



HTVB

HIAP TECK VENTURE BERHAD

Registration No. 199701005844 (421340-U)

ANNUAL REPORT

2025



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OUR VISION

- To be the Leading Steel Company in the region



OUR MISSION

- Build value for shareholders
- Participate in the development of the country
- Total customer satisfaction
- Enhancement of existing core business to position for growth
- One stop steel centre
- Continuously develop human asset

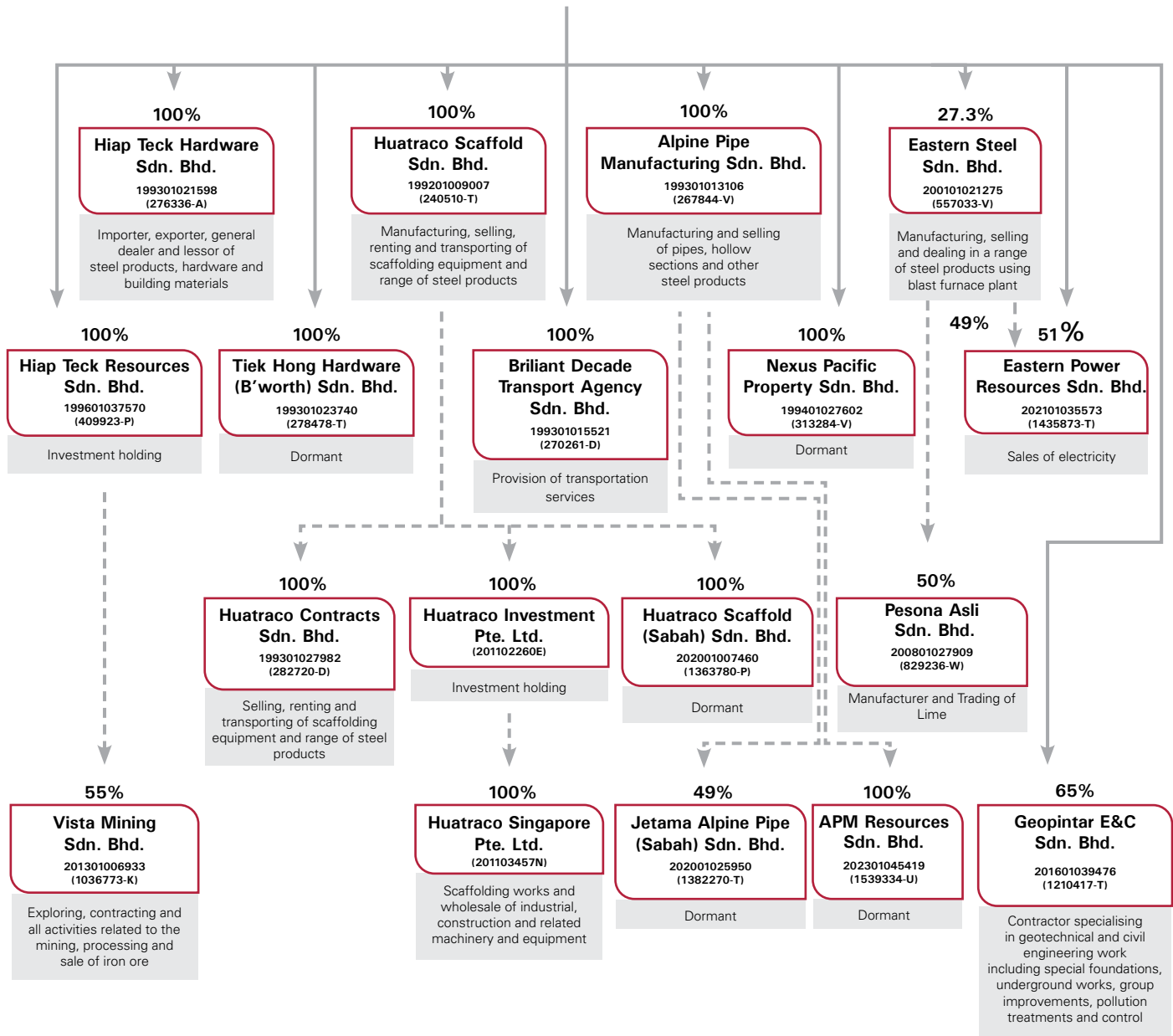
CORPORATE STRUCTURE



HTVB

HIAP TECK VENTURE BERHAD

Registration No. 199701005844 (421340-U)



CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN/INDEPENDENT NON-EXECUTIVE DIRECTOR

- Tan Sri Dato' Sri Mohamad Fuzi Bin Harun

EXECUTIVE DEPUTY CHAIRMAN

- Tan Sri Dato' Seri Law Tien Seng

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

- Mr. Sherman Lam Yuen Suen

INDEPENDENT NON-EXECUTIVE DIRECTORS

- Mr. Chen Thien Yin
- Dato' Ooi Lay See

EXECUTIVE DIRECTORS

- Mr. Foo Kok Siew
- Mr. Tan Shau Ming
- Mr. Law Wai Cheong
- Mr. Law Wai Ho

AUDIT COMMITTEE

CHAIRMAN

- Mr. Sherman Lam Yuen Suen

MEMBERS

- Mr. Chen Thien Yin
- Dato' Ooi Lay See

NOMINATION AND REMUNERATION COMMITTEE

CHAIRPERSON

- Dato' Ooi Lay See

MEMBERS

- Mr. Sherman Lam Yuen Suen
- Mr. Chen Thien Yin

SUSTAINABILITY AND RISK MANAGEMENT COMMITTEE

CHAIRMAN

- Mr. Chen Thien Yin

MEMBERS

- Mr. Sherman Lam Yuen Suen
- Dato' Ooi Lay See
- Mr. Foo Kok Siew

COMPANY SECRETARY

- Ng Yim Kong (MACS 00305)
(SSM PC No. 20208000309)
c/o Strategy Corporate Secretariat Sdn. Bhd.
Unit 07-02, Level 7, Persoft Tower
6B, Persiaran Tropicana
47410 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No.: (6)03-7804 5929
Fax No.: (6)03-7805 2559

REGISTRAR

- Boardroom Share Registrars Sdn. Bhd.
199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No.: (6)03-7890 4700
Fax No.: (6)03-7890 4670

EXTERNAL AUDITORS

- KPMG PLT (LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan, Malaysia

HEAD OFFICE & REGISTERED OFFICE

- Lot 6096, Jalan Haji Abdul Manan
Batu 5½, Off Jalan Meru
41050 Klang
Selangor Darul Ehsan, Malaysia
Tel No.: (6)03-3377 8888
Fax No.: (6)03-3392 9198
Website: www.htgrp.com.my

PRINCIPAL BANKERS

- AmBank (M) Berhad
- Alliance Bank Malaysia Berhad
- Malayan Banking Berhad
- Maybank Islamic Berhad
- HSBC Bank Malaysia Berhad
- Hong Leong Bank Berhad
- Al Rajhi Banking & Investment Corporation (Malaysia) Bhd

STOCK EXCHANGE

- Bursa Malaysia Securities Berhad
(Main Market)
Stock code: 5072

DIRECTOR'S PROFILE

TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN

**Chairman/Independent Non-Executive Director
Malaysian, age 66**

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun was appointed to the Board of the Company as Chairman and Independent Non-Executive Director on 22 March 2023.

Tan Sri Dato' Sri Mohamad Fuzi is a retired Inspector-General of the Royal Malaysia Police (IGP) who had served the Police Force for 35 years.

Tan Sri Dato' Sri Mohamad Fuzi graduated with a Bachelor of Arts (Honours) degree from Universiti Malaya in 1983, obtained his Master in Anthropology and Sociology from Universiti Kebangsaan Malaysia in 1991 and completed the Advance Management and Leadership Programme from the SAID Business School at Oxford University, UK in 2014.

Tan Sri Dato' Sri Mohamad Fuzi joined the Royal Malaysia Police in 1984. After completion of the basic police training, he was attached to the Special Branch Department from 1986 to 2014 and served in various capacities, including Deputy Director of the Special Branch and Director of Special Task Force on operation and counter terrorism. He had also served as the Director of the Management Department for more than a year and was subsequently promoted as the Director of the Special Branch in July 2015.

In September 2017, he was further promoted as the IGP, the highest ranking position in the Royal Malaysia Police, until his retirement in May 2019.

Currently, Tan Sri Dato' Sri Mohamad Fuzi is the Chairman and Independent Non-Executive Director of Jaya Tiasa Holdings Berhad, Tropicana Corporation Berhad and Taghill Holdings Berhad (formerly known as SIAB Holdings Berhad) and an Independent Non-Executive Director of Ancom Nylex Berhad. Tan Sri Dato' Sri Mohamad Fuzi also holds directorships in several private limited companies.

Tan Sri Dato' Sri Mohamad Fuzi has no family relationship with any Directors and/or Major Shareholders of the Company, nor any conflict of interest with the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.

TAN SRI DATO' SERI LAW TIEN SENG

**Executive Deputy Chairman
Malaysia, age 72**

Tan Sri Dato' Seri Law Tien Seng was appointed to our Board as the Deputy Chairman and Non-Independent Non-Executive Director on 1 June 2010. He was re-designated as Executive Deputy Chairman on 3 August 2011.

Tan Sri Dato' Seri Law is an entrepreneur and he founded the TS Law Group more than 30 years ago. The TS Law Group is engaged in a diversified portfolio of businesses encompassing steel production and distribution, mining, property development and investments in Malaysia, China, Australia and the United Kingdom. He currently serves on the board of several private limited companies in Malaysia.

Tan Sri Dato' Seri Law is the father of Mr. Law Wai Cheong and Mr. Law Wai Ho, the Executive Directors of HTVB. He is deemed to have interest in HTVB via his indirect interest in TS Law Investments Limited, a major shareholder of HTVB. He has no conflict of interest with the Company and has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.



DIRECTOR'S PROFILE (Cont'd)

SHERMAN LAM YUEN SUEN **Senior Independent Non-Executive Director** **Malaysian, age 52**

- **Chairman of the Audit Committee**
- **Member of the Nomination and Remuneration Committee**
- **Member of the Sustainability and Risk Management Committee**

Mr. Sherman Lam Yuen Suen was appointed to the Board of the Company as Independent Non-Executive Director on 21 December 2020 and redesignated as Senior Independent Non-Executive Director on 15 December 2023.

Mr. Lam holds a Master's degree in Business Administration (Finance) from Charles Sturt University, Australia and he completed the ESG & Sustainable Financial Strategy program by Said Business School, Oxford University, UK. He is a Chartered Accountant of the Malaysian Institute of Accountants, a Fellow of the Chartered Institute of Management Accountants, United Kingdom, a Fellow of CPA Australia, a Chartered Member of the Institute of Internal Auditors of Malaysia, a Member of the Institute of Corporate Directors Malaysia and a CFP™ Certified Member of the Financial Planning Association, Malaysia.

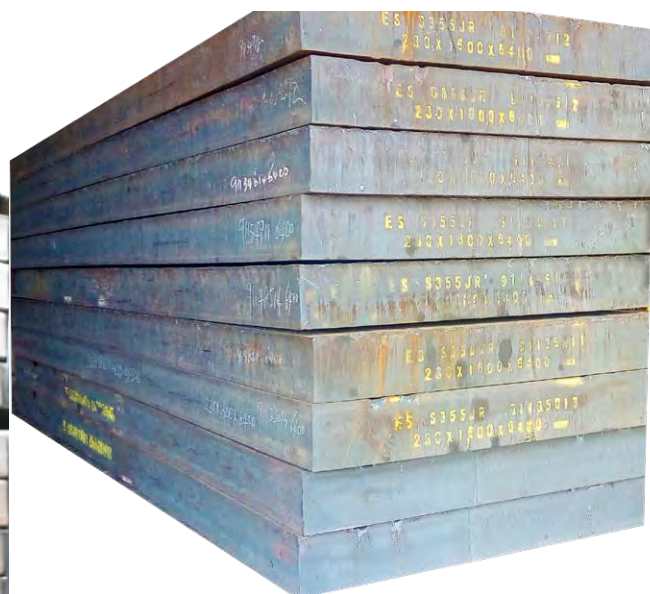
Mr. Lam started his career with Fulton Prebon (M) Sdn. Bhd., a financial services subsidiary of Seacorp (a PNB company) in 1995. He then joined Utama Merchant Bank Berhad, (an investment bank jointly owned by Utama Banking Group Berhad and HSBC Investment Bank Asia Ltd) in 1997, eventually taking on the role of Chief Dealer and Treasury Manager. Thereafter in mid-2000, he joined Nikkei Pacific Corporate Advisors, then a leading regional corporate finance advisory firm as an Associate Director where he advised on several large corporate restructuring and capital raising exercises in Indonesia and Malaysia.

From 2002 till 2023, Mr. Lam was the Managing Director of Cirrus Ventures group, a regional private equity/venture capital investments and corporate strategic consulting services firm. He has more than 25 years of demonstrated, broad-based senior management experience in corporate advisory, treasury management, capital markets, corporate finance and investments with financial institutions as well as corporate board experience in listed public and privately held entities in Malaysia, Singapore, Indonesia and China. Sherman is currently also the Managing Partner of Sherman Lam & Co, a Chartered Accountant firm and the current Deputy Secretary-General of the China-ASEAN (Malaysia) Entrepreneurs Association.

Mr. Lam currently serves as an Independent Non-Executive Director on the Board of Directors of Gadang Holdings Berhad. He has previously served on the Board of Directors of Bintai Kinden Corporation Berhad from 2010 to 2013 and Asian Pac Holdings Berhad from 2019 to 2023, as an Independent Non-Executive Director.

Mr. Lam has no family relationship with any Directors and/or Major Shareholders of the Company, nor any conflict of interest with the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.



DIRECTOR'S PROFILE (Cont'd)

CHEN THIEN YIN

Independent Non-Executive Director
Malaysian, age 58

-
- Chairman of the Sustainability and Risk Management Committee
 - Member of the Audit Committee
 - Member of the Nomination and Remuneration Committee
-

Mr. Chen Thien Yin was appointed to the Board of the Company as Independent Non- Executive Director on 3 January 2023.

Mr. Chen holds a Degree in Finance and Management Information Systems from Syracuse University, USA. He is a seasoned banking professional with more than 30 years'experience. Having held senior C-Suite positions in Hong Leong Bank, Standard Chartered, Royal Bank of Scotland, JP Morgan and Al Rajhi Bank Malaysia in Malaysia, Singapore and Vietnam, he has a proven track record of working in diverse cultures and geographies.

Mr. Chen has well rounded experiences in Strategic Planning, Risk Management (compliance, credit, market and operational), Client Engagement, Financial Products and Banking Operations in both Conventional and Islamic Banking Institutions.

In addition to Hiap Teck Venture Berhad, Mr. Chen also currently serves as an Independent Non-Executive Director on the Board of Directors of Hextar Capital Berhad.

Mr. Chen has no family relationship with any Directors and/or Major Shareholders of the Company, nor any conflict of interest with the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.

DATO' OOI LAY SEE

Independent Non-Executive Director
Malaysian, age 65

-
- Chairperson of the Nomination and Remuneration Committee
 - Member of Audit Committee
 - Member of Sustainability and Risk Management Committee
-

Dato' Ooi Lay See ("Dato' Daisy Ooi") was appointed to the Board of the Company as Independent Non-Executive Director on 1 June 2023.

Dato' Daisy Ooi has more than 30 years of hands-on experience in the property development, construction and property investment and management industry in Malaysia. Throughout her 30 years career she has served as Executive Director and Managing Director in various companies in the property development, construction and property investment and management industry in Malaysia including a public company formerly listed on Bursa Malaysia. Dato' Daisy Ooi was also the CEO at Law Developments Sdn. Bhd. from June 2015 to June 2020.

She has spearheaded various areas of the property development, construction and property investment and management industry ranging from business planning, management and strategies, sales and marketing both domestically and in international markets, technical and regulatory compliance and governmental affairs contributing to the overall success of the various companies that she had positions in.

Dato' Daisy Ooi attended the General Management Programme by the Wharton School, University of Pennsylvania at the Singapore Management University in 2001.

Dato' Daisy Ooi was also an active participant in several industry organisations to advocate and promote the overall interests of the property development, construction and property investment and management industry especially in the northern state of Penang. She served as the President of FIABCI Malaysia Chapter, Penang branch from 2010 to 2012 and was subsequently re-elected to serve a second term from 2012 to 2014. She was also a Committee Member of REHDA Penang Branch. In addition, Dato Daisy Ooi also served as an active Member of Industry Advisory Panel of Taylors College, School of Pre-University Studies from 2018 to 2020. Since 2014 she has been an active member of the Selections Committee of the Penang Future Foundation which manages the Penang State Governments scholarship program for deserving students.

Dato' Daisy Ooi has no family relationship with any Directors and/or Major Shareholders of the Company, nor any conflict of interest with the Company. She has no conviction for any offence over the past ten years.

She has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.

DIRECTOR'S PROFILE (Cont'd)

FOO KOK SIEW Executive Director Malaysian, age 64

- **Member of the Sustainability and Risk Management Committee**
-

Mr. Foo Kok Siew was appointed to our Board as Independent Non-Executive Director on 24 February 2010. He was re-designated as Executive Director on 1 January 2013.

Mr. Foo holds a Bachelor of Economics Degree from Monash University, Melbourne. He started his career at the Chase Manhattan Bank, Kuala Lumpur in 1985 and since then, he has held senior positions with various corporations including Carr Indosuez Asia Limited, Hong Kong, Insas Berhad, HLG Capital Berhad and Kejora Harta Berhad. He was the Chief Executive Director of Alliance Investment Bank Berhad (2004 to 2006). He also sits on the board of several other private limited companies.

Mr. Foo has no family relationship with any Directors and/or Major Shareholders of the Company, nor any conflict of interest with the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.

LAW WAI CHEONG Executive Director Malaysian, age 39

Mr. Law Wai Cheong was appointed as Executive Director of HTVB on 3 January 2017.

Mr. Law holds a LLB (Hons) Cardiff, United Kingdom; Barrister-at-law, Lincoln's Inn; and Msc in Management (Merit) London, United Kingdom. Mr. Law started his career with Hong Leong Investment Bank Berhad (HLIB). While in HLIB, he focused on areas of corporate finance and corporate advisory. Subsequently, Mr. Law chambered at the Law Office of KK Chong for 9 months.

Mr. Law is a Director of TS Law Group, a diversified group of companies engaged in steel production, mining and property development and investments in Malaysia, China, Australia and the United Kingdom.

Mr. Law is the son of Tan Sri Dato' Seri Law Tien Seng, a major shareholder and the Executive Deputy Chairman of HTVB and the sibling of Mr. Law Wai Ho, the Executive Director of HTVB. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.

TAN SHAU MING Executive Director Malaysian, age 62

Mr. Tan Shau Ming joined Alpine Pipe Manufacturing Sdn. Bhd., a wholly-owned subsidiary of our Company, as Chief Production Officer in March 2012 and was subsequently appointed to our Board as Executive Director on 26 September 2014.

Mr. Tan was an Executive Director at TAP Resources Berhad from 1999 until 2004, and he was also a member of its Remuneration Committee. His responsibilities in the company included property development, human resources and administration. Thereafter, he joined Ji Kang Dimensi Sdn. Bhd., a Hot Rolled Steel Plate manufacturing company based in Gebeng, Kuantan as Executive Director until 2012. His responsibilities in the company included factory operations, logistics and transportation.

Mr. Tan has no family relationship with any Directors and/or Major Shareholders of the Company nor any conflict of interest with the Company. He has no conviction for any offence over the past ten years.

He has attended all the 4 board meetings of HTVB held during the financial year ended 31 July 2025.

LAW WAI HO Executive Director Malaysian, age 29

Mr. Law Wai Ho was appointed as the Group's Deputy Chief Operating Officer in August 2022. He was re-designated as Executive Director on 28 March 2025.

Mr. Law holds a master Degree in Civil and Environmental Engineering from Imperial College London, United Kingdom, graduating with First Class Honours in 2019. With an exceptional education background relevant to the Group's business, Mr. Law began his career in July 2020 as Business Development Director of Huatracco Scaffold Sdn. Bhd. ("Huatracco"), where he was responsible for developing and implementing strategies to drive Huatracco's growth. In January 2022, he was appointed as Head of Huatracco, leading and overseeing the company's operations.

In August 2022, Mr. Law was promoted to Group Deputy Chief Operating Officer, supporting the Group Chief Operating Officer in managing the Group's day-to-day operations, including business development, sales, collections, procurement, production, and investments.

Mr. Law also serves as a Non-Executive Director on the Board of GWR Group Limited, an Australian Securities Exchange (ASX)-listed company.

Mr. Law is the son of Tan Sri Dato' Seri Law Tien Seng, Executive Deputy Chairman and major shareholder of Hiap Teck Venture Berhad ("HTVB"), and the sibling of Mr. Law Wai Cheong, Executive Director of HTVB.

He has attended 1 board meeting of HTVB held during the financial year ended 31 July 2025 from date of appointment.

KEY MANAGEMENT PROFILE

PHANG CHIN KHIONG

Group Chief Operating Officer (“COO”)
Malaysian, age 56

Mr. Phang Chin Khiong was appointed as the Group’s COO in August 2017. Prior to that, Mr. Phang was the Chief Commercial Officer of Alpine Pipe Manufacturing Sdn. Bhd., Hiap Teck Hardware Sdn. Bhd. and Huatraco Scaffold Sdn. Bhd.

Mr. Phang was with Wing Tiek Steel Pipes Sdn. Bhd. as Assistant Sales Manager before he left to pursue a career in the steel industry with Alpine Pipe Manufacturing Sdn. Bhd. He was appointed as Executive Director of HTVB in June 2007, after serving the Board for more than 2 years he then resigned from his Director position in August 2009 to fully focus on his sales and marketing role. With more than 30 years of experience in the industry, he has accumulated invaluable experience and knowledge in the sales and marketing of iron and steel products.

SEH KWANG WEOI, MICHAEL

Chief Commercial Officer
Malaysian, age 57

Mr. Seh Kwang Woei was appointed as Chief Procurement Officer for both the Manufacturing and Trading divisions of the Group in 2011. In August 2017, his role was expanded to include the position of Chief Commercial Officer for Hiap Teck Hardware Sdn. Bhd..

Mr. Seh holds a Bachelor of Commerce Degree and a Master of Business Administration from Pittsburgh State University, United States of America.

He started his career in 1994 as Personal Assistant to General Manager of Bright Steel Sdn. Bhd., a company under Lion Group acting as steel service centre supplying hot-rolled and cold rolled steel sheets and other related steel products. Mr. Seh was delegated to be in charge of purchasing steel material as well as marketing of the company’s steel products. In 1998, he was transferred to Megasteel Sdn. Bhd. as Senior Marketing Officer.

In 2001, he joined Solid Hope Sdn. Bhd. as the Marketing Manager overseeing the operation of the Company as well as the marketing of the Company’s steel products. He was with Solid Hope Sdn. Bhd. from 2001 to 2004. With more than 20 years of experience in the industry, he has accumulated invaluable experience and knowledge in iron and steel products.

HOO WENG KEONG, RAYMOND

Group Chief Financial Officer (“CFO”)
Malaysian, age 57

Mr. Hoo Weng Keong was appointed Director of Finance on 15 October 2021 and re-designated as Group Chief Financial Officer in January 2022.

He holds a Bachelor’s Degree in Accounting from the University of Malaya, Malaysia, and is a member of both the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA).

Mr. Hoo began his career with the Lion Group in 1993, where he served in various capacities across its listed subsidiaries in manufacturing, trading, and property development. In 1997, he joined a listed industrial electrical products company as Senior Accountant, overseeing the finance function of multiple subsidiaries.

In 1998, he joined Metrod Holdings Berhad, a listed manufacturer and trader of copper products, where he rose to the position of Senior General Manager – Finance.

With 30 years of professional experience, Mr. Hoo has extensive expertise in corporate and financial management, including accounting, finance, auditing, taxation, treasury, supply chain management, and management information systems (MIS) reporting.

TAN YUEN HONG, ALEX

Chief Commercial Officer
Malaysian, age 59

Mr. Tan Yuen Hong was re-appointed as Chief Commercial Officer for the Project Division of Hiap Teck Hardware Sdn. Bhd. (“HTH”) in January 2022. Prior to that, Mr. Tan was Chief Commercial Officer of Huatraco Scaffold Sdn. Bhd. from July 2017 to December 2021. He was Chief Commercial Officer for Project Division of HTH from 2011 to July 2017.

Mr. Tan started his career in 1985 when he joined the sales department of Wing Tiek Holdings Bhd. He spent 8 years in Wing Tiek Holdings Berhad before joining HTH, a wholly-owned subsidiary of HTVB in 1993. His more than 30 years of experience in marketing has accorded him familiarity with the hardware trading business.

All key senior management officers have no family relationship with any Directors and/or Major Shareholders of the Company, nor any conflict of interest with the Company. They have no conviction for any offence over the past ten years.

CHAIRMAN’S STATEMENT

“ Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Hiap Teck Venture Berhad (“HTVB”) and its subsidiaries (“the Group”) for the financial year ended 31 July 2025.

”



GDP Growth 2025
World : 3.2%
Malaysia : 4.0% to 4.8%



Apparent Steel Consumption 2025
World : 1,749 million MT
Malaysia : 8.6 million MT

WORLD ECONOMY

The global economy expanded by 3.3% in 2024 and is projected to grow by 3.2% in 2025, supported by easing inflation, stabilised supply chains, and more accommodative financial conditions in several major economies. According to the IMF World Economic Outlook (October 2025), growth is expected to moderate slightly to 3.1% in 2026, reflecting steady but slower expansion across both advanced and emerging markets. The United States is forecast to grow by 2.0% in 2025, aided by fiscal measures and resilient domestic demand, while China is expected to record growth of 4.8%, tempered by weak property investment.

Global inflation is anticipated to ease from 5.8% in 2024 to 4.2% in 2025 and further to 3.7% in 2026 as commodity prices and supply pressures normalise. However, the outlook remains clouded by elevated geopolitical risks and renewed U.S.–China trade tensions, particularly following the reciprocal tariff measures introduced by the United States in 2025, which have added uncertainty to global supply chains and investment sentiment.

WORLD STEEL DEMAND

According to the World Steel Association’s October 2025 Short Range Outlook, global steel demand in 2025 is projected to remain flat at about 1,749 million metric tonnes (“MT”) followed by a modest rebound of 1.3% in 2026 to 1,773 million MT. China’s steel demand is forecast to continue declining by approximately 2.0% in 2025 and a further 1.0% in 2026, largely due to lingering weakness in its property sector and structural headwinds.

On the supply side, recent policy moves are gaining traction. Notably, China has proposed a tougher capacity swap plan (released on 24 October 2025) requiring the exit of at least 1.5 MT of old capacity for every tonne added, and banning new capacity in key regions to curb overcapacity and support greener production methods. This development if implemented could gradually tighten global supply, reduce excess, and provide a potential upside for margins and pricing in the medium term.

CHAIRMAN'S STATEMENT (Cont'd)

MALAYSIA ECONOMY

Malaysia's economy recorded a stronger-than-expected growth of 5.2% year-on-year in the third quarter of 2025, underpinned by resilient domestic demand, firm labour market conditions, and continued investment activity. While Bank Negara Malaysia (BNM) had earlier revised the 2025 GDP growth forecast down to 4.0%–4.8% due to external headwinds and trade uncertainties, the latest Budget 2026 maintained this projection range, signalling continued caution despite the recent upside surprise. The better-than-expected third-quarter performance has, however, prompted some upward adjustments to private-sector forecasts. For 2026, the government projects growth of 4.0%–4.5%, supported by infrastructure spending, private investment, and targeted fiscal measures aimed at sustaining domestic momentum amid a still-challenging global environment.

Monetary policy also turned supportive: Bank Negara Malaysia reduced the Overnight Policy Rate ("OPR") by 25 basis points to 2.75% on 9 July 2025, the first cut in five years, as a pre-emptive step to sustain domestic growth momentum.

MALAYSIA STEEL DEMAND

On the steel front, according to MISIF's *15th Report on Status & Outlook of the Malaysian Iron & Steel Industry 2024/2025* issued in October 2024, Malaysia's apparent steel consumption (ASC) was estimated at 8.3 million MT in 2024 and is projected to increase to approximately 8.6 million MT in 2025, with further growth anticipated in 2026 on the back of transport, renewable energy, and semiconductor-related infrastructure projects.

In terms of policy, the Ministry of Investment, Trade and Industry (MITI) introduced a two-year moratorium from 15 August 2023 on new manufacturing licences for the iron and steel sector. This moratorium, aimed at rationalising capacity and aligning with the New Industrial Master Plan 2030, has since been extended beyond August 2025, with exemptions considered for projects involving high value-added and low-carbon technologies. Domestic regulators are also monitoring imports closely, with anti-dumping and safeguard measures continuing to influence market conditions.

A landmark development during the year was the launch of the Steel Industry Roadmap 2035 (SIR2035) on 29 September 2025. The roadmap sets out 15 strategies across three phases — stabilisation (2025–2027), transformation (2027–2035), and full decarbonisation (by 2050). In the immediate term, it seeks to manage overcapacity, tighten licensing frameworks, enforce compliance, secure domestic raw materials, and lay the foundation for low-carbon transition.

For HTVB and Eastern Steel Sdn. Bhd. ("ESSB"), the roadmap is especially relevant as it:

- Anticipates the mandatory adoption of Environmental Product Declarations (EPD) and low-carbon standards for both local and imported steel, aligning with ESSB's pioneering launch of Malaysia's first EPD for crude steel.
- Reinforces the "Buy Made-in-Malaysia, Buy Low-Emissions" initiative, prioritising low-emission steel in public procurement, which supports demand for ESSB's hot rolled coils and HTVB's downstream products.
- Provides direction for a carbon competitiveness fund financed by carbon tax proceeds from 2026 onwards, enabling players like ESSB to access financing for green transition projects.
- Stresses the urgency of securing long-term scrap supply chains, which is critical for the industry's shift towards electric arc and induction furnace routes.

CORPORATE DEVELOPMENT

A key highlight in FY2025 was the commissioning of ESSB's 1,450 mm Hot Roll Mill (HRM) in January 2025. This strategic investment significantly strengthens Malaysia's domestic supply of hot rolled coils and reduces reliance on imports. The HRM plant is currently operating at approximately 60% capacity utilisation, with plans to ramp up to near full utilisation by end-2025, lowering unit conversion costs and boosting margins.

Together with the 1,380 m³ blast furnace commissioned in October 2023, ESSB now has an integrated production capacity of 2.7 million MT per annum, cementing its position as one of Malaysia's largest integrated steel producers.

CHAIRMAN'S STATEMENT (Cont'd)

FINANCIAL PERFORMANCE

For the financial year ended 31 July 2025, the Group's revenue declined by 14% to RM1.44 billion, compared to RM1.68 billion in the previous year, primarily due to lower sales volumes and softer average selling prices.

The Group suffered a loss from operations of RM11.78 million compared to profit from operation of RM62.50 million in last financial year, impacted by margin compression and inventory write-down.

However, supported by contributions from ESSB, the Group achieved a profit before tax of RM104.53 million, compared with RM117.39 million last year.

PROSPECTS

Looking ahead, the global steel industry remains challenging due to subdued prices, China's structural slowdown, and ongoing trade frictions. Nonetheless, Malaysia's domestic steel demand is projected to rise steadily on the back of infrastructure development and industrial investment, now further anchored by the Steel Industry Roadmap 2035.

The Group expects:

- ESSB's HRM plant to deliver stronger contributions as utilisation ramps up, unlocking economies of scale.
- Stable earnings from downstream and scaffolding operations, underpinned by efficiency gains and prudent cost management.
- Improved profitability in FY2026, contingent on global market stability, domestic demand resilience, and continued execution of our operational strategy.
- Alignment with national policy through participation in SIR2035 initiatives, particularly in green steel standards, low-carbon certification, and readiness for mandatory emissions reporting.

ESG MILESTONES AND SUSTAINABILITY INITIATIVES

The Group continues to advance its Environmental, Social and Governance (ESG) agenda with several key achievements in FY2025:

- *Rooftop Solar PV System*: Fully energised on 1 March 2025, with capacity of 4,681 kWp generating over 6 million kWh annually, reducing Scope 2 emissions by up to 50%.
- *Eco Label Certification*: Alpine Pipe Manufacturing Sdn Bhd obtained the ECO Label License 032:2020 on 3 November 2024, certifying products as eco-friendly and free of hazardous materials.
- *ISO 14001:2015 Certification*: Alpine Pipe Manufacturing Sdn Bhd achieved the Environmental Management System (EMS) certification in February 2025, underscoring compliance with global standards.
- *MyHijau Mark*: Awarded by the Malaysian Green Technology and Climate Change Corporation in August 2025 for Alpine Pipe products.
- *Environmental Product Declaration (EPD)*: ESSB launched Malaysia's first EPD for crude steel products in June 2025, a step now reinforced by the Roadmap's requirement for mandatory EPD and low-carbon standards going forward.

These initiatives align with Malaysia's national green agenda and position the Group to respond effectively to the carbon tax announced for implementation in 2026. While the government has confirmed the introduction of the tax, the detailed framework and mechanism are still being finalised. The Group remains proactive in enhancing its sustainability practices and operational readiness ahead of the transition to future market-based mechanisms anticipated under SIR2035.

APPRECIATION

On behalf of the Board, I wish to convey our sincere gratitude to our employees, customers, suppliers, financiers, business partners, and shareholders for their unwavering support. Despite a challenging year, your commitment and trust continue to drive us forward.

We also welcome Mr. Law Wai Ho, who joined the Board as Executive Director during the financial year. His strong engineering background and proven leadership provide a solid foundation to support the Group's long-term growth and succession planning.

We remain committed to strengthening our foundations, delivering sustainable growth, and creating long-term value for all stakeholders.

TAN SRI DATO' SRI MOHAMAD FUZI BIN HARUN

Chairman

03 November 2025

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF GROUP'S BUSINESS AND OPERATIONS

Hiap Teck Venture Berhad ("HTVB" or "the Company") is an investment holding company with core activities in property holdings and the provision of management services to its subsidiaries. Together with its subsidiaries ("the Group"), HTVB is one of Malaysia's leading integrated steel players, with over 30 years of experience in the manufacturing and trading of pipes, hollow sections, scaffolding equipment, and a wide range of steel products. The Group's operations, located on approximately 74 acres of land in Meru, Selangor, benefit from proximity to Port Klang, providing strong logistical advantages.

A key strategic pillar is the Group's 27.3% equity interest in Eastern Steel Sdn. Bhd. ("ESSB"), which operates a fully integrated steel plant in Kemaman, Terengganu. ESSB has expanded its annual production capacity to 2.7 million MT with the commissioning of a new 1,380 m³ blast furnace in October 2023. Supporting facilities, including 155 MW power plants, an 800,000 MT coke oven, and an 8 km conveyor system linking Kemaman Port to its stockyard, have further enhanced efficiency and cost competitiveness.

In January 2025, ESSB completed and commissioned its 1,450 mm Hot Roll Mill (HRM), a landmark development that significantly strengthens Malaysia's domestic supply of hot rolled coils while reducing reliance on imports. This positions ESSB as a major contributor to the nation's steel self-sufficiency and a competitive exporter to regional markets.

PERFORMANCE REVIEW BY SEGMENT

The Group operated under a challenging business environment during the financial year, marked by volatile steel prices and uncertainty over global interest rate trajectories as central banks sought to balance inflationary pressures with economic growth. This uncertainty also contributed to exchange rate volatility, further affecting market sentiment and import costs. In addition, the imposition of reciprocal tariffs by the United States, together with regional trade dynamics and domestic cost pressures, contributed to a tougher operating landscape for Malaysia's steel industry. Against this backdrop, the Group recorded a 14% decline in revenue to RM1.44 billion (FY2024: RM1.68 billion), primarily due to lower sales volumes and softer average selling prices.

Profit before tax (PBT) decreased by 11% to RM104.53 million (FY2024: RM117.39 million), impacted by operating losses in the downstream segment, as well as an inventory write-down of RM11.29 million to net realisable value.

The Group's joint venture, ESSB, was the principal earnings contributor. The commissioning of the 1,380 m³ blast furnace in October 2023 and the 1,450 mm Hot Roll Mill (HRM) in January 2025 collectively lifted annual steelmaking and rolling capacity to 2.7 million MT. These strategic investments delivered economies of scale, strengthened Malaysia's domestic supply of hot rolled coils, reduced reliance on imports, and enhanced ESSB's competitiveness in regional markets. Supported by auxiliary cost-efficiency projects such as the power plant and coke oven, ESSB delivered a remarkable contribution of RM138.39 million to the Group (FY2024: RM77.28 million).

The Group's financial position remains resilient. Inventories declined to RM400.16 million (FY2024: RM492.07 million) in line with leaner stockholding levels, while receivables reduced to RM293.24 million (FY2024: RM412.57 million), reflecting stronger collection efforts and tighter monitoring and optimisation of credit terms. Net borrowings (after deducting cash) fell to RM390.19 million (FY2024: RM471.62 million), driven by improved cash flow management from enhanced collection rates and disciplined working capital practices. Consequently, the Group's net gearing ratio improved to 0.26x (FY2024: 0.34x). Cash and short-term deposits stood at a healthy RM94.97 million (FY2024: RM93.88 million) as at end-FY2025, underscoring the Group's prudent financial management.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Manufacturing Segment

The Manufacturing segment comprises the production and distribution of steel pipes, hollow sections, scaffolding equipment and accessories, as well as other steel products. The Group's pipe manufacturing arm, Alpine Pipe Manufacturing Sdn. Bhd. ("Alpine"), is Malaysia's largest producer of structural pipes and hollow sections. With certifications such as BS EN, MS EN, SPAN, JIS, and AS, Alpine maintains a strong competitive position across diverse industries and infrastructure projects. Meanwhile, Huatraco Scaffold Sdn. Bhd. ("Huatraco") has been a trusted player in the scaffolding industry for nearly three decades and was the first company in Malaysia to achieve the MS1462 certification, underscoring the quality and reliability of its products. Today, Huatraco is widely recognised as a leading provider of scaffolding solutions in both domestic and regional markets.

For the financial year under review, the Manufacturing segment recorded revenue of RM717.83 million (FY2024: RM789.66 million) and segment profit of RM5.94 million (FY2024: RM38.70 million). The decline was mainly due to weaker average selling prices and lower sales volumes amid volatile global steel prices, foreign exchange fluctuations, and softer demand conditions. Nonetheless, the scaffolding equipment rental business continued to deliver stable returns, supported by sustained construction activity in Malaysia, underpinned by large-scale infrastructure projects such as the East Coast Rail Link (ECRL), together with strong private sector investments in industrial facilities, warehouses, and data centres. The gradual recovery in the residential and non-residential property segments also provided additional demand for scaffolding equipment.

The Group remains focused on disciplined cost management, continuous enhancement of product quality, and prudent procurement strategies. At the same time, it is responding proactively to evolving market conditions through targeted capital investments in technology and automation. Clear Key Performance Indicators (KPIs) and incentive frameworks are in place to drive efficiency, productivity, and sustainable cost savings. Looking ahead, the Group will continue to strengthen its market position by diversifying its product offerings and extending its footprint in Southeast Asia and selected international markets, reinforcing its competitiveness while adopting a measured and sustainable growth approach.

Trading Segment

The Group's trading business remains one of the largest in Malaysia, specialising in the import and distribution of a broad range of steel products to hardware companies and project end-users across multiple sectors. Leveraging its synergy with the manufacturing segment, it continues to position the Group as a comprehensive one-stop steel solutions provider for major infrastructure and construction projects.

For FY2025, the Trading segment recorded revenue of RM728.85 million, a 19% decline from RM899.58 million in FY2024, driven by lower sales volumes. The segment reported a loss of RM46.59 million, widening from RM10.54 million in FY2024. The prolonged weakness in global and regional steel markets, marked by subdued demand, heightened competition, and persistent price volatility, continued to weigh heavily on the segment's performance. While domestic construction activities provided some underlying demand, the persistent downtrend in steel prices eroded margins and created a highly challenging operating environment. This prolonged pressure also necessitated a write-down of inventories to net realisable value amounting to RM10.71 million.

Property and Investment Segment

The Property and Investment segment supports the Group's wholly-owned subsidiaries by providing factory buildings, warehouses, offices, and land. For the financial year under review, the segment recorded a profit of RM2.31 million, compared to RM7.67 million in the previous year. The lower contribution was primarily attributable to a reduction in rental income following the relocation and rationalisation of storage space.

Transportation Segment

The transportation segment remains an integral part of the Group's operations, supporting internal logistics with reliable and timely deliveries of raw materials and finished goods. In FY2025, the segment enhanced its operational efficiency through better delivery scheduling, optimised route planning, and tighter cost management, which together strengthened service levels to customers while helping to contain logistics costs.

During the year, the Group invested in two new Euro 5-compliant trucks, replacing older units in the fleet. This upgrade not only improves reliability and delivery performance but also aligns with the Group's ESG commitment by adopting cleaner and more fuel-efficient vehicles. The continued eligibility for diesel subsidies under the Fleet Card System further supports cost stability, reinforcing the segment's role in driving overall competitiveness.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Mining Exploration Segment

The mining exploration segment, established in May 2018, undertakes iron ore exploration, contracting, processing, and sales, primarily to supply ESSB's operations. In FY2025, the segment generated revenue of RM3.03 million, representing a 27% decline from RM4.15 million in FY2024, largely attributable to lower production volume. As a result, segment profit decreased to RM1.93 million compared to RM2.69 million in the preceding year, reflecting the impact of reduced output.

Selling of Electricity Segment

In October 2021, Eastern Power Resources Sdn. Bhd. ("EPR") was incorporated as a 51%-owned subsidiary of HTVB, with the remaining 49% held by ESSB, to undertake the sale of electricity. In FY2025, EPR sold 135,165 megawatt-hours ("MWh") of electricity to the national grid, generating revenue of RM27.73 million. This represented a notable increase from FY2024, when sales amounted to 80,901 MWh with revenue of RM17.20 million. Correspondingly, segment profit rose to RM2.64 million in FY2025 from RM1.55 million in the previous year, driven by the higher volume of electricity sold.

Eastern Steel Sdn. Bhd.

For the financial year under review, ESSB's revenue rose slightly to RM5.47 billion, compared to RM5.08 billion in the previous year. The improvement was supported by higher sales volumes following the full ramp-up of the new 1,380 m³ blast furnace commissioned in October 2023, which expanded annual production capacity to 2.7 million MT. Despite the headwinds of softer steel prices, revenue growth was underpinned by strong demand and continued acceptance of ESSB's products in both domestic and international markets. Malaysia and Southeast Asian countries remain net importers of slabs and billets, providing a firm base for ESSB's sales.

In FY2025, ESSB achieved an impressive 96% utilisation rate, reflecting remarkable operational efficiency and market competitiveness. Total sales reached 2.45 million MT, with about 0.56 million MT of slabs further processed into hot rolled coils ("HRC") following the commissioning of the 1,450 mm HRC Mill in January 2025. This development marks a significant milestone, as HRC is a key feedstock for Malaysia's downstream steel industry. Local production not only reduces reliance on imports but also enhances supply security and supports the nation's industrial value chain. Exports accounted for 84% of total sales, underscoring ESSB's ability to effectively place its products across diversified international markets spanning Asia, Europe, and the Americas.

As at the end of FY2025, ESSB's shareholders' funds stood at RM3.16 billion, while bank borrowings totalled RM3.46 billion. These borrowings primarily comprise term loans for capital expenditure, alongside short-term trade facilities to support working capital needs.

This strong performance highlights the Group's commitment, together with its joint venture partner Beijing Jianlong Group, to continuously enhance ESSB's operations, align with global standards, and drive the company into its next phase of growth. The expanded capacity, broader product mix, and strategic contribution from HRC production place ESSB in a stronger position to capture growth opportunities in both domestic and export markets.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

MARKET REVIEW

According to the World Steel Association's October 2025 Short Range Outlook, global steel demand in 2025 is projected to remain flat at about 1,749 million metric tonnes ("MT") followed by a modest rebound of 1.3% in 2026 to 1,773 million MT. The modest rebound is expected to be driven by stabilisation in China's property market, improved financing conditions, and rising investments in infrastructure linked to decarbonisation and digital transformation.

Market conditions, however, remain challenging. China's move in August 2025 to reduce steel production and phase out inefficient furnaces will be pivotal in addressing overcapacity and stabilising global prices. At the same time, the United States' tariff hike on steel imports to 50% has heightened trade policy volatility and disrupted supply flows, particularly across Asia. Despite these headwinds, demand in emerging markets, especially in South and Southeast Asia, is expected to remain resilient, underpinned by infrastructure expansion and industrialisation.

In Malaysia, steel demand continues to be supported by construction and infrastructure. According to the *15th Report on Status & Outlook of the Malaysian Iron & Steel Industry 2024/2025* issued by MISIF in October 2024, Malaysia's apparent steel consumption ("ASC") was estimated at 8.3 million MT in 2024 and is projected to rise to about 8.6 million MT in 2025, with further growth anticipated in 2026. This outlook is anchored by transport, renewable energy, and semiconductor-related infrastructure projects.

The government's recently launched Steel Industry Roadmap 2035 ("SIR2035") reinforces this trajectory by addressing overcapacity, tightening licensing, and enforcing compliance. Over the medium term, mandatory emissions reporting, green steel standards, and a carbon tax expected from 2026 will reshape industry dynamics, while the proposed "Buy Made-in-Malaysia, Buy Low-Emissions" initiative will provide steady domestic demand. Together, these policies and infrastructure programmes under Budget 2026 and the 13th Malaysia Plan are expected to support a stable growth outlook for the steel sector into 2026.

BUSINESS OUTLOOK

Malaysia's economy is expected to expand within the revised range of 4.0%–4.8% in 2025, supported by resilient domestic demand and investment, alongside policy measures such as the recent OPR cut to 2.75% aimed at cushioning external headwinds. The SIR2035 near-term measures to curb oversupply, enforce compliance, and stabilise licensing frameworks are expected to create a more disciplined market environment, benefiting efficient and compliant producers.

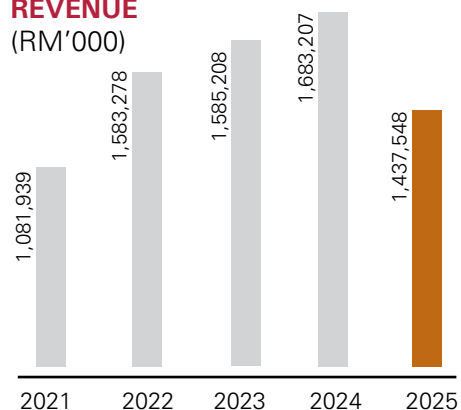
The Group's joint venture entity, ESSB, is well positioned to capture these opportunities with its expanded 2.7 million MT annual capacity and commissioning of the 1,450 mm Hot Rolled Coil ("HRC") mill in January 2025. This strengthens domestic HRC supply, reduces reliance on imports, and supports Malaysia's move towards higher value-added products. While the upcoming carbon tax and mandatory green steel standards will increase compliance requirements, the government's proposed Carbon Competitiveness Fund and incentives for energy efficiency and technology upgrades are expected to support industry players in managing the transition.

For the downstream businesses, the Manufacturing and Scaffolding segments remain underpinned by infrastructure and industrial activity, alongside the government's "Buy Made-in-Malaysia, Buy Low-Emissions" initiative. The Trading division will continue to face margin pressures from price volatility but is expected to benefit from the Group's strategy of focusing on fast-moving products and disciplined cost management. With a sharper focus on efficiency, product optimisation, and alignment with the national decarbonisation agenda, the Group is well placed to sustain growth into FY2026 and beyond.

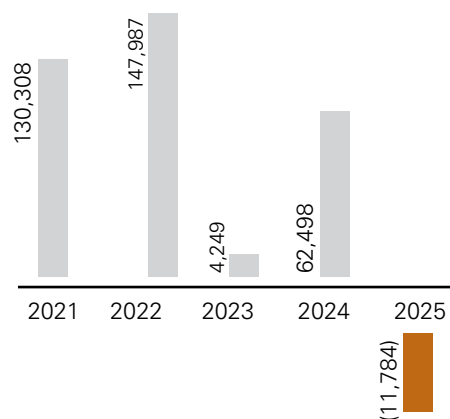
FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

Financial Year (FY)	2021	2022	2023	2024	2025
Revenue (RM'000)	1,081,939	1,583,278	1,585,208	1,683,207	1,437,548
(Loss)/ Profit From Operations (RM'000)	130,308	147,987	4,249	62,498	(11,784)
EBITDA (RM'000)	221,368	216,533	66,001	162,443	157,821
Profit Before Tax (RM'000)	194,590	189,903	30,464	117,390	104,530
Profit After Tax (RM'000)	163,517	156,364	31,830	107,359	110,305
Shareholders' Funds (RM'000)	1,125,881	1,272,111	1,286,012	1,384,663	1,484,823
NTA Per Share (RM)	0.65	0.73	0.74	0.79	0.85
Earnings Per Share (sen)	11.55	9.00	1.77	6.10	6.26
Dividend (sen)	1.00	1.00	0.50	0.50	0.50
Borrowings (RM'000)	411,101	608,483	539,076	565,501	485,166
Cash and cash equivalents (RM'000)	158,531	150,061	134,315	93,881	94,974

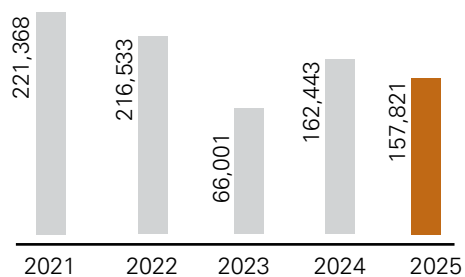
REVENUE (RM'000)



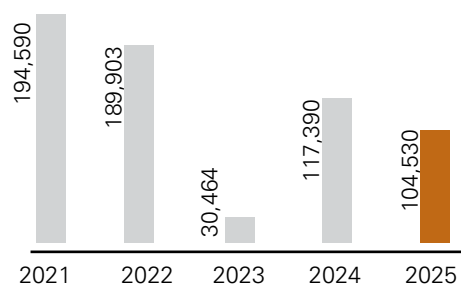
(LOSS)/PROFIT FROM OPERATIONS (RM'000)



EBITDA (RM'000)

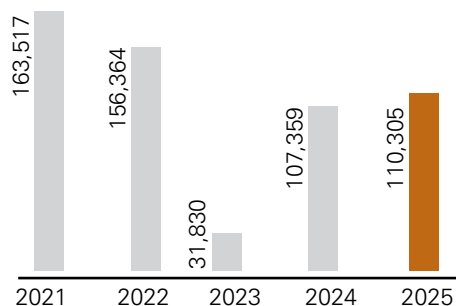


PROFIT BEFORE TAX (RM'000)

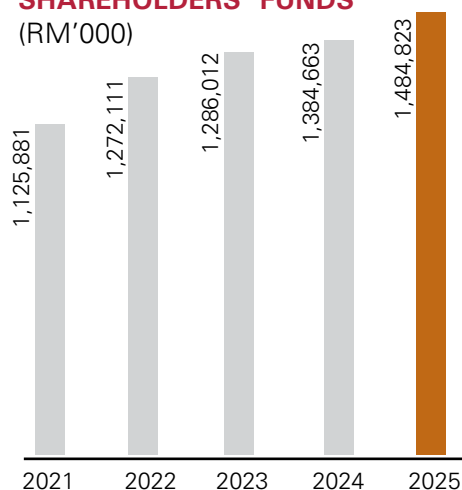


FIVE YEARS GROUP FINANCIAL HIGHLIGHTS (Cont'd)

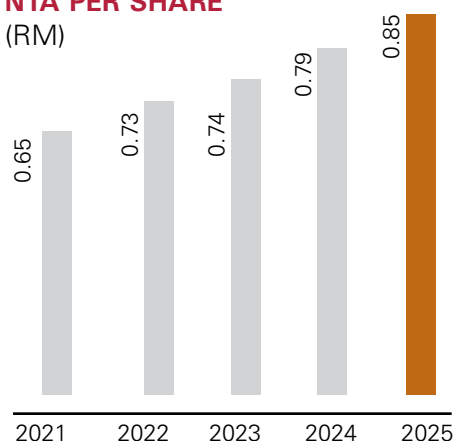
PROFIT AFTER TAX (RM'000)



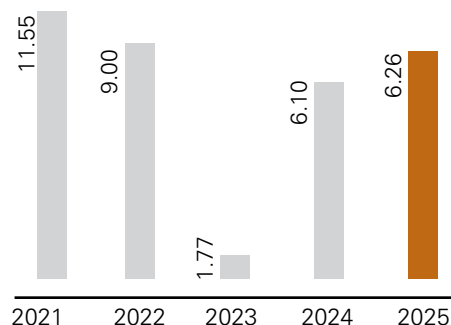
SHAREHOLDERS' FUNDS (RM'000)



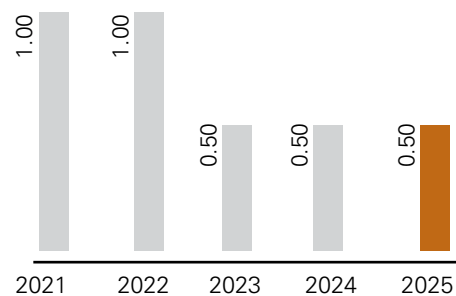
NTA PER SHARE (RM)



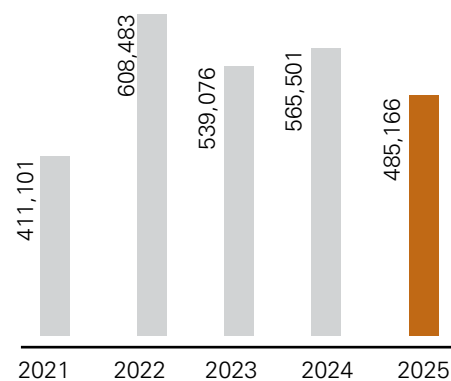
EARNINGS PER SHARE (SEN)



DIVIDEND (SEN)



BORROWINGS (RM'000)



STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("the Board") of Hiap Teck Venture Berhad ("HTVB") fully supports the recommendations of the Malaysian Code on Corporate Governance 2021 ("the Code") issued by the Securities Commission and the corporate governance requirements of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") which set out the broad principles and recommendations for good corporate governance and best practices for listed companies.

The Board is committed to apply to the best of its ability the recommendations and principles of the Code in ensuring and maintaining that good corporate governance is practised throughout the Group to effectively discharge its responsibilities to protect the Group assets, promote sustainable activities and results and enhance shareholders' value and those of the other stakeholders.

The Board of Directors is, therefore, pleased to report that this statement sets out the extent of the Group's compliance with the recommendations of the Code for the financial year ended 31 July 2025. The detailed disclosure on how the Group has applied the principles and practices as laid out in the Code throughout the current financial year can be found in the Corporate Governance Report at the Company's website: www.htgrp.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Company is led by a proactive Board which collectively is primarily responsible for determining the strategic direction and sustainable goals of the Company and its subsidiaries, maintaining effective oversight over management, monitoring the overall conduct and performance of the Group's businesses and promoting ethical practices throughout the Group. In setting the Group's overall strategy and governance, and in pursuit of its objectives, the Board takes into account the interests of stakeholders in the decision making so as to ensure that the Group's objectives in creating long term shareholder value are met. It also reviews corporate strategies, budgets, risk management, operations and the performance of the business segments and brings to bear independent judgment on issues relating to conflict of interests, strategy, risk management, performance, resources, governance and code of conduct and ethics to ensure that decisions made and actions taken will promote transparency, accountability and sustainability of the Group. The Board as a whole is dedicated to practice clear demarcation of duties, responsibilities and authority within the Company. The Board recognises the importance of good corporate governance and applies the Practices as set out in the Code and the MMLR to enhance business prosperity and maximise shareholders' wealth.

The Board is committed to ensure a high standard of corporate governance is maintained throughout the Group and to effectively discharge its responsibilities with integrity, transparency and professionalism to protect and enhance shareholders' value and those of the other stakeholders.

In discharging its responsibilities, the Board also addresses sustainability risks and opportunities and have oversight over the Group's material sustainability matters. Sustainability is prioritised and integrated in the Group's corporate strategy business plans, major plans of action, risk management and targets. The strategic management of material sustainability matters are driven by Senior Management. The Board ensures that the Group's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders. The Board is cognizant that it must stay abreast with sustainability issues relevant to the Group and its business including climate related risks and opportunities. The Board has identified Mr. Tan Shau Ming, an Executive Director of the Company to be the person within Management to provide dedicated focus to manage the sustainability strategically, including the integration of sustainability considerations in the operations of the Group. This is in compliance with Practice 4.1, 4.2, 4.3. and 4.4 of the Code.

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board has amongst others adopted the following measures from Guidance 1.1 of the Code:

- Together with Senior Management, promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviour;
- Review, challenge and decide on management's proposals for the Company, and monitor its implementation by management;
- Ensure that the strategic plan of the Company supports long-term value creation and includes strategies on environmental, social and governance ("ESG") considerations underpinning sustainability;
- Supervise and assess management performance to determine whether the business is being properly managed;
- Ensure there is a sound framework for internal controls and risk management;
- Understand the principal risks of the Company's business and recognise that business decisions involve the taking of appropriate risks;
- Set the risk appetite within which the board expects management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- Ensure that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of board and senior management;
- Ensure that the Company has in place procedures to enable effective communication with stakeholders; and
- Ensure the integrity of the Company's financial and non-financial reporting.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Regular matters tabled for the Board's information and deliberation for the year include business performance updates, unaudited quarterly results, reports from operations, business plan and budget, board assessment and evaluation, continuing education programme (training) of Directors, human resource related updates, new business developments and potential business amongst other non-regular items which comprised corporate proposals and projects.

Hence, the Board will continue to play a critical role in setting the appropriate tone at the top, providing leadership and promoting good governance and ethical conduct and practices throughout the Group.

Key Responsibilities of the Chairman

The Board is led by a competent Chairman who is an Independent Non-Executive Director and is primarily responsible for effective operation and performance of the Board and instilling good corporate governance practices, leadership and effectiveness of the Board. This is in compliance with Practice 1.2 of the Code.

The Chairman of the Board is not a member of any of the Board Committees and this is in compliance with Practice 1.4 of the Code. He does not participate in the Board Committee Meeting even by invitation.

Key responsibilities of the Chairman as set out in Guidance 1.2 of the Code have been adopted by the Company to be the duties and responsibilities of the Chairman of the Company:

- Provides leadership for the board so that the board may perform its responsibilities effectively;
- Sets the board agenda and ensures that board members receive complete and accurate information in a timely manner;
- Leads board meetings and discussions;
- Encourages active participation and allows different views to be freely expressed;
- Manages the interface between board and management;
- Ensures appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the board as a whole; and
- Leads the board in establishing and monitoring good corporate governance practices in the Company.

Separation of Positions of the Chairman and Executive Deputy Chairman

In order to promote accountability, transparency, independence and to ensure the balance of power and authority, there is a clear demarcation of duty, responsibility, authority and roles between the Independent Non-Executive Chairman and the Executive Deputy Chairman which are clearly set out in the Board Charter.

The positions of Independent Non-Executive Chairman and Executive Deputy Chairman are held by two different individuals in such manner that no one individual can influence the Board's discussions and decision making. The Board has complied with Practice 1.3 of the Code.

The Chairman provides leadership to the board and ensures that the Board and Board Committees function effectively. He sets the agenda for the Board meetings in consultation with the Executive Deputy Chairman and the Company Secretary and looks into effective shareholders' engagements. The Chairman's main responsibility is to ensure effective conduct of the Board and Board meetings and unrestricted and timely access by all Directors to all relevant information necessary for decision making. The Chairman leads discussion on strategies and policies recommended by the Management and leads the Board on its collective oversight of management. The Chairman of the Board is Tan Sri Dato' Sri Mohamad Fuzi Bin Harun. In accordance with Practice 1.4 of the Code, the Chairman of the Board is not a member of the Audit Committee, Nomination and Remuneration Committee or Sustainability and Risk Management Committee.

The Executive Deputy Chairman who is assisted by the four (4) Executive Directors focus on the day-to-day management of the Company and is responsible for the implementation of the Board's policies and decisions as well as supervising the operation of the Group and developing and implementing business strategies. The Executive Deputy Chairman is Tan Sri Dato' Seri Law Tien Seng.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Company Secretary

The Board is supported by an experienced and competent Company Secretary who provides sound governance advice, ensures adherence to rules and procedures and advocates adoption of corporate governance best practices. The Board is, therefore, in compliance with Practice 1.5 of the Code. The Company Secretary through the Chairman plays an important role in good governance by helping the Board and its Committees function effectively and in accordance with their terms of reference and best practices.

The Company Secretary of Hiap Teck Venture Berhad, Mr. Ng Yim Kong, is a Fellow Member of the Malaysian Association of Company Secretaries and holds a practicing license issued by the Registrar of Companies. The Company Secretary provides support to the Chairman of the Company to ensure the effective functioning of the Board.

The Company Secretary and his representatives also organise and attend all Board Meetings and Board Committees' Meetings ensuring accurate and proper recording of issues discussed, decisions made and conclusions taken, and facilitate Board communication. He also manages the processes of the Annual General Meeting and Extraordinary General Meeting (if any). All scheduled meetings held during the year were preceded by formal agenda issued by the Company Secretary in consultation with the Chairman. Prior to the meetings, appropriate documents which include agenda and reports relevant to the issues of the meetings are circulated to all the Directors at least seven (7) days prior to the meeting. All the Directors have sufficient time to appreciate the issues to be deliberated at the meetings which in turn enhances the decision-making process. Further details or supplementary information may be provided at the request of the Directors.

The Company Secretary maintains all secretarial and statutory records of the Company. The Board has unrestricted access to the advice and service of the Company Secretary who is responsible to provide the Directors with the Board papers and related matters required for the Board and Board Committees' meetings.

The Company Secretary updates the Board of Directors regularly on amendments to the Malaysian Code on Corporate Governance and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), practice and guidance notes or circulars issued by Bursa Securities from time to time and on the development of or amendments to the Companies Act 2016. The Company Secretary also circulates to the Directors notices of talks, seminars or conferences organised by Bursa Malaysia Securities Berhad, Companies Commission of Malaysia or outside training and professional development providers to enable the Directors to select and attend the trainings or updates of their choice. Overall, the Company Secretary advises the Board on the corporate disclosures and compliances with the Companies Act 2016 and securities regulations and listing requirements. In addition, the Company Secretary serves notices to the Directors and Principal Officers to notify them of closed periods for trading in the Company's shares in accordance with Chapter 14 of the MMLR. He also ensures that all appointments and resignations of Directors are in accordance with the relevant legislation and coordinates the annual assessment of the Board and Board Committees, the Independent Directors, External Auditors and outsourced Internal Auditors.

The Board of Directors is supplied with and has unrestricted access to information pertaining to the Group's businesses and affairs to enable them to discharge their duties effectively. This information includes both verbal and written details.

Board Charter

The Board Charter was adopted by the Board to emphasise its commitment to good corporate governance practices of the Code. The Board Charter sets out, amongst others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, the relationship between the Board and management and the shareholders of the Company as well as issues and decisions reserved for the Board. More importantly, the Board Charter sets out the key values, principles and ethos of the Company as policies and strategy development are based on these considerations.

The Board Charter is periodically reviewed and updated by the Board to ensure that it remains relevant and consistent with the Board's objectives and responsibilities. The Board Charter is available at the Company's website www.htgrp.com.my. This is in compliance with Practice 2.1 of the Code.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Code of Conduct and Ethics for Directors, Anti-Bribery and Corruption Policy and Directors' Fit and Proper Policy

The Company has adopted a Code of Conduct and Ethics for Directors to focus on areas of ethical risk, managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering, and to provide guidance to Directors to assist them to recognise and deal with unethical conduct and to help to foster a culture of honesty, trust, and responsibility. This is in compliance with Practice 3.1 of the Code. The Code of Conduct and Ethics is a part of the Company's commitment to integrity, accountability, transparency and self-regulation. It is a set of acceptable practices to guide the behaviour of the Directors, Management and employees.

The Code of Conduct and Ethics is available at the Company's website www.htgrp.com.my and is reviewed periodically.

With the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2018 ("MACC Act 2018") which established the principle that a commercial organisation has a criminal liability ("Corporate Liability") for the corrupt activities of its employees and/or persons associated with the commercial organisation where such corrupt activities are carried out for the commercial organisation's benefits or advantages, it re-enforces the Group's zero-tolerance policy against all forms of bribery and corruption. The Group is committed to conduct businesses professionally, fairly and with integrity and transparency in compliance with all applicable anti-bribery and corruption laws in all jurisdictions in which we operate.

The Anti-Bribery and Corruption Policy is available at the Company's website www.htgrp.com.my.

The Company has adopted the Directors' Fit and Proper Policy to address board quality, integrity and transparency for appointment, election and re-election of Directors of the Company and its subsidiaries.

The Directors' Fit and Proper Policy is available at the Company's website www.htgrp.com.my since 1 July 2022.

Whistleblowing

A formal and written policy and procedure on whistleblowing has been established and adopted on 27 June 2019. The Whistleblowing Policy can be found at the Company's website at www.htgrp.com.my. The Whistleblowing Policy is intended to support the Company's Core Values, Code of Ethics and Governance, and is in compliance with Practice 3.2 of the Code.

II. BOARD COMPOSITION

Board Balance

The Board comprises nine (9) members; five (5) of whom are Executive Directors and four (4) are Independent Non-Executive Directors. The Board is therefore, in compliance with Paragraph 15.02 of the MMLR of Bursa Securities, which requires that at least two (2) directors or one-third (1/3) of the board of directors of a listed issuer, whichever is the higher, are independent directors. A brief profile of the Board members is set out on pages 4 to 7 of this Annual Report.

Tenure of Independent Director

It is the present practice of the Company that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, the Independent Director will have to resign unless he is retained by the Board as a Non-Independent Director. This is in line with Practice 5.3 of the Code. However, the Board may, in exceptional cases and subject to the assessment of the NRC on an annual basis, recommend an Independent Director who has served for a consecutive or cumulative term of nine (9) years or more to remain as an Independent Director subject to annual Shareholders' approval through a two-tier voting process but provided always that the limit of the tenure of that Independent Director shall not exceed a cumulative period of twelve (12) years from the date of his appointment as an Independent Director of the Company in compliance with Bursa Malaysia's Main Market Listing Requirements.

To justify retaining an independent director beyond the term limit of nine years, NRC will undertake a rigorous review to determine whether the "independence" of the Director has been impaired. Findings from the NRC's review will be disclosed to the shareholders for them to make an informed decision.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Diversity

The Company is led and managed by an experienced Board comprising members with the appropriate mix of skill, diversity, qualification, knowledge and experience in the relevant fields such as finance, law, accounting, corporate finance advisory, private equity/ venture capital investment, corporate strategic consulting, banking, strategic planning, risk management, economics, corporate affairs, and entrepreneurship. Collectively, the Directors bring a broad range of skills, expertise, knowledge and independent judgement to successfully direct and supervise the attainment of the Group's corporate strategy, business and financial oversight.

Although the Company has no specific policy or target on gender diversity, the Board acknowledges the importance of gender diversity in the Group's workforce and on the Board, and the positive impact gender diversity can have on the Board's decision-making process and Group's performance. For the financial year ended 31 July 2025, one out of nine Directors (or 11.11%) on the Board of the Company is a woman Director. The Board has met the requirement of the Amendment to the Main Market Listing Requirements dated 19 January 2022 which requires the Company to have at least one woman Director by 1 June 2023, but is still a departure from Practice 5.9 which requires the Board to comprise at least 30% women directors. The Board will, however, continue to address the need to appoint female Directors to the Board based on the potential candidate's skill, experience, core competences and other qualities.

Presently, the selection of candidates is solely based on recommendations made by existing Board members, management or major shareholder but may include sourcing from a directors' registry and open advertisement or the use of independent search in future if suitable candidates are not readily available.

Board Meetings

The Board of Directors meets on a quarterly basis with additional meetings convened as and when necessary, to inter-alia approve quarterly financial results, business plans, budgets, governance matters and other business development activities. Special Board meetings may be convened to consider urgent proposal or matters which require the expeditious review or consideration by the Board. Senior Management is invited to attend the Board meetings to advise on relevant agenda to enable the Board to arrive at a considered decision. Strategic issues such as acquisition and disposal of the Group's investments or assets; announcements to regulators; corporate and restructuring exercises are presented to the Board for its decision to ensure that the direction and control of the Group is firmly with the Board. Besides Board Meetings, the Board also exercises control on matters that require Board's approval by way Written Directors' Resolutions.

Board meetings for the ensuing financial year are scheduled in advance to facilitate the Directors to plan ahead. All meetings are furnished with proper agenda with due notice issued and board papers and reports prepared by the Management which provide updates on financial, operational, legal matters and circulated prior to the meetings to all Directors with sufficient time to review them to ensure for effective discussions and decision making during the meetings. This is in compliance with Practice 1.6 of the Code.

During the financial year ended 31 July 2025, four (4) board meetings were held. Details of the Board of Directors' Meetings and their attendances at these meetings are set out below. All Directors in office during the said period have attended 100% of all the Board Meetings held. Overall, all the Directors complied with the minimum 50% meeting attendance's requirement under the MMLR of Bursa Securities.

All the Board Meetings have been held at corporate office at TS Law Tower during the period from 1 August 2024 until the financial year ended 31 July 2025.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Details of the Board of Directors' Meeting held during the financial year ended 31 July 2025:

Name of Directors	Date of Meeting				Total Meetings Attended by Directors	Percentage of Attendance
	26/09/2024	12/12/2024	27/03/2025	26/06/2025		
Tan Sri Dato' Sri Mohamad Fuzi Bin Harun (Independent Non-Executive Chairman)	✓	✓	✓	✓	4/4	100%
Tan Sri Dato' Seri Law Tien Seng (Executive Deputy Chairman)	✓	✓	✓	✓	4/4	100%
Mr. Foo Kok Siew (Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Tan Shau Ming (Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Law Wai Cheong (Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Law Wai Ho (Executive Director) (Appointed on 28 March 2025)	-	-	-	✓	1/1	100%
Mr. Sherman Lam Yuen Suen (Senior Independent Non-Executive Director)	✓	✓	✓	✓	4/4	100%
Mr. Chen Thien Yin (Independent Non-Executive Director)	✓	✓	✓	✓	4/4	100%
Dato' Ooi Lay See (Independent Non-Executive Director)	✓	✓	✓	✓	4/4	100%

Appointment to the Board

To facilitate appointments to the Board, the Nomination and Remuneration Committee ("NRC") has a set of formal and transparent procedure for the appointment of new Directors to the Board. The NRC is primarily responsible for identifying and recommending to the Board new candidates to be appointed as Directors to the Board and also recommending Directors to fill the seats on Board Committees. The NRC is also responsible for recommending the re-election of Directors who are retiring by rotation based on the satisfactory results of their performance evaluation.

For the financial year ended 31 July 2025, the Board through the NRC, had assessed the effectiveness of the Board as a whole and the Board Committees; contribution and performance of each individual Director; independence of Independent Directors and training courses required by the Directors on an ongoing basis. The NRC also reviewed the required mix of skills, experiences and other qualities including core competencies which Non-Executive Directors should bring to the Board.

The annual evaluation to determine the effectiveness of the Board, its Committees and each individual Director is carried out using a Director's Performance Evaluation ("DPE") Form which comprises a set of questionnaires aimed at assessing the contribution, participation and performance of each individual Director.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

For the financial year ended 31 July 2025, the NRC had reviewed the DPE Form and included in the DPE Form a segment for the purpose of assessing whether a Director meets the Fit and Proper criteria of the Company's Fit and Proper Policy and the Environmental, Social & Governance. Other segments of the DPE Form include the evaluation of the Board Structure, Board Roles and Responsibilities, Integrity and Ethics, Time Commitment, Judgement, Decision Making and Leadership.

The DPE Form is a Self and Peer Evaluation Form which is approved by the Board and is required to be completed by each individual Director. Upon completion, the DPE Form is returned to the Company Secretary who coordinated the whole DPE exercise.

Upon receipt of all the completed DPE Form, the Company Secretary compiled the results and the comments given by the Directors according to each segment of the DPE Form and analysing this information into a summary for the NRC's deliberation. Where appropriate, the NRC Chairperson will bring the salient matters arising from the DPE to the attention of the Board of Directors for notation or implementation of the Director's recommendation for improvement of the effectiveness of the Board, the Board Committees and each individual Director.

The overall result of the DPE for the financial year ended 31 July 2025 was Good.

Retirement and Re-election

In accordance with the Company's Constitution, one-third (1/3) of the Directors or if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3) shall retire from office and be eligible for re-election provided always that all Directors shall retire from office once at least in every three (3) years, but shall be eligible for re-election. Any person appointed by the Board either to fill a casual vacancy or as an addition to the existing number of Directors, shall hold office until the next Annual General Meeting and shall then be eligible for re-election.

Any Director who is retiring, and is eligible for re-election, is required to confirm in writing to the Board if he is or is not offering himself for re-election at the 29th Annual General Meeting where he is due for retirement. The following Directors who are retiring at the 29th AGM have individually confirm in writing to the Board offering themselves for re-election:-

	Clause No.
• Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	92
• Foo Kok Siew	92
• Chen Thien Yin	92
• Law Wai Ho	97

The profile of the above Directors who are retiring by rotation are available on pages 4 to 7 of the Annual Report 2025.

Board Committees

Clause 124 of the Company's Constitution provides the Board with the discretion to delegate their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed in the exercise of the powers so delegated by the Board shall conform to any regulations that may be imposed on it by the Board and by the Listing Requirements.

The Company had formed three (3) main Board Committees, namely Audit Committee, Nomination and Remuneration Committee and Sustainability and Risk Management Committee.

Audit Committee

Audit Committee is positioned to assist the Board to rigorously challenge and ask probing questions on the Company's financial reporting process, internal controls, risk management and governance. The Internal Audit function reports directly to the Audit Committee.

The composition, summary of activities and attendance of members at the Audit Committee Meetings can be found in the Audit Committee Report on pages 37 to 39 of the Annual Report 2025. The details of the Internal Audit function and activities are set out in the Statement of Risk Management and Internal Controls on pages 34 to 36 of the Annual Report 2025. The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee of the Company comprises solely of Independent Directors. The Chairman of the Board of Directors is not a member of the Audit Committee.

The Audit Committee has a policy that requires a former partner of the external audit firm to observe a cooling off period of at least three years before being appointed as a member of the Audit Committee. To date, no former partner of the external audit firm has been appointed as a member of the Audit Committee.

The Term of Reference of the Audit Committee is available on the Company's website at www.htgrp.com.my.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Nomination and Remuneration Committee

The Nomination Committee and Remuneration Committee have been combined into one committee known as Nomination and Remuneration Committee ("NRC") with effect from 15 December 2023 for the purpose of facilitating the deliberation of common matters expediently and effectively. Prior to 15 December 2023, the committees were separated in two different committees which were Nomination Committee ("NC") and Remuneration Committee ("RC").

Notwithstanding that the NC and RC are combined to form NRC, NC will continue to carry out its responsibilities in accordance with its written terms of reference approved by the Board which tasked it with the responsibility to oversee the selection and assessment of directors for appointment, re-election or re-appointment to the Board and Board Committees. The Chairman will amongst others:

- Lead the discussion on succession planning and appointment of Board members including women director, future Chairman and Chief Executive Officer;
- Lead the annual review of Board effectiveness ensuring that the performance of each individual director is independently assessed; and
- Lead the review of the continuous professional development of Directors particularly the Audit Committee members to keep themselves abreast of relevant developments in accounting record and auditing standards, practices and rules.

The NRC also assists the Board by recommending the remuneration packages of each individual Executive Director, Independent Non-Executive Director and Senior Management. The NRC is entrusted with the following responsibilities:

- To recommend to the Board the framework of Executive Directors' and Senior Management's remuneration and the remuneration package for each Executive Director, drawing from outside advice as necessary taking into account the Company's desire to attract and retain the right talent in the Board and Senior Management to achieve the Company's long term objectives.
- To recommend to the Board, guidelines for determining remuneration of Independent Non-Executive Directors.
- To recommend to the Board any performance related pay schemes for Executive Directors.
- To review and where appropriate, to recommend revision of Executive Directors' scope and terms of service contracts.
- To consider the appointment of the service of such advisers or consultants as it deems necessary to fulfill its functions.
- To review periodically the policies and procedures to determine the remuneration of Directors and Senior Management which takes into account the demands, complexity and performance of the Company as well as skill and experience required.

The Company has applied Practice 5.8 of the Code where the Nomination and Remuneration Committee is chaired by an Independent Non-Executive Director, Dato' Ooi Lay See. The Chairman of the Board of Directors is not a member of the Nomination and Remuneration Committee. Practice 1.4 of the Code applied.

The terms of reference of the Nomination and Remuneration Committee is available on the Company's website at www.htgrp.com.my.

The composition, summary of activities and attendance at the Nomination and Remuneration Committee Meetings can be found in the Nomination Committee Statement on pages 40 to 42 of the Annual Report 2025.

The members of the Nomination and Remuneration Committee are as follows:

Name	Designation	Directorship
Dato' Ooi Lay See	Chairperson	Independent Non-Executive Director
Mr. Sherman Lam Yuen Suen	Member	Senior Independent Non-Executive Director
Mr. Chen Thien Yin	Member	Independent Non-Executive Director

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Annual Assessment of Directors

The Board with the assistance of the NRC will carry out the annual assessment of the effectiveness of the Board as a whole, including Independent Non-Executive Directors and consider whether the Independent Director can continue to bring independent and objective judgement to the Board's deliberations. The assessments are designed to improve the Board's effectiveness as a whole as well as to draw the Board's attention to key areas that needs to be addressed in order to maintain cohesion to the Board.

Any Director who considers that he has or may have a conflict or a material personal interest or a direct or indirect interest or relationship that could reasonably be considered to influence in a material way the Director's decision in any matter concerning the Company is required to immediately disclose to the Board of such an interest and to abstain from participating in any discussion or voting on the matter concerned.

For the financial year ended 31 July 2025, the Board through the NRC had assessed the effectiveness of the Board as a whole and the Board Committees; contribution and performance of each individual Director; independence of Independent Directors and training courses attended by the Directors on an ongoing basis. The Board also reviewed the required mix of skills, experiences and other qualities including core competencies, which Non-Executive Directors should bring to the Board.

For the financial year ended 31 July 2025, the Board has assessed the independence of its Independent Non-Executive Directors based on the criteria set out in the MMLR of Bursa Securities. The Board is satisfied with the level of independence and time commitment demonstrated by all the Independent Directors and their ability to act in the best interest of the Company. All the Independent Directors have given written confirmation declaring their independence to the Board.

Directors' Training

Directors are encouraged to attend seminars and/or conferences to keep abreast with development in the industry and market place. All members of the Board have attended the Mandatory Accreditation Programme ("MAP Part I") as required by Bursa Securities in relation to a Director's roles, duties, and liabilities.

Pursuant to the Amendments to Bursa Malaysia Securities Berhad Main Market Listing Requirements in relation to Sustainability Training for Directors dated 6 June 2023, all existing Directors of the Company who were appointed prior to 1 August 2023 will be required to attend MAP Part II in relation to sustainability and the related roles of a Director on or before 1 August 2025.

During the financial year, the Directors were updated by the Company's External Auditors on the accounting standards adopted by the Company, and by the Company Secretary on updates and/or amendments of the Main Market Listing Requirements and related notifications by Bursa Malaysia Securities Berhad.

The Directors had during the financial year ended 31 July 2025, evaluated their own training needs and attended seminars, conferences and forums which they considered as relevant and useful and would strengthen their contribution to the Group. Append below are the training/seminars attended by the Directors:-

	Name of Directors	Trainings or Seminars Attended	Dates of Attendance
1.	Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	<ul style="list-style-type: none"> Navigating the New Tech Risk Frontier: Essential Guidelines for Director 	24/01/2025
2.	Tan Sri Dato' Seri Law Tien Seng	<ul style="list-style-type: none"> Climate Risk Workshop 	21/07/2025
3.	Mr. Foo Kok Siew	<ul style="list-style-type: none"> Forum Ekonomi Malaysia by Ministry of Economy, Malaysia Invest ASEAN Conference by Maybank and Bursa Malaysia Climate Risk Workshop 	9/01/2025 01 – 03/07/2025 21/07/2025
4.	Mr. Law Wai Cheong	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact 	28 – 29/10/2024
5.	Mr. Tan Shau Ming	<ul style="list-style-type: none"> Emergency Response Plan & Preparedness Combine Drill Environmental Management Systems (ISO 14001) Internal Auditor Seminar Understanding The New National Sustainability Reporting Framework Seminar On Greenhouse Gas (GhG) Emissions Accounting Scope 1, 2 and 3 Environmental Management System Interpretation Training Environmental Management System (ISO14001) Internal Auditing Training Systematic Occupational Health Enhancement Level Program (Sohelp) Training Climate Risk Workshop Human Factors and Ergonomic Awareness Training 	11– 12/09/2024 24 – 25/09/2024 18/11/2024 18/02/2025 05/05/2025 26 – 27/05/2025 29/05/2025 21/07/2025 29/07/2025
6.	Mr. Law Wai Ho	<ul style="list-style-type: none"> Bursa Malaysia Mandatory Accreditation Programme (MAP) 	13 – 14/05/2025

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

	Name of Directors	Trainings or Seminars Attended	Dates of Attendance
7.	Mr. Sherman Lam Yuen Suen	<ul style="list-style-type: none"> • Forum Ekonomi Malaysia by Ministry of Economy, Malaysia • Putting Sustainability to Work by Morningstar • Panel Member for ICDM-GolPO Module 6 Programme • Governance in an Era of Trade Uncertainty by ICDM • MIA International Accountants Conference 2025 • Invest ASEAN Conference by Maybank and Bursa Malaysia 	09/01/2025 05/02/2025 18/06/2025 25/07/2025 26 – 27/05/2025 01 – 03/07/2025
8.	Mr. Chen Thien Yin	<ul style="list-style-type: none"> • Understanding The New National Sustainability Reporting Framework • Special Lecture 2025: How Global Events Will Affect Financial Industry in 2025 	19/11/2024 19/02/2025
9.	Dato' Ooi Lay See	<ul style="list-style-type: none"> • Form to Future – Real Estate Forum 	04/09/2024

Directors' Remuneration

The Company has specific remuneration policies and procedures to determine the remuneration of Directors and Senior Management. For the financial year ended 31 July 2025, the Remuneration Committee recommended to the Board for approval the remuneration packages of the Executive Directors and Senior Management and fees of the Independent Non-Executive Directors. The Individual Directors concerned abstain from decision in respect of their individual remuneration.

The remuneration of Directors is determined based on the responsibility, contribution and performance of each Director. It is the Company's policy to link the Executive Directors' rewards to individual and corporate performance whilst the remuneration of the Independent Non-Executive Directors including the Non-Executive Chairman is determined in accordance with their experience, contribution and the level of responsibilities assumed.

The details of the remuneration of Directors of the Company in respect of the financial year ended 31 July 2025 were disclosed on page 40 of Corporate Governance Report 2025 with detailed disclosure on named basis for the remuneration of the individual Directors. The remuneration breakdown of individual Directors includes fees, salary, bonus, benefit-in-kind and other emoluments. The Board has complied with Practice 8.1 of the Code.

Remuneration of the Top Five Senior Management

The Board is of the opinion that the disclosure on a named basis of the Top Five Senior Management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000 would not be beneficial to the Company and to the individual Senior Management's interest due to the following reasons:-

1. Confidentiality and sensitivity of personal information of Senior Management.
2. Will give rise to breach of personal data protection.
3. Security concerns for the staff including their family members.
4. Can potentially create friction among the Senior Management staff.
5. Encourage staff pinching or poaching of executives in the industry.
6. Detrimental to the Company's continuous effort to attract and retain its scarce human assets/talents.

The Board ensures that the remuneration of Senior Management commensurate with the performance of the Company, with due consideration to attracting, retaining and motivating Senior Management to lead and run the Company successfully.

The Company acknowledges that the non-disclosure of the remuneration of the Top Five Senior Management is a departure from Practice 8.2 of the Code but nevertheless it will consider the application of Practice 8.2 when the Company is satisfied that there are adequate rules and regulations set in place by the authorities to protect the Company from losing its invaluable human assets/talents.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Practice 9.4 – Step-Up of the Code recommending the Audit Committee to comprise solely of Independent Directors is adopted. The Audit Committee which comprises Directors, all of whom are Independent Non-Executive Directors is responsible for reviewing and monitoring the Group's internal control processes, its external auditors and of the integrity of the Group's financial statements.

The Company applied Practice 9.5 of the Code. All the Audit Committee members who are financially literate and are able to understand matters under the purview of the Audit Committee including the financial reporting processes, carried out their duties in accordance with the terms of reference of the Audit Committee which are available on the Company's website at www.htgrp.com.my. All the Audit Committee members undertake continuous professional development and training to ensure that they keep abreast of the relevant development in accounting and auditing standards, practices and rules.

The Chairman of the Audit Committee is not the Chairman of the Board. The Company has applied Practice 9.1 of the Code. The Audit Committee has the policy that requires a former key audit partner of the Group audit to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. The Company has applied Practice 9.2 of the Code. Currently, no former key audit partner is appointed as a member of the Audit Committee.

The Audit Committee also has the policy that no alternate director shall be appointed as a member of the Audit Committee.

The Audit Committee in applying Practice 9.3 has during the year under review assessed the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of the audited financial statements at the Audit Committee Meeting held on 25 September 2025.

The status of Audit Committee of the Company is explained in greater detail in the Audit Committee Report on page 37 to 39 of the Annual Report 2025.

Financial Reporting

The Board upholds integrity in financial reporting by ensuring that shareholders are provided with reliable information of the Company's financial performance, its financial position and future prospects in the Annual Audited Financial Statements and quarterly financial reports.

The Board is responsible for ensuring that the financial statements of the Company and of the Group are made out in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016. The Board also ensures that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the accounting period. The Board through the review by the Audit Committee and in consultation with the External Auditors, presents a balanced and understandable assessment of the Group's financial position and prospect to the shareholders, investors and regulatory authorities.

Independence of External Auditors

The Audit Committee is responsible for approving audit and non-audit services provided by the external auditors. In the process, the Audit Committee will ensure that the independence and objectivity of the external auditors are not compromised.

Moreover, the Engagement Partner of the External Auditors will retire every seven (7) years as a matter of the External Auditors' internal policy. The External Auditors have also confirmed that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

Statement of Directors' Responsibility in Relation to the Financial Statements

The Board of Directors is required under Paragraph 15.26(a) of Bursa Securities' MMLR to issue a statement explaining their responsibility in the preparation of the annual financial statements. The Directors are also required by the Companies Act 2016 to prepare financial statements for each financial year, which have been made out in accordance with the approved accounting standards and to give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year.

The Directors are responsible for keeping proper accounting records, which are capable to disclosed with reasonable accuracy at any time the financial position of the Company and the Group to enable them to ensure that the financial statements comply with the Companies Act 2016 and applicable approved accounting standards in Malaysia.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

In preparing these financial statements, the Directors have:-

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensured that all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries that the Group has adequate resources to continue in operational existence for the foreseeable future.

Relationship with External Auditors

The Group has established a formal, transparent and professional relationship with its external auditors. The Audit Committee reviews the audit plans, scope of audit report as well as their professional fees, performance and appointment. The re-appointment of the External Auditors is subject to the approval of the shareholders at the Annual General Meeting of the Company.

The External Auditors are invited to attend Audit Committee meetings as and when necessary. The External Auditors present their audit plans, report their findings to the Audit Committee and discuss with the Board of Directors on matters that necessitate the Board's attention.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Group's systems of risk management, identifying principal risks and opportunities and establishing an appropriate control environment and framework to manage risks and take advantage of opportunities. The key risk categories of the Group are financial risk associated to corporate funding and gearing, foreign exchange risk, supply chain risk, regulatory risk, market risk, credit risk, inventory risk, corruption risk, cyber security risk and business continuity, which are satisfactorily under control.

The Board also acknowledges the importance of maintaining a sound system of internal control to safeguard shareholders' interest and the Group's assets. An outsourced internal audit function was established to assist the Audit Committee in reviewing the state of risk management and internal control of the Group and to highlight areas for Management's correction and/or improvement.

The details of the Company's risk management and internal control framework are contained in the Statement on Risk Management and Internal Control on pages 34 to 36.

Sustainability and Risk Management Committee

The Company has adopted Practice 10.3 – Step-Up where the Company is recommended to establish a Risk Management Committee, which comprises a majority of independent directors to oversee the Company's risk management framework and policies.

The Company has on 30 March 2010 established a Risk Management Committee which has been delegated by the Board to assume responsibility for the Group's risk oversight and internal control framework. The Risk Management Committee provides oversight, direction and counsel to the Group risk management process and considers any matter relating to the identification, assessment, monitoring and management of any risk associated with the Group that it deems appropriate. Through the Risk Management Committee, therefore, the Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the Company's objectives is mitigated and managed. The outsourced internal audit function assists the Board in ensuring that the risk management and internal control framework is effective and robust. The Company has applied Practices 10.1 and 10.2.

On 1 July 2022, the Board of Directors of the Company had announced to Bursa Malaysia Securities Berhad that the name of the Board's Risk Management Committee ("RMC") has been changed to Sustainability and Risk Management Committee ("SRMC"). The RMC is now renamed as SRMC to include sustainability and supports the Board in fulfilling its oversight responsibilities in relation to the HTVB Group's sustainability strategies and initiatives covering Environmental, Social and Governance ("ESG") and integrating such policies and practice into the Group's business and decision-making process.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

The members of the Sustainability and Risk Management Committee are as follows:

Name	Designation	Directorship
Mr. Chen Thien Yin	Chairman	Independent Non-Executive Director
Mr. Foo Kok Siew	Member	Executive Director
Mr. Sherman Lam Yuen Suen	Member	Senior Independent Non-Executive Director
Dato' Ooi Lay See	Member	Independent Non-Executive Director

In line with the Practice 4.5 of Malaysian Code on Corporate Governance 2021, the Board has identified and nominated Mr. Tan Shau Ming, an Executive Director of the Company, to be the person within management to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the HTVB Group of companies.

The terms of reference of the Sustainability and Risk Management Committee are available on the Company's website at www.htgrp.com.my.

Details of the Sustainability and Risk Management Committee Meeting held during the financial year ended 31 July 2025:

Members	Date of Meeting				Total Meetings Attended	Percentage of Attendance
	26/09/2024	12/12/2024	27/03/2025	26/06/2025		
Mr. Chen Thien Yin	✓	✓	✓	✓	4/4	100%
Mr. Foo Kok Siew	✓	✓	✓	✓	4/4	100%
Mr. Sherman Lam Yuen Suen	✓	✓	✓	✓	4/4	100%
Dato' Ooi Lay See	✓	✓	✓	✓	4/4	100%

Internal Audit Function

The internal audit function of the Company for the financial year ended 31 July 2025 was outsourced to Axcelasia Sdn. Bhd. ("Axcelasia") ("the Internal Auditors") which reports directly to the Audit Committee at an annual fee of RM175,000. The Internal Auditors was headed by its Director, Mr. Chang Ming Chew, who is a Certified Internal Auditor and a member of the Institute of Internal Auditors Malaysia, the Association of Chartered Certified Accountants (UK) and the Malaysian Institute of Accountants. The Board has complied with Practice 11.2 of the Code.

The Internal Audit function is effective and independent. To the best of the Board's knowledge, the outsourced internal audit personnel are free from any relationship or conflict of interest which could impair their objectivity and independence. Audit Committee has taken the necessary steps to ensure that the internal audit function is effective and able to function effectively in applying Practice 11.1 of the Code.

The internal audit function is responsible to assist the Audit Committee in discharging its duties and responsibilities, and performs its work as guided by a recognised framework, such as the International Professional Practices Framework issued by the Institute of Internal Auditors and the Internal Audit Plan approved by the Audit Committee prior to their commencement of work.

Further details of the internal audit function are contained in the Audit Committee Report on pages 37 to 39 in this Annual Report.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

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

I. COMMUNICATION WITH STAKEHOLDERS

The Board recognises the importance of effective, transparent and regular ongoing engagement communication with its stakeholders to facilitate mutual understanding of each other's objectives and expectations and to enable the stakeholders to make informed decisions with respect to the business of the Company, governance, the environment and social responsibility.

Information is disseminated through various disclosures and announcements made to Bursa Securities which includes financial results and corporate developments. The Company's website at www.htgrp.com.my provides shareholders and investors with the overview information of the Group's business, the latest updates of the Company and the announcement of the quarterly financial results made via Bursa Link. Shareholders and investors may contact the persons identified in the website to enquire more about the Company and the Group.

The Company meets financial analysts regularly to brief them on the Group's performance and operations. Through these channels, the Company has the opportunity to directly address, explain or clarify issues that investors and analysts may have regarding the business, operations and prospects of the Group.

The Annual General Meeting is the principal forum for dialogue with all shareholders. Shareholders are notified of the meeting and provided with a copy of the Company's Annual Report before the meeting.

At the start of the last year's Annual General Meeting held on 13 December 2024, the Board's reply to the Minority Shareholders' Working Group's ("MSWG") query Letter dated 6 December 2024 was read out to the Shareholders present at the Meeting. A copy of this reply to MSWG can be found at the Company's website at www.htgrp.com.my.

In view of the above, the Board has applied Practice 12.1 of the Code in respect of effective, transparent and regular communication with its stakeholders.

II. CONDUCT OF GENERAL MEETINGS

According to Clause 60(a) of the Company's Constitution, notice of Annual General Meeting shall be circulated at least twenty-one (21) days before the date of the meeting to enable shareholders have sufficient time to peruse the Annual Report and papers supporting the resolutions proposed. The 21 days' notice is within the requirement stipulated by the Companies Act 2016 under Section 316 and Paragraph 9.19 of the MMLR of Bursa Securities. The Board is aware that Practice 13.1 of the Code encourages the Company to send out Notice for its 29th Annual General Meeting to the shareholders at least 28 days prior to the meeting. Since the Notice of the 29th Annual General Meeting ("29th AGM") will be sent on 17 November 2025 while the 29th AGM will only be held on 17 December 2025, i.e. more than 28 days prior to the 29th AGM, the Company complies with Practice 13.1 of the Code.

At the Annual General Meetings of the Company, the Board welcomes shareholders' participation by providing opportunities for shareholders to raise questions on the business activities of the Group, agenda of the meetings and its proposed resolutions. The Directors and the Chair of Board Committees are always present in the Annual General Meeting to answer questions and consider suggestions. This is in compliance with Practice 13.2 of the Code. The Company Secretary and External Auditors are also present to provide their professional and independent clarification on issues of concern raised by the shareholders, if any.

Based on the Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission on 18 April 2020 (Revised on 16 July 2021), the Twenty-Eighth Annual General Meeting of the Company which was held on Friday, 13 December 2024 ("28th AGM") was conducted for the fourth time fully virtual with the Broadcast Venue at Level 12, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. In light of the announcement made by the Securities Commission Malaysia and Bursa Malaysia Securities Berhad ("Bursa Malaysia") on 30 August 2024, all public listed companies on Bursa Malaysia will be required to conduct hybrid or physical general meetings starting from 1 March 2025.

The Chairman, the Executive Deputy Chairman, the Executive Directors and Independent Non-Executive Directors (including the Chair of all the Board Committees) were present at the Broadcast Venue besides the Group's Chief Financial Officer, the Company Secretary, the External Auditors and the Scrutineer ("Strategy Corporate House Sdn. Bhd."). The Members participated in the 28th AGM remotely via the online platform Boardroom Smart Investor Portal website at <https://boardroomlimited.my>.

Shareholders, proxies, attorneys or authorised representatives were not allowed to attend the 28th AGM in persons at the Broadcast Venue on the day of the meeting, but eligible shareholders, proxies, attorneys and authorised representatives ("collectively referred to as shareholders thereafter") were able to attend the 28th AGM via Remote Participation And Electronic Voting Facilities ("RPEV") at Boardroom Smart Investor Portal website including exercising their rights to speak and vote. Shareholders were provided with a dedicated contact number and/or email to submit queries or request for technical assistance to participate in the fully virtual general meeting. Questions or remarks posted by shareholders during the 28th AGM were meaningfully responded to by the Board, and such questions and remarks were made visible to all the participants of the meeting. All the resolutions were tabled at the 28th AGM. The meeting proceedings and resolutions passed at the 28th AGM were posted on the Company's website at www.htgrp.com.my. All the resolutions tabled at the 28th AGM were voted by poll. Voting on all the resolutions commenced at any time after the 28th AGM started and ended with the Chairman's announcement that the voting was closed. Following the end of voting, the Scrutineer verified the poll results before giving to the Chairman to declare whether the resolutions were passed and carried. The 28th AGM and remote participation ended with the Chairman's announcement of the closure of the 28th AGM with all resolutions duly passed and carried.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

Poll Voting

According to Paragraph 8.29A (1) of the MMLR, all resolutions set out in the notice of a general meeting should be put to vote by poll. Hence, the resolutions tabled at the Company's 28th AGM convened on 13 December 2024 were by poll voting. The Company had appointed Boardroom Share Registrars Sdn. Bhd. as Poll Administrator to conduct the poll by way of electronic voting (e-voting). Independent Scrutineer was appointed to observe the polling process and to verify the favour and against the resolution. The Chairman of the Company announced the result of the poll. Shareholders are entitled to appoint proxy/proxies or corporate representative where the shareholder is a corporation to vote on his/its behalf at general meeting.

Shareholders/proxies/corporate representatives/attorneys can proceed to vote on the resolutions at any time from the commencement of the 28th AGM at 10:00 a.m. on Friday, 13 December 2024 but before the end of the voting session which will be announced by the Chairman of the meeting.

Proxy

As the 28th AGM was a virtual AGM, shareholders attended, spoke (in the form of real time submission of typed texts) and voted (collectively, "participate") remotely at the 28th AGM using Remote Participation and Electronic Voting Facilities ("RPEV") provided by Boardroom Share Registrars Sdn. Bhd. via its Boardroom Smart Investor Portal website at <https://boardroomlimited.my>

Shareholders who appointed proxies, corporate representatives or power of attorneys via RPEV in 28th AGM ensured that the duly executed proxy forms, original certificate of appointment of corporate representatives or the power of attorneys respectively were deposited with Boardroom Share Registrars Sdn. Bhd. not later than Wednesday, 11 December 2024 at 10:00 a.m. to participate via RPEV in the AGM.

At the forthcoming 29th AGM which will be held physically, shareholders entitled to attend, participate, speak and vote at the 29th AGM is entitled to appoint a proxy or attorney or in case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote on his/ her behalf. A proxy may but need not be a member of the Company. The Form of Proxy is required to be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan Malaysia or via electronic means through the Boardroom Smart Investor portal at <https://investor.boardroomlimited.com> or email to BSR.Helpdesk@boardroomlimited.com, on or before 15 December 2025 at 10.00 a.m.

ADDITIONAL INFORMATION

1. SHARE BUY-BACK

A total number of shares purchased and retained as treasury shares during the financial year ended 31 July 2025 was Nil.

As at end of the financial year:

- There was no shares bought back in the financial year ended 31 July 2025;
- A total of 5,492,000 shares bought back were held as treasury shares and carried at cost; and
- No shares had been cancelled.

2. DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any Depository Receipt Programme during the financial year ended 31 July 2025.

3. IMPOSITION OF SANCTIONS/PENALTIES

There were no public sanctions and/or public penalties imposed on the Company and its subsidiaries, Directors or Management by relevant regulatory bodies during the financial year ended 31 July 2025.

4. NON-AUDIT FEES

Non-audit fees of RM17,500 were incurred for services rendered to the Group for the financial year ended 31 July 2025 by the External Auditors or a firm or company affiliated to the External Auditors.

5. VARIATION IN RESULTS

There was no material variance between the results for the financial year ended 31 July 2025 and the unaudited quarterly results previously announced.

6. PROFIT GUARANTEE

There was no profit guarantee given by the Company during the financial year.

STATEMENT ON CORPORATE GOVERNANCE (Cont'd)

7. UTILISATION OF PROCEEDS

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

8. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts by the Company and/or its subsidiaries involving Directors' and major shareholders' interest.

9. REVALUATION POLICY

The Group's revaluation policy is stated in the summary of significant accounting policies.

10. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The Company has on its Annual General Meeting held on 13 December 2024 sought approval for a shareholders' mandate for the Group to enter into recurrent related party transactions of revenue or trading nature.

The aggregate value of recurrent related party transactions conducted during the financial year ended 31 July 2025 in accordance with the shareholders' mandate obtained in the last Annual General Meeting were as follows:

Related Parties involved in HTVB Group	Nature of Transaction	Relationship and Nature of Interest	Value of Transactions (RM'000)
JK Ji Seng Sdn. Bhd. ("JKJS")	Purchase of prime Hot Rolled Steel Plates	<ul style="list-style-type: none"> Tan Sri Dato' Seri Law Tien Seng is deemed interested in JKJS by virtue of him being a Director and Shareholder of T.S.Law Holdings Sdn. Bhd. ("TS Law") which in turn is the major shareholder of JKJS. 	336,094
Pedoman Cekap Sdn. Bhd.	Renting of office space	<ul style="list-style-type: none"> Tan Sri Dato' Seri Law Tien Seng, Puan Sri Datin Seri Saw Geok Ngor, Law Wai Cheong and Law Wai Ho. 	807

This Statement was approved by the Board on 25 September 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Malaysian Code on Corporate Governance 2021 specify that the Board of Directors of public listed companies should establish a sound risk management framework and internal control system to safeguard shareholders' investment and Group's assets. The Board of Directors ("the Board") is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 July 2025. This Statement is prepared pursuant to paragraph 15.26(b) of the Main Market Listing Requirements. It covers all of the Group's operations, excluding associate companies and joint venture entities, as guided by the latest "Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers" ("the Guidelines") endorsed by the Bursa Malaysia Securities Berhad ("BMSB").

BOARD'S COMMITMENT AND RESPONSIBILITY

Given the dynamic nature of business environment in which the Group operates, it is imperative to have a sound risk management and internal control system in place to support the achievement of Group's business goals. Therefore, the Board remains committed towards maintaining a sound system of risk management and internal control and believes that a balanced achievement of its business objectives and operational efficiency can be attained.

In accordance with the Guidelines for risk governance, the Board's primary responsibilities are:

- Embedding risk management in all aspects of the Group's activities, which also encompasses subsidiaries of the Company;
- Assessing the Group's acceptable risk appetite; and
- Reviewing risk management framework, processes, responsibilities and assessing whether the existing policies and systems provide reasonable assurance that risks are being managed appropriately.

The Board understands the principal risks of the business that the Group is engaged in and accepts that business decisions require the balancing of risk and return in order to reward the shareholders.

The Board delegates the responsibility of reviewing the effectiveness of risk management to the Sustainability and Risk Management Committee ("SRMC"). The primary role of SRMC is to review and report to the Board the risks faced by the Group and the effectiveness of management measures in identification and assessment of risks as well as the design, management and monitoring of internal controls to mitigate risks.

The present composition of the SRMC is as follows:

- | | | | |
|-------|---------------------------|---|---|
| (i) | Mr. Chen Thien Yin | - | Independent Non-Executive Director (Chairman) |
| (ii) | Mr. Foo Kok Siew | - | Executive Director |
| (iii) | Mr. Sherman Lam Yuen Suen | - | Senior Independent Non-Executive Director |
| (iv) | Dato' Ooi Lay See | - | Independent Non-Executive Director |

The SRMC meets at least once every quarter.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Group's systems of risk management and internal control, identifying principal risks and establishing an appropriate control environment and framework to manage risks. The key risk categories of the Group are financial risk associated with corporate funding and gearing, foreign exchange risk, supply chain risk, regulatory risk, market risk, credit risk, inventory risk, corruption risk, cyber security risk and business continuity.

The SRMC is assisted by the Risk Management Working Committee ("RMWC"), which is represented by the heads of the various departments of the Group. The primary responsibilities of RMWC encompass the identification, measurement, prioritisation, and periodic re-evaluation of risks. It ensures that appropriate and timely attention and focus is given to managing risks in alignment with their perceived significance and anticipated impact. On a quarterly basis, the RMWC conducts reassessment and compiles summaries of the emerging risks and their profiles and reports to the SRMC for review and discussion. The status of key risks and corresponding management actions are further presented by the SRMC to the Board for consideration and deliberation.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

In term of the key controls of the business processes, the Group has currently put in place the following control measures and operational procedures:

- i. *Procurement Committee* : Responsible for evaluating, overseeing, and granting approval for purchases;
- ii. *Budgetary Control* : Involves the assessment and approval of the annual budget as well as ongoing monitoring and analysis of variances between actual results and the budget during the monthly Group Management Committee Meetings;
- iii. *Organisation Structure* : Defines the management hierarchy, outlines the structure of reporting lines and establishes accountability;
- iv. *Authority Limits and Approval Processes* : Facilitate the delegation of authority within the organisation;
- v. *Centralised Enterprise Resource Planning (ERP) Information System* : Provides timely information and generates periodic performance reports for management's monitoring purposes and;
- vi. *Quality Management System*: Includes compliance with ISO 9001:2015 Quality Management System and EC Certification for Factory Production Control in the Group's manufacturing operations. The Group conducts internal quality audits and undergoes annual surveillance audits by external certification body to provide assurance of compliance with the ISO requirements and standards.

BOARD AND MANAGEMENT REVIEW MECHANISM

Whilst the SRMC oversees risk management with operational support from the RMWC, various management review meetings took place throughout the year. Currently, the management conducts weekly Senior Management Meetings, periodic Credit Committee Meetings, monthly Group Management Committee Meetings and monthly Operation Meetings within key subsidiaries. These meetings serve the purposes of communicating and ensuring that the policies, decisions and operational performance targets set by the top executives are effectively conveyed, understood and executed by the line management. Simultaneously, these meetings reinforce monitoring and supervisory controls at the line management levels.

In order to ensure the objectivity of the internal control system review within the Group, the Board has instituted an Audit Committee with the specific responsibility of undertaking this role. In performing its review, the Audit Committee is assisted by the Internal Auditors who provide quarterly report to the Audit Committee regarding the state of control within the audited functions. During the financial year under review, the Internal Auditors identified areas of implementation lapses in internal control and opportunities for process improvement all of which were promptly addressed by the Management. Additionally, the Audit Committee gathers feedback from the External Auditors on the risk and control issues that they have identified during their statutory audit process.

Furthermore, when presenting their quarterly financial performance and results to the Audit Committee, the Management supplements the Audit Committee review on risk-related matters. In collaboration with the management, the Audit Committee engages in discussions regarding the integrity of the quarterly financial results, annual report and audited financial statements before making recommendations to the Board for presentation to the shareholders and public investors.

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance with the Guidelines, Management bears the responsibility of reporting to the Board by:

- Continuously identifying, assessing, and managing risks that are pertinent to the business in the pursuit of the Group's objectives and implementation of its strategies;
- Formulating, executing, and overseeing the risk management framework, aligning it with the Group's strategic vision and overall risk appetite; and
- Identifying any alterations in risk profiles or emergence of new risks, taking suitable action and promptly notifying the Board about the changes.

The Board has received assurance from the Executive Directors and Group Chief Financial Officer that, based on the Group's risk management and internal control systems, they are operating in an effective and adequate manner in all material aspects.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

BOARD ASSURANCE AND LIMITATION

The Board confirms that there is an ongoing process for identifying, evaluating and managing significant risks encountered by the Group during the financial year under review and up to the date of this Statement's approval for inclusion in the Annual Report. The Board is satisfied that the existing internal control and risk management systems are both adequate and effective in facilitating the Group's attainment of its business objectives and there have been no material losses attributed to significant control weaknesses during the financial year under review.

While it is important to emphasise that the Board acknowledges the need for continual enhancement of these risk management and internal control systems to align with the evolving landscape of business development. It's essential to recognise that while these risk management and internal control systems play a crucial role in mitigating risks, they cannot entirely eliminate the possibility of failure to achieve business objectives. Therefore, these systems of internal control and risk management within the Group can only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

ANTI-BRIBERY AND CORRUPTION POLICY

With the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2007, it has been established that a commercial organisation has a criminal liability ("Corporate Liability") for the corrupt activities of its employees and/or persons associated with the commercial organisation where such corrupt activities are carried out for the commercial organisation's benefits or advantages.

In connection to this, the Group firmly upholds a zero-tolerance stance against any forms of bribery and corruption. The Group is dedicated to conducting its business operations in a professional, equitable and morally upright manner, ensuring transparency and integrity in compliance with all relevant anti-bribery and corruption legislations within the various jurisdictions where we conduct business.

Violation of the Anti-Bribery and Corruption Policy or any relevant local law may lead to disciplinary action, which could include dismissal and/or the termination of the business relationships. In case where the Group's reputation or interests are adversely affected due to non-compliance and/or misconduct further legal actions may also be pursued.

The Anti-Bribery and Corruption Policy is available at the Company's website www.htgrp.com.my.

REVIEW OF STATEMENT ON INTERNAL CONTROL BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Main Market Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the annual report for the financial year ended 31 July 2025. Their review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants.

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

This Statement was approved by the Board on 25 September 2025.

AUDIT COMMITTEE REPORT

The Board of Directors of Hiap Teck Venture Berhad is pleased to present the Audit Committee Report for the financial year ended 31 July 2025 in compliance with Paragraph 15.15 of the Main Market Listing Requirements.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee was established on 17 July 2003 to fulfill the principles of accountability, integrity and good corporate governance in assisting the Board to discharge its responsibilities of reviewing and monitoring the Group's financial process, audit process, statutory and regulatory compliance.

The Terms of Reference of the Audit Committee may be viewed at the Company's website at www.htgrp.com.my.

The Audit Committee members who are appointed from amongst the Directors are all Independent Non-Executive Directors. No alternate director is appointed as a member of the Audit Committee. The Chairman of the Audit Committee, Mr. Sherman Lam Yuen Suen is a Chartered Accountant of the Malaysian Institute of Accountants, a Fellow of the Chartered Institute of Management Accountants, United Kingdom, a Fellow of CPA Australia, and a Chartered Member of the Institute of Internal Auditors of Malaysia. The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee has complied with Practice 9.1 and 9.4 of the Code.

Members of the Audit Committee	Designation	Directorship
Mr. Sherman Lam Yuen Suen	Chairman	Senior Independent Non-Executive Director
Mr. Chen Thien Yin	Member	Independent Non-Executive Director
Dato' Ooi Lay See	Member	Independent Non-Executive Director

MEETING AND ATTENDANCE

During the financial year ended 31 July 2025, the Audit Committee convened a total of four (4) meetings.

The details of the attendance of the Audit Committee meetings were as follows:-

Members	Date of Meeting				Total Meetings Attended	Percentage of Attendance
	26/09/2024	12/12/2024	27/03/2025	26/06/2025		
Mr. Sherman Lam Yuen Suen	✓	✓	✓	✓	4/4	100%
Mr. Chen Thien Yin	✓	✓	✓	✓	4/4	100%
Dato' Ooi Lay See	✓	✓	✓	✓	4/4	100%

AUDIT COMMITTEE REPORT (Cont'd)

SUMMARY OF ACTIVITIES

The Audit Committee carried out its duties during the year in accordance with its terms of reference.

The following is a summary of the activities of the Audit Committee in the discharge of its functions and duties for the financial year ended 31 July 2025 and how it has met its responsibilities.

The Executive Director, Mr. Foo Kok Siew and the Group Chief Financial Officer, Mr. Raymond Hoo Weng Keong attended the Audit Committee meetings by invitation during the financial year ended 31 July 2025. The Internal Auditors attended all the scheduled quarterly Audit Committee meetings. Representatives of the External Auditors were invited to present the Audit Plan and Audit Status for the year ending 31 July 2025 to the Audit Committee and attended meetings where matters relating to the audit of the statutory accounts were discussed. Other Board members may attend the Audit Committee Meetings at the request and invitation of the Audit Committee. The Company Secretary and his representatives attended all the Audit Committee meetings.

The main activities undertaken by the Audit Committee during the financial year ended 31 July 2025 were as follows:

- Reviewed and confirmed the Minutes of the previous AC Meeting and dealt with the matter(s) arising therefrom, if any.
- Reviewed the Group's cash flow position and projection.
- Reviewed and recommended the unaudited quarterly financial results of the Company and the Group to the Board of Directors for their consideration and approval prior to its release to Bursa Malaysia Securities Berhad ("Bursa Securities"). During the financial year under review, the Audit Committee typically concentrated its review and discussions particular on:
 - changes in or implementation of major accounting policy changes;
 - significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed; and
 - compliance with accounting standards and other legal requirements.
- Reviewed and recommended to the Board for approval, the Group's audited financial statements and the audit report on the financial statements.
- Reviewed and approved the internal audit plan, strategy and scope of work.
- Reviewed the internal audit reports and follow-up audit reports on quarterly basis and consider the findings and recommendations and management's responses thereto.
- Reviewed quarterly the recurrent related party transactions ("RRPT") and the conflict of interest situations that may arise within the Company or the Group including any transaction, procedures or course of conduct that raised questions of management integrity.
- Reviewed the External Auditors' Audit Plan which covers the scope of the statutory audit and the audit plan prior to the commencement of audit of the Group's financial statements highlighting the Audit Focus Areas (i.e. Potential Key Audit Matters and Other Significant Audit Matters).
- Noted KPMG PLT's written assurance in their "Briefing to the Audit Committee" confirming that KPMG are and have been, independent throughout the conduct of their audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
- Met with KPMG PLT in the absence of the Executive Directors and Management.
- Reviewed the audit and non-audit fees of the External Auditors and recommended these fees to the Board of Directors' for consideration and approval.
- Reviewed and discussed with the External Auditors the issues (e.g. Key Audit Matters and Other Significant Audit Matters) arising from the statutory audit, the audit report and the management letters including management's responses.
- Reviewed and approved the Non-Assurance Services to be provided by KPMG PLT.
- Reviewed the Statement on Risk Management and Internal Control, Audit Committee Report and Audit Committee Statement prior to its inclusion in the Annual Report and Circular to Shareholders in relation to RRPT.
- Reviewed the suitability, objectivity and independence of the External Auditors and recommended them for their re-appointment.
- Reviewed and satisfied themselves of the guidelines and procedures of RRPT and satisfied themselves that the said guidelines and procedures are adequate.

AUDIT COMMITTEE REPORT (Cont'd)

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to Axcelasia Sdn. Bhd., an independent professional services firm for an annual fee of RM175,000 (2024 – RM175,000). Independence is essential to the effectiveness of the internal audit function. The outsourced Internal Auditors report directly to the Audit Committee and the Audit Committee has full and direct access to the Internal Auditors.

The internal audit function is established to assist the Audit Committee in discharging its duties and responsibilities. The principal role of the internal audit function is to review the Group's operations, evaluating their efficiency, effectiveness and compliance with corporate policies, procedures, laws and regulations.

The internal audit function is carried out with impartiality, proficiency and due professional care. It provides the Audit Committee with information, appraisals, recommendations and counsel regarding the activities examined and other significant issues. The internal audit reports are reviewed by the Audit Committee and the Management is responsible for ensuring that recommendations and corrective actions on reported weaknesses are taken within the required time frame.

During the financial year ended 31 July 2025, the Internal Auditors executed the approved audit plan. Their scope of work was limited to the assessment of internal controls used to manage the key risks associated with the operating processes.

The following is a summary of the activities of the internal audit function:

The Internal Audit Function has focus on the assessment of the following key risks during the financial year under review:

- Organisational Culture for Hiap Teck Venture Berhad Group;
- Sustainability Management for Hiap Teck Venture Berhad;
- Recurrent Related Party Transaction for Hiap Teck Venture Berhad;
- Warehousing and Logistics for Huatraco Scaffold Sdn. Bhd.;
- Quality Assurance and Quality Control for Alpine Pipe Manufacturing Sdn. Bhd.;
- Cybersecurity Controls for Hiap Teck Venture Berhad Group;
- Sales and Credit Control for Huatraco Scaffold Sdn. Bhd.

and thereafter discussed the summary of observations and implementation priority with the Audit Committee.

The Internal Audit Function also performed Follow-Up Review on the Previous Findings on the following key risks:

- Information Technology General Control for Hiap Teck Venture Berhad – Manage Security (Cycle 7 FY2023)
- Foreign Currency Hedging Management for Hiap Teck Hardware Sdn. Bhd. and Huatraco Scaffold Sdn. Bhd. (Cycle 9 FY2023)
- Production Costing Management for Alpine Pipe Manufacturing Sdn. Bhd. (Cycle 1 FY2024)
- Financial Management for Hiap Teck Venture Berhad (Cycle 4 FY2024)
- Health, Safety and Environment for Alpine Pipe Manufacturing Sdn. Bhd. (Cycle 5 FY2024)

to assist the Audit Committee by independently evaluating and improving the effectiveness of the system of internal controls and discussed audit findings with the Audit Committee subsequently.

During the year under review, the Audit Committee has met with the Internal Auditors four (4) times to carry out its responsibility to review the internal audit function and to assure itself on the soundness of internal control system.

CONFLICT OF INTEREST

At every quarterly meeting of the Audit Committee held during the financial year under review, the Audit Committee had reviewed the report by Management of any conflict of interest or potential conflict of interest situation (excluding related party transactions), and the measures taken to resolve, eliminate, or mitigate such conflicts. There was no conflict of interest situation reported to the Audit Committee in the year under review.

This Statement was approved by the Board on 25 September 2025.

NOMINATION COMMITTEE STATEMENT

The Nomination Committee ("NC") of the Company was established on 16 October 2003 with written Terms of Reference approved by the Board, dealing with its authority and duties which include developing, maintaining and reviewing the criteria for recruitment and annual assessment of Directors. On 15 December 2023, the Nomination Committee and Remuneration Committee ("RC") have been combined into one committee to be known as the Nomination and Remuneration Committee ("NRC") for the purpose of facilitating the deliberation of common matters of the NRC expediently and effectively.

COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises three (3) Non-Executive Directors, all of whom are Independent Directors. The members of NRC are as follows:

Members of the Nomination and Remuneration Committee	Designation	Directorship
Dato' Ooi Lay See	Chairperson	Independent Non-Executive Director
Mr. Sherman Lam Yuen Suen	Member	Senior Independent Non-Executive Director
Mr. Chen Thien Yin	Member	Independent Non-Executive Director

The Terms of Reference of the Nomination Committee and Remuneration Committee are separately disclosed on the Company's website at www.htgrp.com.my.

The Nomination Committee Statement is prepared in accordance with the requirements of the MMLR. In this regard, the NC key responsibilities are as follows:

- Reviewing the Board composition and ensuring that it is refreshed periodically.
- Reviewing the tenure of each Director and ensuring that the annual re-election of a Director is contingent on the satisfactory evaluation of the Director's performance and contribution to the Board.
- Recommending new nominees who are able to devote the required time to serve the Board effectively and who do not have any conflict of interests, position or relationship that might influence, or reasonably be perceived to influence their independent judge or to act in the best interest of the Company.
- Assessing the effectiveness of the Board, the Committee and the contribution of each Director every year, taking into consideration the required mix of skills, knowledge, expertise and experience, and any other requisite qualities, including core competencies for Non-Executive Directors. All assessments and evaluations are documented to identify key strengths and/or weaknesses, steps or enhancement proposed to be undertaken to mitigate or address the weaknesses identified and the impact of the evaluation on the Board composition.

NOMINATION COMMITTEE STATEMENT (Cont'd)

NRC MEETING AND ATTENDANCE

During the financial year ended 31 July 2025, the NRC convened a total of four (4) meetings with details of the attendance of the members as follows:-

Members	Date of Meeting				Total Meetings Attended	Percentage of Attendance
	26/09/2024	12/12/2024	27/03/2025	26/06/2025		
Dato' Ooi Lay See	✓	✓	✓	✓	4/4	100%
Mr. Sherman Lam Yuen Suen	✓	✓	✓	✓	4/4	100%
Mr. Chen Thien Yin	✓	✓	✓	✓	4/4	100%

SUMMARY OF ACTIVITIES

The NC had carried out the following activities during the financial year ended 31 July 2025:-

- (a) Conducted an annual performance evaluation of the Directors, the Board as a whole and the Board Committees for the financial year ended 31 July 2025 as follows:
- The Board Evaluation Form was reviewed including specifically the Fit and Proper criteria and Environmental, Social and Governance as part of the evaluation and assessment of Directors before it was recommended to the Board of Directors for approval and release to the Directors for their completion.
 - The evaluation was on the contribution and performance of each individual Director, independence of Independent Directors, the mix of skills, experience and other qualities of the Directors including but not limited to the core competencies and time commitment which Non- Executive Directors should bring to the Board.
 - The Directors were required to answer questions related to the following segments in the Board Evaluation Form: Board Structure, Board Operation, Management Relationship, Board Roles and Responsibilities, Board Chairman's Roles and Responsibilities, Environmental, Social and Governance ("ESG") Responsibility, Integrity and Ethic, Fit and Proper, Contribution/ Interaction/ Performance, Knowledge, Time Commitment, Judgement and Decision Making, Caliber of Personality and Leadership.
 - The Board Evaluation Form which is a self and peer evaluation and assessment questionnaire was circulated to each Director for his completion. Each Director will rate his own and that of his peer's conduct, commitment and performance against a set of ratings given. Upon return of the completed questionnaires, the Company Secretary compiled the results of the evaluation based on the information and views/ observations completed in the questionnaires and tabled the summary of the results for the NC's deliberation. The results compiled included comments made by the Directors which will be deliberated by the NC before it makes any recommendation to the Board for improvement or further action. The overall results of the current evaluation concluded that the Directors, the Board and the Board Committees are in compliance with good corporate governance practices and adhere to existing laws and regulations. All Directors agreed that there is full compliance and quality in the Directorate of the Company.

NOMINATION COMMITTEE STATEMENT (Cont'd)

- (b) Reviewed the retirement by rotation at the 28th Annual General Meeting of the Company in accordance with Clause 92 of the Company's Constitution, and recommended the re-election of Tan Sri Dato' Seri Law Tien Seng, Mr. Tan Shau Ming and Mr. Sherman Lam Yuen Suen who being eligible to be re-elected, have consented to be re-elected.
- (c) Reviewed the training attended by Directors in respect of the financial year under review for inclusion in the 2024 Annual Report.
- (d) Reviewed the time commitment of the Directors to ensure that they devote the required time to serve the Board effectively.
- (e) Reviewed the compliance of Practice 5.10 of Malaysian Code on Corporate Governance 2021 ("MCCG 2021") which requires the Board to disclose in its Annual Report the Company's policy on gender diversity for the Board and Senior Management. NRC noted that HTVB currently departs from Practice 5.10 of MCCG with the explanation that the Board membership is dependent on the potential candidate's skills, experience, core competencies and other qualities regardless of gender, age and ethnicity.
- (f) Reviewed the continuous professional development of members of the AC to ensure that they keep abreast of relevant developments in accounting and auditing practices and rules and that they shall be financially literate and are able to understand matters under purview of the AC including the financial reporting process.
- (g) Conducted on 26 September 2024 an evaluation of the term of office and performance of the Audit Committee ("AC") for the financial year ended 31 July 2024, and reviewed and assessed the composition and quality; understanding of the business including risks; process and procedures; oversight of the financial reporting process, including internal controls; oversight of audit functions; ethics and compliance; and monitoring activities. Following the evaluation, the NC concluded that the AC and its Members had been effective in discharging their responsibilities to ensure the quality, integrity and appropriateness in financial accounting and reporting, and have carried out their duties in accordance with their terms of reference.
- (h) Reviewed the curriculum vitae of Mr. Law Wai Ho to determine if he is suitable to be appointed as Executive Director of the Company. The NC met and interviewed Mr. Law Wai Ho. Based on the profile and experience of Mr. Law Wai Ho, NC found him to be qualified and fit and proper to be appointed as Executive Director of the Company. NC had recommended to the Board of Directors the appointment of Mr. Law Wai Ho as an Executive Director of the Company on 27 March 2025.
- (i) Reviewed and confirmed that all the Directors had attended the Mandatory Accreditation Program Part II: Leading for Impact ("MAP II") except for Mr. Law Wai Ho who was appointed on 28 March 2025. Management was requested to help to register the MAP II training for Mr. Law Wai Ho to attend within 18 months from his appointment.
- (j) Reviewed the Group's Succession Planning and found that the Group Succession Planning structure is in place.

This statement was approved by the Board on 25 September 2025.

SUSTAINABILITY STATEMENT

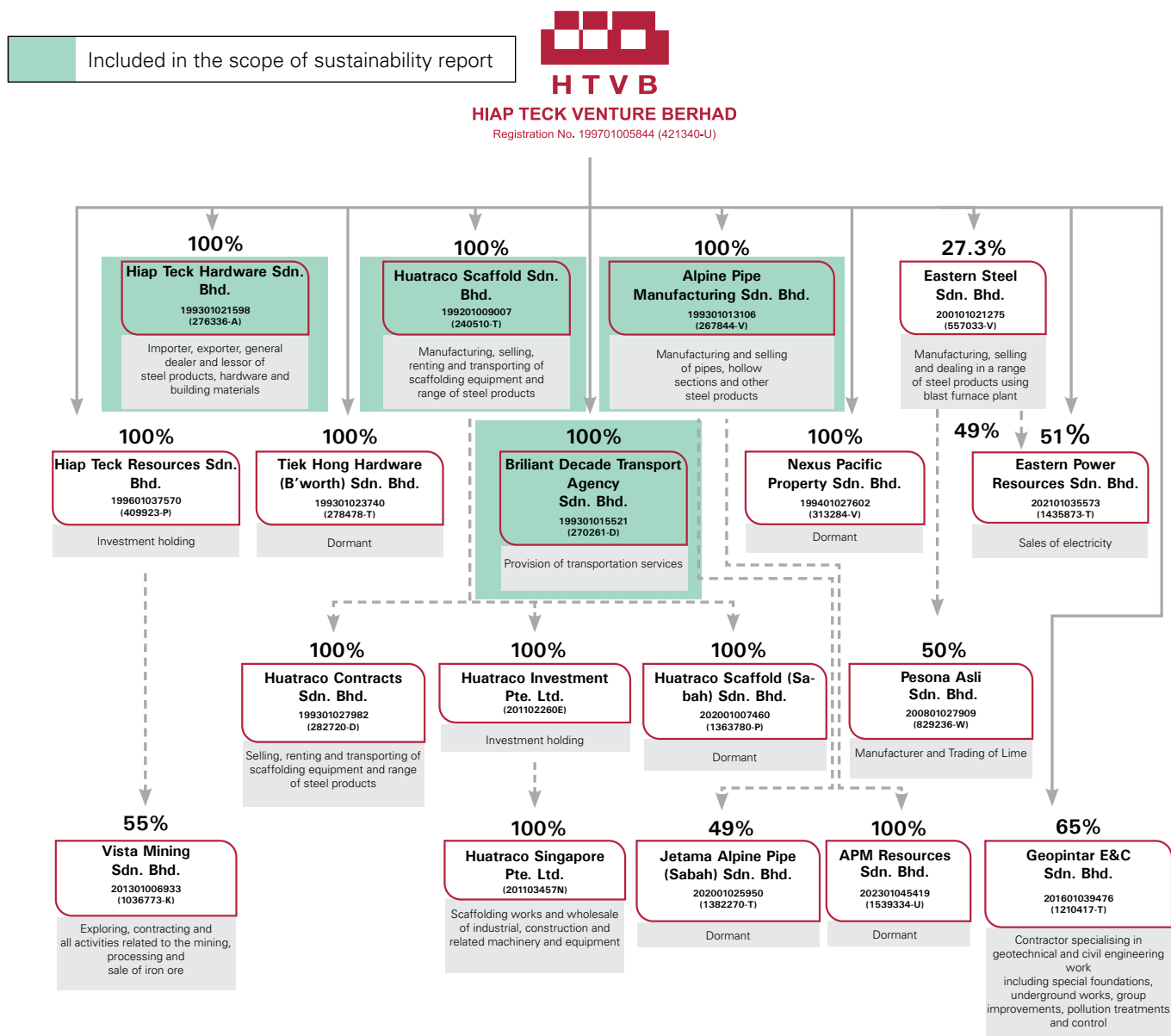
OVERVIEW

Hiap Teck Venture Berhad ("HTVB") remains committed to creating long-term value for all stakeholders through our diverse business activities. Our approach extends beyond generating sustainable returns for shareholders, as we recognise our responsibility towards our employees, the communities we operate in, the environment, and the wider supply chain.

The Board of HTVB is pleased to present this Sustainability Report for the financial year ended 31 July 2025 (FY2025), which outlines our strategies, initiatives, and performance in managing material sustainability topics across the Economic, Environmental, Social and Governance (EESG) dimensions.

This Report covers the period from 1 August 2024 to 31 July 2025, focusing on our key operating subsidiaries: Alpine Pipe Manufacturing Sdn Bhd (Alpine), Hiap Teck Hardware Sdn Bhd (HTH), Huatraco Scaffold Sdn Bhd (Huatraco), and Brilliant Decade Transport Agency Sdn Bhd (BD). These subsidiaries, primarily based in Meru, Malaysia, are central to our operations and contribute significantly to the Group's revenue and sustainability footprint.

Certain entities are excluded from this Report for specific reasons, i.e. Vista Mining Sdn Bhd is excluded as they either operate under third-party arrangements and/or have not generated material revenue or profits during this reporting period, whilst Eastern Steel Sdn Bhd (ESSB) is excluded as it is a 27.3% owned joint venture entity. Other dormant companies within the Group are also excluded as they do not have any operational activities to disclose.



SUSTAINABILITY STATEMENT (Cont'd)

This Report is prepared in line with the disclosure requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and refers to the Sustainability Reporting Guide – 3rd Edition and Toolkits by Bursa Malaysia. In addition, we have adopted global standards and frameworks to strengthen our reporting including Global Reporting Initiative (GRI) Standards to enhance disclosure quality and comparability, Task Force on Climate-related Financial Disclosures (TCFD) to advance transparency on climate risks and opportunities relevant to our business and lastly we have started to align with International Sustainability Standards Board (ISSB – IFRS S1 & S2) to gradually align our reporting with evolving international best practices.

The contents of this Report have been reviewed and approved by the Board of Directors and the Sustainability and Risk Management Committee (SRMC) to ensure relevance and accuracy in addressing our material topics. We have also engaged our internal auditor to review our sustainability management processes. Moving forward, HTVB is establishing a process to obtain internal assurance on sustainability information, which will be implemented from the next reporting cycle.

SUSTAINABILITY GOVERNANCE

At HTVB, sustainability governance is embedded at the core of our business strategy and operations. Our governance framework ensures that EESG matters receive the highest level of strategic oversight, enabling us to manage risks effectively while pursuing long-term value creation for stakeholders. Guided by our commitment to responsible business, we integrate sustainability principles across decision-making processes, policies, and daily operations.

The Board of Directors is the highest governing body responsible for HTVB's sustainability strategy, performance, and disclosures. The Board provides direction on sustainability priorities and oversees material matters including Ethical conduct and anti-corruption practices, Occupational health and safety (OHS), Climate and environmental stewardship, Human capital development and talent retention, and Risk management and regulatory compliance. As part of strengthening oversight, the Board has also introduced new versions of its evaluation forms, which now include ESG responsibilities to ensure sustainability considerations are embedded into governance practices. Through its oversight role, the Board ensures that sustainability is not only a compliance requirement but a driver of long-term competitiveness and resilience.

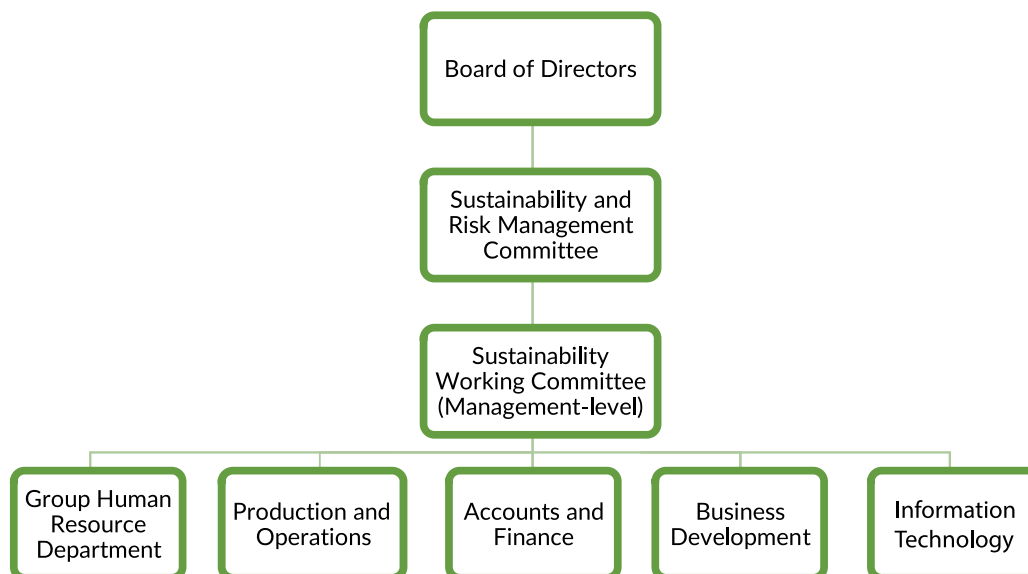
To support the Board, the Sustainability and Risk Management Committee (SRMC) plays a critical role in integrating sustainability into the Group's overall strategy. The SRMC is responsible for reviewing the Terms of Reference (TOR) for sustainability governance, assessing reports from the Sustainability Working Committee (SWC), and providing recommendations to the Board for approval. Through rigorous review and constructive challenge, the SRMC ensures that sustainability matters are addressed with the necessary depth and accountability. The SRMC also provides regular updates and briefings to the Board, ensuring ongoing alignment with the Group's sustainability objectives.

At the operational level, the Sustainability Working Committee (SWC) drives implementation across the Group. Led by an Executive Director as Chairman, the SWC comprises a Secretary/Sustainability Coordinator and Sustainability Reporting Champions from key functions, including Human Resources, Production & Operations, Finance, Business Development, and Information Technology. Meeting at least twice annually, the SWC monitors progress against targets, implements sustainability initiatives, and ensures timely reporting to the SRMC. The SWC also prepares the annual sustainability statement for inclusion in the Annual Report.

Sustainability governance at HTVB is further reinforced by the Group's Core Values, which are embedded within its corporate governance framework and operational practices. These values are supported by clear Key Performance Indicators (KPIs) and internal controls to track performance and accountability. By aligning governance, strategy, and culture, HTVB continues to strengthen its commitment to ethical conduct, operational excellence, and continuous improvement.

SUSTAINABILITY STATEMENT (Cont'd)

Fig 1. Sustainability Governance Structure



STAKEHOLDER ENGAGEMENT

HTVB recognises that proactive and transparent engagement with stakeholders is fundamental to strengthening trust, enhancing long-term relationships, and ensuring that our sustainability priorities remain relevant and responsive. We actively engage with both internal and external stakeholders throughout the year to understand their perspectives, expectations, and concerns on material EESG topics.

Our stakeholders include individuals and groups who may be affected by our business operations or who can influence our long-term success. By fostering open and two-way communication, HTVB ensures that stakeholder feedback is incorporated into decision-making processes and strategy formulation. This approach helps us identify risks, capture opportunities, and enhance our ability to deliver value to all stakeholders.

Engagement is conducted through a variety of platforms and channels, ranging from online communication tools to face-to-face meetings, seminars, and direct consultations. These platforms allow us to maintain regular, timely, and meaningful interactions with different stakeholder groups.

The key stakeholder groups relevant to HTVB, along with their areas of interest and methods of engagement, are detailed in the table below:

Stakeholders Group	Engagement Channel	Frequency of Meeting	Interest/Concern	Response
Shareholders	<ul style="list-style-type: none"> Corporate website Quarterly Results Announcement Material Matters Announcement Annual Report Annual General Meeting Extraordinary General Meeting Regular Analysts Briefings 	<ul style="list-style-type: none"> Periodically Quarterly Annually 	<ul style="list-style-type: none"> Corporate governance practices Risk management practices Sustainable return and growth 	<ul style="list-style-type: none"> We are committed to delivering economic value to our capital providers through an established corporate governance structure as well as a sustainability and risk management framework.

SUSTAINABILITY STATEMENT (Cont'd)

Stakeholders Group	Engagement Channel	Frequency of Meeting	Interest/Concern	Response
Regulatory Bodies	<ul style="list-style-type: none"> • Forum and dialogues/ meetings • Networking events • Seminar • Briefing and consultation 	<ul style="list-style-type: none"> • Periodically 	<ul style="list-style-type: none"> • Update on human capital development • Health and safety compliance • Environment and social compliance • Industry regulatory development 	<ul style="list-style-type: none"> • We have established sustainability governance to manage risk, ensure compliance and operate with integrity at all times.
Trade Associations	<ul style="list-style-type: none"> • Forum and dialogues/ meetings • Networking events • Seminar • Briefing and consultation 	<ul style="list-style-type: none"> • Periodically 	<ul style="list-style-type: none"> • Update on industry and business trend • Discuss and conclude on impacts of government policies 	<ul style="list-style-type: none"> • We are actively participating and collaborating with key industry players and other stakeholders to continue making the greatest possible difference for the industry.
Customers	<ul style="list-style-type: none"> • Regulatory Site Visits and Audits • Quality Certification Audits • Marketing Events • Meetings and site visits • Hotline and Company website 	<ul style="list-style-type: none"> • Daily 	<ul style="list-style-type: none"> • Receive feedback on products quality, product knowledge and customer service standards • Enable bi-lateral communications • Provide products and services updates • Receive and respond to feedback 	<ul style="list-style-type: none"> • By sharing a common goal across the organisation, we give customers a value-added experience using our products/ services.
Business Partner (Suppliers, Distributors, Contractors)	<ul style="list-style-type: none"> • Trade fairs • Site/ Plant visits • New and Periodical Performance Evaluation • Company website 	<ul style="list-style-type: none"> • Daily 	<ul style="list-style-type: none"> • Assess business needs • Provide Company information • Provide and receive product and service specifications 	<ul style="list-style-type: none"> • Supplier relationships are governed by our standard operating procedures.
Employees	<ul style="list-style-type: none"> • Daily morning briefings • Weekly Senior management meetings • Weekly operation meetings • Safety meetings • Seminars and trainings • Performance appraisals 	<ul style="list-style-type: none"> • Daily 	<ul style="list-style-type: none"> • Communicate safe work procedures • Highlight risk, hazards incident • Discuss key concerns • Allow questions from floor and provide answers • Ensure follow up actions with resolution 	<ul style="list-style-type: none"> • Employees are our key assets. They drive success and we are committed to being a good employer.
Community	<ul style="list-style-type: none"> • Education funds 	<ul style="list-style-type: none"> • Periodically • Annually 	<ul style="list-style-type: none"> • Improve Blood bank stock • Provide rewards for high school achievers 	<ul style="list-style-type: none"> • We strive to be a good partner and a positive force in our local communities.

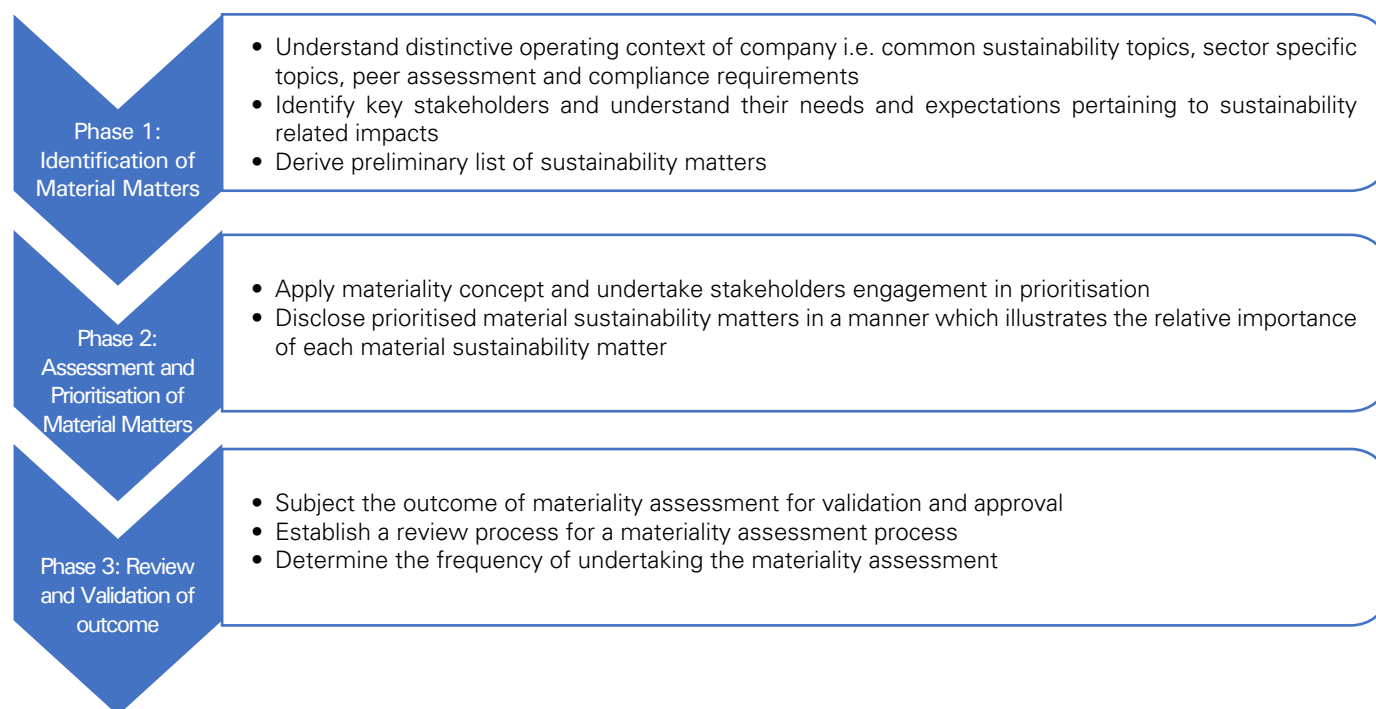
SUSTAINABILITY STATEMENT (Cont'd)

MATERIALITY ASSESSMENT

HTVB recognises that materiality assessment is central to identifying the Environmental, Economic, Social, and Governance (EESG) topics that matter most to our business and stakeholders. In FY2025, we conducted a comprehensive materiality assessment, marking a significant step forward in our sustainability journey. The process incorporated feedback from both internal and external stakeholders, ensuring that the topics reflect the expectations of those most impacted by, and most able to influence, our business.

The assessment was guided by international reporting frameworks such as GRI as well as Bursa Malaysia's sustainability reporting guidelines. Through structured consultations with the Board of Directors, Senior Management, Department Heads, key Customers, Suppliers, and Community Representatives, we identified and prioritised material topics that are critical to long-term value creation.

The step-by-step methodology of our Materiality Assessment is illustrated below:

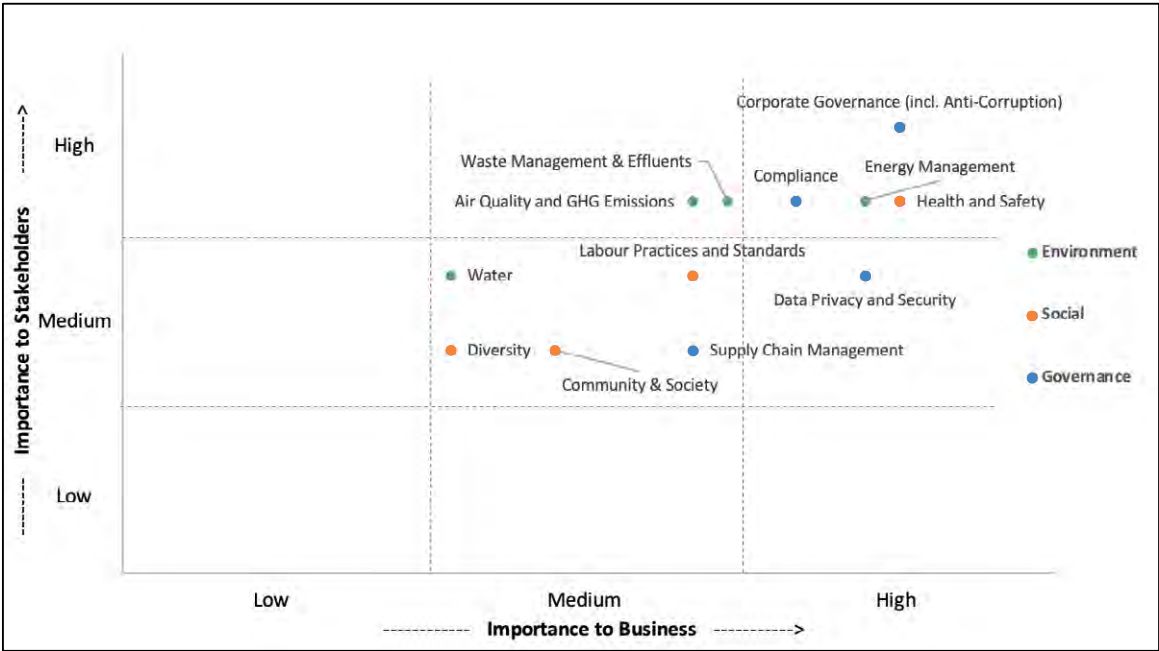


The process resulted in important refinements to our material topics, ensuring greater alignment with industry practices, stakeholder priorities, and regulatory expectations. Key highlights of the 2025 assessment include:

- Introduction of Water and Data Privacy & Security as new material topics, reflecting stakeholder emphasis on resource stewardship and digital responsibility.
- Renaming of existing topics such as Energy Consumption, Occupational Health & Safety, Diversity & Opportunity, and Local Community to Energy Management, Health & Safety, Diversity, and Community & Society respectively to align with industry naming convention.
- Expansion of scope of topics such as Waste Management, Carbon Emission, Compliance and Corporate Governance to include Effluents, Air Quality, non-environmental compliance and Anti-Corruption respectively to align with Bursa sectoral guidance and global reporting practices.
- Consolidation of people-focused topics under Labour Practices and Standards and Diversity, enabling a more holistic view of workforce well-being and rights.
- Removal of Economic Performance and Product Service & Quality as standalone topics, as these are either addressed in financial disclosures or lack measurable sustainability indicators.

These refinements strengthen the relevance and completeness of HTVB's sustainability disclosures while ensuring that our reporting continues to respond to the expectations of regulators, investors, and society at large.

SUSTAINABILITY STATEMENT (Cont'd)



Details of HTVB’s material EESG factors are provided below:

Environment	Social	Governance
Energy Management	Health & Safety	Corporate Governance incl. anti-Corruption
Waste Management & Effluents	Labour Practices & Standards	Compliance
Air Quality and GHG Emissions	Diversity	Data Privacy & Security
Water	Community & Society	Supply Chain Management

MEMBERSHIP OF ASSOCIATIONS

The Group actively engages with relevant industry associations to contribute to the advancement of the building materials, steel, and renewable energy sectors. Our subsidiaries hold memberships across leading associations including the Building Materials Distributors Association of Malaysia (BMDAM), Master Builders Association Malaysia (MBAM), Malaysian Iron and Steel Industry Federation (MISIF), Malaysian Structural Steel Association (MSSA), Malaysia Steel Institute (MSI), South East Asia Iron and Steel Institute (SEAISI), Malaysian Photovoltaic Industry Association (MPIA), and others.

We also play active leadership roles within these industries bodies, such as serving as Deputy President I of MISIF, Council Member of MISIF, Committee Member of MPIA, and Committee Member of MSSA under the ASEAN Iron and Steel Councils (AISC).

SUSTAINABILITY STATEMENT (Cont'd)

GOVERNANCE

Corporate Governance

At HTVB, strong corporate governance and a zero-tolerance stance towards corruption are the foundations of our long-term sustainability and trust with stakeholders. We are committed to fostering a culture of integrity, accountability, and transparency across all levels of the organisation. Our governance practices ensure that ethical conduct is embedded in decision-making, risk management, and daily operations.

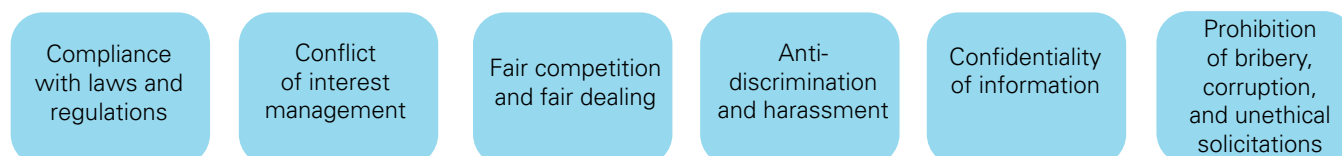
The Board of Directors provides strategic oversight and ensures that sustainability and governance principles remain central to HTVB's business. We monitor the composition of our Board in terms of gender, age, and expertise, in line with Bursa Malaysia's guidance on diversity and inclusivity.

Percentage of directors by gender and age				
	Unit	FY2023	FY2024	FY2025
Total	Headcount	8	8	9
By Gender				
Male	Headcount	7	7	8
	Percentage	87%	87%	89%
Female	Headcount	1	1	1
	Percentage	13%	13%	11%
By Age				
X<30	Headcount	0	0	1
	Percentage	0%	0%	11%
30 ≤ X ≤ 50	Headcount	1	1	1
	Percentage	13%	13%	11%
X>50	Headcount	7	7	7
	Percentage	87%	87%	78%

Code of Ethics and Anti-Corruption

Our Code of Conduct and Ethics, Anti-Bribery and Corruption (ABC) Policy, and Whistleblowing Policy form the backbone of our governance framework. These policies are included in the Employee Handbook and accessible through our corporate website, ensuring clear communication and awareness.

They cover critical aspects such as:



We review compliance with the Code of Conduct and Ethics and identify any non-compliance whenever there are changes in regulations, ensuring our governance practices remain current and robust.

The ABC Policy outlines HTVB's position on bribery and corruption and establishes measures to prevent, detect, and respond to such practices in line with Malaysia's Anti-Bribery Law. The policy is designed to evolve, with ongoing development of supporting procedures and guidelines to ensure compliance across all subsidiaries. Employees are required to comply with both the ABC Policy and the relevant anti-bribery and corruption laws of their respective jurisdictions.

To strengthen accountability, ABC clauses are embedded into all contract agreements, while employees formally acknowledge compliance through appointment letters and annual appraisal forms. Awareness is reinforced through daily briefings, workplace ABC posters (displayed in offices, factories, canteens, and computer wallpapers), and regular communication from management.

SUSTAINABILITY STATEMENT (Cont'd)

During FY2025, HTVB continued to build awareness by conducting training sessions on the ABC and Whistleblowing Policies across employee categories, embedding ethical expectations into day-to-day business conduct. Additional training for 30 employees has been scheduled for November 2025 to further strengthen understanding and compliance.

Percentage of employees who have received training on anti-corruption by employee category					
		Unit	FY2023	FY2024	FY2025
Senior Management	Total no. of trained employees	Headcount	0	8	0
	Total no. of senior managers	Headcount	12	11	12
	Percentage	Percentage	0%	73%	0%
Middle Management	Total no. of trained employees	Headcount	0	6	0
	Total no. of middle managers	Headcount	63	64	65
	Percentage	Percentage	0%	9%	0%
Other Employees	Total no. of trained employees	Headcount	0	17	0
	Total no. of other employees	Headcount	581	611	601
	Percentage	Percentage	0%	3%	0%

HTVB maintains a strict stance against all forms of bribery and corruption. Over the past three financial years, we have recorded zero incidents of corruption. We continue to strengthen risk management processes and expand training participation to ensure comprehensive coverage across all levels of the organisation.

Anti-Corruption Performance			
	FY2023	FY2024	FY2025
Number of confirmed incidents of corruption and action taken	0	0	0
Percentage of operations assessed for corruption-related risks	0%	0%	0%

Ethical business practices along the supply chain

Our commitment to integrity extends to our suppliers, contractors, and other business partners. All parties engaged in our operations are expected to comply with ethical standards on anti-corruption, environmental stewardship, workplace safety, and labour rights. These expectations are formalised through service contracts and monitored to ensure compliance.

By aligning our internal practices and supply chain requirements with the highest standards of governance and ethics, HTVB safeguards its reputation, minimises risks, and builds resilience for sustainable growth.

COMPLIANCE

HTVB is committed to upholding the highest standards of compliance across all areas of our operations. Our approach is anchored in strict adherence to applicable laws, regulations, and industry standards in Malaysia and globally. This ensures that our business practices remain transparent, responsible, and aligned with stakeholder expectations.

In FY2025, HTVB is pleased to report that no non-compliance incidents with applicable laws and regulations were recorded as well as no non-compliance with environmental laws was reported, continuing the Group's clean track record over the past three years. This reflects our proactive compliance culture, where policies and procedures are regularly reviewed to identify potential gaps and address them before they escalate.

SUSTAINABILITY STATEMENT (Cont'd)

Environmental Compliance

HTVB complies strictly with the Environmental Quality Act 1974 (EQA 1974) and all pertinent environmental regulations in Malaysia. Management teams regularly review and assess policies to ensure alignment with evolving requirements. This proactive approach enables us to identify risks, act promptly on potential issues, and report to the Board for transparency and accountability. We are committed to meeting the provisions of the Environmental Quality Act 1974 in our waste management practices. All hazardous and non-hazardous waste is handled, stored, and disposed of in accordance with regulatory requirements.

We are also progressively adopting internationally recognised environmental management systems. As of 12 February 2025, our subsidiary Alpine achieved ISO 14001 certification. This milestone marks a significant step in strengthening environmental governance across the Group.

Social Compliance

In line with the Occupational Safety and Health Act 1994 (OSHA), each of HTVB's main operating subsidiaries has established Occupational Safety and Health (OSH) Committees. These committees include representatives from both employer and employee groups across departments such as production, maintenance, and quality assurance.

Specialised sub-committees—such as the Environmental Performance Monitoring Committee (EPMC), Emergency Response Team (ERT), and Hazardous Material Team (HAZMAT)—play an important role in strengthening workplace safety and compliance. Regular training, audits, and drills are conducted to ensure preparedness and alignment with legal obligations.

Additionally, HTVB ensures compliance with labour and working hour requirements under Employment Act 1955. Employee working hours are capped at 45 hours per week, with overtime not exceeding 104 hours per month per worker. This ensures fair labour practices and safeguards employee well-being.

Product and Service Quality Standards

Delivering safe, reliable, and high-quality products remains central to our compliance responsibilities. HTVB operates a structured Quality Management System (QMS), overseen by the QMS Committee led by Senior Management. This framework ensures that customer needs and regulatory requirements are consistently met through robust quality controls, customer feedback mechanisms, and continuous R&D efforts.

Our subsidiaries, Alpine and Huatraco, are certified under internationally recognised standards such as ISO 9001:2015, MS1462, and various BS EN and JIS protocols, affirming our products' compliance with national and global benchmarks. These certifications not only demonstrate regulatory adherence but also strengthen customer confidence and market competitiveness. 100% of Alpine operation were certified under ISO 14001 Environmental Management Systems in 2025. This certification reflects our systematic approach to managing environmental responsibilities and promoting continual improvement in environmental performance across our operations.

HTVB's compliance is further reinforced through multiple certifications obtained across its operating divisions. These certifications cover product safety, manufacturing quality, and management systems, reflecting our alignment with international best practices.

SUSTAINABILITY STATEMENT (Cont'd)

Entity Name	Product/Service	Certification	Certified Body
Alpine Pipe Manufacturing Sdn. Bhd.	Iron & Steel	CIDB ACT 520 (PPS Schedule 4)	CIDB
	Steel Pipes and Hollow Sections	BS EN39/10219-1&2, JIS G 3444/3452, MS 863, ASTM A500, MS EN 10219-1&2, SPAN TS 21827-2, MS 1462-2-1, MS1462-1	IKRAM
	Mild Steel Cement Lined Pipes Steel Fittings	SPAN TS 21827-1	IKRAM
	Steel Pipes and Hollow Sections	BS EN 10210-1, BS EN 10255 FM 1630, SIRIM ECO 032	SIRIM
	Quality Management System	ISO 9001 - 2015 (MALAYSIA) ISO 9001 - 2015 (UKAS) ISO 14001	INTERTEK DQS
	Competence of testing laboratory	MS ISO/IEC 17025	SAMM
	Mild Steel Cement Lined Pipes -ERW & SAW	SPAN TS 21827-1	SPAN
	Steel Pipes and Hollow Sections	AS NZS 1163	BSI
	Lip & Plain Channel and Hollow Sections	(BC 1) FPC EN 10210-1, EN 10219-1, AS/NZS 1163, JIS G 3350	TUV
Huatraco Scaffold Sdn. Bhd.	Steel Pipes and Hollow Sections	(CE-MARK) FPC EN 10219-1 MyHijau MARK	TUV MGTC
	Iron & Steel (Modular System Scaffolding & Formwork)	MS 1462-1, MS 1462-3-1	CIDB
	Iron & Steel (Modular System Scaffolding & Formwork) -TPIB Scheme	CIS-22, CIS-23	CIDB
	Steel Modular System Scaffolding (C25 & C60)	MS 1462-3-1	SIRIM
	Prefabricated Steel Frame Scaffolding	MS 1462-1	SIRIM
	Adjustable Steel Prop	MS EN 1065	SIRIM
	Scaffold Accessories & Component	MS 1462-1, MS 1462-4-1, MS 1462-2-3	SIRIM (Oversea Product Certification License)
	Couplers For Tubular Scaffolding	MS 1462-2-3	SIRIM (Oversea Product Certification License)
	Prefabricated Steel Modular System Scaffolding	MS 1462-3-1	CERTIBUILD (Oversea Product Certification License)
	Quality Management System	ISO 9001	DQS

SUSTAINABILITY STATEMENT (Cont'd)

DATA SECURITY

HTVB recognises that protecting the privacy and security of data is fundamental to maintaining stakeholder trust. With the increasing adoption of digital technologies in manufacturing, supply chain, and customer engagement, we are committed to safeguarding sensitive information and ensuring that our systems remain resilient against evolving cyber threats.

We strictly adhere to the Personal Data Protection Act 2010 (PDPA) and other applicable regulations governing data management in Malaysia. Oversight of data protection and cybersecurity falls under senior management, supported by dedicated IT teams that monitor systems, manage access rights, and review potential vulnerabilities. Regular updates are provided to the Board to ensure accountability and transparency.

In the fiscal year 2025, there were no reported data breaches, and no verified complaints related to customer data loss or privacy breaches.

Number of reports of data breaches or customer data loss			
	FY2023	FY2024	FY2025
Number of reported cases	0	0	0

SUPPLY CHAIN MANAGEMENT

Effective supply chain management is integral to HTVB's ability to deliver quality products while advancing our sustainability commitments. Our approach is centred on building resilient, transparent, and responsible supply chains that uphold high standards of quality, ethics, and sustainability.

HTVB sources essential raw materials from reputable global steel suppliers, ensuring that all inputs meet our strict quality specifications. Our finished products undergo comprehensive testing in line with ISO-certified processes, reinforcing our reputation for reliability and excellence.

We maintain a structured procurement process that emphasises transparency, competitiveness, and sustainability. Supplier selection is guided by price benchmarking, negotiation within an established framework, and ongoing evaluations. These practices enable us to cultivate long-term supplier partnerships built on trust, timely delivery, and mutual growth. In line with our sustainability agenda, HTVB conducts supplier sustainability assessments, market input reviews, and annual performance evaluations. This helps ensure that our suppliers align with our environmental, social, and ethical standards.

HTVB continues to prioritise sourcing from local suppliers wherever feasible. This approach supports the domestic economy, reduces foreign exchange outflow, and minimises carbon emissions from long-distance transportation. By strengthening local supplier participation, we contribute to national industrial resilience and community development.

We had earlier set a target of achieving 70% local sourcing of spare parts and consumables by FY2025, in tandem with the commencement of our joint venture's Hot Rolled Coil (HRC) operations in Malaysia, which enhances our access to locally produced raw materials. This target underscores our commitment to strengthening domestic industrial capabilities and embedding sustainability into our supply chain. In FY2025, the Group achieved an overall local sourcing rate of 64%.

Proportion of spending on local suppliers ¹				
	Unit	FY2023	FY2024	FY2025
Proportion of spending on local suppliers	Percentage	57%	48%	64%

¹Local suppliers refer to companies or persons that provide products or services to the reporting company, and that is based in the same geographic market as the reporting company (that is, no transnational payments are made to a local supplier). The geographic definition of 'local' can include the community surrounding operations, a region within a country or a country.

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL

HEALTH AND SAFETY

Ensuring the health, safety, and well-being of our employees, contractors, and surrounding communities is a fundamental responsibility at HTVB. Guided by our Safety and Health, we are committed to maintaining a zero-fatality workplace and fostering a proactive safety culture across all our operations. A safe working environment is not only essential to protecting our workforce but also critical to sustaining operational excellence.

Policy and Governance

Health and safety oversight is provided by the Sustainability Risk Management Committee (SRMC) at Board level, which works closely with the Occupational Safety and Health (OSH) Committees established in each major subsidiary in line with the Occupational Safety and Health Act 1994 (OSHA). These OSH Committees include representatives from management and employees across production, maintenance, material control, and quality assurance functions, ensuring that worker perspectives are incorporated into safety discussions and decision-making.

To strengthen workplace preparedness, we have also established specialised sub-committees:

Occupational Safety and Health (OSH) Committee		
Environmental Performance Monitoring Committee (EPMC)	Emergency Response Team (ERT)	Hazardous Material Team (HAZMAT)
The OSH Committees and sub-committees play a pivotal role in: <ul style="list-style-type: none">• Developing and reviewing workplace safety rules and systems.• Monitoring and analysing accident trends, near misses, and hazardous occurrences.• Recommending corrective measures and policy updates to management.		

Training and Awareness

HTVB recognises that knowledge and awareness are critical to preventing accidents and maintaining preparedness. All new employees undergo a Health, Safety, and Environment (HSE) induction programme, complemented by regular training sessions for safety officers, supervisors, and operational staff.

SUSTAINABILITY STATEMENT (Cont'd)

In FY2025, the Group also engaged a DOSH-registered consultant to conduct training under the Systematic Occupational Health Enhancement Level Programme (SOHELP). The programme enhanced employee awareness on occupational safety, health and environment especially on noise control, chemical handling and ergonomic for workers compliance with regulatory requirements, supporting both resilience and business continuity.

To further build safety awareness among employees, the Group organised Minggu Kempen Keselamatan (Safety Week) campaigns on 26–30 May, 23–27 June, and 21–25 July 2025, featuring awareness sessions, demonstrations, and employee engagement activities.

In addition, a fire evacuation drill was conducted in 2025 at Factory 3, involving the operations team and a total of 109 employees, to ensure preparedness for emergency situations.

We also continued to implement proactive health measures by engaging a third-party vendor to conduct monthly fogging & larviciding at all four factories, to minimise health risks and prevent dengue fever among employees.

Details of the internal safety and health trainings conducted by Group for its employees are:

Number of employees trained on health and safety standards			
	FY2023	FY2024	FY2025
Employees trained on health and safety standards	97	470	602

These training sessions are designed to equip our employees with the knowledge and skills needed to prevent accidents and respond effectively in case of emergencies.

OSH Performance

We monitor safety performance closely and integrate findings into continuous improvement measures. OSH leaders review incidents and audit results during monthly management meetings, ensuring accountability at all levels.

Number of work-related fatalities			
	FY2023	FY2024	FY2025
Number of work-related fatalities	0	0	0

We are proud to maintain a zero-fatality record for the reporting year.

Lost time incident rate			
	FY2023	FY2024	FY2025
Number of lost time injuries (High Consequence) (a)	19	15	15
Total number of hours worked by all employees (b)	1,706,000	1,874,460	2,064,570
LTIR ² (=a/b *200,000)	2.22	1.60	1.45

In FY2025, HTVB recorded an LTIR of 1.45 incident cases per 1000/employees, a reduction from the prior years. The rate also remains within our internal safety threshold; it highlights the need for continued vigilance and improvement. HTVB will continue to prioritise a safe and healthy workplace through ongoing training and awareness programmes for employees and contractors and maintaining our target of zero work-related fatalities and keeping the LTIR below 2.5.

² LTIR is calculated as rate ("a/b *200,000"), where the number of lost time incidents during the reporting period ("a") are expressed per the total number of hours worked as at the end of the reporting period ("b"). The value of "200,000" represents a standardised value of the total amount of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks (100 x 40 x 50 = 200,000).

SUSTAINABILITY STATEMENT (Cont'd)

LABOUR PRACTICES & STANDARDS

This topic encompasses our fundamental approach to managing, developing, and supporting our most valuable asset—our people. It covers a broad spectrum of areas, including fair employment practices, non-discrimination, human rights, talent acquisition and retention, comprehensive training and development, and robust employee well-being and benefits programmes.

As a company operating in a sector that relies heavily on skilled labour and safe working conditions, our people are the cornerstone of operational excellence, innovation, and long-term success. This topic is material because it directly impacts our ability to attract, motivate, and retain the talent critical for business continuity and growth. Strong labour practices contribute to a productive, engaged, and ethical workforce, which in turn drives product quality, customer satisfaction, and shareholder value. Conversely, inadequate practices can result in high turnover, operational disruptions, reputational risks, and potential non-compliance with legal and regulatory requirements.

Our approach to Labour Practices and Standards is guided by the principle that employees are central to our success. We are committed to fostering an inclusive, safe, and motivating environment where skilled and dedicated individuals can thrive. Human resources policies and procedures are designed to ensure fair treatment, equal opportunities, and respect for human rights across all levels of the organisation.

In line with the Employment Act of Malaysia, HTVB ensures compliance with local labour regulations governing working hours and overtime. Employee working hours are capped at 45 hours per week, with overtime not exceeding 104 hours per month per worker. These measures safeguard employee welfare, promote work-life balance, and ensure full compliance with statutory requirements.

Respecting Individual Human Rights	No Discrimination	Creating an Environment of Free, Open-minded Dialogue	Enhancing Employee Engagement
<ul style="list-style-type: none">• We acknowledge and appreciate the unique characteristics and differences of our employees, respecting their willingness and initiative to contribute.• We are committed to upholding each individual's basic human rights, and we strictly prohibit forced labor or child labor in any form.	<ul style="list-style-type: none">• Adhering to the principle of equal employment opportunities, we strive to create an environment that supports free and fair competition.• Discrimination or harassment of any kind is not tolerated at HTVB, whether based on race, ethnicity, national origin, religion, gender, age, or other personal characteristics.	<ul style="list-style-type: none">• We respect the views of our employees and endeavour to promote mutual understanding• In line with our freedom to resolve issues fairly and transparently, consistent with laws, conventions, and practices in the countries and regions where we operate.	<ul style="list-style-type: none">• We actively promote employee engagement through various social gatherings such as festivals, annual dinner and birthday celebrations.• In addition, our annual team-building programmes foster stronger collaboration and teamwork across departments.

Our commitment to our employees is reflected in our robust human resource management. We are pleased to report that in FY2025, there were no complaints concerning human rights violations, underscoring our adherence to fair and ethical practices.

SUSTAINABILITY STATEMENT (Cont'd)

Talent Acquisition and Retention

In FY2025, HTVB welcomed 81 new hires, resulting in a new hire rate of 12%. Our recruitment strategy continues to focus on acquiring talent to meet the physical demands of our production lines, predominantly attracting male employees.

New Hire Rate ⁴ by Gender				
		FY2023	FY2024 ³	FY2025
Male	New Hires	149	86	68
	New Hire Rate	27%	15%	12%
Female	New Hires	10	12	13
	New Hire Rate	9%	11%	12%

New Hire Rate ⁴ by Age Group				
		FY2023	FY2024 ³	FY2025
Age < 30	New Hires	82	64	43
	New Hire Rate	41%	33%	24%
30 < Age < 50	New Hires	74	28	32
	New Hire Rate	21%	7%	8%
Age > 50	New Hires	3	6	6
	New Hire Rate	3%	5%	5%
Total	New Hires	159	98	81
	No. of employees	656	686	678
	New Hire Rate	24%	14%	12%

Employee retention is a key focus. Our total turnover rate for FY2025 was 13%, a slight increase from 10% in the previous year. We actively monitor turnover, considering factors such as economic conditions and demographics, and seek feedback from departing employees to refine our retention strategies. Senior management turnover increased to 8%, and middle management turnover remained 12% in FY2025.

Employee turnover			
	FY2023	FY2024 ⁶	FY2025
No. of Turnover	94	68	89
Total No. of employees	656	686	678
Turnover Rate ⁵	14%	10%	13%

³ Restated due to restatement of overall employee numbers in FY2024

⁴ In 2024, we have changed the methodology to calculate new hire rate. New hire rate for each category = No. of new hires in the category/ Total no. of employees in the category at the end of reporting period.

⁵ In 2024, we have changed the methodology to calculate turnover rate. Turnover rate for each category = No. of employee turnover in the category/ Total No. of employees in the category at the end of reporting period.

⁶ Turnover rate and average training hours restated based on restated employee number and training information of FY2024

SUSTAINABILITY STATEMENT (Cont'd)

Total number of employee turnover⁴ by employee category (Bursa C6c)

		Unit	FY2023	FY2024 ⁶	FY2025
Senior Management	No. of Turnover	Headcount	0	0	1
	Turnover Rate	Percentage	0%	0%	8%
Middle Management	No. of Turnover	Headcount	2	8	8
	Turnover Rate	Percentage	3%	13%	12%
Other Employees	No. of Turnover	Headcount	92	60	80
	Turnover Rate	Percentage	16%	10%	13%

Talent Development and Skill Enhancement

Hiap Teck is dedicated to fostering continuous professional growth. We mandate a minimum of 1 hour of training per year for all employees. In FY2025, employees recorded an average of 5.41 training hours, compared to 7.31 hours in FY2024. Senior Management completed 72 total training hours, averaging 6.00 hours per person, while Middle Management received 760 total hours, averaging 11.69 hours per person. Other employees accounted for the largest share of training, with 2,836 hours delivered, averaging 4.72 hours per person.

Training programmes in FY2025 continued to span a diverse range of topics, including operational safety, quality assurance, leadership development, environmental management, and regulatory compliance, ensuring that all employees are equipped with the skills necessary to meet evolving business and industry demands.

Total hours of training by employee category (Bursa C6a; GRI 404)

		Unit	FY2023	FY2024 ⁵	FY2025
Senior Management	Total hours of training	Hours	144	859	72
	Average Training hours	Hours	12.00	78.09	6.00
Middle Management	Total hours of training	Hours	1,035	1,227	760
	Average Training hours	Hours	16.43	19.17	11.69
Other Employees	Total hours of training	Hours	2,800	2,932	2,836
	Average Training hours	Hours	4.82	4.80	4.72
Total	Total hours of training	Hours	3,979	5,018	3,668
	Total no. of employees	Headcount	656	686	678
	Average Training hours	Hours	6.07	7.31	5.41

⁵ In 2024, we have changed the methodology to calculate turnover rate. Turnover rate for each category = No. of employee turnover in the category/ Total No. of employees in the category at the end of reporting period.

⁶ Turnover rate and average training hours restated based on restated employee number and training information of FY2024

SUSTAINABILITY STATEMENT (Cont'd)

No.	Training Title	Training Date
1	SEMINAR PERATURAN-PERATURAN KESELAMATAN & KESIHATAN PEKERJAAN (KERJA PEMBINAAN) (REKA BENTUK & PENGURUSAN) 2024	05/08/2024
2	WEBINAR ORANG YANG BERWIBAWA (OYB) TONGGAK KELESTARIAN ALAM	20/08/2024
3	2ND CONFERENCE ON DIGITAL TRANSFORMATION JOURNEY - DIGITAL CONSTRUCTION	28/08/2024
4	FORM TO FUTURE – REAL ESTATE FORUM	04/09/2024
5	SEMINAR SERVICE TAX - UPDATES 2025 VOL 1	11/09/2024
6	EMERGENCY RESPONSE PLAN & PREPAREDNESS COMBINE DRILL	11/09/2024 - 12/09/2024
7	BASIC SCAFFOLD INSPECTOR	19/09/2024 - 20/09/2024
8	INTERMEDIATE SCAFFOLD INSPECTOR	21/09/2024 - 22/09/2024
9	ADVANCE SCAFFOLD INSPECTOR	23/09/2024 - 24/09/2024
10	ENVIRONMENTAL MANAGEMENT SYSTEMS (ISO 14001) INTERNAL AUDITOR	24/09/2024 - 25/09/2024
11	BREAK SEKEJAP BERSAMA MOSA MIND, BODY & SCAFFOLD SAFE TALK	26/09/2024
12	COURSE FOR CERTIFICATION ENVIRONMENTAL PROFFESIONAL IN SCRUBBER OPERATION (CePSO)	30/09/2024 - 04/10/2024
13	BASIC SCAFFOLD INSPECTOR	14/10/2024 - 15/10/2024
14	INTERMEDIATE SCAFFOLD INSPECTOR	16/10/2024 - 17/10/2024
15	ADVANCE SCAFFOLD INSPECTOR	18/10/2024 - 19/10/2024
16	SEMINAR ORANG YANG BERWIBAWA (OYB) KE ARAH PEMATUHAN YANG BERTERUSAN	22/10/2024
17	SEMINAR KESELAMATAN DAN KESIHATAN PEKERJAAN KEBANGSAAN 2024	23/10/2024 - 24/10/2024
18	MANDATORY ACCREDITATION PROGEAMME PART II: LEADING FOR IMPACT	28/10/2024 - 29/10/2024
19	BDO TAX SEMINAR ON BUDGET 2025	05/11/2024
20	TAX AND BUSINESS SUMMIT 2025	06/11/2024
21	CERTIFIED SUSTAINABILITY & ESG PRACTITIONER SUMMIT MASTERCLASS	11/11/2024 - 16/11/2024
22	SEMINAR UNDERSTANDING THE NEW NATIONAL SUSTAINABILITY REPORTING FRAMEWORK	18/11/2024
23	UNDERSTANDING THE NEW NATIONAL SUSTAINABILITY REPROTING FRAMEWORK	19/11/2024
24	CEPBFO/CEPSO FIELD TRAINING REPORT(FTR) PREPARATION WORKSHOP FOR EMIS COMPETENCY CERTIFICATE	20/11/2024 - 21/11/2024
25	PENGAJARAN DARI KES MAHKAMAH BIL 2 (2024) PENCEGAHAN KEMALANGAN MELALUI TAULADAN	04/12/2024
26	WEBINAR PENGAJARAN DARI KES MAKAMAHBIL 2/2024. PENCEGAHAN KEMALANGAN MELALUI TAULADAN - ONLINE	04/12/2024
27	7 QC TOOLS	23/12/2024 - 24/12/2024
28	FORUM EKONOMI MALAYSIA BY MINISTRY OF ECONOMY, MALAYSIA	09/01/2025
29	CHEMICAL HANDLING AND SPILL CONTROLL	16/01/2025
30	SIMPOSIUM PENGURUSAN ALAM SEKITAR: PEMERKASAN AKAS (PINDAAN) 2024 PEMANGKIN KELESTARIAN ALAM	21/01/2025 - 22/01/2025
31	NAVIGATING THE NEW TECH RISK FRONTIER: ESSENTIAL GUIDELINES FOR DIRECTOR	24/01/2025
32	CEGAH KONVEKSYEN PENCEGAHAN KEMALANGAN	04/02/2025 - 05/02/2025
33	PUTTING SUSTAINABILITY TO WORK BY MORNINGSTAR	05/02/2025
34	SEMINAR ON GREENHOUSE GAS (GHG) EMISSIONS ACCOUNTING : SCOPE 1, 2 AND 3	18/02/2025
35	SPECIAL LECTURE 2025: HOW GLOBAL EVENTS WILL AFFECT FINANCIAL INDUSTRY IN 2025	19/02/2025
36	OPTIMIZING AND TROUBLESHOOTING AIR POLLUTION CONTROL SYSTEM	19/03/2025 - 20/03/2025
37	OCCUPATIONAL FIRST AID CERTIFICATION WITH AED & CPR SKILL TRAINING	22/04/2025 - 23/04/2025
38	ENVIRONMENTAL MANAGEMENT SYSTEM INTERPRETATION TRAINING	05/05/2025
39	ISO IEC 17025:2017 UNDERSTANDING & IMPLEMENTATION	07/05/2025 - 08/05/2025
40	BURSA MALAYSIA MANDATORY ACCREDITATION PROGRAMME (MAP)	13/05/2025 - 14/05/2025
41	COLLABORATIVE LEADERSHIP FOR A SUSTAINABLE FUTURE	26/05/2025 - 27/05/2025

SUSTAINABILITY STATEMENT (Cont'd)

No.	Training Title	Training Date
42	ENVIRONMENTAL MANAGEMENT SYSTEM (ISO14001) INTERNAL AUDITING TRAINING	26/05/2025 - 27/05/2025
43	ISO IEC 17025:2017 INTERNAL AUDITING	26/05/2025 - 27/05/2025
44	MIA INTERNATIONAL ACCOUNTANTS CONFERENCE 2025	26/05/2025 - 27/05/2025
45	SYSTEMATIC OCCUPATIONAL HEALTH ENHANCEMENT LEVEL PROGRAM (SOHELP) TRAINING	29/05/2025
46	SAFE CHEMICAL HANDLING TRAINING	12/06/2025
47	PANEL MEMBER FOR ICDM-GOIPO MODULE 6 PROGRAMME	18/06/2025
48	OCCUPATIONAL FIRST AID CERTIFICATION WITH AED & CPR SKILL TRAINING	23/06/2025 - 24/06/2025
49	CePSWaM FIELD TRAINING REPORT (FTR) PREPARATION WORKSHOP	25/06/2025 - 26/06/2025
50	HEARING CONSERVATION PROGRAM TRAINING	26/06/2025
51	OPTIMIZING AND TROUBLESHOOTING OF SCRUBBER AND BAG FITTER OPERATION	01/07/2025 - 02/07/2025
52	INVEST ASEAN CONFERENCE BY MAYBANK AND BURSA MALAYSIA	01/07/2025 - 03/07/2025
53	CLIMATE RISK WORKSHOP	21/07/2025
54	EMERGENCY RESPONSE PLAN & PREPAREDNESS COMBINE TRAINING	23/07/2025 - 24/07/2025
55	GOVERNANCE IN AN ERA OF TRADE UNCERTAINTY BY ICDM	25/07/2025
56	OCCUPATIONAL SAFETY AND HEALTH COORDINATOR (OSH COORDINATOR)	28/07/2025 - 30/07/2025
57	HUMAN FACTORS AND ERGONOMIC AWARENESS TRAINING	29/07/2025

Employee Well-being and Benefits

HTVB is dedicated to ensuring our employees' holistic well-being and promoting a healthy work-life balance. We provide a comprehensive benefits package that includes Group Personal Accident, Group Hospital and Surgical healthcare, and disability and invalidity coverage. Beyond these, we offer various professional and personal allowances such as support for professional membership subscriptions, car and travel allowances, meal allowances, attendance allowances, and night shift allowances. To foster a balanced environment and strengthen camaraderie, we regularly organize sporting events and physical fitness programs, including badminton, futsal, football, and bowling.

DIVERSITY

We define Diversity as the practice of fostering a workplace where all individuals, regardless of their background, feel valued, respected, and have equal opportunities to contribute and succeed. This encompasses a broad range of attributes including race, gender, age, ethnicity, cultural background, personal characteristics and professional experience.

We operate in dynamic markets and serve diverse customer bases, a diverse workforce provides us with varied perspectives, innovative thinking, and enhanced local knowledge. It strengthens our talent pipeline, improves decision-making, and builds a resilient, adaptable organisation capable of navigating complex challenges. Our ability to attract, retain, and develop diverse talent is paramount to maintaining our operational excellence and market leadership.

HTVB is deeply committed to providing equal opportunities and fostering a fair working environment for all employees. Our approach to Diversity and Inclusion is integrated into our human resources policies and practices, ensuring non-discrimination across recruitment, promotion, compensation, and training. Our commitment to promoting gender equality and overall diversity is tangible at all levels of employment. The Group strives to manage diversity, equity, and inclusivity across a range of factors such as age, gender, race, nationality, cultural background, and other personal attributes. This is supported by our basic approach to personnel management, which recognises employees as our most valuable assets and aims to foster an environment where skilled and motivated individuals can thrive.

Governance over diversity rests primarily with our Human Resources department, with strategic oversight from senior management. Regular reviews of workforce demographics and related policies are conducted to ensure alignment with our values and regulatory requirements.

In FY2025, HTVB's total workforce slightly decreased to 678 employees, compared to 686 in FY2024 and 656 in FY2023. This growth reflects the Group's expanding operations and the need for additional manpower to support business activities.

SUSTAINABILITY STATEMENT (Cont'd)

Percentage of employees that are contractors or temporary staff				
	Unit	FY2023	FY2024 ⁷	FY2025
Permanent employees	Headcount	636	659	645
	Percentage	97%	96%	95%
Temporary/Contract employees	Headcount	20	27	33
	Percentage	3%	4%	5%

Our workforce continues to be predominantly male, reflecting the traditional nature and physical demands of the steel manufacturing industry. In FY2025, male employees constituted 84% of our total workforce (567 individuals), with female employees at 16% (111 individuals). This overall trend has been stable over the past three years.

Employee profile by gender				
Senior management				
	Unit	FY2023	FY2024 ⁷	FY2025
Total	Headcount	12	11	12
Male	Headcount	12	11	12
	Percentage	100%	100%	100%
Female	Headcount	0	0	0
	Percentage	0%	0%	0%
Middle management				
Total	Headcount	63	64	65
Male	Headcount	42	42	42
	Percentage	67%	66%	65%
Female	Headcount	21	22	23
	Percentage	33%	34%	35%
Other employees				
Total	Headcount	581	611	601
Male	Headcount	495	524	513
	Percentage	85%	86%	85%
Female	Headcount	86	87	88
	Percentage	15%	14%	15%
Consolidated				
Total	Headcount	656	686	678
Male	Headcount	549	577	567
	Percentage	84%	84%	84%
Female	Headcount	107	109	111
	Percentage	16%	16%	16%

⁷ FY2024 employee numbers have been restated

SUSTAINABILITY STATEMENT (Cont'd)

Our workforce demonstrates a healthy distribution across age groups, with a strong presence of employees in the 30-50 age bracket, indicating an experienced and stable core.

Employee profile by age (X = age)				
Senior management				
	Unit	FY2023	FY2024 ⁷	FY2025
Total	Headcount	12	11	12
X < 30	Headcount	1	1	1
	Percentage	8%	9%	8%
30 <= x <= 50	Headcount	1	1	2
	Percentage	8%	9%	17%
X > 50	Headcount	10	9	9
	Percentage	83%	82%	75%
Middle management				
Total	Headcount	63	64	65
X < 30	Headcount	1	2	1
	Percentage	2%	3%	1%
30 <= x <= 50	Headcount	43	44	44
	Percentage	68%	69%	68%
X > 50	Headcount	19	18	20
	Percentage	30%	28%	31%
Other employees				
Total	Headcount	581	611	601
X < 30	Headcount	196	192	179
	Percentage	34%	31%	30%
30 <= x <= 50	Headcount	303	334	334
	Percentage	52%	55%	55%
X > 50	Headcount	82	85	88
	Percentage	14%	14%	15%
Consolidated				
X < 30	Headcount	198	195	181
	Percentage	30%	29%	27%
30 <= x <= 50	Headcount	347	379	380
	Percentage	53%	55%	56%
X > 50	Headcount	111	112	117
	Percentage	17%	16%	17%

⁷ FY2024 employee numbers have been restated

SUSTAINABILITY STATEMENT (Cont'd)

Our workforce's ethnic diversity, excluding foreign workers, broadly reflects the demographic composition of Malaysia, ensuring a representative and locally attuned team.

Employees by Gender, Age and Ethnicity			
	FY2023	FY2024 ⁷	FY2025
Employees by gender			
Male	549	577	567
	84%	84%	84%
Female	107	109	111
	16%	16%	16%
Employees by age			
X < 30	198	195	181
	30%	29%	27%
30 < x < 50	347	379	380
	53%	55%	56%
X > 50	111	112	117
	17%	16%	17%
Employees by ethnicity			
Bumiputera	293	326	338
	45%	48%	50%
Chinese	125	128	126
	19%	19%	19%
Indian	12	14	15
	2%	2%	2%
Others	226	218	199
	34%	31%	29%
Total	656	686	678

COMMUNITY AND SERVICE

We strive to be a good partner and a positive force in our local communities. We improve the communities in which we operate through volunteer service and donations. HTVB also provides financial support to charitable organisations through donations and sponsorships. We consistently encourage our employees and their families to enhance themselves through continuing education, and we offer annual education allowances for employees' children to purchase books and other educational materials. Additionally, in 2022 and 2023, we provided flood relief, with a total donation of RM221,700 over two years, benefiting over two thousand people. In FY2025 and FY2024, we had no local community initiatives, however we are committed to support them and are planning initiatives.

⁷ FY2024 employee numbers have been restated

SUSTAINABILITY STATEMENT (Cont'd)

PROTECTING ENVIRONMENT

Energy Consumption

Energy Consumption refers to the total amount of energy HTVB uses across all its operations. This encompasses both direct energy sources (e.g., diesel for machinery, vehicles) and indirect energy sources (e.g., purchased electricity). Our processes are inherently energy intensive. Efficient energy management is crucial for mitigating rising energy costs, reducing greenhouse gas (GHG) emissions, ensuring operational resilience, and maintaining our competitive advantage in a market increasingly valuing sustainable practices.

As part of our continuous efforts to enhance energy efficiency, HTVB has implemented several initiatives across our operations. We have completed the transition to energy-efficient Light-Emitting Diode (LED) lighting, replacing all spotlights and fluorescent tubes in our factories, offices, and street lighting. This initiative not only reduces energy consumption but also delivers significant long-term cost savings.

In FY2025, we successfully completed the installation of a rooftop solar photovoltaic (PV) system across Alpine's factories. The system, fully energized under the Net Energy Metering (NEM) mode since 1 March 2025, has a designed capacity of 4,681 kWp, expected to generate approximately 6,380,000 kWh of electricity annually. For the first year, we are targeting generation of at least 90% of the designed capacity, which translates into estimated electricity cost savings of 40% to 48%, depending on production volumes.

To further maximize the benefits of renewable energy, a staggered lunch schedule was introduced in May 2025 at Factory 4 of Alpine, enabling greater utilization of solar energy generated during prime daylight hours. These initiatives reflect our commitment to operational efficiency, cost savings, and carbon footprint reduction.

The integration of solar power into our energy mix underscores our dedication to renewable energy sources and reducing our carbon footprint. This solar initiative is expected to further enhance our energy efficiency, while also supporting our broader environmental objectives. In FY2025, our energy consumption from diesel was 2,393 MWh⁸ and from grid electricity consumption was 9,793 MWh. Our total electricity consumption, including electricity usage from solar PV system is 12,898 MWh.

Total energy consumption				
	Unit	FY2023	FY2024 ⁹	FY2025
Diesel	Litres	162,025	200,859	224,992
Grid Electricity/ Consumption	kWh	10,984,353	13,529,523	9,792,894
Total Energy ¹⁰	MWh	12,707.66	15,665.88	12,185.93

To reinforce our commitment to energy conservation, HTVB has set an ambitious target of sourcing 40% electricity consumption of Alpine Pipe Manufacturing from renewable sources by 2030. This goal reflects our proactive approach to sustainability and our determination to continuously improve our energy performance. We are committed to implementing and refining practices that will help us achieve this target, contributing to both environmental stewardship and cost efficiency.

Carbon Emissions

At HTVB, as a manufacturing concern, we closely monitoring air emissions and energy consumption, as these are significant contributors to pollution from our operations. In line with Malaysia's aspirations to achieve climate neutrality by 2050, we are committed to integrating sustainability into our daily business activities. Our efforts in carbon management include the implementation of fume scrubbers, air emission control systems, and monitoring mechanisms to mitigate the impact of our operations on the environment.

We are guided by our Environmental Policy, which reflects our commitment to ensuring a safe and environmentally responsible workplace while minimising our potential impact on the environment. The Policy emphasises pollution prevention and compliance with all relevant environmental legislation and customer expectations. We continuously promote environmental awareness among our employees and encourage them to adopt environmentally responsible work practices. We are committed to reduce our emissions and improve the efficiency of our operations.

We calculated our greenhouse gas (GHG) emissions for both Scope 1 and Scope 2, using the GHG Protocol. This data has been integrated into our carbon emissions declaration, reflecting our commitment to transparency and sustainability.

⁸ Based on eia.gov calculations

⁹ We have restated the FY2024 diesel consumption from 160,963 Litres to 200,859 Litres. Due to this restatement the total energy and emission have also been restated accordingly

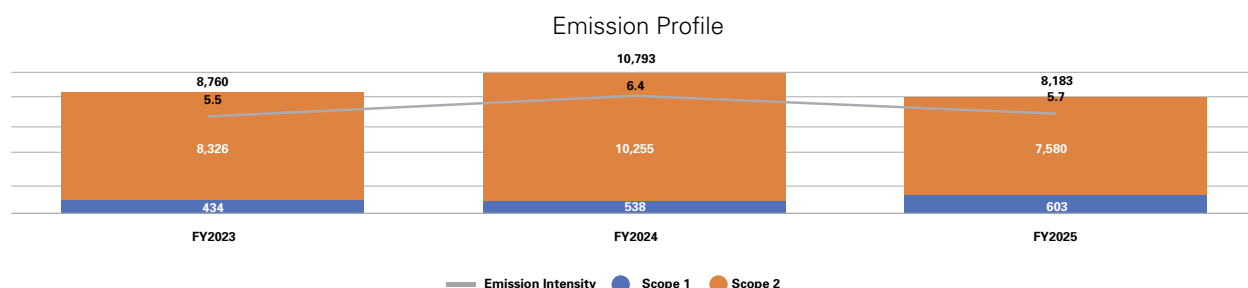
¹⁰ Include fuel and electricity consumption

SUSTAINABILITY STATEMENT (Cont'd)

Scope 1 emissions are direct GHG emissions generated from sources that are owned or controlled by HTVB, primarily through fuel consumption. In FY2025, we recorded a total diesel consumption of 224,992 litres, 12% increase from the 200,859 litres consumed in FY2024. The increase in diesel usage has directly contributed to the higher of our Scope 1 emissions. Whereas Scope 2 emissions are indirect GHG emissions associated with the production and consumption of electricity. In FY2025, our total grid electricity consumption was 9,792,893 kWh, reflecting a 28% decrease compared to FY2024 due to usage of electricity from solar PV system. The decrease in scope 2 emissions in FY2025 is attributed to usage of green energy.

Total Emissions ^{11 12}				
	Unit	FY2023	FY2024 ⁹	FY2025
Scope 1 Emissions	tCO2e	434	538	603
Scope 2 Emissions	tCO2e	8,326	10,255	7,580
Total Emissions	tCO2e	8,760	10,793	8,183
Emission Intensity (Scope 1 + Scope 2 emissions / Total revenue)	tCO2e / RM million	5.5	6.4	5.7

The carbon emission intensity, calculated as the total of Scope 1 and Scope 2 emissions divided by total revenue, was 5.7 tonnes of CO2 equivalent per RM million of revenue in FY2025. While the intensity decreased slightly from previous year's intensity, we will continue our ongoing efforts to reduce our carbon footprint relative to our business growth.



HTVB is committed to continuing these efforts, with a goal of reducing scope 2 emission by sourcing renewable energy. By doing so, we aim to contribute to global and national targets for carbon reduction while ensuring the sustainability of our operations.

Waste Management

HTVB is committed to managing waste responsibly in accordance with the Environmental Quality Act of 1974 (EQA 1974). We recognise that proper waste handling and disposal play a crucial role in mitigating environmental risks and safeguarding community health. To this end, we have established a comprehensive waste management framework that ensures regulatory compliance while advancing our sustainability goals.

⁹ We have restated the FY2024 diesel consumption from 160,963 Litres to 200,859 Litres. Due to this restatement the total energy and emission have also been restated accordingly

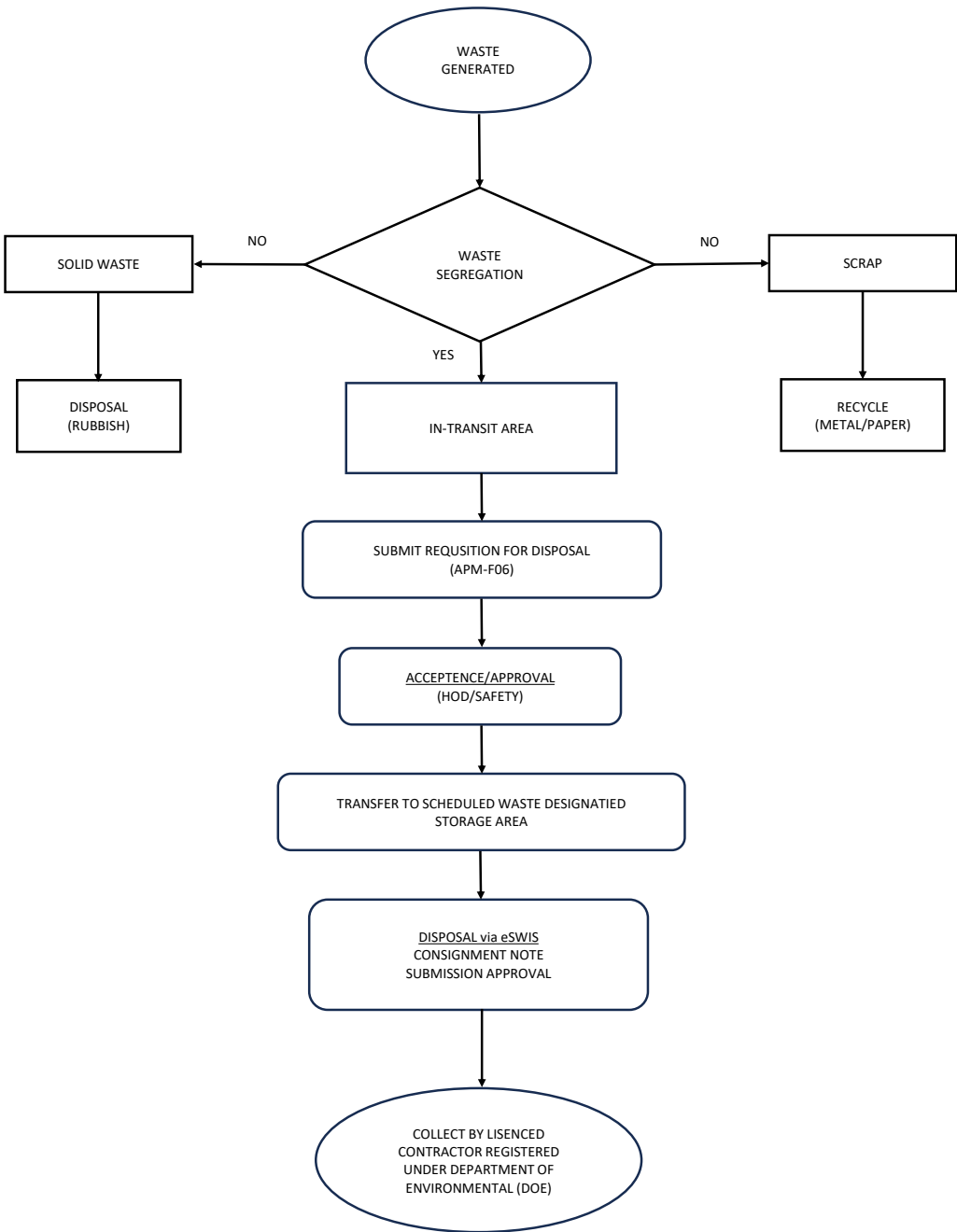
¹¹ Scope 2 emissions of FY2023 and FY2024 based on Grid Emission factor for Peninsular Malaysia for year 2021 by Energy Commission, FY2025 Scope 2 emissions based on Grid Emission factor for Peninsular Malaysia for year 2022 by Energy Commission

¹² Emission factors are sourced from World Resource Institute (2015). GHG Protocol tool for stationary combustion. Version 4.1 and Grid Emission factor for Peninsular Malaysia for year 2021 by Energy Commission

SUSTAINABILITY STATEMENT (Cont'd)

Our waste management framework covers the full lifecycle of waste—from generation and segregation to treatment, recycling, and final disposal—with all activities duly reported to the Department of Environment (DOE). The process flow, as illustrated in the diagram below, outlines the step-by-step approach adopted to ensure accountability and traceability in waste management practices.

WASTE MANAGEMENT FLOWCHART



SUSTAINABILITY STATEMENT (Cont'd)

The scheduled waste generated by Alpine and Huatraco is classified as hazardous waste under the Environmental Quality (Scheduled Wastes) Regulations. These wastes include metal-containing sludge, spent oils (lubricating, hydraulic, and emulsion), non-organic used acids, contaminated soil and debris from chemical or oil spills, as well as containers, rags, plastics, and filters contaminated with hazardous substances. In addition, waste streams also comprise sludges and off-specification products from inks, paints, pigments, and coatings containing organic solvents. Each category of waste is handled, stored, and disposed of in strict compliance with Department of Environment (DOE) requirements, ensuring safe and responsible management throughout its lifecycle.

In line with our sustainability commitment, we are actively working to minimise overall waste generation across our operations. We continue to embed recycling concepts throughout our supply chains, focusing on reusing, repurposing, and recycling materials wherever feasible. This approach not only reduces the total waste volume but also contributes to resource efficiency and the conservation of natural reserves.

We continuously monitor and report our scheduled waste performance. Over the last three years, our performance is as follows:

Total waste generated (Bursa C10a; GRI 306)				
	Unit	FY2023	FY2024	FY2025
a. Total waste diverted from disposal (reused, recycled or other recovery operation)	Metric tonnes	15.28	20.17	15.85
b. Total waste directed to disposal	Metric tonnes	89.60	198.16	162.98
Total waste generated (a+b)	Metric tonnes	104.88	218.33	178.83

We achieved a steady improvement in the volume of waste diverted from disposal, reflecting the effectiveness of our recycling and recovery efforts. To further strengthen our environmental stewardship, HTVB has set a target to reduce total waste generation by 10% against FY2025 levels in the next reporting year. This commitment underscores our dedication to continuous improvement in sustainable resource management and waste reduction.

Water Consumption

Steel production is inherently water-intensive, particularly in processes such as chilling and descaling. At HTVB, we acknowledge the importance of efficient water management in reducing operational impacts and conserving natural resources. To this end, we consistently monitor water consumption across all subsidiaries and conduct periodic reviews of processes and equipment that exhibit unusually high levels of water use.

Over the past three years, we have gradually reduced both total water consumption and intensity. While FY2024 recorded a slight increase compared to FY2023, usage declined in FY2025 to 39.74 megalitres with an intensity of 0.028, reflecting progress in our efficiency efforts. One of our key initiatives is the introduction of rainwater harvesting activity that channel collected rainwater into storage tanks for use in high water-consumption processes. This reduces reliance on municipal sources while supporting more sustainable operations.

In FY2025, zero incidents of non-compliance with water quality/quantity permits, standards and regulations.

Total volume of water used				
	Unit	FY2023	FY2024	FY2025
Total water consumption	Megalitres	45.911	56.065	39.74
Water consumption intensity (Total water consumption / Total revenue)	Total Water Used / Revenue (RM mil)	0.029	0.033	0.028

SUSTAINABILITY STATEMENT (Cont'd)

Climate related disclosures

In alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and ISSB, HTVB has taken proactive steps to identify, assess, and manage climate-related risks and opportunities that may materially affect our business operations, supply chains, and long-term strategy.

As part of this effort, we conducted a Climate Risk Workshop with Executive Directors and senior management to map out key risks and opportunities arising from climate change. This process has enabled us to embed climate considerations into our enterprise risk management framework and inform our transition planning.

Our risk assessment covers both physical and transition risks, categorised by Risk Rating, and time horizon. To manage these risks, HTVB has introduced a range of organisational, operational, and compliance initiatives:

Risks	Risk Rating	Time Horizon	Mitigation measures
Extreme weather events, such as Intense Precipitation, Storm, Floods, etc	Moderate	Long Term	<ul style="list-style-type: none"> Disaster Task Force established with SOPs, defined roles, and communication protocols to minimise business disruption. Emergency Preparedness Training conducted by DOSH-registered consultants, covering environmental and climate-related hazards, safety, and compliance requirements.
Water Stress & Heat Stress	Moderate	Long Term	
Increased compliance related to climate regulations	Moderate	Medium Term	<ul style="list-style-type: none"> Internal Environmental Auditors appointed to conduct random compliance checks and ensure continuous alignment with regulatory requirements
Cost to transition to lower emission technology	Extreme	Short Term	<ul style="list-style-type: none"> Phased Upgradation of Electrical Equipment to more efficient, climate-friendly alternatives Utilised Green Incentive Tax Allowance for rooftop solar system granted by MGTC
Increased cost of raw material	Extreme	Short Term	<ul style="list-style-type: none"> Green Material Substitution initiatives underway to source certified green-labelled input materials Started to procure Hot Rolled Coil (HRC) locally from February 2025.
Increased stakeholder concern	High	Short Term	<ul style="list-style-type: none"> ISO 14001 Certification achieved by Alpine (subsidiary) on 12 February 2025. Green Product Development initiatives to explore environmentally friendly products and align with stakeholder expectations

SUSTAINABILITY STATEMENT (Cont'd)

Opportunity Category	Current Initiatives	Identified Opportunities
Resource Efficiency	<ul style="list-style-type: none"> Rainwater harvesting systems at Meru and Klang plants, water primarily utilised for cooling tower water pit top-ups and the cement lining process as a medium for concrete mixing LED lighting retrofits across major operational areas with total cost of around RM 1.1 million resulted in around 2% annual energy saving 	<ul style="list-style-type: none"> Smart Metering & Controls: Flow and energy sensors to detect inefficiencies and enable predictive maintenance. High-Efficiency Equipment: Upgrade to next-generation motors and variable-speed drives for conveyors, cranes, and HVAC.
Energy Source	<ul style="list-style-type: none"> On-site solar PV systems with a total capacity of 4,681 kWp at Alpine Pipe Manufacturing, Meru. As at 6 Jun2025, the second unit of EURO 5 prime mover is in operation making a total of five (5) units EURO engine prime mover out of a fleet of 10 units. 	<ul style="list-style-type: none"> The primary benefits of solar panels include reduced or eliminated electricity bills, lower reliance on non-renewable energy sources, energy independence, low maintenance and a positive environmental impact through decreased pollution and carbon emissions. Solar power systems also offer a significant return on investment over their lifespan, with options for incentives, rebates, and selling excess energy back to the grid.
Products & Services	<ul style="list-style-type: none"> ISO 14001 EMS certification to ensure systematic monitoring and improvement Green steel procurement through certified low-carbon scrap sourcing 	<ul style="list-style-type: none"> Equipment Modernisation: Invest in new energy-efficient machinery to replace aging assets Cleaner Production Processes: Strengthen environmental controls to meet green steel certification standards

HTVB will continue to refine its climate strategy by integrating scenario analysis, enhancing climate resilience in operations, and pursuing opportunities in low-carbon technologies and products. We are committed to aligning our transition planning with global best practices and stakeholder expectations, thereby supporting our long-term sustainability and competitiveness.

MOVING FORWARD

HTVB recognises the global warming and various environmental issues, and the world's collective efforts to mitigate climate change by aiming to limit the increase in the global average temperature to less than 2 degrees Celsius above pre-industrial levels. Our Board of Directors acknowledges that as a company, we bear significant responsibility. In appropriate circumstances, we will incorporate climate change strategies into the group's business strategies and establish relevant goals for reducing our carbon footprint, aligning our business value creation with a low-carbon economy and complying with national environmental policy guidelines.

SUSTAINABILITY STATEMENT (Cont'd)

DATA TABLE

Economic

Proportion of spending on local suppliers (Bursa C7a; GRI 204)				
	Unit	FY2023	FY2024	FY2025
Spending on local suppliers	Percentage	57%	48%	64%
Revenue	RM'000	1,585,208	1,683,207	1,437,148

Environmental

Electricity consumption (Bursa C4a; GRI 302-1a, 302-1b;)				
	Unit	FY2023	FY2024	FY2025
Total Electricity Consumption	kWh	10,984,353	13,529,523	9,792,894

Consumption of fuel (GRI 302-1a, 302-1b)				
	Unit	FY2023	FY2024*	FY2025
Petrol	Litres	0	0	0
Diesel Consumption	Litres	162,025	200,859	224,992

Total volume of water used (Bursa C9a; GRI 303-1)				
	Unit	FY2023	FY2024	FY2025
Total volume of water used	Megalitres	45.911	56.065	39.74
Water Intensity	Total Water Used / Revenue (RM mil)	0.029	0.033	0.028

GHG Scope 1, 2, 3 emissions* (Bursa C11a, C11b; GRI 305-1, 305-2)				
	Unit	FY2023	FY2024*	FY2025
Scope 1 emissions	tonnes of CO ₂ e	434	538	603
Scope 2 emissions	tonnes of CO ₂ e	8,326	10,255	7,580
Total Emissions	tonnes of CO ₂ e	8,760	10,793	8,183

GHG Intensity (GRI 305-4)				
	Unit	FY2023	FY2024	FY2025
Total Emission Intensity	tonnes of CO ₂ e/Revenue (RM mil)	5.5	6.4	5.7

Total waste generated (Bursa C10a; GRI 306)				
	Unit	FY2023	FY2024	FY2025
Total waste diverted from disposal (reused, recycled or other recovery operation)	Metric tonnes	15.28	20.17	15.85
Total waste directed to disposal	Metric tonnes	89.60	198.16	162.98
Total waste generated (a+b)	Metric tonnes	104.88	218.33	178.83

Confirmed incidents of violation against environmental compliance				
	Unit	FY2023	FY2024	FY2025
Number of cases against environmental regulations	Number	0	0	0

SUSTAINABILITY STATEMENT (Cont'd)

Employee Profile

Employee profile by gender (Bursa C3a)

Senior management

	Unit	FY2023	FY2024*	FY2025
Total	Headcount	12	11	12
Male	Headcount	12	11	12
	Percentage	100%	100%	100%
Female	Headcount	0	0	0
	Percentage	0%	0%	0%

Middle management

Total	Headcount	63	64	65
Male	Headcount	42	42	42
	Percentage	67%	66%	65%
Female	Headcount	21	22	23
	Percentage	33%	34%	35%

Other employees

Total	Headcount	581	611	601
Male	Headcount	495	524	513
	Percentage	85%	86%	85%
Female	Headcount	86	87	88
	Percentage	15%	14%	15%

Employee profile by age (X = age)

Senior management

Total	Headcount	12	11	12
X < 30	Headcount	1	1	1
	Percentage	8%	9%	8%
30 <= x <= 50	Headcount	1	1	2
	Percentage	8%	9%	17%
X > 50	Headcount	10	9	9
	Percentage	83%	82%	75%

Middle management

Total	Headcount	63	64	65
X < 30	Headcount	1	2	1
	Percentage	2%	3%	1%
30 <= x <= 50	Headcount	43	44	44
	Percentage	68%	69%	68%
X > 50	Headcount	19	18	20
	Percentage	30%	28%	31%

Other employees

Total	Headcount	581	611	601
X < 30	Headcount	196	192	179
	Percentage	34%	31%	30%
30 <= x <= 50	Headcount	303	334	334
	Percentage	52%	55%	55%
X > 50	Headcount	82	85	88
	Percentage	14%	14%	15%

SUSTAINABILITY STATEMENT (Cont'd)

Percentage of employees that are contractors or temporary staff (Bursa C6b; GRI 401)				
	Unit	FY2023	FY2024*	FY2025
Permanent employees	Headcount	636	659	645
	Percentage	97%	96%	95%
Temporary/Contract employees	Headcount	20	27	33
	Percentage	3%	4%	5%
Employee profile by ethnicity				
	Unit	FY2023	FY2024*	FY2025
Bumiputera	Headcount	293	326	338
	Percentage	45%	48%	50%
Chinese	Headcount	125	128	126
	Percentage	19%	19%	19%
Indian	Headcount	12	14	15
	Percentage	2%	2%	2%
Others	Headcount	226	218	199
	Percentage	34%	31%	29%
Total	Headcount	656	686	678
Percentage of directors by gender (Bursa C3b; GRI 405-1a)				
	Unit	FY2023	FY2024*	FY2025
Total	Headcount	8	8	9
Male	Headcount	7	7	8
	Percentage	87%	87%	89%
Female	Headcount	1	1	1
	Percentage	13%	13%	11%
Percentage of directors by age group (X = age) (GRI 405-1a)				
Total	Headcount	8	8	9
X<30	Headcount	0	0	1
	Percentage	0%	0%	11%
30 ≤ X ≤ 50	Headcount	1	1	1
	Percentage	13%	13%	11%
X>50	Headcount	7	7	7
	Percentage	87%	87%	78%

SUSTAINABILITY STATEMENT (Cont'd)

New Hire and Turnover

New hire rate by age (X = age) (GRI 401-1a)

		Unit	FY2023	FY2024*	FY2025
X < 30	New Hires	Headcount	82	64	43
	Total No. of employees (X < 30)	Headcount	198	195	181
	New Hire Rate	Percentage	41%	33%	24%
30 <= x <= 50	New Hires	Headcount	74	28	32
	Total No. of employees (30 to 50)	Headcount	347	379	380
	New Hire Rate	Percentage	21%	7%	8%
X > 50	New Hires	Headcount	3	6	6
	Total No. of employees (X>50)	Headcount	111	112	117
	New Hire Rate	Percentage	3%	5%	5%
Total	New Hires	Headcount	159	98	81
	Total No. of employees	Headcount	656	686	678
	New Hire Rate	Percentage	24%	14%	12%

New hire rate by gender (GRI 401-1a)

		Unit	FY2023	FY2024*	FY2025
Male	New Hires	Headcount	149	86	68
	Total No. of employees (Male)	Headcount	549	577	567
	New Hire Rate	Percentage	27%	15%	12%
Female	New Hires	Headcount	10	12	13
	Total No. of employees (Female)	Headcount	107	109	111
	New Hire Rate	Percentage	9%	11%	12%

Total number of employee turnover by employee category (Bursa C6c)

		Unit	FY2023	FY2024*	FY2025
Senior Management	No. of Turnover	Headcount	0	0	1
	Total No. of Senior Managers	Headcount	12	11	12
	Turnover Rate	Percentage	0%	0%	8%
Middle Management	No. of Turnover	Headcount	2	8	8
	Total No. of Middle Managers	Headcount	63	64	65
	Turnover Rate	Percentage	3%	13%	12%
Other Employees	No. of Turnover	Headcount	92	60	80
	Total No. of Other Employees	Headcount	581	611	601
	Turnover Rate	Percentage	16%	10%	13%

Employee turnover by age (X = age) (GRI 401-1b)

		Unit	FY2023	FY2024*	FY2025
X < 30	No. of Turnover	Headcount	43	27	34
	Total No. of employees (X < 30)	Headcount	198	195	181
	Turnover Rate	Percentage	22%	14%	19%

SUSTAINABILITY STATEMENT (Cont'd)

Employee turnover by age (X = age) (GRI 401-1b)					
		Unit	FY2023	FY2024*	FY2025
30 <= x <= 50	No. of Turnover	Headcount	40	31	45
	Total No. of employees (30 to 50)	Headcount	347	379	380
	Turnover Rate	Percentage	12%	8%	12%
X > 50	No. of Turnover	Headcount	11	10	10
	Total No. of employees (X>50)	Headcount	111	112	117
	Turnover Rate	Percentage	10%	9%	9%
Total	No. of Turnover	Headcount	94	68	89
	Total No. of employees (X < 30)	Headcount	656	686	678
	Turnover Rate	Percentage	14%	10%	13%

Employee turnover by gender (GRI 401-1b)					
		Unit	FY2023	FY2024*	FY2025
Male	No. of Turnover	Headcount	84	59	76
	No. of employees (Male)	Headcount	549	577	567
	Turnover Rate	Percentage	15%	10%	13%
Female	No. of Turnover	Headcount	10	9	13
	Total No. of employees (Female)	Headcount	107	109	111
	Turnover Rate	Percentage	9%	8%	12%

Occupational Health and Safety

Number of work-related fatalities (Bursa C5a; GRI 403-9)					
	Unit	FY2023	FY2024	FY2025	
Number of work-related fatalities	Number	0	0	0	

Lost time incident rate (Bursa C5b)					
	Unit	FY2023	FY2024	FY2025	
a. Number of lost time injuries in the reporting period	Number	19	15	15	
b. Total number of hours worked by all employees in the reporting period	Hours	1,706,000	1,874,460	2,064,570	
c. LTIR (=a/b *200,000)	Number	2.22	1.60	1.45	

Number of employees trained on health and safety standards (Bursa C5c)					
	Unit	FY2023	FY2024	FY2025	
Number of employees trained on health and safety standards	Number	97	470	602	

SUSTAINABILITY STATEMENT (Cont'd)

Other Social Indicators

Total hours of training by employee category (Bursa C6a; GRI 404)

		Unit	FY2023	FY2024*	FY2025
Senior Management	Total hours of training	Hours	144	859	72
	Total no. of senior managers	Headcount	12	11	12
	Average Training hours	Hours	12.00	78.09	6.00
Middle Management	Total hours of training	Hours	1,035	1,227	760
	Total no. of middle managers	Headcount	63	64	65
	Average Training hours	Hours	16.43	19.17	11.69
Other Employees	Total hours of training	Hours	2,800	2,932	2,836
	Total no. of other employees	Headcount	581	611	601
	Average Training hours	Hours	4.82	4.80	4.72
Total	Total hours of training	Hours	3,979	5,018	3,668
	Total no. of employees	Headcount	656	686	678
	Average Training hours	Hours	6.07	7.31	5.41

Number of substantiated complaints concerning data security (Bursa C8a; GRI 418)

	Unit	FY2023	FY2024	FY2025
Number of substantiated complaints	Number	0	0	0

Number of substantiated complaints concerning human rights violations (Bursa C6d)

	Unit	FY2023	FY2024	FY2025
Number of substantiated complaints	Number	0	0	0

SUSTAINABILITY STATEMENT (Cont'd)

Anti-corruption

Percentage of employees who have received training on anti-corruption by employee category (Bursa C1a; GRI 205-2e)					
		Unit	FY2023	FY2024*	FY2025
Senior Management	Number of received	Headcount	0	8	0
	Total no. of senior managers	Headcount	12	11	12
	Percentage	Percentage	0%	73%	0%
Middle Management	Number of received	Headcount	0	6	0
	Total no. of middle managers	Headcount	63	64	65
	Percentage	Percentage	0%	9%	0%
Other Employees	Number of received	Headcount	0	17	0
	Total no. of other employees	Headcount	581	611	601
	Percentage	Percentage	0%	3%	0%
Anti-Corruption (Bursa C1c; GRI 205-3a)					
		Unit	FY2023	FY2024	FY2025
Number of confirmed incidents of corruption		Number	0	0	0
Percentage of operations assessed for corruption-related risks		Percentage	0%	0%	0%

* We have restated diesel consumption and employee numbers for FY2024.

GRI CONTENT INDEX

Hiap Teck Venture Berhad has reported the information cited in the GRI content index for the period from 1 August 2024 to 31 July 2025 with reference to the GRI Standards.

GRI Standards	Disclosure	Page
	Universal Standards	
GRI 2: General Disclosures 2021	2-2: Entities included in the organisation's sustainability reporting	43
	2-3: Reporting period, frequency and contact point	43
	2-7: Employees	54-63
	2-12: Role of the highest governance body in overseeing the management of impacts	43,44,45
	2-13: Delegation of responsibility for managing impacts	43,44,45
	2-14: Role of the highest governance body in sustainability reporting	43,44,45
	2-27: Compliance with laws and regulations	50,51,52
	2-28: Membership associations	48
	2-29: Approach to stakeholder engagement	45,46
GRI 3: Material Topics 2021	3-1: Process to determine material topics	47,48
	3-2: List of material topics	47,48
	3-3: Management of material topics	47-69
	200 series (Economic topics)	
GRI 205: Anti-corruption 2016	205-1: Operations assessed for risks related to corruption	49-50
	205-2: Communication and training about anti-corruption policies and procedures	49-50
	205-3: Confirmed incidents of corruption and actions taken	49-50
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	53

SUSTAINABILITY STATEMENT (Cont'd)

GRI Standards	Disclosure	Page
	300 series (Environmental topics)	
GRI 302: Energy 2016	302-1: Energy consumption within the organisation	64,65
	302-3: Energy intensity	64,65
GRI 303: Water and Effluents 2018	303-5: Water consumption	67
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	64,65
	305-2: Energy indirect (Scope 2) GHG emissions	64,65
	305-4: GHG emissions intensity	64,65
GRI 306: Waste 2020	306-3: Waste generated	65,66,67
	400 series (Social topics)	
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	57,58
GRI 403: Occupational Health and Safety 2018	403-9: Work-related injuries	55
GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	58
GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	60,61,62,63
GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	53

SUSTAINABILITY STATEMENT (Cont'd)

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2025
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	0.00
Middle Management	Percentage	0.00
Other Employees	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	8.00
Senior Management Between 30-50	Percentage	17.00
Senior Management Above 50	Percentage	75.00
Middle Management Under 30	Percentage	1.00
Middle Management Between 30-50	Percentage	68.00
Middle Management Above 50	Percentage	31.00
Other Employees Under 30	Percentage	30.00
Other Employees Between 30-50	Percentage	55.00
Other Employees Above 50	Percentage	15.00
Gender Group by Employee Category		
Senior Management Male	Percentage	100.00
Senior Management Female	Percentage	0.00
Middle Management Male	Percentage	65.00
Middle Management Female	Percentage	35.00
Other Employees Male	Percentage	85.00
Other Employees Female	Percentage	15.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	89.00
Female	Percentage	11.00
Under 30	Percentage	11.00
Between 30-50	Percentage	11.00
Above 50	Percentage	78.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	12,186.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.45
Bursa C5(c) Number of employees trained on health and safety standards	Number	602
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	72
Middle Management	Hours	760
Other Employees	Hours	2,836
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	5.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	1
Middle Management	Number	8
Other Employees	Number	80
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		

SUSTAINABILITY STATEMENT (Cont'd)

PERFORMANCE DATA TABLE (Cont'd)

Indicator	Measurement Unit	2025
Bursa C7(a) Proportion of spending on local suppliers	Percentage	64.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	39.740000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	178.83
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	15.85
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	162.98
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	603.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	7,580.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	No Data Provided

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2025

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 July 2025.

Principal activities

The Company is principally engaged in investment and property holdings and the provision of management services whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	109,115	13,883
Non-controlling interests	1,190	-
	110,305	13,883

Reserves and provisions

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

Dividends

Since the end of the previous financial year, the Company paid a single tier final dividend of 0.5 sen per ordinary share totaling RM8,711,150 in respect of financial year ended 31 July 2024 on 17 January 2025.

The first and final single tier dividend recommended by the Directors in respect of the financial year ended 31 July 2025 is 0.5 sen per ordinary share estimated at approximately RM8,711,150. This dividend will be recognised in subsequent financial period upon approval by the shareholders of the Company at the forthcoming Annual General Meeting.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun
Tan Sri Dato' Seri Law Tien Seng
Sherman Lam Yuen Suen
Chen Thien Yin
Dato' Ooi Lay See
Foo Kok Siew
Tan Shau Ming
Law Wai Cheong
Law Wai Ho (Appointed on 28 March 2025)

Directors of the Company's subsidiaries

Directors who served in the Company's subsidiaries that are not Directors in the Company during the financial year until the date of this report are:

Chew Sow Yong
Tan Yuen Hong
Hoo Weng Keong
Chan Kong Ming
Wang Shenghua

DIRECTORS' REPORT (Cont'd)

Directors' interests in shares

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	At 1.8.2024	Number of ordinary shares		At 31.7.2025
		Bought	Sold	
Deemed interests in the Company:				
Tan Sri Dato' Seri Law Tien Seng				
– own	492,713,324	-	-	492,713,324
Tan Shau Ming				
– own	400,000	-	-	400,000
– other*	968,000	-	-	968,000

*Interest in shares held by Director's spouse pursuant to Section 59(11)(c) of the Companies Act 2016.

By virtue of their interests in the shares of the Company, Tan Sri Dato' Seri Law Tien Seng is deemed interested in the shares of the subsidiaries during the financial year to the extent that Hiap Teck Venture Berhad has an interest.

None of the other Directors holding office at 31 July 2025 had any interest in the shares and options over shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) 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.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 July 2025 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	420	-
Remuneration	11,798	571
Other short-term employee benefits	1,987	68
Trading between companies in which certain Directors who have significant interests and certain companies in the Group in the ordinary course of business	807	336,094
	15,012	336,733

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT (Cont'd)

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year. There were also no debentures issued during the financial year.

Treasury shares

As at 31 July 2025, a total of 5,492,000 buy-back shares were held as treasury shares and carried at cost.

The shares repurchased are being held as treasury shares in accordance with Section 127 (4)(b) of the Companies Act 2016.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

During the financial year, Directors and Officers of the Company, together with its subsidiaries are covered under the Directors' and Officers' Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Group subject to the terms of the policy. The total amount of Directors' and Officers' Liability Insurance effected for the Directors and Officers of the Group was RM20 million. The total amount of premium paid for the Directors' and Officers' Liability Insurance by the Company was RM21,945.

There were no indemnity and insurance effected for auditors of the Group during the financial year.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

DIRECTORS' REPORT (Cont 'd)

Other statutory information (continued)

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group 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 as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 July 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and of the Company during the financial year are RM552,600 and RM195,500 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Tan Sri Dato' Seri Law Tien Seng

Director

.....
Foo Kok Siew

Director

Kuala Lumpur

Date: 3 November 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 JULY 2025

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Assets					
Property, plant and equipment	3	344,069	303,243	3,672	3,648
Right-of-use assets	4	1,279	3,252	1,279	3,252
Investment properties	5	57,224	9,869	89,202	90,554
Investments in subsidiaries	6	-	-	94,212	94,212
Interest in equity accounted investments	7	863,262	724,871	771,075	771,075
Other investments	8	140	140	-	-
Other receivables	9	-	34,745	17,319	19,928
Deferred tax assets	14	15,963	4,737	-	-
Total non-current assets		1,281,937	1,080,857	976,759	982,669
Inventories	10	400,160	492,074	-	-
Current tax assets		12,107	11,304	-	-
Trade and other receivables	9	293,235	412,574	20,989	3,746
Other investments	8	3,049	4,728	1,113	1,076
Derivative financial assets	11	389	244	-	-
Cash and cash equivalents	12	94,974	93,881	1,157	1,414
Total current assets		803,914	1,014,805	23,259	6,236
Total assets		2,085,851	2,095,662	1,000,018	988,905
Equity					
Share capital	13	872,654	872,654	872,654	872,654
Reserves	13	611,695	511,255	90,356	85,184
Total equity attributable to owners of the Company		1,484,349	1,383,909	963,010	957,838
Non-controlling interests		474	754	-	-
Total equity		1,484,823	1,384,663	963,010	957,838
Liabilities					
Deferred tax liabilities	14	13,047	13,512	2,482	2,368
Loans and borrowings	15	27,921	-	-	-
Lease liabilities		837	2,458	837	2,458
Other payables	16	-	-	27,972	21,122
Total non-current liabilities		41,805	15,970	31,291	25,948
Loans and borrowings	15	457,245	565,501	-	-
Lease liabilities		493	908	493	908
Trade and other payables	16	97,863	118,115	4,913	3,971
Contract liabilities	17	2,922	6,381	-	-
Derivative financial liabilities	11	-	2,803	-	-
Current tax liabilities		700	1,321	311	240
Total current liabilities		559,223	695,029	5,717	5,119
Total liabilities		601,028	710,999	37,008	31,067
Total equity and liabilities		2,085,851	2,095,662	1,000,018	988,905

The notes set out on pages 93 to 139 are an integral part of these financial statements.

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

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Revenue	18	1,437,548	1,683,207	43,825	53,623
Cost of sales	19	(1,402,176)	(1,581,949)	-	-
Gross profit		35,372	101,258	43,825	53,623
Other operating income		5,897	7,612	1,632	209,319
Operating costs in respect of income generating investment properties		(381)	(358)	(1,352)	(1,352)
Administrative expenses		(37,046)	(26,830)	(26,619)	(15,891)
Selling and marketing expenses		(16,197)	(16,379)	-	-
Other operating expenses		(420)	(504)	-	-
Net gain/(loss) on impairment of trade receivables		991	(2,301)	-	-
Results from operating activities		(11,784)	62,498	17,486	245,699
Finance income		2,027	2,192	76	134
Finance costs	20	(24,104)	(24,584)	(1,203)	(1,508)
Net finance costs		(22,077)	(22,392)	(1,127)	(1,374)
Share of profit of equity-accounted investees, net of tax	7	138,391	77,284	-	-
Profit before tax		104,530	117,390	16,359	244,325
Tax expense	21	5,775	(10,031)	(2,476)	(1,977)
Profit for the year	22	110,305	107,359	13,883	242,348
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Fair value gain on other investments designated at fair value through other comprehensive income		-	40	-	-
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		36	(37)	-	-
Other comprehensive income for the year, net of tax		36	3	-	-
Total comprehensive income for the year		110,341	107,362	13,883	242,348
Profit for the year attributable to:					
Owners of the Company		109,115	106,346	13,883	242,348
Non-controlling interests		1,190	1,013	-	-
Profit for the year		110,305	107,359	13,883	242,348
Total comprehensive income attributable to:					
Owners of the Company		109,151	106,349	13,883	242,348
Non-controlling interests		1,190	1,013	-	-
Total comprehensive income for the year		110,341	107,362	13,883	242,348
Earnings per ordinary share (sen):					
Basic	24	6.26	6.10		
Diluted	24	6.26	6.10		

The notes set out on pages 93 to 139 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JULY 2025

		/-----Attributable to owners of the Company -----/ /-----Non - distributable -----/ Distributable /				
	Note	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000
Group						
At 1 August 2023		872,654	(7,499)	(1,930)	423,046	1,286,271
Foreign currency translation differences for foreign operations		-	-	(37)	-	(37)
Fair value gain on other investments		-	-	40	-	40
Total other comprehensive income		-	-	3	-	3
Disposal of other investments		-	-	1,574	(1,574)	-
Profit for the year		-	-	-	106,346	106,346
Total comprehensive income for the year		-	-	1,577	104,772	106,349
Dividends to owners of the Company	25	-	-	-	(8,711)	(8,711)
Total transactions with owners of the Company		-	-	-	(8,711)	(8,711)
At 31 July 2024		872,654	(7,499)	(353)	519,107	1,383,909
						754 1,384,663
		/----- Note 13 -----/				

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JULY 2025 (Cont'd)

	Note	/-----Attributable to owners of the Company -----/ /-----Non - distributable -----/ Distributable/					Non-		Total equity RM'000
		Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000	controlling interests RM'000		
Group									
At 1 August 2024		872,654	(7,499)	(353)	519,107	1,383,909	754	1,384,663	
Foreign currency translation differences for foreign operations		-	-	36	-	36	-	36	
Total other comprehensive income		-	-	36	-	36	-	36	
Profit for the year		-	-	-	109,115	109,115	1,190	110,305	
Total comprehensive income for the year		-	-	36	109,115	109,151	1,190	110,341	
Dividends to owners of the Company	25	-	-	-	(8,711)	(8,711)	-	(8,711)	
Total transactions with owners of the Company		-	-	-	(8,711)	(8,711)	-	(8,711)	
Dividend to non-controlling interest		-	-	-	-	-	(1,470)	(1,470)	
At 31 July 2025		872,654	(7,499)	(317)	619,511	1,484,349	474	1,484,823	
/----- Note 13 -----/									

The notes set out on pages 93 to 139 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JULY 2025 (Cont'd)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Cash flows from operating activities					
Profit before tax		104,530	117,390	16,359	244,325
Adjustments for:					
Allowance for slow moving stock	10	639	331	-	-
Bad debts recovered		-	(21)	-	-
Reversal of impairment of trade receivables		(991)	-	-	-
Loss on impairment of trade receivables		-	2,301	-	-
Depreciation of investment properties	5	282	282	1,352	1,352
Depreciation of property, plant and equipment	3	28,169	19,279	737	720
Depreciation of right-of-use assets	4	736	908	736	908
Dividend income	18	-	(81)	(11,530)	(30,000)
Fair value (gain)/loss on foreign exchange derivative		(2,950)	473	-	-
Finance costs	20	24,104	24,584	1,203	1,508
Finance income:					
- Amount due from subsidiaries		-	-	(1,313)	(178)
- Other investments		(49)	(95)	(36)	(63)
- Deposits with licensed banks		(1,788)	(2,097)	(40)	(71)
Gain on disposal of property, plant and equipment		(3,471)	(3,262)	-	-
Gain on disposal of investment properties		-	(30)	-	-
Gain on lease termination		(56)	-	(56)	-
Net unrealised foreign exchange (gain)/loss		(416)	242	-	-
Property, plant and equipment written off		231	36	-	-
Share of profit of equity-accounted joint venture, net of tax	7	(138,391)	(77,284)	-	-
Write down of inventories to net realisable value/(Reversal of write-down of inventories)	10	11,292	(2,891)	-	-
Reversal of impairment loss of investment in joint venture	7	-	-	-	(208,876)
Operating profit before changes in working capital		21,871	80,065	7,412	9,625
Changes in working capital:					
Inventories		79,997	(45,350)	-	-
Trade and other receivables		120,802	(59,322)	(133)	6,286
Trade and other payables		(21,695)	69,302	1,148	84
Contract liabilities		(3,459)	5,074	-	-
Cash generated from operations		197,516	49,769	8,427	15,995
Interest paid		(24,026)	(24,461)	(1,125)	(1,385)
Net income tax paid		(7,342)	(2,590)	(2,291)	1,327
Net cash generated from operating activities		166,148	22,718	5,011	15,937

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2025 (Cont'd)

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities					
Additional investment in equity-accounted joint venture	7	-	(53,235)	-	(53,235)
Dividends received		-	81	-	6,565
Finance income:					
- Amount due from subsidiaries		-	-	1,313	178
- Other investments		49	95	36	63
- Deposits with licensed banks		1,788	2,097	40	71
Decrease/(Increase) in other investments		1,679	(228)	(37)	1,156
Disposal of investment properties		-	534	-	-
Proceeds from disposal of property, plant and equipment		7,202	5,608	-	-
Purchase of property, plant and equipment	3	(72,971)	(34,769)	(761)	(292)
Purchase of investment properties		(12,892)	-	-	-
(Advances to)/Repayment from subsidiaries		-	-	(3,167)	19,001
Net cash used in investing activities		(75,145)	(79,817)	(2,576)	(26,493)
Cash flows from financing activities					
Loan from a subsidiary		-	-	6,850	21,122
(Advances to)/Repayment from joint venture		-	-	(10)	9
Dividends paid to owners of the Company	25	(8,711)	(8,711)	(8,711)	(8,711)
Repayment of loans and borrowings		(1,402,172)	(1,342,864)	-	-
Drawdown of loans and borrowings		1,321,837	1,369,289	-	-
Payment of lease liabilities		(821)	(996)	(821)	(996)
Net cash (used in)/generated from financing activities		(89,867)	16,718	(2,692)	11,424
Net increase/(decrease) in cash and cash equivalents		1,136	(40,381)	(257)	868
Effect of exchange rate fluctuations on cash held		(43)	(53)	-	-
Cash and cash equivalents at beginning of year	12	93,881	134,315	1,414	546
Cash and cash equivalents at end of year	12	94,974	93,881	1,157	1,414

Cash outflows for leases as a lessee

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	22	956	806	-	-
Payment relating to leases of low-value assets	22	15	16	-	-
Interest paid in relation to lease liabilities	20	78	123	78	123
Included in net cash from financing activities					
Payment of lease liabilities		821	996	821	996
Total cash outflows for leases		1,870	1,941	899	1,119

Dividend income from subsidiaries

In prior year, the dividend receivable from subsidiaries amounting to RM30,000,000 were settled against balances due to the subsidiaries.

Purchase of property, plant and equipment

During the year, the Group acquired property, plant and equipment amounted to RM72,971,000 (2024: RM44,806,000) of which RM Nil (2024: RM10,037,000) was paid as prepayment.

Purchase of investment properties

During the year, the Group acquired an investment property amounted to RM47,637,000 (2024: Nil) of which RM Nil (2024: RM34,745,000) was paid as prepayment.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2025 (Cont'd)

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

Group	At 1 August 2023 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	At 31 July/1 August 2024 RM'000	Net changes from financing cash flows RM'000	Other changes RM'000	At 31 July 2025 RM'000
Bankers' acceptances	317,787	(32)	-	317,755	(24,791)	-	292,964
Post shipment buyer loan	34,395	21,316	-	55,711	622	-	56,333
Accepted bills	163,908	(20,935)	-	142,973	(73,692)	-	69,281
Revolving credit	22,986	26,076	-	49,062	(16,062)	-	33,000
Lease liabilities	4,239	(996)	123	3,366	(821)	(1,215)	1,330
Term loans	-	-	-	-	33,588	-	33,588
Total liabilities from financing activities	543,315	25,429	123	568,867	(81,156)	(1,215)	486,496
Company							
Lease liabilities	4,239	(996)	123	3,366	(821)	(1,215)	1,330
Loan from a subsidiary	-	21,122	-	21,122	6,850	-	27,972
Total liabilities from financing activities	4,239	20,126	123	24,488	6,029	(1,215)	29,302

The notes set out on pages 93 to 139 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Hiap Teck Venture Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Principal place of business and registered office

Lot 6096, Jalan Haji Abdul Manan
Batu 5½, Off Jalan Meru
41050 Klang
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 July 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in joint venture and associate. The financial statements of the Company as at and for the financial year ended 31 July 2025 do not include other entities.

The Company is principally engaged in investment and property holdings and the provision of management services, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 3 November 2025.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements Volume 11:
 - ▶ Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - ▶ Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - ▶ Amendments to MFRS 9, *Financial Instruments*
 - ▶ Amendments to MFRS 10, *Consolidated Financial Statements*
 - ▶ Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

1. Basis of preparation (Cont'd)

(a) Statement of compliance (Cont'd)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 August 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025;
- from the annual period beginning on 1 August 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026; and
- from the annual period beginning on 1 August 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Derivative financial instruments	Fair value
Debt and equity securities at FVOCI	Fair value
Debt and equity securities at FVTPL	Fair value

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 4 - Extension options and incremental borrowing rate in relation to leases
- Note 10 - Valuation of inventories
- Note 27 - Measurement of expected credit loss ("ECL") and fair value

2. Changes in material accounting policies

2.1 Global minimum top-up tax

The Group has adopted the amendments to MFRS 112, *Income Taxes – International Tax Reform – Pillar Two Model Rules* upon their release on 2 June 2023. The amendments provide a temporary mandatory relief from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure (see Note 14).

The temporary mandatory relief applies retrospectively. The retrospective application has no material impact on the Group's consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Property, plant and equipment

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Rental equipment RM'000	Motor vehicles RM'000	Others assets RM'000	Capital-in- progress RM'000	Mining assets RM'000	Total RM'000
Cost									
At 1 August 2023	76,417	143,322	233,533	54,710	4,912	30,388	1,602	22,094	566,978
Additions	10,100	-	315	26,334	824	623	6,610	-	44,806
Disposals	-	-	-	(7,107)	(457)	-	-	-	(7,564)
Written off	-	-	-	(604)	-	-	-	-	(604)
Transfers to inventories	-	-	-	(306)	-	-	-	-	(306)
At 31 July 2024/1 August 2024	86,517	143,322	233,848	73,027	5,279	31,011	8,212	22,094	603,310
Additions	-	406	1,760	61,844	874	197	7,890	-	72,971
Disposals	-	-	(57)	(7,534)	(258)	-	-	-	(7,849)
Written off	-	-	-	(634)	-	-	-	-	(634)
Transfers	-	-	8,982	-	724	-	(9,706)	-	-
Transfer to inventories	-	-	-	(146)	-	-	-	-	(146)
At 31 July 2025	86,517	143,728	244,533	126,557	6,619	31,208	6,396	22,094	667,652

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Property, plant and equipment (Cont'd)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Rental equipment RM'000	Motor vehicles RM'000	Others assets RM'000	Capital-in- progress RM'000	Mining assets RM'000	Total RM'000
Accumulated depreciation									
At 1 August 2023	-	49,613	176,510	26,196	4,789	25,177	-	4,540	286,825
Charge for the year	-	2,903	3,215	10,380	392	1,182	-	1,207	19,279
Disposals	-	-	-	(4,761)	(457)	-	-	-	(5,218)
Written off	-	-	-	(568)	-	-	-	-	(568)
Transfer to inventories	-	-	-	(251)	-	-	-	-	(251)
At 31 July 2024/1 August 2024	-	52,516	179,725	30,996	4,724	26,359	-	5,747	300,067
Charge for the year	-	2,903	3,812	19,079	347	1,147	-	881	28,169
Disposals	-	-	(57)	(3,803)	(258)	-	-	-	(4,118)
Written off	-	-	-	(403)	-	-	-	-	(403)
Transfer to inventories	-	-	-	(132)	-	-	-	-	(132)
At 31 July 2025	-	55,419	183,480	45,737	4,813	27,506	-	6,628	323,583

Carrying amounts

At 1 August 2023	76,417	93,709	57,023	28,514	123	5,211	1,602	17,554	280,153
At 31 July 2024/1 August 2024	86,517	90,806	54,123	42,031	555	4,652	8,212	16,347	303,243
At 31 July 2025	86,517	88,309	61,053	80,820	1,806	3,702	6,396	15,466	344,069

Other assets of the Group comprise office renovations, furniture and fittings, heavy equipment, office equipment, site tools, computer software, electrical installation, forklift, dies and jigs and containers.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Property, plant and equipment (Cont'd)

Company Cost	Motor vehicles RM'000	Office renovations RM'000	Office equipment RM'000	Furniture and fittings RM'000	Capital-in-progress RM'000	Total RM'000
At 1 August 2023	407	2,461	1,402	970	806	6,046
Additions	-	-	166	4	122	292
At 31 July 2024/1 August 2024	407	2,461	1,568	974	928	6,338
Additions	-	-	53	2	706	761
At 31 July 2025	407	2,461	1,621	976	1,634	7,099
Accumulated depreciation						
At 1 August 2023	407	1,049	418	96	-	1,970
Charge for the year	-	361	262	97	-	720
At 31 July 2024/1 August 2024	407	1,410	680	193	-	2,690
Charge for the year	-	361	278	98	-	737
At 31 July 2025	407	1,771	958	291	-	3,427
Carrying amounts						
At 1 August 2023	-	1,412	984	874	806	4,076
At 31 July 2024/1 August 2024	-	1,051	888	781	928	3,648
At 31 July 2025	-	690	663	685	1,634	3,672

3.1 Rental equipment

The Group leases its equipment to third parties. Each of the leases contains an initial non-cancellable period of 1 month. Subsequent renewals are negotiated and agreed with the lessees.

The Group generally does not require a financial guarantee on the lease arrangement. Nevertheless, the Group requires 1 to 3 months of rental deposit as normal payments from the lessees. These leases do not include residual value guarantees.

The following are recognised in profit or loss:

	2025 RM'000	2024 RM'000
Group		
Lease income	42,054	28,939

The operating lease payments to be received are as follows:

	2025 RM'000	2024 RM'000
Group		
Less than one year	16,086	14,695
More than one year	4	283
Total undiscounted lease payments	16,090	14,978

3.2 Security

A plant and machinery amounting to RM9,980,000 (2024:RM Nil) has been secured against a term loan as disclosed in Note 15.1.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. Property, plant and equipment (Cont'd)

3.3 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

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

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Capital-in-progress are not depreciated until the assets are ready for their intended use.

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

• Buildings	50 years
• Plant and machinery	5 - 12 years
• Rental equipment	5 - 10 years
• Motor vehicles	5 years
• Other assets	3 - 10 years

Amortisation of mining assets is based on the unit of production method.

4. Right-of-use assets

Group and Company	Buildings RM'000	Total RM'000
At 1 August 2023	4,160	4,160
Depreciation	(908)	(908)
At 31 July 2024/1 August 2024	3,252	3,252
Depreciation	(736)	(736)
Derecognition	(1,237)	(1,237)
At 31 July 2025	1,279	1,279

The Group and the Company leased two office units with a two-year term and an option to renew. One lease was terminated during the financial year before the end of the lease term, resulting in the derecognition of the related right-of-use asset and lease liability. The resulting gain on lease termination was recognised in profit or loss.

4.1 Significant judgements and assumptions in relation to lease

The Group and the Company assess at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group and the Company also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. Group entities first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

4.2 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. Investment properties

	Note	Leasehold land RM'000	Freehold land RM'000	Buildings RM'000	Total RM'000
Group Cost					
At 1 August 2023		5,020	485	9,252	14,757
Disposals		-	-	(504)	(504)
At 31 July 2024/1 August 2024		5,020	485	8,748	14,253
Additions	5.2	-	47,637	-	47,637
At 31 July 2025		5,020	48,122	8,748	61,890
Accumulated depreciation and impairment loss					
At 1 August 2023					
Accumulated depreciation		1,349	-	2,296	3,645
Accumulated impairment		-	-	457	457
Charge for the year		1,349	-	2,753	4,102
At 31 July 2024/1 August 2024		92	-	190	282
At 31 July 2025					
Accumulated depreciation		1,441	-	2,486	3,927
Accumulated impairment		-	-	457	457
Charge for the year		1,441	-	2,943	4,384
At 31 July 2025		92	-	190	282
At 31 July 2025					
Accumulated depreciation		1,533	-	2,676	4,209
Accumulated impairment		-	-	457	457
At 31 July 2025		1,533	-	3,133	4,666
Carrying amounts					
At 1 August 2023		3,671	485	6,499	10,655
At 31 July 2024/1 August 2024		3,579	485	5,805	9,869
At 31 July 2025		3,487	48,122	5,615	57,224

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. Investment properties (Cont'd)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Company			
Cost			
At 1 August 2023/31 July 2024/1 August 2024/31 July 2025	48,062	67,603	115,665
Accumulated depreciation			
At 1 August 2023	-	23,759	23,759
Charge for the year	-	1,352	1,352
At 31 July 2024/1 August 2024	-	25,111	25,111
Charge for the year	-	1,352	1,352
At 31 July 2025	-	26,463	26,463
Carrying amounts			
At 1 August 2023	48,062	43,844	91,906
At 31 July 2024/1 August 2024	48,062	42,492	90,554
At 31 July 2025	48,062	41,140	89,202

Investment properties comprise of land and buildings which are being leased to third party at the group level and to subsidiaries at the company level.

5.1 Other income/expenses recognised in profit or loss in relation to investment properties

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Rental income	1,035	1,035	10,011	10,426
Direct operating expenses:				
- income generating investment properties	(381)	(358)	(1,352)	(1,352)

5.2 Security

The freehold land acquired during the year amounting to RM47,637,000 of which RM Nil (2024: RM34,745,000) was paid as prepayment has been pledged as security for bank facilities by financial institution as disclosed in Note 15.1.

5.3 Maturity analysis of operating lease payments

	2025	2024
	RM'000	RM'000
Group		
Less than one year	422	995
Between one and five years	44	694
Total undiscounted lease payments	466	1,689

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. Investment properties (Cont'd)

5.4 Fair value information

Fair values of investment properties are categorised as follows:

	Level 3 RM'000
2025	
Group	
Freehold land	51,337
Leasehold land with unexpired lease period of more than 50 years	10,800
Buildings	6,510
	<hr/> 68,647 <hr/>
Company	
Freehold land	141,800
Buildings	84,500
	<hr/> 226,300 <hr/>
2024	
Group	
Freehold land	3,700
Leasehold land with unexpired lease period of more than 50 years	10,800
Buildings	6,510
	<hr/> 21,010 <hr/>
Company	
Freehold land	141,800
Buildings	84,500
	<hr/> 226,300 <hr/>

Level 3 fair value

Level 3 fair values of land and buildings have been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

5.5 Material accounting policy information

Investment properties are measured subsequently at cost less any accumulated depreciation and any accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

6. Investment in subsidiaries

	Company	
	2025	2024
	RM'000	RM'000
Cost of investment	94,212	94,212

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest	
			2025 %	2024 %
Hiap Teck Hardware Sdn. Bhd.	Malaysia	Importer, exporter, general dealer and lessor of steel products, hardware and building materials	100	100
Tiek Hong Hardware (B'worth) Sdn. Bhd.	Malaysia	Dormant	100	100
Alpine Pipe Manufacturing Sdn. Bhd.	Malaysia	Manufacturing and selling of pipes, hollow sections and other steel products	100	100
Briliant Decade Transport Agency Sdn. Bhd.	Malaysia	Provision of transportation services	100	100
Huatraco Scaffold Sdn. Bhd.	Malaysia	Manufacturing, selling, renting, and transporting of scaffolding equipment and range of steel products	100	100
Hiap Teck Resources Sdn. Bhd.	Malaysia	Investment holding	100	100
Nexus Pacific Property Sdn. Bhd.	Malaysia	Dormant	100	100
Geopintar E&C Sdn. Bhd.#	Malaysia	Contractor specialising in geotechnical and civil engineering works including special foundations, underground works, group improvements, pollution treatments and control	65	65
Eastern Power Resources Sdn. Bhd.	Malaysia	Sales of electricity	51	51
Subsidiary of Hiap Teck Resources Sdn. Bhd.				
Vista Mining Sdn. Bhd.	Malaysia	Exploring, contracting and all activities related to the mining, processing and sale of iron ore	55	55
Subsidiaries of Huatraco Scaffold Sdn. Bhd.				
Huatraco Contracts Sdn. Bhd.	Malaysia	Selling, renting, and transporting of scaffolding equipment and range of steel products	100	100
Huatraco Investment Pte. Ltd.#	Singapore	Investment holding	100	100
Huatraco Scaffold (Sabah) Sdn. Bhd.	Malaysia	Dormant	100	100
Subsidiary of Huatraco Investment Pte. Ltd.				
Huatraco Singapore Pte. Ltd.#	Singapore	Scaffolding works and wholesale of industrial, construction and related machinery and equipment	100	100
Subsidiary of Alpine Pipe Manufacturing Sdn. Bhd.				
APM Resources Sdn. Bhd.	Malaysia	Dormant	100	100

Not audited by member firms of KPMG PLT.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

6. Investment in subsidiaries (Cont'd)

One of the subsidiaries, Huatraco Contracts Sdn. Bhd. ("HC") was inactive since year 2014. During the financial year, HC has resumed its operations and is principally engaged in selling, renting, and transporting of scaffolding equipment and range of steel products.

6.1 Non-controlling interest in subsidiaries

The information of non-controlling interest ("NCI") is not disclosed as it is not material.

6.2 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

7. Interest in equity accounted investments

7.1 Investment in joint venture

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Investment in shares	771,075	717,840	771,075	717,840
Additional investment in shares	-	53,235	-	53,235
Share of post-acquisition reserves	92,187	(46,204)	-	-
	863,262	724,871	771,075	771,075

Details of the joint venture are as follows:

Name of entity	Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2025 %	2024 %
Eastern Steel Sdn. Bhd. ("ESSB")	Malaysia	Manufacturing, selling and dealing in a range of steel products using blast furnace plant	27.3	27.3

ESSB is structured as a separate vehicle and provides the Group rights to the net assets of the entity. Accordingly, the Group has classified the investment in ESSB as a joint venture.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Interest in equity accounted investments (cont'd)

7.1 Investment in joint venture (cont'd)

7.1.1 Reversal of impairment loss

In prior year, the Company recognised a reversal of impairment loss on its investment in ESSB. The reversal amounted to RM208,876,273 and was recognised in profit or loss.

The reversal was primarily due to an improvement in the financial performance of ESSB. ESSB reported a significant increase in revenue and profitability, which positively impacted its recoverable amount.

The reversal of the impairment loss resulted in an increase in the carrying amount of the investment in ESSB to RM771,075,002 as of 31 July 2024.

The recoverable amount of the investment in ESSB was determined based on its value in use, calculated using a discounted cash flow model. The key assumptions used in the model included a discount rate of 10% and terminal growth rate of 2% for future cash flows. The recoverable amount would be same as the carrying amount if discount rate increased by 11%; or terminal value reduced to 0%.

7.1.2 Material accounting policy information

Investment in joint venture is measured in the Company's statement of financial position at cost less any impairment losses.

The following tables summarise the financial information of ESSB, as adjusted for any differences in accounting policies. The tables also reconcile the summarised financial information to the carrying amount of the Group's interest in ESSB, which is accounted for using the equity method.

	2025 RM'000	2024 RM'000
Summarised financial information		
As at 31 July		
Non-current assets	7,684,854	6,871,851
Current assets	1,172,496	1,313,967
Cash and cash equivalents	78,537	201,368
Non-current liabilities	(2,678,470)	(2,699,024)
Current liabilities	(3,016,749)	(2,831,589)
Non-current financial liabilities (excluding trade and other payables and provisions)	(2,678,470)	(2,699,024)
Current financial liabilities (excluding trade and other payables and provisions)	(1,943,068)	(723,318)
Year ended 31 July		
Profit and total comprehensive income for the year	506,927	283,092
Included in the total comprehensive income are:		
Revenue	5,471,094	5,082,730
Depreciation and amortisation	167,557	110,389
Interest income	4,699	6,647
Interest expense	(172,045)	(87,587)
Reconciliation of net assets to carrying amount as at 31 July		
Group's share of net assets	863,262	724,871
Carrying amount in the statement of financial position	863,262	724,871
Group's share of results for year ended 31 July		
Group's share of profit and total comprehensive income for the year	138,391	77,284

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Interest in equity accounted investments (Cont'd)

7.2 Investment in an associate

Name of entity	Country of incorporation	Principal activities	Effective ownership interest	
			2025 %	2024 %
Jetama Alpine Pipe (Sabah) Sdn. Bhd.	Malaysia	Dormant	49	49

7.2.1 Material accounting policy information

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses.

8. Other investments

	2025		2024	
	Carrying amount RM'000	Market value of quoted investments RM'000	Carrying amount RM'000	Market value of quoted investments RM'000
Group				
Non-current				
<i>Fair value through other comprehensive income</i>				
Club membership, unquoted	140	-	140	-
	<u>140</u>		<u>140</u>	
Current				
<i>Fair value through profit or loss</i>				
Unit trust funds of licensed financial institutions within Malaysia	1,113	1,113	1,416	1,416
Equity instruments, quoted in Malaysia	1,936	1,936	3,312	3,312
	<u>3,049</u>		<u>4,728</u>	
	<u>3,189</u>		<u>4,868</u>	
Company				
Current				
<i>Fair value through profit or loss</i>				
Unit trust funds of licensed financial institutions within Malaysia	1,113	1,113	1,076	1,076
	<u>1,113</u>		<u>1,076</u>	

8.1 Material accounting policy information

Equity investments

At initial recognition, the Group irrevocably elects to present subsequent changes in the fair value of the investments in profit or loss. This election is made on an investment-by-investment basis.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

9. Trade and other receivables

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-current					
Non-trade					
Prepayment	9.1	-	34,745	-	-
Amount due from subsidiaries	9.2	-	-	17,319	19,928
		-	34,745	17,319	19,928
Current					
Trade					
Trade receivables		218,471	379,954	-	-
Less: Allowance for impairment loss		(4,621)	(5,612)	-	-
		213,850	374,342	-	-
Amount due from joint venture	9.3	69,467	27,466	-	-
Amount due from a related party	9.3	2,365	4	-	-
		285,682	401,812	-	-
Non-trade					
Other receivables		1,756	1,033	3	3
Amount due from joint venture	9.4	19	9	19	9
Dividend receivables		-	-	11,530	-
Amount due from subsidiaries	9.4	-	-	7,875	2,306
		1,775	1,042	19,427	2,318
Deposits		1,553	1,409	737	728
Prepayments		4,225	8,311	825	700
		7,553	10,762	20,989	3,746
		293,235	412,574	20,989	3,746
		293,235	447,319	38,308	23,674

The Group's negotiated trade credit term ranges from 14 to 120 (2024: 14 to 120) days. Other credit terms are assessed and approved on a case-by-case basis.

9.1 Non-current prepayment

In the prior year, the non-current prepayment related to acquisition of an investment property. The legal assignment of the property amounting to RM34,745,000 was used to secure banking facilities by financial institution as disclosed in Note 15.1.

During the financial year, the acquisition was completed through an additional payment of RM12,892,000 with the total cost recognised at RM47,637,000 as disclosed in Note 5.2. The investment property remains pledged to secure banking facilities by financial institution, as disclosed in Note 15.1.

9.2 Non-current non-trade amount due from subsidiaries

The non-current non-trade amount due from subsidiaries is unsecured, subject to interest at 6% (2024: 6%) per annum and not repayable within 12 months.

9.3 Current trade amounts due from joint venture and a related party

The trade amounts due from joint venture and a related party are subject to negotiated terms (2024: negotiated trade terms).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

9. Trade and other receivables (Cont'd)

9.4 Current non-trade amount due from joint venture and subsidiaries

The non-trade amount due from joint venture and subsidiaries relates to payments on behalf, is interest-free and subject to 30 days credit term.

10. Inventories

	Note	Group	
		2025 RM'000	2024 RM'000
Raw materials		91,096	56,677
Work-in-progress		16,301	18,406
Finished goods		99,329	137,892
Merchandise goods		134,231	220,837
Goods in transit		54,250	53,524
Spare parts		4,953	4,738
		400,160	492,074
Recognised in profit or loss:			
Inventories recognised as cost of sales		1,367,401	1,570,384
Write down of inventories to net realisable value/(Reversal of write-down of inventories)	10.1	11,292	(2,891)
Allowance for slow moving stock		639	331

10.1 Write down of inventories to net realisable value/(Reversal of write-down of inventories)

The net realisable value ("NRV") of inventories was determined based on estimated selling price of the product less the estimated cost to make the sale. Following a change in selling price, an additional write down to NRV amounting to RM11,292,000 was recognised (2024: RM2,891,000 of the write-down was reversed).

10.2 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

11. Derivative financial assets/(liabilities)

	2025			2024		
	Nominal value RM'000	Assets RM'000	Liabilities RM'000	Nominal value RM'000	Assets RM'000	Liabilities RM'000
Group						
Derivatives at fair value through profit or loss						
- Forward exchange contracts	38,721	389	-	172,764	244	(2,803)
	38,721	389	-	172,764	244	(2,803)

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's receivables and payables denominated in currencies other than the functional currencies of the Group entities. Most of the forward contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

12. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	94,974	93,881	1,157	1,414

13. Capital and reserves

Share capital

	Group and Company			
	Amount	Number	Amount	Number
	2025	of shares	2024	of shares
	RM'000	2025	RM'000	2024
		'000		'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 August/31 July	872,654	1,747,722	872,654	1,747,722

13.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

Reserves

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Non-distributable:					
Translation reserves	13.2	(317)	(353)	-	-
Treasury shares	13.3	(7,499)	(7,499)	(7,499)	(7,499)
		(7,816)	(7,852)	(7,499)	(7,499)
Distributable:					
Retained earnings		619,511	519,107	97,855	92,683
		611,695	511,255	90,356	85,184

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. Capital and reserves (Cont'd)

Reserves (Cont'd)

13.2 Translation reserves

The translation reserves comprise all foreign currency differences arising from the translation of the financial statements of foreign operations.

13.3 Treasury shares

Treasury shares comprise cost of acquisition of the Company's own shares. At 31 July 2025, a total of 5,492,000 (2024: 5,492,000) buy-back shares were held as treasury shares and carried at cost.

14. Deferred tax assets/(liabilities)

14.1 Recognised deferred assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
Property, plant and equipment	-	-	(26,972)	(24,638)	(26,972)	(24,638)
Other payables	6,047	4,726	-	-	6,047	4,726
Tax losses	21,761	10,920	-	-	21,761	10,920
Unabsorbed capital allowances	2,059	131	-	-	2,059	131
Reinvestment allowances	21	86	-	-	21	86
Tax assets/(liabilities)	29,888	15,863	(26,972)	(24,638)	2,916	(8,775)
Set-off of tax	(13,925)	(11,126)	13,925	11,126	-	-
Net tax assets/(liabilities)	15,963	4,737	(13,047)	(13,512)	2,916	(8,775)
Company						
Property, plant and equipment	-	-	(2,647)	(2,536)	(2,647)	(2,536)
Other payables	165	168	-	-	165	168
Tax assets/(liabilities)	165	168	(2,647)	(2,536)	(2,482)	(2,368)
Set-off of tax	(165)	(168)	165	168	-	-
Net tax liabilities	-	-	(2,482)	(2,368)	(2,482)	(2,368)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

14. Deferred tax assets/(liabilities) (Cont'd)

14.2 Movement in temporary differences during the year

	At 1.8.2023 RM'000	Recognised in profit or loss (Note 21) RM'000	At 31.7.2024/ 1.8.2024 RM'000	Recognised in profit or loss (Note 21) RM'000	At 31.7.2025 RM'000
Group					
Property, plant and equipment	(24,417)	(221)	(24,638)	(2,334)	(26,972)
Other payables	5,651	(925)	4,726	1,321	6,047
Tax losses	9,884	1,036	10,920	10,841	21,761
Unabsorbed capital allowances	1,861	(1,730)	131	1,928	2,059
Reinvestment allowances	1,847	(1,761)	86	(65)	21
	(5,174)	(3,601)	(8,775)	11,691	2,916
Company					
Property, plant and equipment	(2,506)	(30)	(2,536)	(111)	(2,647)
Other payables	186	(18)	168	(3)	165
	(2,320)	(48)	(2,368)	(114)	(2,482)

14.3 Global minimum top-up tax

As at 30 December 2023, the government of Malaysia ("MY") has enacted new legislation, to implement the global minimum top-up tax. However, since the newly enacted tax legislation in MY will only come into effect for the financial year ending 31 July 2026, there is no current tax impact for the year ended 31 July 2025. The implementation of the tax will not have material effect to the Group and the Company.

As at 31 July 2025, Malaysia has enacted legislation to implement a global minimum top-up tax (the "Global Minimum Tax" or "GMT") consistent with the OECD Pillar Two / GloBE model rules, which introduce a 15% minimum effective tax rate and operate through domestic and multinational top-up mechanisms (Domestic Top-up Tax and Multinational Top-up Tax). The Malaysian rules apply to financial years beginning on or after 1 January 2025.

The Group has assessed the scope of the GMT against the in-scope threshold (MNE Groups with consolidated revenues of EUR 750 million or more in at least two of the four preceding financial years) and, based on management's review of the Group's consolidated revenue for the requisite look-back period, the Group is not an in-scope multinational enterprise for the purposes of the GMT. Accordingly, there is no GMT top-up tax charge or deferred tax impact for the year ended 31 July 2025. The Group will continue to monitor developments and update its assessment should circumstances change.

14.4 Temporary mandatory relief from deferred tax accounting

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

14.5 Material accounting policy information

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

15. Loans and borrowings

	Note	Group	
		2025 RM'000	2024 RM'000
Non-current			
Term loans	15.1	27,921	-
Current			
Bankers' acceptances	15.1	292,964	317,755
Post shipment buyer loan	15.1	56,333	55,711
Accepted bills	15.1	69,281	142,973
Revolving credit	15.1	33,000	49,062
Term loans	15.1	5,667	-
		457,245	565,501
		485,166	565,501

15.1 Security

The Company has extended corporate guarantees amounting to RM485,166,000 (2024: RM565,501,000) as at the reporting date to financial institutions for banking facilities granted to certain subsidiaries. The Directors have assessed the financial guarantee contracts and concluded that the financial impact of the guarantees is not material as the subsidiaries concerned are in positive financial standings to meet their obligations as and when they fall due.

Banking facilities of the Group require subsidiaries' debt to equity ratio not more than 1 to 3.5 times (2024: 1 to 3.5 times) as disclosed in Note 28.

In the prior year, certain revolving credit of the Group was secured by way of legal assignment of a property of the Group amounting to RM34,745,000 as disclosed in Note 9.1. During the financial year, certain revolving credit and term loans of the Group are secured by way of legal assignment of the plant and machinery of the Group amounting to RM9,980,000 and investment property of the Group amounting to RM47,637,000 as disclosed under Note 3.2 and Note 5.2 respectively.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

16. Trade and other payables

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Non-current					
Non-trade					
Amount due to a subsidiary	16.1	-	-	27,972	21,122
		-	-	27,972	21,122
Current					
Trade					
Trade payables		65,971	77,721	-	-
Accruals		1,012	752	-	-
Amount due to a related party	16.2	-	13,406	-	-
		66,983	91,879	-	-
Non-trade					
Other payables		6,457	2,800	348	288
Accruals		14,379	14,960	4,324	3,477
Deposits received		10,044	8,476	241	-
Amount due to a subsidiary	16.3	-	-	-	206
		30,880	26,236	4,913	3,971
		97,863	118,115	4,913	3,971
		97,863	118,115	32,885	25,093

16.1 Non-current non-trade amount due to a subsidiary

The non-current non-trade amount due to a subsidiary relates to a loan and is unsecured and subject to interest at 5% (2024: 5%) per annum.

16.2 Current trade amount due to a related party

The current trade amount due to a related party was subject to negotiated trade terms (2024: negotiated trade terms).

16.3 Current non-trade amount due to a subsidiary

The current non-trade amount due to a subsidiary is unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

17. Contract liabilities

	Group	
	2025	2024
	RM'000	RM'000
Contract liabilities	2,922	6,381

The contract liabilities primarily relate to the advance consideration received from customers for cash before delivery orders. The contract liabilities are expected to be recognised as revenue in the subsequent financial period.

18. Revenue

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers				
Sale of goods	1,364,708	1,632,853	-	-
Transportation services rendered	23	69	-	-
Selling of electricity	27,734	17,195	-	-
Rental of equipment for hire	42,054	28,939	-	-
Participation fees from sales of iron ore	3,029	4,151	-	-
Other revenue				
Rental of properties	-	-	10,011	10,426
Dividend income	-	-	11,530	30,000
Management fees	-	-	22,284	13,197
	1,437,548	1,683,207	43,825	53,623

Group	2025	2024
	RM'000	RM'000
Timing of revenue recognition		
At a point in time	1,367,737	1,637,004
Over time	69,811	46,203
	1,437,548	1,683,207

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

18. Revenue (Cont'd)

18.1 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Trading, manufacturing and selling of pipes, hollow sections, scaffolding equipment, hardware, building materials and other steel products	Revenue is recognised when the goods are delivered and accepted by the customers at their premises or collected by customers from the Group's premises.	Credit period of 60 days from invoice date.	Early payment discounts are given to customers.	The Group allows returns within 7 days from the delivery date.	Not applicable.
Rental of equipment for hire	Revenue is recognised over time when equipment for hire services are rendered to customers using the output method.	Credit period of 60 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Selling of electricity	Revenue is recognised over time as the customer simultaneously received and consumed the electricity.	Credit period of 30 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Transportation services rendered	Revenue is recognised over time when services are rendered to customers using the output method.	Credit period of 60 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Participation fees from sales of iron ore	Revenue is recognised when the goods are delivered and accepted by the customers at their premises.	Credit period of 14 days from invoice date.	Not applicable.	Not applicable.	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

19. Cost of sales

	Group	
	2025	2024
	RM'000	RM'000
Cost of goods sold	1,382,217	1,570,362
Amortisation of mining assets	881	1,207
Depreciation of equipment for hire	19,078	10,380
	1,402,176	1,581,949

Included in the cost of goods sold are the following:

Direct and indirect labour costs	31,069	29,545
Upkeep of property, plant and equipment	8,731	9,334
Depreciation of property, plant and equipment	6,044	5,817

20. Finance costs

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
Bankers' acceptances	14,003	14,685	-	-
Post shipment buyer loan	1,740	2,105	-	-
Accepted bills	5,598	6,633	-	-
Revolving credit	1,653	1,038	-	-
Lease liabilities	78	123	78	123
Term loans	1,032	-	-	-
Amount due to subsidiaries	-	-	1,125	1,385
	24,104	24,584	1,203	1,508

21. Tax expense

21.1 Recognised in profit or loss

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Current year	5,280	7,072	1,981	2,039
Under/(Over) provision in prior year	636	(642)	381	(110)
Total current tax recognised in profit or loss	5,916	6,430	2,362	1,929
Deferred tax expense				
Origination and reversal of temporary differences	(11,432)	3,775	110	86
(Over)/Under provision in prior year	(259)	(174)	4	(38)
Total deferred tax recognised in profit or loss	(11,691)	3,601	114	48
Total income tax expense	(5,775)	10,031	2,476	1,977

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

21. Tax expense (Cont'd)

21.2 Reconciliation of tax expense

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before tax	104,530	117,390	16,359	244,325
Share of profit after tax of equity accounted investees	(138,391)	(77,284)	-	-
	(33,861)	40,106	16,359	244,325
Income tax calculated using Malaysian tax rate of 24%	(8,127)	9,626	3,926	58,638
Effect of tax rate in foreign jurisdictions	4	5	-	-
Non-taxable income	-	(120)	(2,767)	(57,330)
Non-deductible expenses	1,971	1,336	932	817
(Over)/Under provision of deferred tax in prior years	(259)	(174)	4	(38)
Under/(Over) provision of current tax in prior years	636	(642)	381	(110)
	(5,775)	10,031	2,476	1,977

22. Profit for the year

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Profit for the year is arrived at after charging/(crediting):					
Auditors' remuneration					
- Audit fees					
KPMG PLT		553	488	196	191
Other auditors		17	20	-	-
- Non audit fees					
KPMG PLT		18	15	15	15
Material expenses/(income)					
Bad debts recovered		-	(21)	-	-
Depreciation of investment properties	5	282	282	1,352	1,352
Depreciation of property, plant and equipment	3	28,169	19,279	737	720
Depreciation of right-of-use assets	4	736	908	736	908
Dividend income		-	(81)	(11,530)	(30,000)
Fair value (gain)/loss on foreign exchange derivative		(2,950)	473	-	-
Fair value gain on the FVTPL shares		(1,881)	(1,373)	-	-
Finance income:					
- Amount due from subsidiaries		-	-	(1,313)	(178)
- Other investments		(49)	(95)	(36)	(63)
- Deposits with licensed banks		(1,788)	(2,097)	(40)	(71)
Gain on disposal of property, plant and equipment		(3,471)	(3,262)	-	-
Gain on disposal of investment properties		-	(30)	-	-
Gain on lease termination		(56)	-	(56)	-
Net foreign exchange loss/(gain)					
- Realised		1,107	(108)	-	-
- Unrealised		(416)	242	-	-
Property, plant and equipment written off		231	36	-	-
Personnel expenses (including key management personnel):					
- Contributions to state plans		6,057	4,127	2,673	1,061
- Salaries, wages and others		61,049	50,509	18,184	9,450
Rental income from investment properties	5	(1,035)	(1,035)	(10,011)	(10,426)
Reversal of impairment loss of investment in joint venture	7	-	-	-	(208,876)
Write down of inventories to net realisable value/(Reversal of write-down of inventories)	10	11,292	(2,891)	-	-
Allowance for slow moving stock	10	639	331	-	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

22. Profit for the year (Cont'd)

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Expenses arising from leases					
Expenses relating to short-term leases	a	956	806	-	-
Expenses relating to leases of low-value assets	a	15	16	-	-
Net (gain)/loss on impairment of financial instruments					
Reversal of impairment of trade receivables		(991)	-	-	-
Loss on impairment of trade receivables		-	2,301	-	-

Note a

The Group leases land and buildings and office equipment with contract terms of 1 to 5 years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

23. Key management personnel compensation

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Executive directors:				
- Remuneration	12,369	4,305	11,798	3,777
- Other short-term employee benefits	2,035	513	1,967	456
	14,404	4,818	13,765	4,233
Non-executive directors:				
- Fees	456	497	420	459
- Other short-term employee benefits	20	27	20	27
	476	524	440	486
	14,880	5,342	14,205	4,719

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

24. Earnings per ordinary share

24.1 Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at financial year end was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2025	2024
Profit attributable to ordinary shareholders (RM'000)	109,115	106,346
Weighted average number of ordinary shares at 31 July ('000)	1,742,230	1,742,230
Basic earnings per ordinary share (sen)	6.26	6.10

24.2 Diluted earnings per ordinary share

There are no dilutive potential ordinary shares for the year. Therefore, diluted earnings per ordinary share is the same as basic earnings per ordinary share.

25. Dividends

Dividends recognised by the Company:

	Sen per share	Total amount RM'000	Date of payment
2025			
Final (single tier) in respect of financial year ended 31 July 2024	0.50	8,711	17 January 2025
2024			
Final (single tier) in respect of financial year ended 31 July 2023	0.50	8,711	19 January 2024

After the end of the reporting period, the following dividend was proposed by the Directors. This dividend will be recognised in subsequent financial period upon approval by the shareholders of the Company at the forthcoming Annual General Meeting.

	Sen per share	Total amount RM'000
First and final (single tier) in respect of financial year ended 31 July 2025	0.50	8,711

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. Operating segments

(a) Business segments

The Group has six reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Executive Directors and Chief Operating Officer review the internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- (i) The trading segment is involved in importing, exporting, general dealing and leasing of steel products, hardware and building materials;
- (ii) The manufacturing segment is involved in manufacturing, selling and renting of pipes, hollow sections, scaffolding equipment and other steel products;
- (iii) The property and investment segment is involved in investment and property holdings;
- (iv) The transportation segment is involved in provision of transportation services;
- (v) The mining exploration segment is involved in exploring, contracting and all activities related to the mining, processing and sales of iron ore; and
- (vi) The selling of electricity is involved in sales of electricity.

Except as indicated above, no operating segment has been aggregated to form the above reportable operating segments.

Group income taxes are managed on a group basis and are not allocated to operating segments.

(b) Geographical segments

No segmental information is provided on a geographical basis as the activities of the Group are carried out predominantly in Malaysia.

The Directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on negotiated terms and conditions.

Performance is measured based on segment profit before tax, interest and depreciation as included in the internal management reports that are reviewed by the Executive Directors and Chief Operating Officer. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment assets is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Executive Directors and Chief Operating Officer. Segment total assets is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is included in the internal management reports and provided regularly to the Executive Directors and Chief Operating Officer. Hence, disclosure is made on segment liabilities.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment.

Major customers

There is no single major customer with revenue equal or more than 10% (2024: 10%) of the Group's total revenue during the financial year except for sales to joint venture (refer to Note 29).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. Operating segments (Cont'd)

	Trading RM'000	Manufacturing RM'000	Property and investment RM'000	Transportation RM'000	Mining exploration RM'000	Selling of electricity RM'000	Others/ Eliminations RM'000	Total RM'000
2025								
Revenue								
External customers	728,846	677,939	-	-	3,029	27,734	-	1,437,548
Inter-segment	-	39,895	43,825	3,278	-	-	(86,998)	-
Total segment revenue	728,846	717,834	43,825	3,278	3,029	27,734	(86,998)	1,437,548
Results								
Segment (loss)/profit	(46,594)	5,935	2,305	(76)	1,927	2,642	138,391	104,530
Included in the measure of segment profit are:								
Finance income	966	891	87	13	-	70	-	2,027
Finance costs	(13,474)	(10,552)	(78)	-	-	-	-	(24,104)
Depreciation	(676)	(24,341)	(2,825)	(208)	(999)	(138)	-	(29,187)
Net (loss)/gain on impairment of trade receivables	(31)	1,022	-	-	-	-	-	991
Share of profit of equity accounted joint venture, net of tax	-	-	-	-	-	-	-	138,391
Assets								
Segment assets	359,656	702,236	979,626	2,454	16,319	6,835	(10,721)	2,056,405
Unallocated assets								29,446
Total assets								2,085,851
Liabilities								
Segment liabilities	279,335	296,919	6,859	605	54	4,209	-	587,981
Unallocated liabilities								13,047
Total liabilities								601,028
Other information								
Addition to non-current assets other than financial instruments and deferred tax assets	382	70,954	761	874	-	-	-	72,971
Property, plant and equipment written off	56	175	-	-	-	-	-	231

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. Operating segments (Cont'd)

	Trading RM'000	Manufacturing RM'000	Property and investment RM'000	Transportation RM'000	Mining exploration RM'000	Selling of electricity RM'000	Others/ Eliminations RM'000	Total RM'000
2024								
Revenue								
External customers	899,578	762,214	-	69	4,151	17,195	-	1,683,207
Inter-segment	-	27,442	53,623	2,912	-	-	(83,977)	-
Total segment revenue	899,578	789,656	53,623	2,981	4,151	17,195	(83,977)	1,683,207
Results								
Segment (loss)/profit	(10,536)	38,704	7,670	32	2,687	1,549	77,284	117,390
Included in the measure of segment profit are:								
Bad debts recovered	21	-	-	-	-	-	-	21
Finance income	901	1,042	153	31	-	65	-	2,192
Dividend income	-	-	81	-	-	-	-	81
Finance costs	(14,379)	(10,082)	(123)	-	-	-	-	(24,584)
Depreciation	(509)	(14,836)	(3,385)	(231)	(1,370)	(138)	-	(20,469)
Net loss on impairment of trade receivables	(743)	(1,558)	-	-	-	-	-	(2,301)
Share of profit of equity- accounted joint venture, net of tax	-	-	-	-	-	-	-	77,284
Assets								
Segment assets	531,641	786,057	856,959	2,008	17,855	3,605	(121,956)	2,076,169
Unallocated assets								19,493
Total assets								2,095,662
Liabilities								
Segment liabilities	417,633	349,265	31,645	446	18,054	1,777	(122,697)	696,123
Unallocated liabilities								14,876
Total liabilities								710,999
Other information								
Addition to non-current assets other than financial instruments and deferred tax assets	29	43,661	293	823	-	-	-	44,806
Property, plant and equipment written off	10	26	-	-	-	-	-	36

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments

27.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (a) Fair value through profit or loss ("FVTPL")
- Mandatorily required by MFRS 9
- (b) Amortised cost ("AC"); and
- (c) Fair value through other comprehensive income ("FVOCI").

	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
2025				
Financial assets				
Group				
Other investments	3,189	3,049	-	140
Trade and other receivables (excluding prepayments)	289,010	-	289,010	-
Derivative financial assets	389	389	-	-
Cash and cash equivalents	94,974	-	94,974	-
	387,562	3,438	383,984	140
Company				
Other investments	1,113	1,113	-	-
Trade and other receivables (excluding prepayments)	37,483	-	37,483	-
Cash and cash equivalents	1,157	-	1,157	-
	39,753	1,113	38,640	-
Financial liabilities				
Group				
Loans and borrowings	(485,166)	-	(485,166)	-
Trade and other payables	(97,863)	-	(97,863)	-
	(583,029)	-	(583,029)	-
Company				
Trade and other payables	(32,885)	-	(32,885)	-
	(32,885)	-	(32,885)	-

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.1 Categories of financial instruments (Cont'd)

	Carrying amount RM'000	FVTPL RM'000	AC RM'000	FVOCI RM'000
2024				
Financial assets				
Group				
Other investments	4,868	4,728	-	140
Trade and other receivables (excluding prepayments)	404,263	-	404,263	-
Derivative financial assets	244	244	-	-
Cash and cash equivalents	93,881	-	93,881	-
	503,256	4,972	498,144	140
Company				
Other investments	1,076	1,076	-	-
Trade and other receivables (excluding prepayments)	22,974	-	22,974	-
Cash and cash equivalents	1,414	-	1,414	-
	25,464	1,076	24,388	-
Financial liabilities				
Group				
Loans and borrowings	(565,501)	-	(565,501)	-
Trade and other payables	(118,115)	-	(118,115)	-
Derivative financial liabilities	(2,803)	(2,803)	-	-
	(686,419)	(2,803)	(683,616)	-
Company				
Trade and other payables	(25,093)	-	(25,093)	-
	(25,093)	-	(25,093)	-

27.2 Net gains and losses arising from financial instruments

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Net gains/(losses) on:				
Financial assets at fair value through profit or loss	1,118	(473)	36	-
Financial assets measured at amortised cost	4,095	1,411	(1,273)	313
Equity instruments designated at fair value through other comprehensive income	-	40	-	-
Financial liabilities measured at amortised cost	(24,104)	(24,584)	(1,203)	(1,508)
	(18,891)	(23,606)	(2,440)	(1,195)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

27.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from amount due from subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries and joint venture. There are no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by banks, shareholders or directors of customers are obtained, and credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the trade receivables is credit impaired.

The gross carrying amounts of credit impaired trade receivables is written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that is written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group	
	2025	2024
	RM'000	RM'000
Domestic	270,101	372,041
Asia	15,581	29,771
	<hr/>	<hr/>
	285,682	401,812
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.4 Credit risk (Cont'd)

Trade receivables (Cont'd)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days. The Group's debt recovery process is as follows:

- Above 90 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales and credit control teams; and
- Above 120 days past due, the Group will commence a legal proceeding against the customer.

The Group adopts the simplified approach and uses an allowance matrix to measure ECLs of trade receivables for all segments. Consistent with the debt recovery process, invoices which are past due 120 days will be considered as credit impaired.

Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to 120 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historical data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group			
2025			
Current (not past due)	165,157	(63)	165,094
1 - 30 days past due	48,499	-	48,499
31 - 60 days past due	40,936	(16)	40,920
61 - 90 days past due	22,914	(28)	22,886
91 - 120 days past due	3,869	(36)	3,833
More than 120 days past due	8,928	(4,478)	4,450
	290,303	(4,621)	285,682
2024			
Current (not past due)	198,225	-	198,225
1 - 30 days past due	120,132	(22)	120,110
31 - 60 days past due	60,694	(22)	60,672
61 - 90 days past due	10,309	(26)	10,283
91 - 120 days past due	8,547	(923)	7,624
More than 120 days past due	9,517	(4,619)	4,898
	407,424	(5,612)	401,812

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.4 Credit risk (Cont'd)

Trade receivables (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

The movements in the allowance for impairment losses in respect of trade receivables during the year are shown below.

Group	Trade receivables		Total RM'000
	Lifetime ECL RM'000	Credit impaired RM'000	
Balance at 1 August 2023	847	2,464	3,311
Net remeasurement of loss allowance	784	1,517	2,301
Balance at 31 July 2024/1 August 2024	1,631	3,981	5,612
Net remeasurement of loss allowance	65	(1,056)	(991)
Balance at 31 July 2025	1,696	2,925	4,621

Investments in financial assets

Risk management objectives, policies and processes for managing the risk

Investments in financial assets are allowed only in liquid securities. Transactions involving derivative financial instruments are with approved financial institutions.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations.

The investments in financial assets are unsecured.

Impairment losses

As at the end of the reporting period, there was no indication that the investments in financial assets are not recoverable.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.4 Credit risk (Cont'd)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries and joint venture. The Company monitors on an ongoing basis the results and repayments made by the subsidiaries and joint venture.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM43,098,000 (2024: RM59,676,000) for the Group and RM528,263,000 (2024: RM625,177,000) for the Company representing the outstanding banking facilities of the subsidiaries and joint venture as at the end of the reporting period.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when the financial performance of a subsidiary or joint venture deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary or joint venture is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary or joint venture is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any subsidiaries or joint venture would default on repayment.

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the results of these entities regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the significant exposure to credit risk in respect of the amount due from subsidiaries is disclosed in Note 9 to the financial statements.

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers the subsidiaries' loans or advances to be credit impaired when:

- The subsidiaries are unlikely to repay their loans or advances to the Company in full;
- The subsidiaries' loan or advance is overdue for more than 365 days; or
- The subsidiaries are continuously loss making and are having a deficit shareholders' fund.

The Company determines the probability of default for these loans and advances individually using internal information available.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.4 Credit risk (Cont'd)

Inter-company balances (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' loans and advances.

Company	Gross carrying amount RM'000	Impairment loss allowance RM'000	Net balance RM'000
2025			
Low credit risk	25,194	-	25,194
2024			
Low credit risk	22,234	-	22,234

As at the end of the reporting period, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Cash and cash equivalents and deposits with licensed banks

The cash and cash equivalents and deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of the lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments.

	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
Group							
2025							
<i>Non-derivative financial liabilities</i>							
Bank loans and facilities	485,166	3.28 - 5.60	588,037	547,521	9,222	27,669	3,625
Lease liabilities	1,330	3.25	1,349	543	543	263	-
Trade and other payables	97,863	-	97,863	97,863	-	-	-
Financial guarantee	-	-	43,098	43,098	-	-	-
	584,359		730,347	689,025	9,765	27,932	3,625
<i>Derivative financial assets/ (liabilities)</i>							
Forward exchange contracts (gross settled):							
Outflow	-	-	38,721	38,721	-	-	-
Inflow	(389)	-	(39,110)	(39,110)	-	-	-
	583,970		729,958	688,636	9,765	27,932	3,625

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.5 Liquidity risk (Cont'd)

Maturity analysis (cont'd)

	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000
Group						
2024						
<i>Non-derivative financial liabilities</i>						
Bank loans and facilities	565,501	3.46 - 4.80	567,132	567,132	-	-
Lease liabilities	3,366	3.25	3,568	996	996	1,576
Trade and other payables	118,115	-	118,115	118,115	-	-
Financial guarantee	-	-	59,676	59,676	-	-
	686,982		748,491	745,919	996	1,576
<i>Derivative financial assets/(liabilities)</i>						
Forward exchange contracts (gross settled):						
Outflow	2,803	-	172,764	172,764	-	-
Inflow	(244)	-	(170,205)	(170,205)	-	-
	689,541		751,050	748,478	996	1,576
Company						
2025						
<i>Non-derivative financial liabilities</i>						
Trade and other payables	4,913	-	4,913	4,913	-	-
Amount due to a subsidiary	27,972	5	29,371	-	29,371	-
Lease liabilities	1,330	3.25	1,349	543	543	263
Financial guarantees	-	-	528,263	528,263	-	-
	34,215		563,896	533,719	29,914	263
2024						
<i>Non-derivative financial liabilities</i>						
Trade and other payables	3,971	-	3,971	3,971	-	-
Amount due to a subsidiary	21,122	5	22,178	-	22,178	-
Lease liabilities	3,366	3.25	3,568	996	996	1,576
Financial guarantees	-	-	625,177	625,177	-	-
	28,459		654,894	630,144	23,174	1,576

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

27.6.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and cash and cash equivalents that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), and Singapore Dollar ("SGD"). The Company is not exposed to any foreign currency risk.

Risk management objectives, policies and processes for managing the risk

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level. The Group uses forward exchange contracts to hedge its foreign currency risk. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

Group	Denominated in	
	USD	SGD
2025	RM'000	RM'000
Trade receivables	541	15,098
Cash and cash equivalents	6,322	2,315
Total exposure	6,863	17,413
2024		
Trade receivables	1,044	28,727
Cash and cash equivalents	2,034	3,185
Total exposure	3,078	31,912

Currency risk sensitivity analysis

Foreign currency risk of the Group entities mainly arises from transactions dealing in the above currencies. The exposure to other currencies is not material and hence sensitivity analysis is not presented for other currencies.

A 10% (2024: 10%) strengthening of the above currencies against the functional currency of the Group entities at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Group	Equity/Profit or loss	
	2025	2024
	RM'000	RM'000
SGD	1,323	2,425
USD	522	234

A 10% (2024: 10%) weakening of the above currencies against the functional currency of the Group entities at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.6 Market risk (Cont'd)

27.6.2 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to risk of change in cash flows due to changes in interest rates. Investments in equity securities, other investments and short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group manages its interest rate exposure by maintaining fixed and floating rate borrowings. The Group reviews its debts portfolio, taking into account the investment holding period and nature of its assets.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
<i>Financial assets</i>				
Loan to subsidiaries	-	-	17,319	19,928
	-	-	17,319	19,928
<i>Financial liabilities</i>				
Loan from subsidiaries	-	-	(27,972)	(21,122)
Revolving credit	(33,000)	(49,062)	-	-
Bankers' acceptances	(292,964)	(317,755)	-	-
Post shipment buyer loan	(56,333)	(55,711)	-	-
Accepted bills	(69,281)	(142,973)	-	-
	(451,578)	(565,501)	(27,972)	(21,122)
Floating rate instruments				
<i>Financial liabilities</i>				
Term loans	(33,588)	-	-	-

Interest rate risk sensitivity analysis

(a) *Fair value sensitivity analysis for fixed rate instruments*

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/ (decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.6 Market risk (Cont'd)

27.6.2 Interest rate risk (Cont'd)

Interest rate risk sensitivity analysis (Cont'd)

(b) Cash flow sensitivity analysis for variable rate instruments (Cont'd)

Group	Profit or loss	
	100bp increase RM'000	100bp decrease RM'000
2025		
Floating rate instruments	(255)	255

27.6.3 Other price risk

Equity price risk arises from the Group's investments in quoted equity securities and Group and Company's unit trust funds of licensed financial institutions within Malaysia.

The quoted equity securities are listed on the Bursa Malaysia Securities Berhad and are classified as measured at fair value through profit or loss.

The Group and Company's investment in unit trust funds of licensed financial institutions within Malaysia is a fixed income fund which provides regular income stream and stable investment returns. The Group invested in the funds for cash management purpose. The instruments are classified as fair value through profit or loss.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the equity investments on an individual basis and all buy and sell decisions are approved by the management.

Equity price risk sensitivity analysis

At the reporting date, if the equity price had been 5% (2024: 5%) higher/lower, with all other variables held constant, the Group's other reserves in equity would have been RM152,450 (2024: RM236,400) and RM55,650 (2024: RM53,780) higher/lower respectively, arising as a result of an increase/decrease in the fair value of the financial instruments classified as fair value through profit or loss.

27.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings approximate fair values due to the relatively short-term nature of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.7 Fair value information (Cont'd)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

2025 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'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Financial assets										
Club membership, unquoted	-	-	140	140	-	-	-	-	140	140
Investment in quoted shares	1,936	-	-	1,936	-	-	-	-	1,936	1,936
Forward exchange contracts	-	389	-	389	-	-	-	-	389	389
Investment in unit trust funds	-	1,113	-	1,113	-	-	-	-	1,113	1,113
	1,936	1,502	140	3,578	-	-	-	-	3,578	3,578
Financial liabilities										
Long term loans	-	-	-	-	-	-	(27,921)	(27,921)	(27,921)	(27,921)
Company										
Financial assets										
Loan to subsidiaries	-	-	-	-	-	-	17,319	17,319	17,319	17,319
Investment in unit trust funds	-	1,113	-	1,113	-	-	-	-	1,113	1,113
	-	1,113	-	1,113	-	-	17,319	17,319	18,432	18,432
Financial liabilities										
Loan from a subsidiary	-	-	-	-	-	-	(27,972)	(27,972)	(27,972)	(27,972)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.7 Fair value information (Cont'd)

2024 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'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Financial assets										
Club membership, unquoted	-	-	140	140	-	-	-	-	140	140
Investment in quoted shares	3,312	-	-	3,312	-	-	-	-	3,312	3,312
Forward exchange contracts	-	244	-	244	-	-	-	-	244	244
Investment in unit trust funds	-	1,416	-	1,416	-	-	-	-	1,416	1,416
	3,312	1,660	140	5,112	-	-	-	-	5,112	5,112
Financial liabilities										
Forward exchange contracts	-	(2,803)	-	(2,803)	-	-	-	-	(2,803)	(2,803)
Company										
Financial assets										
Loan to subsidiaries	-	-	-	-	-	-	19,928	19,928	19,928	19,928
Investment in unit trust funds	-	1,076	-	1,076	-	-	-	-	1,076	1,076
	-	1,076	-	1,076	-	-	19,928	19,928	21,004	21,004
Financial liabilities										
Loan from a subsidiary	-	-	-	-	-	-	(21,122)	(21,122)	(21,122)	(21,122)

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. Financial instruments (Cont'd)

27.7 Fair value information (Cont'd)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2024: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

(a) Financial instruments carried at fair value

Type	Description of valuation technique and inputs used
Club membership, unquoted	Market comparison technique.

(b) Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Long term loans and intercompany loans	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

Valuation processes applied by the Group for Level 3 fair value

The Group has an established control framework in respect to the measurement of fair values of financial instruments. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Finance Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

27.8 Material accounting policy information

The Group or the Company applies settlement date accounting for regular way purchase or sale of financial assets.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

28. Capital management

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

For the purpose of the Group's capital management, capital includes share capital, treasury shares, and all other equity reserves attributable to the equity holders.

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with covenants and regulatory requirements.

During the financial year, the Group's strategy, unchanged from the previous financial year, is to maintain the debt-to-equity ratio of not more than 1 to 3.5 times to comply with a bank covenant, failing which, the bank may call an event of default. The Group has not breached this covenant (see Note 15). The debt-to-equity ratios at 31 July 2025 and 31 July 2024 were as follows:

	Note	Group 2025 RM'000	2024 RM'000
Total loans and borrowings	15	485,166	565,501
Lease liabilities		1,330	3,366
Less: Cash and cash equivalents	12	(94,974)	(93,881)
Net debt		391,522	474,986
Total equity		1,484,823	1,384,663
Debt-to-equity ratio		0.26	0.34

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

29. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company, other than key management personnel compensation (see Note 23) are shown below. The balances related to the below transactions are shown in Notes 9 and 16.

	2025 RM'000	2024 RM'000
Group		
Purchases of steel products from a company in which certain Directors of the Company have significant interests:		
JK Ji Seng Sdn. Bhd.	336,094	532,918
Sales of steel products to joint venture:		
Eastern Steel Sdn. Bhd.	(235,427)	(146,748)
Company		
Rental income from subsidiaries:		
Alpine Pipe Manufacturing Sdn. Bhd.	(5,026)	(5,026)
Huatracco Scaffold Sdn. Bhd.	(1,939)	(1,938)
Hiap Teck Hardware Sdn. Bhd.	(3,305)	(3,720)
Briliant Decade Transport Agency Sdn. Bhd.	(6)	(6)
Management fees from subsidiaries:		
Hiap Teck Hardware Sdn. Bhd.	(5,201)	(2,970)
Alpine Pipe Manufacturing Sdn. Bhd.	(11,207)	(6,623)
Huatracco Scaffold Sdn. Bhd.	(5,607)	(3,368)
Briliant Decade Transport Agency Sdn. Bhd.	(268)	(235)
Gross dividends income from subsidiaries:		
Alpine Pipe Manufacturing Sdn. Bhd.	-	(30,000)
Huatracco Scaffold Sdn. Bhd.	(10,000)	-
Eastern Power Resources Sdn. Bhd.	(1,530)	-
Finance income from subsidiaries:		
Hiap Teck Resources Sdn. Bhd.	(305)	(178)
Vista Mining Sdn. Bhd.	(1,008)	-
Finance costs to a subsidiary:		
Alpine Pipe Manufacturing Sdn. Bhd.	1,125	1,385
Loan from a subsidiary:		
Alpine Pipe Manufacturing Sdn. Bhd.	38,447	21,122
Loan to subsidiaries:		
Vista Mining Sdn. Bhd.	16,136	18,000
Hiap Teck Resources Sdn. Bhd.	1,944	1,928
Rental expenses to a company in which certain Directors of the Company have significant interests:		
Pedoman Cekap Sdn. Bhd	807	996

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

30. Capital commitment

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Capital expenditure commitments				
Property, plant and equipment				
Contracted but not provided for	1,200	53,000	1,200	1,200
Joint venture				
Share of capital commitment of the joint venture	50,084	223,174	50,084	223,174

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

In the opinion of the Directors, the financial statements set out on pages 85 to 139 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Tan Sri Dato' Seri Law Tien Seng
Director

.....
Foo Kok Siew
Director

Kuala Lumpur

Date: 3 November 2025

STATUTORY DECLARATION pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Foo Kok Siew**, the Director primarily responsible for the financial management of Hiap Teck Venture Berhad, do solemnly and sincerely declare that the financial statements set out on pages 85 to 139 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Foo Kok Siew, NRIC: 610523-10-6663, at Kuala Lumpur in the Federal Territory on 3 November 2025.

.....
Foo Kok Siew

Before me:

Rajeev Saigal A/L Ramlabaya Saigal
Comissioner for Oaths
(No. w681)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hiap Teck Venture Berhad, which comprise the statements of financial position as at 31 July 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 85 to 139.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 July 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD (Cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. 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.

1. Valuation of inventory

Refer to Note 10 – Inventories.

The key audit matter	How the matter was addressed in our audit
<p>MFRS 102 Inventories requires the entity to value its inventories at the lower of cost and net realisable value.</p> <p>Given that inventories represent a material balance for the Group and the valuation process involves significant judgment, it has been identified as a key audit matter.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none">• evaluated management's assessment process for identifying and writing down inventories to their net realisable value, including allowance for slow-moving and obsolete inventories.• attended and observed the physical inventory counts, noting any items that exhibited signs of slow movement or obsolescence.• tested the accuracy of the inventory aging reports used in management's assessment.• assessed the adequacy of the write-down to net realisable values and allowance for slow-moving and obsolete inventories. This involved evaluating management's determination of the net realisable value of inventories, comparing inventory cost to estimated selling prices, and verifying subsequent sales transactions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD (Cont'd)

Key Audit Matters (Cont'd)

2. Valuation of trade receivables

Refer to Note 27 – Measurement of expected credit loss ("ECL").

The key audit matter	How the matter was addressed in our audit
<p>The Group is exposed to the risk of potential default by customers, particularly where trade receivables have been long outstanding.</p> <p>Valuation of trade receivables is identified as a key audit matter as the balance constitutes a significant portion of the Group's assets. There is also a certain degree of estimation uncertainty in the measurement of recoverability of trade receivables.</p>	<p>We performed the following audit procedures, among others:</p> <ul style="list-style-type: none"> obtained an understanding of the Group's credit control policy, and management's process and methodology for assessing the allowance for expected credit losses on trade receivables. verified the accuracy of the aging reports used in management's assessment. assessed the adequacy of the allowance for expected credit loss by comparing past payment trends, reviewing historical bad debt records, checking subsequent receipts, and agreeing to instalment payment plans for specific debtors.

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

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 Directors' Report, Statement on Risk Management and Internal Control, and Chairman's Statement (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD (Cont'd)

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- 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 ability of the Group or of the Company 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 gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIAP TECK VENTURE BERHAD (Cont'd)

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

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.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Selangor

Date: 03 November 2025

Chua See Guan
Approval Number: 03169/02/2027 J
Chartered Accountant

PROPERTIES OF THE GROUP

AS AT 31 JULY 2025

Location	Description and Existing Usage	Tenure	Approximate Age of Building (years)	Approximate Land Area (acres)	Build Up Area (sq. metres)	Net Carrying Amount			
						as at 31 July 2025 (RM)	Date of Acquisition	Date of Last Revaluation	
Company and its subsidiaries									
Lot 6085, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory with a 2 storey office	Freehold	28	9.0	19,005	15,695,884	29-May-03	15-Jul-20	43,800,000
Lot 6088, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory with a 2 storey office	Freehold	28	9.0	18,732	16,193,035	29-May-03	15-Jul-20	43,800,000
Lot 6089, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory/ warehouse	Freehold	27	9.0	18,516	16,338,642	29-May-03	15-Jul-20	45,600,000
Lot 6095, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory/ warehouse	Freehold	26	10.0	22,341	23,344,700	05-Jul-96	15-Jul-20	51,800,000
Lot 6096, Mukim of Kapar District of Klang Selangor Darul Ehsan	Single storey factory/ warehouse with 4 storey office building	Freehold	26	10.0	12,179	17,630,113	05-Jan-95	15-Jul-20	41,300,000
Lot 6097, Mukim of Kapar District of Klang Selangor Darul Ehsan	Industrial Land	Freehold	-	5.0	-	6,858,961	14-Jan-12	15-Jul-20	16,000,000
Lot 54959 (formerly PT40530), Mukim of Kapar, District of Klang, Selangor	Single storey detached factory with a double storey office building	Freehold	19	18.0	53,243	56,931,323	23-Oct-08	15-Jul-20	109,500,000
51-C, Tingkat Dua Jalan BRP 6/10 Bukit Rahman Putra Seksyen U20 40160 Shah Alam	Shop office	Freehold	25	-	145	120,588	20-Aug-99	28-Jul-20	190,000

PROPERTIES OF THE GROUP AS AT 31 JULY 2025 (Cont'd)

Location	Description and Existing Usage	Tenure	Approximate Age of Building (years)	Approximate Land Area (acres)	Build Up Area (sq. metres)	Net Carrying Amount			
						31 July 2025 (RM)	Date of Acquisition	Date of Last Revaluation	Amount of Last Revaluation
Company and its subsidiaries (Cont'd)									
4727-01, Jalan Sri Putri 5/7 Taman Putri Kulai 81000 Kulai Johor Darul Takzim	Shop office apartment	Freehold	27	-	143	77,607	02-Aug-99	16-Aug-20	120,000
No.8, Jalan Firma 3, Tebrau IV Industrial Estate 81100 Johor Bahru Johor Darul Takzim	Single story detached factory building	Leasehold (60 years) expiring 31/01/2060	21	1.0	2,536	2,422,981	27-Feb-07	06-Aug-20	4,100,000
No. 6, Jalan Firma 3, Tebrau IV Industrial Estate 81100 Johor Bahru Johor Darul Takzim	Single storey factory with a 2 storey office	Leasehold (60 years) expiring 31/01/2060	23	1.6	3,996	4,669,195	06-Jun-07	06-Aug-20	6,700,000
Lot 169, Mukim of Plentong District of Johor Bahru Johor Darul Takzim	Vacant agricultural land	Freehold	-	6.2	-	670,000	09-Jun-95	06-Aug-20	3,700,000
Lot 296, Mukim 13 District of Seberang Perai Tengah, Pulau Pinang	Single storey warehouse with 2 storey office	Leasehold (60 years) expiring 10/03/2058	19	2.2	2,453	1,596,725	06-Jul-96	06-Aug-20	6,200,000
Lot 3805, Mukim of Kapar District of Klang Selangor Darul Ehsan	Vacant agricultural land	Freehold	-	3.75	-	10,100,425	20-Oct-23	-	-
Kapar 2 International Industrial Park ("KIP 2") Lot T01, Mukim Jeram, Daerah Kuala Selangor, Negeri Selangor.	Vacant industrial land	Freehold	-	21.3	-	47,641,112	18-Sept-24	-	-

PROPERTIES OF THE GROUP AS AT 31 JULY 2025 (Cont'd)

Location	Description and Existing Usage	Tenure	Approximate Age of Building (years)	Approximate Land Area (acres)	Build Up Area (sq. metres)	Net Carrying Amount	Date of Acquisition	Date of Last Revaluation	Amount of Last Revaluation
						as at 31 July 2025 (RM)			
<u>Jointly controlled entity</u>									
Lot 6293 & Lot 6294 Mukim Teluk Kalung Kemaman, Terengganu	Blast furnace plant	Leasehold (60 years) expiring 01/04/2068	-	608.6	-	104,352,840	02-Apr-08	15-Nov-23	520,000,000
Lot 60129, 60130, 60131 Mukim Teluk Kalung Kemaman, Terengganu	Vacant industrial land	Leasehold (60 years) expiring 14/04/2073	-	600.0	-	4,247,471	03-Apr-13		
Lot 50497 Mukim Teluk Kalung Kemaman, Terengganu	Staff housing	Leasehold (99 years) expiring 29/07/2111	-	50.0	-	456,932	28-May-12		

ANALYSIS OF SHAREHOLDINGS

AS AT 21 OCTOBER 2025

Issued and Fully Paid-Up Share Capital : RM872,653,869.50 (1,747,722,015 Ordinary Shares)

Class of Shares : Ordinary shares

Voting Right : One vote per Ordinary Share held

*Excludes treasury shares of 5,492,000 Ordinary Shares

Analysis by Size of Shareholdings as at 21 October 2025

Size of shareholdings	No. of Shareholders	Percentage (%)	No. of Shares*	Percentage (%)
1 to 99	182	1.43	5,631	0.00
100 to 1000	1,105	8.68	656,904	0.04
1,001 to 10,000	5,059	39.71	31,371,970	1.80
10,001 to 100,000	5,213	40.92	189,513,906	10.88
100,001 to less than 5% of issued shares	1,177	9.24	989,322,222	56.78
5% and above of issued shares	3	0.02	531,359,382	30.50
Total	12,739	100.00	1,742,230,015	100.00

List of Thirty (30) Largest Shareholders as at 21 October 2025

No.	Names	No. of Shares	Percentage (%)
1.	CARTABAN NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR STANDARD CHARTERED BANK SINGAPORE BRANCH (SG PVB CL AC)	293,713,324	16.86
2.	CIMSEC NOMINEES (ASING) SDN. BHD. CIMB FOR TS LAW INVESTMENTS LIMITED (PB)	135,000,000	7.75
3.	MAYBANK SECURITIES NOMINEES (ASING) SDN. BHD. MAYBANK SECURITIES PTE LTD FOR BLUEBAY INVESTMENTS GROUP CORPORATION	102,646,058	5.89
4.	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR BANK OF SINGAPORE LIMITED (FOREIGN)	71,552,400	4.11
5.	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	64,500,000	3.70
6.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (2)	37,986,100	2.18
7.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR NORGES BANK (FI 17)	30,724,500	1.76
8.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	26,754,500	1.54
9.	LEE SEE JIN	23,915,400	1.37
10.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD MAYBANK SECURITIES PTE LTD FOR LAVINGTON INTERNATIONAL LIMITED	22,167,800	1.27
11.	TEH KHOON CHUAN TRADING CO. SDN. BHD.	17,765,000	1.02

ANALYSIS OF SHAREHOLDINGS AS AT 21 OCTOBER 2025 (Cont'd)

List of Thirty (30) Largest Shareholders as at 21 October 2025 (Cont'd)

No.	Names	No. of Shares	Percentage (%)
12.	TEH CHAK SEONG	15,100,000	0.87
13.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 19)	14,920,000	0.86
14.	YAP KIM FOONG	12,569,200	0.72
15.	GOON EE TZE	11,000,000	0.63
16.	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD ETSW SBS (CLIENTS' ACC)	9,301,400	0.53
17.	TAN YIK BOR	8,203,000	0.47
18.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PETROLIAM NASIONAL BERHAD (KIB)	8,083,800	0.46
19.	WONG AH WAH	8,000,000	0.46
20.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSMY FOCUS FUND	7,750,200	0.45
21.	LIM YEW MING	7,638,700	0.44
22.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKETS CORE EQUITY 2 PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC.	7,095,800	0.41
23.	VICTOR LIM FUNG TUANG	6,662,800	0.38
24.	HOI POH YENG	6,000,000	0.34
25.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOR SEK CHOON	6,000,000	0.34
26.	TAN KIAN SER	5,500,000	0.32
27.	LEE THUNG HING	5,124,900	0.29
28.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ESPRING ABSR EQ)	5,102,100	0.29
29.	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE KOK YEU (M)	5,000,000	0.29
30.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (8039533)	4,990,000	0.29
Total:		980,766,982	56.29

ANALYSIS OF SHAREHOLDINGS AS AT 21 OCTOBER 2025 (Cont'd)

Directors' Shareholdings as at 21 October 2025 (As per the Register of Directors' Shareholdings of the Company)

No. Names	Direct		Indirect	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
1. Tan Sri Dato' Sri Mohamad Fuzi Bin Harun	-	-	-	-
2. Tan Sri Dato' Seri Law Tien Seng	-	-	492,713,324 ^(a)	28.28
3. Foo Kok Siew	-	-	-	-
4. Tan Shau Ming	400,000	0.02	968,000 ^(b)	0.05
5. Law Wai Cheong	-	-	-	-
6. Law Wai Ho	-	-	-	-
7. Sherman Lam Yuen Suen	-	-	-	-
8. Chen Thien Yin	-	-	-	-
9. Dato' Ooi Lay See	-	-	-	-

Notes:

- (a) Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his shareholdings in Amardale Offshore Inc. which has a controlling interest in TS Law Investments Limited, a substantial shareholder in the Company.
- (b) Deemed interest pursuant to Sections 59(11)(c) and 197 of the Companies Act 2016 by virtue of his spouse, Madam Ng Siew Cho's direct shareholdings in the Company.

Substantial Shareholdings as at 21 October 2025 (As per the Register of Substantial Shareholders of the Company)

No. Names	Direct		Indirect	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
1. Tan Sri Dato' Seri Law Tien Seng	-	-	492,713,324 ^(a)	28.28
2. Amardale Offshore Inc.	-	-	492,713,324 ^(b)	28.28
3. TS Law Investments Limited	-	-	492,713,324 ^(c)	28.28
4. Bluebay Investments Group Corporation	-	-	102,646,058 ^(d)	5.89
5. Cartaban Nominees (Asing) Sdn. Bhd.	293,713,324 ^(c)	16.86	-	-
6. Citigroup Nominees (Asing) Sdn. Bhd.	64,000,000 ^(c)	3.67	-	-
7. CIMSEC Nominees (Asing) Sdn. Bhd.	135,000,000 ^(c)	7.75	-	-
8. Maybank Securities Nominees (Asing) Sdn. Bhd.	102,646,058 ^(e)	5.89	-	-

Notes:

- (a) Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his 100% shareholdings in Amardale Offshore Inc. which has controlling interest in TS Law Investments Limited, a substantial shareholder of HTVB.
- (b) Deemed interest by virtue of its 100% shareholdings in TS Law Investments Limited which is a substantial shareholder of HTVB.
- (c) Substantial Shareholding in HTVB of which TS Law Investments Limited is directly interested.
- (d) Deemed interest by virtue of its shareholdings in Maybank Securities Nominees (Asing) Sdn. Bhd. which is a substantial shareholder of HTVB.
- (e) Substantial Shareholding in HTVB of which Bluebay Investments Group Corporation is directly interested.

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Ninth Annual General Meeting of the Company will be held at Setia City Convention Centre, Function Room 8, 1st Floor, No. 1, Persiaran Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Wednesday, 17 December 2025 at 10.00 a.m. for the following purposes:-

A G E N D A

ORDINARY BUSINESS:-

- | | | |
|----|--|--|
| 1. | To receive the Audited Financial Statements of the Company for the financial year ended 31 July 2025 together with the Directors' and Auditors' Reports attached thereon. | Please refer to Note A on this Agenda |
| 2. | To approve the Directors' fees of RM420,000.00 for the financial year ended 31 July 2025. | Ordinary Resolution 1 |
| 3. | To approve the Directors' allowances and benefits payable of RM40,000.00 in respect of the period from 18 December 2025 up to the next Annual General Meeting of the Company. | Ordinary Resolution 2 |
| 4. | To approve a First and Final Single-Tier Dividend of 0.50 sen per share for the financial year ended 31 July 2025. | Ordinary Resolution 3 |
| 5. | To re-elect the following Directors who are retiring in accordance with Clause 92 of the Company's Constitution:-
(a) Tan Sri Dato' Sri Mohamad Fuzi Bin Harun;
(b) Mr. Foo Kok Siew; and
(c) Mr. Chen Thien Yin. | Ordinary Resolution 4
Ordinary Resolution 5
Ordinary Resolution 6 |
| 6. | To re-elect Mr. Law Wai Ho who is retiring in accordance with Clause 97 of the Company's Constitution. | Ordinary Resolution 7 |
| 7. | To re-appoint Messrs. KPMG PLT as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration. | Ordinary Resolution 8 |

8. AS SPECIAL BUSINESS:-

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

- | | |
|--|------------------------------|
| 8.1 The Authority to Directors to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 | Ordinary Resolution 9 |
|--|------------------------------|

"THAT subject always to the approvals of the relevant authorities, the Directors be hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016 to allot and issue shares in the Company at any time 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 pursuant to this resolution does not exceed 10% of the total issued capital of the Company (excluding treasury shares) at the time of issue.

AND THAT the Directors be hereby also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities Berhad **AND FURTHER THAT** such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

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|---|-------------------------------|
| 8.2 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of RRPT Mandate") | Ordinary Resolution 10 |
|---|-------------------------------|

"THAT the Company and/or its subsidiaries be hereby authorised to enter into recurrent related party transactions of a revenue or trading nature as specified in Section 2.3.3 of the Circular to Shareholders dated 17 November 2025, provided that such arrangements and/or transactions 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 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.

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING (Cont'd)

AND THAT the Directors of the Company be 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.

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

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such Proposed Renewal of Shareholders' Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at the meeting, the authority is renewed either unconditionally or subject to conditions;
- (ii) 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 ("the Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier."

8.3 Proposed Shareholders' Mandate for Share Buy-Back

Ordinary Resolution 11

"THAT subject to the Companies Act, 2016, the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant regulatory authorities, the Company be hereby authorised to purchase and/or to hold up to ten percent (10%) of the issued Shares of the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the best interest of the Company and an amount not exceeding the retained profits of the Company, be allocated by the Company for the Proposed Share Buy-Back. The retained profits of the Company are RM97,854,861 for the financial year ended 31 July 2025.

AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be hereby authorised to cancel such shares or retain such shares as the Treasury Shares or a combination of both. The Directors of the Company are further authorised to resell the Treasury Shares on Bursa Securities or distribute the Treasury Shares as dividends to the shareholders of the Company or subsequently cancel the Treasury Shares or any combination of the three.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to carry out the Proposed Share Buy-Back immediately upon the passing of this resolution until:

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

whichever occur first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and to take all steps as are necessary and/or to do all such acts and things as the Directors of the Company deem fit and expedient in the interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, amendments and/or variations as may be imposed by the relevant authorities.

- 9. To transact any other business of the Company of which due notice shall be given in accordance with the Company's Constitution and the Companies Act 2016.

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING (Cont'd)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT a First and Final Single-Tier Dividend of 0.50 sen per share in respect of the financial year ended 31 July 2025 shall be payable on 16 January 2026 to Depositors registered in the Record of Depositors at the close of business on 5 January 2026.

Depositors shall qualify for entitlement only in respect of:-

- a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 5 January 2026 in respect of transfers; and
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD
HIAP TECK VENTURE BERHAD

NG YIM KONG (MACS 00305)
SSM PC: 202008000309
Company Secretary

Selangor Darul Ehsan

Date: 17 November 2025

EXPLANATORY NOTES ON THE ORDINARY AND SPECIAL BUSINESSES OF THE AGENDA.

(A) Audited Financial Statement for the Financial Year ended 31 July 2025

Agenda 1 is meant for discussion only as under the provision of Section 340(1)(a) of the Companies Act 2016, formal approval by members is not required to be obtained. Hence, this Agenda will not be put forward for voting.

(B) Payment of Directors' Fees and Benefits Payable

Section 230(1) of the Act 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. In this respect, the shareholders' approval shall be sought at the 29th AGM for the Directors' fees for the financial year ended 31 July 2025 under Ordinary Resolution 1.

Under Ordinary Resolution 2, the allowances payable to the Directors have been reviewed by the Nomination and Remuneration Committee ("NRC") and the Board of Directors of the Company, and are payable for the period from 18 December 2025 up to the conclusion of the next 30th Annual General Meeting of the Company and are in the best interest of the Company. The Directors' allowances comprise meeting allowance only.

(C) Re-election of Directors

Clause 92 of the Constitution of the Company states that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each AGM. All Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

Tan Sri Dato' Sri Mohamad Fuzi Bin Harun, Mr. Foo Kok Siew and Mr. Chen Thien Yin ("Retiring Directors"), who retire in accordance with Article 92 of the Constitution and being eligible, have offered themselves for re-election.

Mr. Law Wai Ho ("Retiring Directors") who was appointed as Directors of the Company during the financial year under review, will retire in accordance with Article 97 of the Constitution and being eligible, has offered himself for re-election.

In determining the eligibility of the Directors to stand for re-election at the forthcoming 29th AGM and in line with Practice 5.1 of the Malaysian Code on Corporate Governance 2021, the NRC has reviewed the composition of the Board with the view that the Board is refreshed periodically and has assessed the performance, time commitment and contribution of each of the Retiring Directors based on the Annual Performance Evaluation of the Board for the financial year ended 31 July 2025.

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING (Cont'd)

(C) Re-election of Directors (Cont'd)

The NRC has recommended the re-election of the Retiring Directors based on the following consideration:

- (i) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;
- (ii) met the fit and proper criteria of character, experience, integrity, competence and time commitment in discharging their roles as Directors of the Company;
- (iii) level of independence and ability to act in the best interest of the Company.

The Board has approved the NRC's recommendation for the Retiring Directors pursuant to Clause 92 of the Constitution of the Company. All the Retiring Directors have consented to their re-election, and abstained from deliberation as well as decision on their own eligibility to stand for re-election at the relevant NRC and Board meetings, where applicable.

The evaluation criteria adopted as well as the process of assessment by the Board has been duly elaborated in the Corporate Governance Overview Statement and Nomination Committee Statement in the Annual Report 2025 of the Company.

(D) Re-appointment of Auditors

The Audit Committee ("AC") has assessed the suitability and independence of the External Auditors and has recommended the re-appointment of KPMG PLT as External Auditors of the Company for the financial year ending 31 July 2026. The Board has in turn reviewed the recommendation of the AC and recommended the same to be tabled to the shareholders for approval at the forthcoming 29th AGM of the Company under Ordinary Resolution 8.

(E) The Authority to Directors to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 9 under Agenda 8.1, if passed, will empower the Directors of the Company, from the date of the above 29th AGM, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued capital of the Company (excluding treasury shares) for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate which seeks to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the 28th AGM held on 13 December 2024. The renewal of this general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.

The Company has not issued any new share to date pursuant to Sections 75 and 76 of the Companies Act 2016 under the general mandate which was approved at the 28th AGM.

(F) The Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Proposed Ordinary Resolution 10 under Agenda 8.2, if passed, will enable the Company and its subsidiaries ("the Group") to continue entering into the specified Recurrent Related Party Transactions as set out in Section 2.3.3 of the Circular to Shareholders dated 17 November 2025 with the specified classes of the Related Parties mentioned therein which are necessary for the Group's day-to-day operations. For further information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature, please refer to the Circular to Shareholders dated **17 November 2025** enclosed together with the Company's 2025 Annual Report.

(G) Proposed Shareholders' Mandate for Share Buy-Back

The proposed Resolution 11 under item 8.3 of the Agenda, if passed, will allow the Company to purchase and/or hold up to 10% of the total Issued Shares of the Company listed on Bursa Malaysia Securities Berhad. For further information on the Proposed Shareholders' Mandate for Share Buy-Back, please refer to the Statement to Shareholders dated 17 November 2025 enclosed together with the Company's Annual Report 2025.

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING (Cont'd)

NOTES ON APPOINTMENT OF PROXY:

1. Where a Member, an authorised nominee or an exempt authorised nominee appoints more than one proxy, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
2. Where a Member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (Central Depositories Act), it may appoint not more than two (2) proxies in respect of each Securities Account it holds in ordinary shares of the Company standing to credit of the said Securities Account.
3. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
4. A Member entitled to attend, participate, speak and vote at the 29th AGM is entitled to appoint a proxy or attorney or in case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote on his/ her behalf. A proxy may but need not be a member of the Company.
5. The Proxy Form shall be signed by the appointer or his/ her attorney duly authorised in writing or, if the Member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
6. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or via electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time appointed for holding the 29th AGM or adjourned meeting which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
7. The completed instrument of proxy once deposited will not preclude the Member from attending and voting in person at the 29th AGM should the Member subsequently wish to do so. A Member who is not resident in Malaysia or Singapore may by cable or other telegraphic communication appoint a proxy/proxies to vote for him/ her at any General Meeting of the Company PROVIDED:-
 - (a) such cable or other telegraphic communication shall have been received by the Company Share Registrar not less than forty-eight (48) hours before the time for the holding of the 29th AGM or adjourned meeting as the case may be at which the person named in such cable or other telegraphic communication proposes to vote; and
 - (b) the Directors are satisfied as to the genuineness of such cable or other telegraphic communication.

ALL the particulars as required in the proxy form must be completed, signed and dated accordingly.

Last date and time for lodging the proxy form is **Monday, 15 December 2025 at 10.00 a.m.**
8. For a corporate member who has appointed an authorised representative instead of a proxy to attend 29th AGM, please deposit the **original or duly certified certificate** of appointment of authorised representative with the Share Registrar of the Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:
 - (a) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (b) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (1) at least two (2) authorised officers, one (1) of whom shall be a director; or
 - (2) any director and/ or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 29th AGM will be put to vote by way of poll.

NOTICE OF TWENTY-NINTH ANNUAL GENERAL MEETING (Cont'd)

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall request Bursa Malaysia Depository Sdn Bhd in accordance with Clause 62(5) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 5 December 2025. Only a depositor whose name appears on the Record of Depositors as at 5 December 2025 shall be entitled to attend 29th AGM or appoint proxy/proxies to attend and/or vote in his stead.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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FORM OF PROXY



HTVB

HIAP TECK VENTURE BERHAD
Registration No. 199701005844 (421340-U)

HIAP TECK VENTURE BERHAD
Registration No. 199701005844 (421340-U)

TWENTY-NINTH ANNUAL GENERAL MEETING FORM OF PROXY

I/We,(NRIC No./Passport No./Company No.)
(FULL NAME IN CAPITAL LETTERS)

of
(FULL ADDRESS)

being a member/members of **HIAP TECK VENTURE BERHAD** hereby appoint:

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone Number			

*and/or

Full Name (in Block)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone Number			

or failing him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Twenty-Ninth Annual General Meeting of the Company to be held at Setia City Convention Centre, Function Room 8, 1st Floor, No. 1, Persiaran Setia Dagang AG U13/AG, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia on Wednesday, 17 December 2025 at 10.00 a.m. and at any adjournment thereof *for/*against the resolution(s) to be proposed thereat.

*My/*Our proxy(ies) *is/*are to vote on the Resolutions as indicated below:-

NO.	RESOLUTIONS	FOR	AGAINST
1	To approve the Directors' fees of RM420,000.00 for the financial year ended 31 July 2025.		
2	To approve the Directors' allowances and benefits payable of RM40,000.00 in respect of the period from 18 December 2025 up to the next Annual General Meeting of the Company.		
3	To approve a First and Final Single-Tier Dividend of 0.50 sen per share for the financial year ended 31 July 2025.		
4	To re-elect Tan Sri Dato' Sri Mohamad Fuzi Bin Harun who is retiring in accordance with Clause 92 of the Company's Constitution.		
5	To re-elect Mr. Foo Kok Siew who is retiring in accordance with Clause 92 of the Company's Constitution.		
6	To re-elect Mr. Chen Thien Yin who is retiring in accordance with Clause 92 of the Company's Constitution.		
7	To re-elect Mr. Law Wai Ho who is retiring in accordance with Clause 97 of the Company's Constitution.		
8	To re-appoint Messrs. KPMG PLT as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration.		
9	To grant the authority to Directors to Allot Shares and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016		
10	To approve the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
11	Proposed Shareholders' Mandate for Share Buy-Back		

[Please indicate with (X) in the spaces provided above as to how you wish your vote to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain at his (her) discretion]

Dated this 2025

.....
[Signature/Common Seal of Member]

* Delete if not applicable

Number of Ordinary shares held :	
CDS Account No.	

Notes on Appointment of Proxy:

1. Where a Member, an authorised nominee or an exempt authorised nominee appoints more than one proxy, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
 2. Where a Member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (Central Depositories Act), it may appoint not more than two (2) proxies in respect of each Securities Account it holds in ordinary shares of the Company standing to credit of the said Securities Account.
 3. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
 4. A Member entitled to attend, participate, speak and vote at the 29th AGM is entitled to appoint a proxy or attorney or in case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote on his/ her behalf. A proxy may but need not be a member of the Company.
 5. The Proxy Form shall be signed by the appointer or his/ her attorney duly authorised in writing or, if the Member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.
 6. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia or via electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time appointed for holding the 29th AGM or adjourned meeting which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
 7. The completed instrument of proxy once deposited will not preclude the Member from attending and voting in person at the 29th AGM should the Member subsequently wish to do so. A Member who is not resident in Malaysia or Singapore may by cable or other telegraphic communication appoint a proxy/proxies to vote for him/ her at any General Meeting of the Company PROVIDED:-
 - (a) such cable or other telegraphic communication shall have been received by the Company Share Registrar not less than forty-eight (48) hours before the time for the holding of the 29th AGM or adjourned meeting as the case may be at which the person named in such cable or other telegraphic communication proposes to vote; and
 - (b) the Directors are satisfied as to the genuineness of such cable or other telegraphic communication.
- ALL** the particulars as required in the proxy form must be completed, signed and dated accordingly.
- Last date and time for lodging the proxy form is **Monday, 15 December 2025 at 10.00 a.m.**
8. For a corporate member who has appointed an authorised representative instead of a proxy to attend 29th AGM, please deposit the **original or duly certified certificate** of appointment of authorised representative with the Share Registrar of the Company, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:
 - (a) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (b) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (1) at least two (2) authorised officers, one (1) of whom shall be a director; or
 - (2) any director and/ or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
 10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of the 29th AGM will be put to vote by way of poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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STAMP

The Company Secretary
HIAP TECK VENTURE BERHAD

199701005844 (421340-U)

c/o Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

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HIAP TECK VENTURE BERHAD

Registration No. 199701005844 (421340-U)

Lot 6096, Jalan Haji Abdul Manan
Batu 5 ½, Off Jalan Meru 41050 Klang
Selangor Darul Ehsan
Tel : 03-3377 8888
www.htgrp.com.my