



Kawan Renergy Berhad

202201039658 (1485355-U)

No.18, Lebuh Perusahaan 1,
Kawasan Perusahaan IGB,
31200 Ipoh, Perak, Malaysia
Tel: +605-2913840

ERRATA TO THE ANNUAL REPORT 2024 AND
CORPORATE GOVERNANCE REPORT 2024 ("CG Report 2024")

Dear Valued Shareholders of **KAWAN RENERGY BERHAD**

1. Reference is made to the Annual Report 2024 which was issued to the shareholders and submitted to Bursa Malaysia Securities Berhad ("Bursa Securities") on 27 February 2025.

On behalf of the Board of Directors, we wish to inform you that the amendments have been made to the relevant sections on the following pages of the Annual Report 2024 of the Company, shall by this Errata be corrected, amended and taken to be read as highlighted in **bold and underline** set out under Appendix enclosed herewith:-

No.	Sections	Page No.	Appendix	Remark
1.	DIRECTORS' REPORT	79	I	The amount of the declared dividend should be read as <u>RM6,875,000</u> instead of <u>RM11,000,000</u> .
2.	NOTES TO THE FINANCIAL STATEMENTS 27 (B) – SIGNIFICANT RELATED PARTY TRANSACTIONS	129	II	<u>RM450,000</u> indicated in the "Entity in which a person connected to a director that has a substantial financial interest" should be <u>" - "</u> .

(This section is intentionally left blank)

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is involved in activities of holding companies. The principal activities of its subsidiaries include design, fabrication, installation and/or commissioning of industrial process equipment and industrial process plants as well as renewable energy and co-generation plants and Independent Power Producer ("IPP") involved in power generation and sales of electricity, steam, thermal energy, biofuels, biomass, plantation of biomass feed stock.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
Profit/(loss) for the financial year, net of tax	18,008,690	(3,646,238)

DIVIDENDS

On 28 November 2024, the Directors declared a single tier interim dividend of RM0.0125 per ordinary share amounting to **RM6,875,000** in respect of the financial year ending 31 October 2025.

The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2025.

The directors do not recommend the payment of any final dividend for the financial year ended 31 October 2024.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances which would render the amount of the written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent.

CURRENT ASSETS

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

27. RELATED PARTIES (CONT'D)

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group Unaudited		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Sales of goods/services				
- Entity in which a person connected to a director that has a substantial financial interest	-	88,678	-	-
- Entity in which a director that has a substantial financial interest	-	378,881	-	-
Purchase of goods/services				
- Entity in which a director that has a substantial financial interest	-	770,945	-	-
Settlement of liabilities by the entity on behalf of another party				
- Fellow subsidiary	-	-	1,903,853	-
- Entity in which a director has a substantial financial interest	-	31,487	-	30,500
Dividend received				
- Subsidiary	-	-	52,206	-
- Shareholders	10,000,000	5,000,000	-	-
Advances to				
- Fellow subsidiary	-	-	5,748,515	-
Advances from				
- Fellow subsidiary	-	-	700,000	-
- Shareholder	-	550,000	-	550,000
Repayment from				
- Fellow subsidiaries	-	-	485,846	-

Significant outstanding balances with related parties at the end of the reporting periods are disclosed in Note 16.



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2. Reference is made to the CG Report 2024 which was issued to the shareholders and submitted to Bursa Malaysia Securities Berhad ("Bursa Securities") on 27 February 2025.

We wish to inform that amendment is made to the following to rectify the inadvertent error as set out below:

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Page 19 of the CG Report 2024, Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<u>Existing</u>		<u>After Amendment</u>	
Application :	<i>Not applicable - Step Up 5.4 adopted</i>	Application :	<i>Applied</i>
Explanation on application of the practice :		Explanation on application of the practice :	<i>None of the Independent Directors has served the Board exceeding a cumulative period of nine (9) years.</i>
Explanation for departure :		Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure :		Measure :	
Timeframe :		Timeframe :	

Save for the abovementioned amendments, all other details and information contained in the Annual Report 2024 and CG Report 2024 remain valid and unchanged.

We regret for any inconvenience caused.

By Order of the Board

Lim Thou Lai
Managing Director

Ipoh, Perak Darul Ridzuan, Malaysia
22 April 2025