No. 202208000250)
LAU HOOI PIN (MAICSA 7081620) (SSM PC No. 202408000447)
Company Secretaries

Kuala Lumpur
Dated: 30 October 2024

NOTICE OF FOURTH ANNUAL GENERAL MEETING (CONT'D)

Notes:

1. A member of the Company who entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. A member, who is an Exempt Authorised Nominee which holds securities in the Company for multiple beneficial owners in one (1) securities account, may appoint one (1) or more proxies to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
4. The Form of Proxy must be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd's office at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P. Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. For the purpose of determining a member who shall be entitled to attend the meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 16 December 2024. Only members whose name appears on the Record of Depositors as at 16 December 2024 shall be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and vote on his/her stead.
6. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice of the 4th AGM will be put to vote by way of poll.

Explanatory Notes:

1. Audited Financial Statements for the financial year ended 30 June 2024

This item of the Agenda is for discussion purposes only, as Section 340(1)(a) of the Companies Act 2016 does not require the shareholders to formally approve the Audited Financial Statements. Therefore, this item will not be put forward for voting.

2. Ordinary Resolution 1: To approve the payment of Directors' fees

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Ordinary Resolution 1, if approved, will authorise the payment of Directors' fees for the period from 4th AGM until the conclusion of the 5th AGM to be held in year 2025.

3. Ordinary Resolutions 2 and 3: Re-election of Directors who retire in accordance with Clause 105(1) of the Company's Constitution

Clause 105(1) of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company, where one-third of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Pursuant to Clause 105(1) of the Company's Constitution, Dato' Toh Eng Keat and Datuk Loy Siong Hay shall retire at the forthcoming AGM of the Company.

The performance of the Directors who are recommended for re-election has been assessed through the Board's annual evaluation. The Nominating Committee and the Board are satisfied with the performance and effectiveness of Dato' Toh Eng Keat and Datuk Loy Siong Hay who are due for retirement as Directors, and being eligible, have offered themselves for re-election at the 4th AGM of the Company.

NOTICE OF FOURTH ANNUAL GENERAL MEETING (CONT'D)

4. Ordinary Resolutions 4 and 5: Re-election of Directors who retire in accordance with Clause 114 of the Company's Constitution

Clause 114 of the Company's Constitution provides that any Director so appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following AGM of the Company and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Dato' Sri Ir. Baharin bin Din and Dato' Dr Ir. Hasnul bin Mohamad Salleh who were appointed as the Independent Non-Executive Chairman and Independent Non-Executive Director on 15 March 2024 and 15 May 2024 respectively are required to submit themselves for re-election at the 4th AGM pursuant to Clause 114 of the Company's Constitution.

Dato' Sri Ir. Baharin bin Din and Dato' Dr Ir. Hasnul bin Mohamad Salleh who are due for retirement as Directors, and being eligible, have offered themselves for re-election at the 4th AGM of the Company.

5. Ordinary Resolution 6 – Re-appointment of Auditors

The Audit Committee ("**AC**") has carried out an assessment on the suitability and independence of the External Auditors, Messrs. Crowe Malaysia PLT and was satisfied with the suitability of Messrs. Crowe Malaysia PLT based on the quality of audit, performance, competency, and sufficiency of resources the external audit team provided to the Group.

The AC in its assessment also found Messrs. Crowe Malaysia PLT to be sufficiently objective and independent. The Board therefore approved the AC's recommendation on the re-appointment of Messrs. Crowe Malaysia PLT as External Auditors of the Company for the financial year ending 30 June 2025 be put forward for the shareholders' approval at the 4th AGM.

6. Ordinary Resolution 7 – Proposed authority to Directors to allot and issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Ordinary Resolution 7, if passed, is a renewal of general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company or such higher percentage as Bursa Malaysia Securities Berhad allowed for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

The general mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s) workings capital and/or acquisitions at any time without convening a general meeting as it would be both costs and time consuming to organize a general meeting.

As at the date of the Notice, 43,168,000 shares were issued pursuant to the general mandate granted to the Directors at the 3rd AGM held on 26 December 2023 and which will lapse at the conclusion of the 4th AGM.

Pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 61 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

Section 85(1) of the Companies Act 2016 provides as follows:

"85. Pre-emptive rights to new shares

- (1) Subject to the constitution, where a company issue shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."*

NOTICE OF FOURTH ANNUAL GENERAL MEETING (CONT'D)

Clause 61 of the Constitution of the Company provides as follows:

"61. Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or securities offered, the Directors may dispose of those shares or securities in such manner as they think most beneficial to the Company. The Directors may, likewise, also dispose of any new shares or securities which (by reason of the ratio which the new shares or securities bear to shares or securities held by persons entitled to an offer of new shares or securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause."

The proposed Ordinary Resolution, if passed, will exclude your pre-emptive right to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Ordinary Resolution.

7. Ordinary Resolution 8 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolution 8, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

8. Ordinary Resolutions 9 and 10 - Proposed granting of ESOS options to the Directors of MNHB

The ESOS which obtained via shareholders' approval at the Extraordinary General Meeting of the Company held on 13 January 2023, was implemented on 12 June 2023. Under the terms of the By-Laws governing and constituting the ESOS, Dato' Sri Ir. Baharin bin Din (appointed as Independent Non-Executive Chairman on 15 March 2024) and Dato' Dr Ir. Hasnul bin Mohamad Salleh (appointed as Independent Non-Executive Director on 15 May 2024) are eligible to participate in the ESOS after they fulfill the criteria outlined in the By-Laws 4.1(b)(ii) – the Director must have been appointed as a Director of a company within the MNHB Group for a continuous period of at least 12 months prior to the Offer Date. Therefore, their eligibility will be after 15 March 2025 and 15 May 2025 respectively.

As both Dato' Sri Ir. Baharin bin Din and Dato' Dr Ir. Hasnul bin Mohamad Salleh are deemed interested in the Proposed granting of ESOS options, they have abstained and will continue to abstain from all deliberations, discussions or voting of their own allocation as well as that of persons connected with them, if any, under the proposed grant of ESOS.

By voting in favour of Ordinary Resolutions 9 and 10, the shareholders of the Company will agree to waive their pre-emptive rights under Section 85 of the Companies Act 2016 and under Clause 61 of the Constitution of the Company, over all options granted and/or to be offered/granted and all new shares to be issued pursuant to the ESOS.

NOTICE OF FOURTH ANNUAL GENERAL MEETING (CONT'D)

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad: -

1. Details of individual who are standing for election as Directors (excluding Directors for re-election)

No individual is seeking election as a Director at the 4th AGM of the Company.

2. General mandate for issue of securities in accordance with Rule 6.04 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The details of the proposed authority for Directors of the Company to issue shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out under Explanatory Note.

**MN HOLDINGS BERHAD**

Registration No. 202001038774 (1395095-M)
(Incorporated in Malaysia)

FORM OF PROXY

No. of shares held	CDS Account no.
Telephone no.	Email address

*I/We _____ NRIC/Passport no./Registration no. _____

of _____

being a *member/members of MN HOLDINGS BERHAD ("Company"), hereby appoint:

(1) Name of proxy : _____ NRIC/ Passport no. : _____

Address : _____

Email address : _____ Telephone no. : _____

(2) Name of proxy : _____ NRIC/ Passport no. : _____

Address : _____

Email address : _____ Telephone no. : _____

or failing *him/her, the CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us on *my/our behalf at the Fourth ("4th") Annual General Meeting ("AGM") of the Company which will be held at The Heron, Level 2, Four Points by Sheraton Puchong, 1201, Tower 3, Puchong Financial Corporate Centre (PFCC), Jalan Puteri 1/2, Bandar Puteri, Puchong, 47100 Selangor, Malaysia on Monday, 23 December 2024 at 10:00 a.m. or at any adjournment thereof in respect of *my/our shareholding in the manner indicated below:

Please indicate with a "x" in the spaces provided whether you wish your votes to be cast for or against the resolution. In the absence of specific instructions, your proxy will vote or abstain as he/she thinks fit.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and other benefits payable of up to RM350,000.00 payable to Non-Executive Directors of the Company for the period commencing from the conclusion of the 4 th AGM up to the conclusion of the Fifth ("5 th ") AGM of the Company.		
2.	To re-elect Dato' Toh Eng Keat who retires pursuant to Clause 105(1) of the Company's Constitution.		
3.	To re-elect Datuk Loy Siong Hay who retires pursuant to Clause 105(1) of the Company's Constitution.		
4.	To re-elect Dato' Sri Ir. Baharin bin Din who retires pursuant to Clause 114 of the Company's Constitution.		
5.	To re-elect Dato' Dr Ir. Hasnul bin Mohamad Salleh who retires pursuant to Clause 114 of the Company's Constitution.		
6.	To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company.		
7.	Proposed authority to Directors to allot and issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
8.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
9.	Proposed granting of ESOS Options to Dato' Sri Ir. Baharin bin Din.		
10.	Proposed granting of ESOS Options to Dato' Dr Ir. Hasnul bin Mohamad Salleh.		

Dated this _____ day of _____ 2024

Signature/Common Seal of Shareholder

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of shares	Percentage (%)
Proxy 1		
Proxy 2		
Total		100

* Strike out whichever is not applicable

Notes:

1. A member of the Company who entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
2. A member, who is an Exempt Authorised Nominee which holds securities in the Company for multiple beneficial owners in one (1) securities account, may appoint one (1) or more proxies to attend on the same occasion. Where a member appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment of two (2) or more proxies shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.
4. The Form of Proxy must be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd's office at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P. Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. For the purpose of determining a member who shall be entitled to attend the meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 16 December 2024. Only members whose name appears on the Record of Depositors as at 16 December 2024 shall be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and vote on his/her stead.
6. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice of the 4th AGM will be put to vote by way of poll.

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AFFIX
STAMP

The Share Registrar of
MN HOLDINGS BERHAD
(Registration No. 202001038774 (1395095-M))
(Incorporated in Malaysia)
c/o Aldpro Corporate Services Sdn Bhd
B-21-1, Level 21, Tower B, Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200 Kuala Lumpur,
W.P. Kuala Lumpur

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Fold This Flap For Sealing



MN HOLDINGS BERHAD

Registration No.: 202001038774 (1395095-M)

F-07-01, Garden Shoppe One City, Jalan USJ 25/1B, 47650 Subang Jaya,
Selangor Darul Ehsan.

T : +603 - 5115 0008 | F : +603 - 5115 0018

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