

Governance

Corporate Governance Overview Statement

The Board of JENTAYU fully subscribe the principles and best practices as set out in the MCCG 2021 and the relevant provisions in the MMLR of Bursa Securities which the Group will endeavour to comply in making good corporate governance an integral part of its business dealings and culture.

This Corporate Governance Overview Statement ("CG Statement") provides a summary of the principles and practices as set out in the MCCG 2021 and MMLR of the Group during FY 2024 up until the date of Statement with reference to the 3 key principles as follows:

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

This CG Statement is prepared in compliance with the MMLR and it is to be read together with the Group's Corporate Governance Report ("CG Report") for FY 2024 which is publicly available on Bursa Securities' website at www.bursamalaysia.com and also the Company's website at www.jentayu-sustainables.com.

This statement is made in accordance with the resolution of the Board of Directors dated 28 October 2024.

Principle A: Board Leadership and Effectiveness

Principle A: Board Leadership and Effectiveness

Board's Roles and Responsibilities

The Board is responsible for the leadership, oversight and the long-term success of the Group. The Board fully understands their collective responsibilities in guiding the business activities of the Group in reaching an optimum balance of a sound and sustainable business operation in order to safeguard shareholders' value.

In discharging its fiduciary duties and leadership functions, it is imperative for the Board to govern and set the strategic direction of the Group while exercising oversight on management. To ensure the effective discharge of its function and duties in the best interest of the Group, the key responsibilities of the Board include the following specific areas:

- i. Reviewing and adopting the overall strategic plans and programmes for the Company and Group to be in line with the Company and Group's core values, vision and mission;
- ii. Overseeing and evaluating the conduct of business of the Company and Group, whether the business is being properly managed and sustained;
- iii. Identifying principal business risks and ensuring the implementation of a proper risk management system to manage such risks under the guidance of the Risk Management Committee. This includes reviewing procedures to identify the main risks associated with the Group's businesses and the implementation of appropriate systems to manage these risks;

- iv. Establishing a succession plan;
- v. Reviewing the adequacy and the integrity of the management information and internal control systems of the Company and Group including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- vi. Monitoring Board composition, processes and performance with the guidance of the BNRC;
- vii. Promoting better investor relations and shareholders' communications;
- viii. Ensuring that the Group's core values, vision and mission and shareholders' interests are met;
- ix. Establishing such committees, policies and procedures to effectively discharge the Board's roles and responsibilities;
- x. Monitoring and reviewing policies and processes relating to occupational health and safety, compliance with laws, and the maintenance of high ethical standards;
- xi. Ensuring that the Group has the appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate responsibility; and
- xii. Performing other such functions as are prescribed by law or are assigned to the Board.

Board Charter, Code of Conduct and Ethics for Directors

The Board has adopted a Board Charter which clearly defines the respective roles, responsibilities and authorities of the Board of Directors (both individually and collectively) and Management in setting the direction, the management and the control of the Company as well as matters reserved for the Board.

The formal schedule of matters reserved for the Board is set out in the Board Charter whilst the Code of Conduct and Ethics for Directors

Principle A: Board Leadership and Effectiveness (Continued)

("Code") which is incorporated in the Board Charter formalises the standard of ethical values and behaviour that is expected of its Directors at all times.

The current Board Charter is available for reference on the Company's website at www.jentayu-sustainables.com. The Board Charter is reviewed from time to time to ensure its relevance and compliance.

The Board is helmed by the EC, Datuk Haji Beroz Nikmal Mirdin who demonstrates strong leadership and oversees the effectiveness of the Board. Datuk Haji Beroz Nikmal Mirdin works closely with the rest of the Board members in forming policies and strategies to align business activities driven by the Management team.

The EC is responsible for leading the Board in its collective oversight of Management and ensuring the effectiveness of the Board matters whilst the CEO is responsible to implement the policies and strategies approved by the Board for the purposes of running the business and the day-to-day management of the Company.

The CEO together with Senior Management Team remain accountable to the Board for the authority being delegated. However, the schedule of matters reserved for the Board's decision includes key strategic, financial, operational, compliance and governance issues as well as acquisition/disposal of assets, subject to regulatory requirements.

The various powers delegated to the Senior Management Team is based on the Group's Limits of Authority, which is also subject to periodic review based on changes in organisation structure and business requirements for efficient decision-making.

In addition, the Board also expects Senior Management to:

- i. Review the Group's strategies and their implementation in all key areas of the Group's activities;
- ii. Carry out a comprehensive budgeting process and monitor the Group's financial performance against the budget; and
- iii. Identify opportunities and risks affecting the Group's business and find ways of managing them.

The CEO together with the Senior Management Team meets bi-weekly to review and monitor the performances of the Group's operating divisions, review shared initiatives and update the operational policies which are more efficient and practical. The Board also keeps itself abreast of the operational progress and/or issues and the mitigation plans by the reporting of the CEO at the quarterly Board meetings or at such earlier time as may be required from time to time.

The Independent Non-Executive Directors ("INEDs") are not involved in the day-to-day management of the Group but contribute their particular skills, expertise and experiences in assisting the development of business strategies of the Group and to make insightful contribution to the Board's deliberations to ensure that the interest of all shareholders and general public are given due consideration in the decision-making process. They also assist and ensure the Board adopts a good corporate governance practice within the Group.

Principle A: Board Leadership and Effectiveness (Continued)

As at the date of the CG Statement, the current Board members are as follows:

Director	Designation
Datuk Haji Beroz Nikmal Mirdin	Executive Chairman
Baevinraj Thiagarajah	Chief Executive Officer
Datin Noor Afzalinah Mohd Afzul Khan	Executive Director
Abdul Halim Jantan	Redesignated from Independent Non-Executive Director to Senior Independent Non-Executive Director on 23 November 2023.
Dato' Amiruddin Abdul Satar	Independent Non-Executive Director
Pamela Kung Chin Woon	Independent Non-Executive Director
Tobias Hjalmar Mangelmann	Independent Non-Executive Director
Ahmad Shahizam Mohd Shariff	Independent Non-Executive Director

Separation of the position of EC and CEO

The roles of the EC and CEO of the Group are separate with clear division of responsibilities between them to ensure balance of power and authority:

- i. The EC provides leadership and guidance to the Board in meeting corporate goals and manages the processes in ensuring the Board discharges its duties. He encourages healthy debates on issues raised at Board Meetings and gives opportunity to Directors who wish to speak on motions, either for or against them.
- ii. The CEO has the overall responsibility for the day-to-day management of the Group's business and operations and implementation of the Board's policies and decisions. He is responsible to ensure due execution of strategic goals, effective operations within the Group and to explain, clarify and inform the Board on key matters pertaining to the Group. By virtue of his

position as a Board member, he also acts as the intermediary between the Board and Management.

Details of the roles and responsibilities of the EC and the CEO are spelt out in the Board Charter.

Company Secretaries

In compliance with Practice 1.5 of the MCCG 2021, the Board members have full access to the two Company Secretaries who are members of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016.

The Board receives regular updates and notices from the Company Secretaries to ensure compliance with applicable laws, regulations and corporate governance matters. The Company Secretaries attend and ensure that all Board and Board Committees meetings are properly convened and all deliberations and decisions are properly minuted and kept. They

Principle A: Board Leadership and Effectiveness (Continued)

are also responsible for ensuring that Board's policies and procedures are followed and the applicable statutory and regulatory requirements are observed.

Board Meeting and Meeting Material

The Board meets regularly on a quarterly basis, with additional or special Board meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters that require the Board's expeditious review or consideration. Such meetings will enable the Board members to effectively assess the viability of the business and corporate proposals and the principal risks that may have significant impact on the Group's business or on its financial position and the mitigating factors. All Board approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.

Circular resolutions shall be circulated as the need arises on matters requiring urgent Board decision or approvals which are supported with the relevant information and explanations required for an informed decision to be made. Nevertheless, the Management endeavours to ensure that all resolved circular resolutions are tabled in the next Board meeting to provide Board members sufficient avenue to discuss the matter during the scheduled Board meetings.

Prior to a Board meeting, the Directors will be provided with the relevant agenda and Board papers with a minimum of 1 week notice to the Board to enable them to have an overview of matters to be discussed or reviewed at the meetings and to seek further clarifications, if any. The Board papers provide, among others, the minutes of preceding meetings of the Board, summary of dealings in shares by the directors or affected persons, if any and directors' circular resolutions, reports on the Group's financial statements, operations, any relevant corporate developments and proposals.

For a Board Committee Meeting, the Board Committee members will be provided with the relevant agenda and Committee meeting papers as per the Terms of Reference ("TOR") of the respective Board Committees.

Further, there is a schedule of matters reserved for Board's deliberations and decision, including among others, to review, evaluate, adopt and approve the policies and strategic plans for the Group. The Board will ensure that the strategic plans of the Group supports long-term value creation, including strategies on economic, environmental and social of considerations underpinning sustainability as well as to review, evaluate and approve any material acquisitions and disposals of undertakings and assets in the Group and any new major ventures.

The Chairman of the respective Board Committees is responsible for informing the Board at the Board meetings of any salient matters noted by the Committees and which may require the Board's direction.

As the Group's quarterly results is one of the regular scheduled matters which are tabled to the Board for approval at the quarterly Board meetings, the notices on the closed periods for dealings in the securities of the Group are circulated to all Directors and principal officers who are deemed to be privy to any sensitive information and knowledge in advance of whenever the closed period is applicable based on the targeted date of announcement of the quarterly results of the Group.

Information Access and Advice

The Directors have unrestricted access to the advice and services of the Company Secretaries and Senior Management staff in the Group to assist them in carrying out their duties. The Directors, whether as a full Board or in their individual capacity, may seek independent professional advice at the Group's expense on specific issues and gain access to relevant information whenever required to enable the Directors to discharge their duties more effectively.

Principle A: Board Leadership and Effectiveness (Continued)

Board Committees

The Board is assisted by its Board Committees, which have been established under defined TOR, in accordance with the MMLR of Bursa Securities and best practices prescribed by the MCCG 2021 to assist the Board in discharging its responsibilities. The Board Committees are as follows:

- i. Board Audit Committee
- ii. Board Nomination and Remuneration Committee
- iii. Board Risk Committee
- iv. Board Investment Committee
- v. Board Sustainability Committee

The Board Committees examine specific issues and the Chairman of the respective Board Committees report to the Board on proceedings and outcome of the Board Committee meetings, together with their recommendations, while the ultimate responsibility for decision-making lies with the Board.

Time Commitment

The Board requires its members to devote sufficient time to effectively discharge their responsibilities and commitment as Directors.

The Board meets every quarter, with the Board meeting scheduled well in advance before the commencement of the calendar year to facilitate the Directors in managing their meeting plans. Additional meetings, including special or ad-hoc meetings are convened whenever necessary.

Director	Designation	No. of meetings held during appointment	No. of meetings attended
Datuk Haji Beroz Nikmal Mirdin	Executive Chairman	7	7
Baevinraj Thiagarajah	Executive Director	7	7
Datin Noor Afzalinah Mohd Afzul Khan (Appointed on 29 April 2024)	Executive Director	1	1
Abdul Halim Jantan (Redesignated from INED to SINED on 23 November 2023)	Senior Independent Non-Executive Director	7	7
Dato' Amiruddin Abdul Satar	Independent Non-Executive Director	7	6
Pamela Kung Chin Woon	Independent Non-Executive Director	7	5
Tobias Hjalmar Mangelmann	Independent Non-Executive Director	6	6
Ahmad Shahizam Mohd Shariff (Appointed on 8 November 2023)	Independent Non-Executive Director	4	4
Datuk Hajah Masnah Matsalleh (Appointed on 18 January 2024 and resigned on 10 September 2024)	Independent Non-Executive Director	3	3

Principle A: Board Leadership and Effectiveness (Continued)

All the Directors holding office as indicated above have complied with the minimum attendance at Board meetings as stipulated by the MMLR of Bursa Securities.

The dates of Board and Board Committee meetings as well as Annual General Meeting ("AGM") are scheduled before the beginning of each year. Board meetings for each financial year are scheduled at the end of the preceding financial year to give the Directors sufficient time to plan their own schedules and be able to attend the meetings.

Time Commitment of Accepting New Directorships

Directors are expected to have such expertise so as to qualify them to make a positive contribution to the Board's performance of their duties and to give sufficient time and attention to the affairs of the Group. Any Director shall notify the Chairman before accepting any new directorship and the notification shall include the indication of time that will be spent on the new appointment. The aforesaid is set out in the approved Board Charter.

The Directors remain fully committed in discharging their statutory duties and responsibilities, as reflected by their full attendance at Board meetings held during the FY 2024. All Directors have during the tenure in office complied with the minimum attendance requirement of at least 50 percent of Board meetings held in the FY 2024 pursuant to the MMLR of Bursa Securities.

None of the Directors mentioned above hold more than five directorships in public listed companies in Bursa Securities.

Directors' Training

All Directors have attended the Mandatory Accreditation Programme ("MAP") Part I as required by Bursa Securities. Bursa Securities has introduced a new mandatory sustainability training for Directors ("MAP Part II") in June 2023. The Directors will endeavour to attend MAP II within the stipulated timeframe given by Bursa Securities.

The BNRC will also assess the training needs of the Directors from time to time to ensure the Directors are equipped with relevant knowledge and skills to discharge their duties more effectively.

During FY 2024, the Directors in office attended the conferences, training programmes and seminars as mentioned below. They will continue to attend other training programmes from time to time to keep abreast of the relevant changes and development in laws and regulations as well as business developments. The Board is updated by the Company Secretaries on latest updates/amendments to the MMLR of Bursa Securities and other regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

Director	Date attended	Trainings/Programmes/Conferences attended
Datuk Haji Beroz Nikmal Mirdin	17 October 2023	• CGS-CIMB ESG & Sustainability Conference 2023: Malaysia, ASEAN's Renewable Battery
	24 October 2023	• Singapore – International Energy Agency (IEA) Forum
	4 January 2024	• CGS-CIMB 16 th Annual Malaysia Corporate Day 2024
	22 April 2024	• KL 20 Summit 2024

Principle A: Board Leadership and Effectiveness (Continued)

Director	Date attended	Trainings/Programmes/Conferences attended
Baevinraj Thiagarajah	17 October 2023	• CGS-CIMB ESG & Sustainability Conference 2023: Malaysia, ASEAN's Renewable Battery
	24 October 2023	• Singapore – International Energy Agency (IEA) Forum
	22 November 2023	• Suruhanjaya Tenaga – Mesyuarat Panel Perunding Tenaga (PPT) 2023
	6 December 2023	• Sesi Focus Group Discussion (FGD) untuk Kajian Semakan Semula Kadar Feed-In-Tariff (FIT) bagi Semenanjung Malaysia & Sabah
	4 January 2024	• CGS-CIMB 16 th Annual Malaysia Corporate Day 2024
	16 January 2024	• Energy Industries Council APAC Annual Breakfast
	18 March 2024	• North Ireland Net Zero Exchange Conference, Malaysia
Datin Noor Afzalinah Mohd Afzul Khan	22 April 2024	• KL 20 Summit 2024
	24 April 2024	• Company Secretaries Training Programme Part B
	25 April 2024	• Company Secretaries Training Programme Part C
	9 May 2024	• SSM x BNM: Roles and Responsibilities of Company Secretaries as Compliance Officer under AMLA 2001
	4 - 5 June 2024	• Pathway for Beginners Series: Directors, Audit & Meetings
	12 June 2024	• Submission of Return Forms 2023 and Capital Gains Tax
Abdul Halim Jantan	13 June 2024	• Transfer or Transmission of Shares
	12 July 2023	• Navigating The Road Ahead-Energising The Future Path (Speaker for RAM Holdings Berhad)
	28 July 2023	• ESG & Insurance: Opportunities & Impact on the Supply Chain (Speaker for Transported Asset Protection Association The Americas and Asia Pacific ["TAPA APAC"])
	2 August 2023	• The Academy of Risk Management Malaysia ("ARiMM") Risk Management Conference & C-Suite Forum 2023 - Navigating Strategic Risks in an Everchanging World (Speaker for ARiMM)
	7 September 2023	• The Connected Risk Journey in Self Insurance (Moderator for The Asian Captive Conference 2023)
	20 September 2023	• Moving from Financial Products to Value Propositions (InsurTech Leaders Summit)
	24 - 25 October 2023 6 November 2023	• ARiMM's Level 2 - Module 5 (Lecture) • Supply Chain Risk & Resilience Hybrid Webinar (Speaker for TAPA APAC)

Principle A: Board Leadership and Effectiveness (Continued)

Director	Date attended	Trainings/Programmes/Conferences attended
Abdul Halim Jantan (Continued)	17 November 2023	• Setia Governance, Risk and Audit Forum - "Accelerating Transformation, Navigating Future: A governance Perspective" (Speaker for SP Setia)
	14 December 2023	• Navigating the Emerging Risks: Challenges & Opportunity for a Resilient Future (Speaker for ARiMM & MII)
Dato' Amiruddin Abdul Satar	5 - 9 September 2023	• National Climate Governance Summit - In Conjunction with Suruhanjaya Syarikat Malaysia (SSM)
	11 - 12 September 2023	• Introduction to Corporate Directorship in the New Era of ESG
	2 - 3 October 2023	• Khazanah Megatrends Forum 2023
	12 - 15 October 2023	• Kursus: Program Kelestarian FELDA 2023
	1 - 2 November 2023	• FGV Board of Directors Strategic Retreat Roundtable Discussion - Proposed Business Plan & Budget FY 2024-2026 ("BP26")
	1 - 3 November 2023	• Bengkel Pelan Strategik & KPI FELDA Tahun 2024
	7 - 9 November 2023	• MPOB: International Palm Oil Congress & Exhibition (PIPOC 2023)
	30 November 2023	• FELDA: Kursus Corporate Governance Matters for the Board: Bahagian Akademi Latihan & Pengurusan Pengetahuan (COMTRAC), SSM
	5 - 6 March 2024	• Bursa Malaysia Derivatives Annual Palm & Lauric Oils Conference & Exhibition: Price Outlook 2024/2025 (POC2024)
	22 - 23 April 2024	• KL20 Summit 2024
	5 - 7 May 2024	• Kursus Asas Pertahanan Awam kepada Ahli Mesyuarat Pengurusan Tertinggi (MPT) Kementerian Kemajuan Desa dan Wilayah ("KKDW") Tahun 2024.
	29 - 30 May 2024	• MAP Part II: LIP is an initiative under the Securities Commission Malaysia's Corporate Governance Strategic Priorities 2021-2023.
	11 - 12 June 2024	• MIA: International Accountants Conference 2024
	25 - 26 June 2024	• Kerjayaan Leadership Conference
Pamela Kung Chin Woon	11 - 12 September 2023	• Introduction to Corporate Directorship in the New Era of ESG
Tobias Hjalmar Mangelmann	9 - 10 October 2023	• MAP – Institute of Corporate Directors Malaysia ("ICDM") Virtual Classroom
Ahmad Shahizam Mohd Shariff	4 September 2023	• IFN UK Conference 2023
	2-3 October 2023	• Khazanah Megatrends Forum 2023
	6 October 2023	• Lembaga Tabung Haji Directors Training on Waqf and AMLA

Principle A: Board Leadership and Effectiveness (Continued)

Director	Date attended	Trainings/Programmes/Conferences attended
Ahmad Shahizam Mohd Shariff (Continued)	17 October 2023	<ul style="list-style-type: none"> CGS-CIMB ESG & Sustainability Conference Singapore International Energy Week Forum London Sukuk Summit 2023 Arab Health Conference 2024
	24 - 25 October 2023	
	1 - 2 November 2023	
	30 December 2023 - 1 January 2024	
	23 February 2024	<ul style="list-style-type: none"> ICDM PowerTalk : Corporate Innovation through Venture Building : A Capital Efficient & Risk Mitigated Approach KL20 Conference - Healthtech Panel Discussion TH Summit 2024 - Tabung Haji Board Retreat Workshop Khazanah Research Institute: Roundtable on Malaysian Digital Health Records in Malaysia Tabung Haji Director's Training on Risk Management and Compliance Requirements Global Forum on Islamic Economy and Finance
	23 April 2024	
	7 - 8 May 2024	
	9 May 2024	
	27 May 2024	
	28 - 29 May 2024	

Sustainability of Business

The Board recognises the importance of business sustainability and is committed to deliver long-term sustainable value to the stakeholders of the Group. The Group's workplace, marketplace, community, environment, social, cultural and governance aspects of business operations are an integral part of the Group's social obligation in conducting its business.

Details of the Group's sustainability governance framework and efforts are set out in the Sustainability Statement of this Annual Report, to be read together with JENTAYU Sustainability Report which can be found on the corporate website at www.jentayu-sustainables.com.

Code of Conduct

In addition to the Directors' Code of Conduct, the Group has also in place a Code of Conduct and Ethics covering the general employment terms and conditions, compensation and benefits, proprietary information, conflict of interest, indulging in private businesses and

sexual harassment to ensure all employees maintain and uphold a high standard of ethical and professional conduct in the course of performance of their duties and responsibilities. This Code is embedded in the Group's Human Resources Handbook.

Whistleblowing

The Board acknowledges the importance of lawful and ethical behaviours in all its business activities and is committed to adhere to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs in its workplace.

The Board has thus established a Whistleblowing Policy with the aim to provide an avenue to employees or external parties to report any improper conduct, unethical, fraudulent and malpractices by employees, management or Directors regardless of their position so that damage controls and remedial actions can be taken properly. The Whistleblowing Policy is available on the Company's website at www.jentayu-sustainables.com.

Principle A: Board Leadership and Effectiveness (Continued)**Anti-Bribery and Anti-Corruption Policy**

The Board has established the Group's Anti-Bribery and Anti-Corruption ("ABAC") Policy that contains policies and guidelines relating to standards and ethics that all employees are expected to adhere to in the course of their work and to the public at large. This is part of the Group's commitment in combating bribery and corruption. The ABAC Policy is available on the Company's website at www.jentayu-sustainables.com.

Board Composition and Balance

The Board currently has eight members, consisting of three Executive Directors and five INEDs. The composition of the Board complies with the MMLR of Bursa Securities which requires a minimum of two directors or 1/3 of the Board, whichever is higher, to be Independent Directors. The current Board composition also complies with Practice 5.2 of the MCCG 2021 as more than half of the Board members are Independent Directors. Together, the Board has a good mix of business, accounting, corporate finance, technical expertise and experience to lead and control the Group. A brief profile of each Director is presented in the section of Board of Directors' Profile of this Annual Report.

The presence of a majority of INEDs will serve to bring objective, unbiased and independent views, advice and judgment to the decision-making of the Board and provide the necessary checks and balances to ensure that the interests of all shareholders and the general public are given due consideration in the decision-making process.

The composition and size of the Board are reviewed from time to time to ensure appropriateness. BNRC examines the size and composition of the Board with a view of determining the impact of the number upon effectiveness and makes recommendations to the Board on what it considers an appropriate size and composition for the Board.

Tenure of Independent Directors

The Board is mindful that Practice 5.3 of MCCG 2021 recommends that the tenure of an independent director should not exceed a cumulative term of nine years. Upon completion of the nine years, an Independent Director may continue to serve on the Board subject to his redesignation as a non-independent director. In the event such Director is to be retained as an Independent Director, the Board must first justify and seek annual shareholders' approval through a two-tier voting process as described in the Guidance to Practice 5.3 of MCCG 2021 provided the tenure does not exceed a cumulative term of 12 years.

None of the Independent Directors has served more than 9 years on the Board as at the date of this CG Statement.

Board Diversity

The Board is supportive of gender diversity on the Board and in Senior Management team.

Whilst acknowledging the recommendation of the MCCG 2021 on gender diversity, the Board is of the collective opinion that there is no necessity to adopt a formal gender diversity policy as the Group is committed to provide fair and equal opportunities and nurturing diversity within the Group. BNRC and the Board will consider gender diversity as part of its future selection process and will look into increasing female board representation going forward.

The Board has always placed gender diversity as an agenda in strengthening the performance of its Board and Board Committees.

The Board is of the view that while it is important to promote gender diversity, the normal selection criteria of a Director, based on effective blend of competencies, skills, extensive experience and knowledge in areas identified by the Board, should remain a priority so as not to compromise on qualification, experience and capabilities.

Principle B: Effective Audit and Risk Management

Board Audit Committee

The BAC (guided by its TOR) assists the Board to review the adequacy and integrity of the Group's financial administration and reporting and internal control.

The BAC comprises four INEDs as follows:

Director	Membership
Dato' Amiruddin Abdul Satar Independent Non-Executive Director	Chairman
Abdul Halim Jantan Senior Independent Non-Executive Director	Member
Pamela Kung Chin Woon Independent Non-Executive Director	Member
Ahmad Shahizam Mohd Shariff Independent Non-Executive Director	Member

The Chairman of BAC is appointed by the Board and is not the Chairman of the Board. The composition, authority as well as the duties and responsibilities of the BAC are set out in its TOR approved by the Board and is available on the Group's website at www.jentayu-sustainables.com

All the members of the BAC possess a mix of skills, knowledge and experience and financial literacy to enable them to discharge their duties and responsibilities pursuant to the TOR of the BAC.

Relationship with External Auditors

The Group maintains an appropriate and transparent relationship with the External Auditors in seeking their professional advice and towards ensuring compliance with the accounting standards.

During the financial year under review, the BAC met with Messrs. KPMG PLT ("KPMG") and discussed the Audit Plan for FY 2024. The BAC had two private sessions with KPMG without the presence of Management and Executive Directors. The BAC and KPMG exchanged independent views and considerations on matters that require their attention.

The criteria for the External Auditors Assessment include quality of services, sufficiency of resources, communication and interaction, independence, objectivity and professional scepticism pursuant to the Group's External Auditors Policy ("EAP"). The EAP has outlined the guidelines and procedures for the assessment. The details of the EAP are available for reference at the Group's website.

Principle B: Effective Audit and Risk Management (Continued)

The amount of audit fees and non-audit fees paid or payable to the External Auditors and their affiliates for the FY 2024 are as follows:

Fee incurred	Audit fee (RM)	Non-audit fee (RM)	Total (RM)
The Company	90,000	530,000	620,000
The Group	405,000	540,000	945,000

The non-audit services rendered include the review of the Project Young, Statement on Risk Management and Internal Control ("SORMIC"), as well as review of Housing Development Account reports.

Details on the composition, roles and responsibilities of the BAC and activities during the FY 2024 are available in the section of BAC Report of this Annual Report.

Risk Management and Internal Control

The BRC is responsible to assist the Board of Directors of the Group to fulfil the risk management and compliance functions. The BRC is responsible for the Group's Enterprise Risk Management ("ERM") framework, system of internal controls, and regularly reviewing their adequacy and integrity to ensure effectiveness.

The BRC is also responsible to assist the Board in establishing an ongoing process for identifying, evaluating, monitoring, and managing significant risks faced by the Group in safeguarding the shareholders' investment, Group's assets and other stakeholders' interests.

Additionally, BRC provides guidance and oversight on regulatory compliance which

includes but is not limited to non-compliance practices regarding bribery, corruption, environmental, social, governance risks, and trade regulatory requirements.

The Group's system of internal controls provides reasonable assessment of operations, financial controls, and compliance with laws and regulations as well as internal procedures and guidelines are in place. BRC will ensure that the Group's risk register is kept current and advise the Board on the Group's strategic direction in all areas under its mandate. BRC ensures adequate infrastructure, resources and system software are implemented for effective risk and compliance management.

The BRC is aware that the Group's system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can only provide reasonable and not absolute assurance against material misstatements and losses.

The details of the risk management and internal control framework are set out in the section of Statement of Risk Management and Internal Control of this Annual Report.

The BRC comprises three INEDs as follows:

Director	Membership
Pamela Kung Chin Woon Independent Non-Executive Director	Chairperson
Tobias Hjalmar Mangelmann Independent Non-Executive Director	Member
Ahmad Shahizam Mohd Shariff Independent Non-Executive Director	Member

Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholder

Communication with Stakeholders

The Board is committed to maintaining transparency and accountability to the Company's stakeholders and acknowledges the necessity of keeping shareholders informed about significant business developments. To achieve this, the Board provides clear, comprehensive, and timely information through various disclosures and announcements, including quarterly and annual financial results. This ensures that investors have up-to-date financial insights about the Company. All relevant announcements and information can be accessed on the Company's website at www.jentayu-sustainables.com.

Shareholders can access information through the following channels:

- i. Annual Report, detailing financial and non-financial performance for the fiscal year, available on the Company's website.

- ii. The Company's corporate website is www.jentayu-sustainables.com.
- iii. Announcements on Bursa Securities' website.
- iv. Briefing sessions, roadshows, investor conferences, and media releases.

Senior Management participates in investor relations activities, such as meetings with fund managers and analysts, and media interviews, to discuss the Company's strategy, performance, and key developments.

While the Company aims to provide comprehensive information to its shareholders and stakeholders, it remains vigilant about complying with legal and regulatory requirements concerning the disclosure of material and price-sensitive information.

For further inquiries regarding investor-related matters, please contact:

Name	Email address	Contact number
Qarin Irfan Razak Lokman Razani	irfanqarin@jentayu-sustainables.com	03 – 9212 7878

Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholder (Continued)

Conduct of General Meetings

The AGM and general meetings serve as the principal avenue for shareholders to engage the Board and Management in a constructive two-way interactions. Shareholders are encouraged to actively participate in discussions on proposed resolutions and future developments of the Group, as well as provide feedback on performance. The Board views the AGM as a pertinent event, where Directors, Senior Management and the Company's External Auditors are present to participate in the Question-and-Answer session to provide clarification to shareholders.

To ensure the effective participation of, and engagement with, shareholders held on 5 December 2023, the Chairman encouraged the shareholders to participate in the Question-and-Answer session on the resolutions being proposed and on the Group's operations in general. The CEO also shared with the shareholders the Company's responses to questions received during the last AGM. Written queries from the Minority Shareholders Watch Group and the corresponding responses from the Company were also presented. The External Auditors were present to provide professional and independent clarification on issues and

concerns raised by the shareholders in connection with the Audited Financial Statements.

The voting at the AGM was conducted through electronic voting system to facilitate greater shareholders' participation, as well as to expedite verification and counting of votes. An Independent Scrutineer appointed by the Company to verify the results of the poll voting.

Key Focus Areas and Future Priorities

The Board is fully committed to compliance with regulatory requirements under MCGG 2021, Bursa Securities Listing Requirements and the other applicable rules and regulations.

The Board has identified:

- i. Environmental, social and governance ("ESG") matters which includes sustainability, circular economy and climate change issues;
- ii. Product innovation; and
- iii. Supply chain enhancement, business process redesign, and automation, as the key focus areas for the near- and long-term business strategies of the Group.

This Corporate Governance Statement was approved by the Board of Directors on 28 October 2024.

Board Nomination and Remuneration Committee Report

The BNRC comprises entirely of INEDs.

The BNRC held four meetings during the FY 2024. The details of attendance of the BNRC members who were in office during FY 2024 up to the reporting date are as follows:

BNRC Members	Membership	No. of meetings held during appointment	No. of meetings attended
Abdul Halim Jantan Senior Independent Non-Executive Director (Redesignated from Member to Chairman on 15 January 2024)	Chairman	4	4
Dato' Amiruddin Abdul Satar Independent Non-Executive Director (Redesignated from Chairman to Member on 15 January 2024)	Member	4	4
Pamela Kung Chin Woon Independent Non-Executive Director (Ceased as Member on 15 January 2024)	Member	3	2
Tobias Hjalmar Mangelmann Independent Non-Executive Director (Appointed as Member on 15 January 2024)	Member	1	1
Baevinraj Thiagarajah Chief Executive Officer (Ceased to be Member on 4 September 2023 following his redesignation from Independent Non-Executive Director to Executive Director on 4 September 2023, and he was subsequently redesignated as CEO on 15 January 2024)	Member	1	1

The roles and responsibilities of the BNRC are set out in its TOR which is available for reference on the Company's website at www.jentayu-sustainables.com.

Board Nomination and Remuneration Committee Report (Continued)

Summary of Work of the BNRC

The BNRC in discharging and meeting its functions, duties and responsibilities, carried out the following work during the FY 2024:

1. Nomination Matters

Reviewed and recommended to the Board:

- i. The performance of the Board as a whole, the Board Committees and individual Board members (including the assessment of independence of the Independent Directors) for FY 2023.
- ii. The re-election of Directors retiring by rotation pursuant to Article 145 of the Company's Constitution at the 48th AGM of the Company.
- iii. The performance of the BAC and each of its members to determine whether the BAC and members have carried out their duties in accordance with their TOR.
- iv. The redesignation of Mr. Baevinraj Thiagarajah as Executive Director, and subsequently as CEO of the Company.
- v. The appointment of Datuk Hajah Masnah Matsalleh as INED to the Board of Directors.
- vi. The redesignation of Abdul Halim Jantan from INED to SINED.
- vii. The revised TOR for the BNRC.

- viii. The formation of the Group's Remuneration Policy.
- ix. The proposed restructure of Board Committees composition.
- x. The proposed renewal of employment contract for the CFO of the Company.
- xi. The appointment of Datin Noor Afzalinah Mohd Afzul Khan as an Executive Director of the Company.
- xii. The re-election of the newly appointed Director retiring pursuant to Article 138 of the Company's Constitution at the 48th AGM of the Company.

2. Remuneration Matters

Reviewed and recommended to the Board:

- i. The Directors' Fees for FY 2024.
- ii. The payment of Directors' Benefits for the period from a day after the 48th AGM until the next AGM of the Company to be held in year 2024.
- iii. The remuneration package for Mr. Baevinraj Thiagarajah following his redesignation from INED to ED of the Company.
- iv. The bonus payment to the EC and CEO.

Directors' Fit and Proper Policy

The Group has adopted a Directors' Fit and Proper Policy to ensure a formal and transparent process for the appointment and re-election of Directors and the appointment of Key Senior Management of the Group. The Directors' Fit and Proper Policy is available on the Company's website at www.jentayu-sustainables.com.

Board Nomination and Remuneration Committee Report (Continued)

Appointment to the Board and Re-Election of Directors

The Board delegates to the BNRC the responsibility of recommending the appointment of any new Director. The process for the appointment of a new Director is summarised in the sequence as follows:

- i. A candidate is identified by recommendation of existing Directors, Senior Management employees, shareholders and/or other consultants;
- ii. In evaluating the suitability of the candidate to the Board, the BNRC considers, inter-alia, the competency, expertise and experience, commitment, contribution and integrity of the candidate, and in the case of a candidate proposed for appointment as INED, the candidate's independence;
- iii. Recommendation is made by the BNRC to the Board, on whether the proposed candidate is found to be suitable. This also includes a recommendation for appointment as a member of the various Board Committees, where necessary; and
- iv. Final decision is made by the Board on the proposed new appointment, including appointment to the various Board committees.

The Company's Constitution stipulates that a newly appointed Director shall hold office until the next AGM and shall then be eligible for re-election by shareholders, and that at least 1/3 or the number nearest to 1/3 of the Directors are required to retire by rotation at every AGM and be subject to re-election by shareholders.

Datuk Haji Beroz Nikmal Mirdin and Baevinraj Thiagarajah are the Directors due for retirement by rotation at the forthcoming 49th AGM of the

Company pursuant to Article 145 of the Company's Constitution. Datin Noor Afzalinah, who was appointed to the Board on 29 April 2024, will be retiring at the forthcoming 49th AGM of the Company pursuant to Article 138 of the Company's Constitution.

All the retiring Directors have consented to their re-election and abstained from deliberation as well as the decision on their own eligibility to stand for re-election at the relevant BNRC and Board meetings, where applicable.

Annual Assessment

The BNRC reviews annually, the effectiveness of the Board and all the Board Committees as well as the performance of individual Directors. The evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and where improvements could be considered.

During the meeting of BNRC held on 20 August 2024, the BNRC carried out the annual assessment and evaluation of the Board, Board Committees, Independent Directors and individual Directors for the reporting FY 2024. The performance evaluations of the Board, Board Committees and individual Directors are conducted by way of self/peer assessment. The Directors are given a set of questionnaires covering assessments of the Board, Board Committees, individual Director and independence assessments for Independent Directors to collect their feedback, views, commentary and suggestions for improvements.

The Board and BNRC are satisfied with the current composition of Board members and believe that the Board is well balanced with the right mix of high-calibre Directors with the necessary skill and qualifications, capacity and independence to discharge their duties and responsibilities effectively.

Board Nomination and Remuneration Committee Report (Continued)

Remuneration

The details on the Directors remuneration paid or payable made available from the Group and its subsidiaries for the FY 2024 were as follows:

1. The details of remuneration for the Directors of the Group and the Company for FY 2024 are set out below:

Group

Executive Director	Fees (RM)	Meeting Allowances (RM)	Salary, Bonus & EPF (RM)	Benefits in Kind (RM)	Total (RM)
Datuk Haji Beroz Nikmal Mirdin	-	-	1,089,187	25,000	1,114,187
Baevinraj Thiagarajah (Redesignated from Independent Non-Executive Director to Executive Director on 4 September 2023 and he was subsequently redesignated as CEO on 15 January 2024)	10,000	4,000	895,925	20,833	930,758
Jeefri Muhamad Yusup (Retired as the CEO on 15 January 2024)	-	-	453,974	-	453,974
Datin Noor Afzalinah Mohd Afzul Khan (Appointed on 29 April 2024)	-	-	679,158	-	679,158
Subtotal	10,000	4,000	3,118,244	45,833	3,178,077
Non-Executive Director	Fees (RM)	Meeting Allowances (RM)	Salary, Bonus & EPF (RM)	Benefits in Kind (RM)	Total (RM)
Dato' Amiruddin Abdul Satar	60,000	17,500	-	-	77,500
Abdul Halim Jantan	70,000	20,000	-	-	90,000

Board Nomination and Remuneration Committee Report (Continued)

Non-Executive Director	Fees (RM)	Meeting Allowances (RM)	Salary, Bonus & EPF (RM)	Benefits in Kind (RM)	Total (RM)
Pamela Kung Chin Woon	60,000	14,000	-	-	74,000
Tobias Hjalmar Mangelmann (Appointed on 4 September 2023)	50,000	7,000	-	-	57,000
Ahmad Shahizam Mohd Shariff (Appointed on 8 November 2023)	40,000	6,000	-	-	46,000
Datuk Hajah Masnah Matsalleh (Appointed on 18 January 2024 and resigned on 10 September 2024)	27,500	2,000	-	-	29,500
Subtotal	307,500	66,500	-	-	374,000
Total	317,500	70,500	3,118,244	45,833	3,552,077

Company

Non-Executive Director	Fees (RM)	Meeting Allowances (RM)	Salary, Bonus & EPF (RM)	Benefits in Kind (RM)	Total (RM)
Dato' Amiruddin Abdul Satar	60,000	17,500	-	-	77,500
Abdul Halim Jantan	70,000	20,000	-	-	90,000
Pamela Kung Chin Woon	60,000	14,000	-	-	74,000
Tobias Hjalmar Mangelmann (Appointed on 4 September 2023)	50,000	7,000	-	-	57,000

Board Nomination and Remuneration Committee Report (Continued)

Non-Executive Director	Fees (RM)	Meeting Allowances (RM)	Salary, Bonus & EPF (RM)	Benefits in Kind (RM)	Total (RM)
Ahmad Shahizam Mohd Shariff (Appointed on 8 November 2023)	40,000	6,000	-	-	46,000
Datuk Hajah Masnah Matsalleh (Appointed on 18 January 2024 and resigned on 10 September 2024)	27,500	2,000	-	-	29,500
Subtotal	307,500	66,500	-	-	374,000

Non-Executive Directors only received Directors' fees and meeting allowances from the Company and did not receive any other form of remuneration from the Group for FY 2024.

2. Remuneration of Senior Management for FY 2024

The MCCG 2021 recommends that the Group

should disclose on a named basis, the detailed remuneration of the top key senior management.

For the FY 2024, the aggregate total remuneration paid to the key senior management personnel, who are not Directors of the Group:

Senior Management	Salaries and Other Emoluments (RM)	Defined Contribution Plan (RM)	Benefits in Kind (RM)	Total (RM)
Senior Management	1,810,064	238,141	-	2,048,206

The Board has considered and is of the opinion that the disclosure of the remuneration which is imperative for the Group to maintain employee's remuneration private and confidential to avoid unhealthy comparison, which might lead to discontentment among employees.

This BNRC Report was approved by the Board of Directors on 28 October 2024.

Board Audit Committee Report

Role of the Audit Committee

The primary function of BAC is to assist the Board in fulfilling the following oversight objectives on the Group's activities:

- Assess the Group's processes relating to its risk and control environment;
- Oversee financial reporting;
- Review the internal and external audit reports;
- Assess the suitability, objectivity and independence of the External Auditors; and
- Review any conflict-of-interest situation that arise, persist or may arise within the Company and the Group and the measure taken to resolve, eliminate or mitigate such conflicts.

The TOR, including the duties and responsibilities of the BAC are available on the Company's official website and the TOR was last reviewed by the Board on 23 November 2023.

Membership and Meetings

The BAC consists of four members who are INEDs, which is in line with Paragraph 15.09 of the Main Market Listing Requirements of Bursa Securities.

In FY 2024, a total of five BAC meetings were conducted, fulfilling the stipulation in BAC TOR that mandates a minimum of four meetings per year. Attendance at all meetings met the requisite quorum as stipulated in the BAC TOR.

The members and details of attendance of Directors at the BAC Meetings for the FY 2024 are as follows:

BAC Members	Membership	No. of meetings held during appointment	No. of meetings attended
Dato' Amiruddin Abdul Satar Independent Non-Executive Director (Redesignated from Member to Chairman on 15 January 2024)	Chairman	5	5
Abdul Halim Jantan Senior Independent Non-Executive Director (Redesignated from Chairman to Member on 15 January 2024)	Member	5	5
Pamela Kung Chin Woon Independent Non-Executive Director	Member	5	4

Board Audit Committee Report (Continued)

BAC Members	Membership	No. of meetings held during FY 2024	No. of meetings attended
Ahmad Shahizam Mohd Shariff Independent Non-Executive Director (Appointed as Member on 15 January 2024)	Member	2	2
Baevinraj Thiagarajah Chief Executive Officer (Ceased to be Member on 4 September 2023 following his redesignation from Independent Non-Executive Director to Executive Director on 4 September 2023, and he was subsequently redesignated as CEO on 15 January 2024)	Member	1	1

The meetings were convened with proper notices and agenda, which were distributed to all members of the BAC with sufficient notification. The minutes of each of the BAC meetings were recorded and tabled for confirmation at the next BAC meeting. The confirmed BAC meeting minutes were subsequently tabled to the Board for notation.

At the Board meetings, the Chairman of the BAC will provide a report, highlighting pertinent issues, significant points of the decisions and recommendations made by the BAC to the Board as well as matters reserved for the Board's approval, if any.

The CEO and CFO were invited to all BAC meetings to facilitate direct communication, as well as to provide clarification on audit issues and the Company's operations. The Head of Internal Audit ("IA") attended all BAC meetings to table the respective IA reports. The relevant responsible Management members were invited to brief the BAC on specific issues arising from the audit reports or on any matters of interest.

Other than the results of IA reports, IA also presented the status and progress of audit activities, audit issues and as well as its annual plans and budget including staffing strength.

The External Auditor was also invited to attend the BAC meetings to present their audit scope and plan, and the auditor's report on the audited annual financial statements. A private session between the BAC and the external auditor, without the presence of the Executive Board members and Management, is held at least once every year.

Nonetheless, the BAC has free and direct access to consult, communicate and enquire with any Senior Management of the Group as well as the External Auditors at any time.

The BAC reported to the Board on significant audit issues and concerns discussed during the BAC meetings which have significant impact on the Group from time to time, for consideration and deliberation by the Board.

Board Audit Committee Report (Continued)**Summary of Work**

The BAC executed the following main scope of work for FY 2024:

1. Financial Reporting

BAC reviewed and endorsed the following financial matters before recommending to the Board for approval:

- i. Quarterly unaudited financial results of the Group and the draft announcements with considerations on key developments during the period, significant accounting matters, and other review matters.
- ii. Audited financial statement of the Group and of the Company for FY 2024 and agreed that the financial statements were prepared in accordance with the relevant standards and regulatory requirements as to give a true and fair view of the Group's financial performance.

In the review of the annual audited financial statements, the BAC discussed with the Management and the External Auditor, the accounting principles and standards that were applied and their judgement of the items that may affect the financial statements.

2. External Audit

- i. On 20 May 2024, BAC reviewed the Audit Plan prepared by the External Auditor for FY 2024 outlining the detailed terms and responsibilities of KPMG and KPMG's affirmation of their independence as External Auditors, areas of audit emphasis identified in response to changes within the Group's business and the reporting requirements during the financial year, on the ways KPMG would continue to deliver an audit that is efficient and effective while also keeping pace with the Group's changes and in what way KPMG intended to work with the team from the Group.

- ii. Performed the annual assessment of the performance, suitability, and independence of the external auditors. The BAC agreed to recommend to the Board for approval the payment of audit fees to KPMG for the statutory audit conducted on the Company and the Group for FY 2024, to the Board for consideration.
- iii. Reviewed the Audited Financial Statements of the Group for the FY 2023 on 25 October 2023 to ensure that the financial statements and disclosures presented a true and fair view of the Group's financial position and performance for the said year and are in compliance with the provisions of the Companies Act 2016 as well as the applicable Malaysian Financial Reporting Standards and recommended the same to the Board for approval.
- iv. Reviewed the audit findings including internal control concerns highlighted by the external auditors in relation to the financial statements of the Group for FY 2024 on 22 October 2024.
- v. Held two private sessions with KPMG without the presence of the Management and Executive Directors on 25 October 2023 and 22 October 2024.
- vi. Reviewed the suitability, effectiveness and independence of the external auditors, and recommended their re-appointment to the Board to recommend the same to the shareholders for approval.
- vii. Obtained written assurance from the external auditor confirming their independence throughout their term of engagement for the financial year.

Board Audit Committee Report (Continued)**3. IA**

- i. Reviewed issues highlighted in the IA reports including its recommendations.
- ii. Reviewed the status of corrective actions agreed to be implemented by Management.
- iii. Reviewed and discussed the IA progress report on quarterly basis.
- iv. Reviewed and approved the IA's Annual Audit Plan FY 2024 and the methodology applied in formulating a risk-based audit plan to ensure adequacy of audit scope and comprehensive coverage of the Group's activities.
- v. Monitored IA activities, staffing requirements, skills and core competencies of the internal auditors, and ensuring IA Department ("IAD") has the necessary authority to carry out its work.
- vi. Reviewed and approved the methodology and scope of work for assurance of the FY 2024 Sustainability Statement. The assurance exercise is part of Bursa's Enhanced Sustainability Disclosure Requirement which requires issuance of Statement of Assurance on whether the Sustainability Statement has been subjected to an assurance process.

4. Risk Management and Internal Control

Deliberated significant risk issues that may likely impact the performance of the Group's business with emphasis on the focus areas for IA.

5. Related Party Transactions ("RPTs")

BAC reviewed and recommended to the Board to approve the related party/recurrent related party transactions entered into by the Group for the year ended 30 June 2024.

6. Conflict of Interest

The Board concurred that the declaration of Conflict of Interest shall be presented at commencement of every meeting of the Board and Committees, if any.

For FY 2024 no conflict of interest was reported.

7. Annual Report Matters

Reviewed the following statements and reports for inclusion in the Annual Report 2024 and recommended the same be presented to the Board for approval:

- i. BAC Report;
- ii. SORMIC; and
- iii. The Statement of Assurance to be incorporated in Sustainability Report FY 2024.

Statement of IA Function**1. Roles and Responsibilities**

The IAD is a fundamental part of the assurance structure of the Group. Its main responsibility is to provide an independent and reasonable assurance on the adequacy, integrity and effectiveness of the Group's overall system of internal control, risk management and governance process.

The Head of IAD reports directly to the BAC on a functional basis and to the Group CEO administratively. The Head of IAD periodically reports on the activities performed as well as key control issues noted by the internal auditor to the BAC. The purpose, authority and responsibility of IAD are reflected in the Internal Audit Charter, which is endorsed and approved by the BAC.

Annually, the IAD prepares a Risk Based Audit Plan and presents to the BAC for approval. The Audit Plan gives priority to, and focuses on, the Company's top risks identified by IA and the Management.

The audit scope includes reviews of business and support divisions, departments as well as its enablers and subsidiaries. The audit covers the reviews on the:

- i. Adequacy of internal controls;
- ii. Effectiveness and efficiency of operations;
- iii. Accuracy of financial and operational information;
- iv. Compliance with internal policies, procedures, regulatory and statutory requirements;
- v. Adequacy and effectiveness of IT systems in supporting operations;
- vi. Effectiveness of risk management processes and the implementation of controls by Management to mitigate company's major risks;
- vii. Effectiveness of ongoing key project implementation and deliverables; and
- viii. Levels of compliance with the MCGG 2021 and the Listing Requirements of Bursa Securities.

In order to maintain its independence and objectivity, IAD has no operational responsibility and authority over the activities it audits. In determining the adequacy of audit scope and coverage, IAD applies a comprehensive audit planning of the Group's auditable entities and functions by performing risk analysis and ensuring adequate resources in performing the audit. The IA function is guided by the approved IA Charter and International Professional Practices set by the Institute of Internal Auditors.

The IA Charter was presented to BAC for annual review and subsequently approved the first revision was approved on 20 May 2024.

2. Audit Resources

As of 30 June 2024, IAD had a total of two internal auditors, comprising staff from various educational and professional backgrounds. IAD invested in training programmes to enhance the knowledge and competency levels of the staff. The externally sourced training programme, focused on the functional and developmental needs of internal auditors.

The total expenditure for the IA function at Group for FY 2024 was RM 171,740 (2023: RM 276,176, a decrease of 38 percent) covering mainly salaries and incidental costs such as travelling and training. The BAC approves the IAD's annual audit plan, financial budget and manpower requirements to ensure the function is adequately resourced with competent and proficient internal auditors.

3. Audit Work

IAD adopts a risk and strategy-based approach as part of its audit planning and execution focusing on significant identified risks and effectiveness of the controls to mitigate the risks. Activities of the IAD include review of the adequacy and effectiveness of internal controls and risk management, compliance with applicable laws and regulations, reliability and integrity of information and adequacy of safeguarding of assets.

During FY 2024, IAD executed a total of nine audits, which comprised scheduled audits and follow-up audits. All findings from the IA reviews were reported to the BAC, Senior Management and the relevant management of the operating units. None of the components of the IA function were outsourced to external service providers.

In ensuring effective communication of audit issues to all operational areas and prompt closing of audit issues, meetings were held with the Management on a regular basis. Management is responsible for ensuring that corrective actions on reported weaknesses and suggested improvements as recommended are taken within the required time frame.

This BAC Report was approved by the Board of Directors on 28 October 2024.

Statement on Risk Management and Internal Control

The Board of Directors of JENTAYU is pleased to present the SORMIC for FY 2024.

The SORMIC is prepared pursuant to paragraph 15.26(b) of the Bursa Securities Main Market Listing Requirements, adheres to the requirement of the principles as stipulated in the MCGG and is prepared in accordance with the SORMIC: Guidelines for Directors of Listed Issuers.

Membership and Meetings

In line with the MCGG's recommendation, the BRC is composed of a majority of INEDs. Currently, the BRC comprises three INEDs.

A total of four meetings were held during FY 2024. The members of the BRC and their attendance record for meetings are as follows:

BRC Members	Membership	No. of meetings held during appointment	No. of meetings attended
Pamela Kung Chin Woon Independent Non-Executive Director (Redesignated from Member to Chairperson on 4 September 2023)	Chairperson	4	4
Ahmad Shahizam Mohd Shariff Independent Non-Executive Director (Appointed on 15 January 2024)	Member	2	2
Tobias Hjalmar Mangelmann Independent Non-Executive Director (Appointed on 15 January 2024)	Member	2	2
Abdul Halim Jantan Senior Independent Non-Executive Director (Redesignated from Chairman to Member on 4 September 2023 and ceased to be Member on 15 January 2024)	Member	2	2

Statement on Risk Management and Internal Control (Continued)

BRC Members	Membership	No. of meetings held during appointment	No. of meetings attended
Dato' Amiruddin Abdul Satar Independent Non-Executive Director (Ceased to be Member on 15 January 2024)	Member	2	2
Baevinraj Thiagarajah Chief Executive Officer (Ceased to be Member on 4 September 2023 following his redesignation from Independent Non-Executive Director to Executive Director on 4 September 2023, and he was subsequently redesignated as CEO on 15 January 2024)	Member	1	1

All deliberations at the BRC meetings that lead to decisions were minuted. The minutes of each BRC meeting were tabled for confirmation at the next meeting. The Chairperson reports to the Board on activities and significant matters discussed.

The duties and responsibilities of the BRC are set out in the TOR of the Board Risk Committee

which is available for reference on the Company's website at www.jentayu-sustainables.com.

Managing Risk

The diagram below illustrates the risk governance structure, roles and responsibilities of risk management across JENTAYU.



Diagram 9: Risk Governance Structure

Statement on Risk Management and Internal Control (Continued)

The Board recognises the importance of sound risk management, internal control, and good corporate governance in every aspect of the business to protect stakeholders' interests. The Board has established an ERM Framework to safeguard the Group's assets, enhance the long-term value of the shareholders' investments, and ensure compliance with all relevant laws, regulations and standards.

The Board provides direction and holds overall responsibility for risk management within the Group to achieve its business objectives. It exercises an oversight role, focusing on understanding priority risk, approving risk management policies for critical risks, and ensuring that risk responses for these critical risks are effective.

Management, through the BRC, is entrusted with the task of assisting the Board in establishing, implementing, and strengthening risk management functions across the Group.

The BRC set up a Risk Management and Compliance Department ("RMCD") to establish the risk management function and strengthen the Group's system of internal control.

The key functions of the risk management are as follows:

- i. Develop the risk management function organisation structure.
- ii. Develop the ERM framework, statement of risk appetite, and tolerance.
- iii. Establish operations work process flow to identify any shortfalls; assess, monitor, provide remedial actions; and mitigate critical risk in an effective manner.
- iv. Prioritise key risk areas to enable alignment of risk strategies in relation to the Group's risk appetite and manner key risk areas are addressed.
- v. Present risk reports for significant risk assessment review, monitoring, and reporting of risk across various functional divisions, support and business units.

RMCD is an independent department of JENTAYU, which reports functionally to BRC, and is responsible for monitoring risk management activities, ensuring compliance, and effective implementation of policies.

Risk Management Activities in FY 2024:

- i. Completed the review of the revision to the ERM framework, which include updates to the risk appetite statement and tolerance level, for recommendation to the Board for approval. The updated ERM framework was presented and approved by the Board on 21 May 2024.
- ii. Completed the review of changes to the BRC's TOR for recommendation to the Board. The Board approved the changes on 15 January 2024, which include transferring the oversight of sustainability duties from the BRC to a newly formed committee.
- iii. Completed the review of changes to the Whistleblowing Policy for recommendation to the Board approval. The Board approved the revised Whistleblowing Policy on 21 May 2024.
- iv. Approved the official notification on the Group's ABAC declaration form prepared for business partners on 22 August 2023.
- v. Quarterly review of the significant risks that pose a threat to the Group's operations, businesses, or viability. The identification of each significant risk is expected to help the Group stay on top of the risks that might derail the Group's intended outcomes. These significant risks are discussed, managed and mitigated within the Group's operating divisions.
- vi. The Board approved to cease the Group's lubricant business in August 2023. Deliberate potential operational, regulatory, and credit risk exposures arising from the cessation of a degrowth business in nature and not making sufficient revenues to meet growth opportunities.

Statement on Risk Management and Internal Control (Continued)

- vii. Reviewed the ABAC Risk Assessment Compliance Checklist in quarterly basis to ensure its accuracy and compliance. The checklist provides a concise summary of essential compliance requirements and specific measures to mitigate bribery and corruption risks.
- viii. Performed the annual review of the Comprehensive Bribery & Corruption Risk Assessment Questionnaires to ensure their effectiveness and compliance. These questionnaires delve deeper into potential risks by gathering detailed information about the Group's operations, third party relationships, and internal controls, enabling a more thorough assessment of bribery and corruption vulnerabilities.
- ix. Performed briefing modules on Whistleblowing Policy and ABAC Policy Group-wide.
- x. Conducted workshops, which included brainstorming sessions on the Group's risk acceptance scale, covering ERM framework principles, updates on risk identification, and mitigation measures, with the support from various business units.
- xi. Reviewed insurance policies to ensure adequate type and coverage have been applied.
- xii. Reviewed and approved the RMCD direction and schedule for FY 2025.
- xiii. Reviewed the SORMIC for FY 2024 prior to submission of the same for external auditors' review and Board's consideration.

Key Risk Management and Internal Control Processes

1. Risk Management Process

The risk management process in which each key risk areas are identified, assessed, monitored, and managed is outlined as follows:

- i. Identification of key risk areas and the assessment of their impact and likelihood of occurrence are carried out through brainstorming and discussions across various functional divisions, as well as support and business units. In the identification of both existing and emerging risks, the internal and external environments in which the Group operates will be scanned and analysed. In assessing risk, both qualitative and semi-quantitative methods will be used.
- ii. Key risk areas are prioritised through risk-mapping of identified risks based on the information gathered according to the severity of impact and likelihood occurrences of risk.
- iii. Risks are managed through the formulation of risk strategies. Key risk areas are reviewed for formulation of risk response strategies/actions to mitigate the impact of the risk events. Risks would either be mitigated (through establishing new control to manage risk), transferred (use of insurance coverage), accepted (within risk appetite for exploitation), or avoided (divestment).
- iv. Risk monitoring is done by using performance measures, both financial and non-financial indicators. Financial indicators can be gathered from the management accounts of the Group while non-financial indicators could be gathered from the upward reporting process from various functional divisions, support and business units.

Statement on Risk Management and Internal Control (Continued)**2. Policies and Procedures**

Policies and operating procedures are in place to ensure compliance with internal controls, prescribed laws, and regulations. These policies and procedures provide guidance and direction for proper management and governance of operations and business activities. These documents are reviewed to ensure that they remain relevant and reflect current best practices.

The employees' code of conduct and ethics are accessible to all employees, to which they are strictly required to adhere, to ensure an elevated level of discipline and a positive attitude while executing their duties. It is the responsibility of all employees to observe the code of conduct and ethics as part of their accountability toward achieving the overall Group's objectives.

The Whistleblowing Policy outlines the procedures and setup of a trusted communication channel for reporting concerns raised by employees or other stakeholders. The Whistleblowing Policy encourages individuals to report any wrongdoing, to be the eyes and ears of the organisation in the fight against corruption and corporate fraud. It covers processes to investigate and report, detailing the Group's obligations to protect the rights of whistleblowers and confidentiality.

The ABAC Policy sets forth the Group's principles, governance framework, and procedures collectively known as the "Integrity System" which was established to eliminate bribery and corruption in all its forms.

The Whistleblowing Policy and the ABAC Policy are available for reference at the Group's website at www.jentayu-sustainables.com.

3. Integrity and Compliance

The Group observes and upholds a zero-tolerance stance on bribery and corruption.

RMCD continues to support management and the Board in ensuring the acculturation and implementation of the integrity system within the Group. The ABAC journey, guided by the Malaysian Anti-Corruption Commission Subsection 5 Adequate Procedures based on the Principle of T.R.U.S.T., has encompassed the Group. The Group is obligated to comply with the Corporate Liability Provision, Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("S17A MACC (Amendment) Act 2018"), which was enforced on 1 June 2020.

Awareness initiatives to cater to S17A MACC (Amendment) Act 2018, Corporate Liability Provision include the following:

- i. The members of the Board, management, employees, those acting on behalf of the Group, and business partners are required to confirm that they have read, understood, and adhere to the ABAC Policy which has been developed to eliminate bribery and corruption in all its forms.
- ii. Awareness training on Section 17A of the MACC (Amendment) Act 2018, focusing on Corporate Liability provisions related to ABAC, is conducted annually on an ongoing basis.
- iii. The Group has established a communication channel that allows concerns of non-adherence to the ABAC Policy to be anonymously reported.
- iv. ABAC Risk Assessment Checklist was introduced, which outlines an effective and consistent ABAC compliance methodology programme.

Statement on Risk Management and Internal Control (Continued)

- v. The Group has implemented a comprehensive bribery and corruption risk assessment questionnaire. This exercise guides respondents through key areas such as risk identification, threats, and the Group's capacity to manage these risks, ensuring a robust approach to counter bribery and corruption.
- vi. An official notification on ABAC for its business partners' compliance and acknowledgment was introduced as a defence towards corporate liability charged under S17A of the MACC (Amendment) Act 2018.

4. IA

The IA function adopts a risk-based approach to provide the BAC with independent and objective reports on the state of internal control and the extent of compliance with the established policies and procedures as well as relevant regulatory requirements.

IA reports directly to the BAC. IA carries out its audit based on the audit plan approved by the BAC at the beginning of the year. The BAC reviews the report from IA, before reporting and making recommendations to the Board in strengthening internal control. The Board remains committed to ensure a sound system of risk management and internal control. The BAC presents its findings to the Board at least once every quarter, or as appropriate.

5. Internal Control System

The Group's internal control system encompasses policies, processes, tasks, behaviour, and other aspects of business activities that facilitate the following:

- i. An effective and efficient operation enabling it to respond appropriately to significant business, operational, financial, compliance, and other risks to achieve the Group's objective.
 - ii. Ensure the quality of internal and external reporting by way of the maintenance of proper records and processes that generate timely, relevant, and reliable information from within and outside the Group.
 - iii. Ensure compliance with applicable laws, and regulations, and with internal policies with respect to the conduct of the Group's business activities.
 - iv. Reflect the Group's control environment which incorporates the Group's organisational structure, governance activities, policies and practices, and code of conduct. The system will also include control activities, information, communication processes, and the monitoring of the effectiveness of the system of internal control.
- Key elements of the Group's internal control system, policies, and procedures include:
- i. There is in place an organisation structure that formally defines lines of responsibility, delegation of authority, and ensures appropriate segregation of duties.
 - ii. Define approving authority of the Management and Board to facilitate decision-making at appropriate levels within the Group.
 - iii. Established strategic planning and budgeting processes, where all operating units are to prepare annual operating budgets including capital and manpower budgets which are reviewed and approved by the Board.
 - iv. Effective reporting systems that ensure complete and accurate financial information for review of monthly performance and variance by management.
 - v. Effective reporting systems that ensure complete and accurate financial information for review of quarterly performance by management.

Statement on Risk Management and Internal Control (Continued)

- vi. Quarterly review of actual performance compared with the budget and the previous year with detailed explanations of any material variances and their remedial measures.
- vii. Policies and procedures of operating units and functional divisions are established, documented, and reviewed annually to ensure compliance with internal controls and relevant laws and regulations, as well as to meet the changing business environment.
- viii. Guidelines for hiring, termination, promotion, employee training, annual performance appraisals, and other relevant procedures in place to ensure employees are competent and adequately trained in discharging their roles and responsibilities.
- ix. Web-based risk management system software in place and engaged to serve as a risk management tool for the identification and management of risks.

Review on Adequacy and Effectiveness of the Risk Management and Internal Control System

The processes which the Group adopted to monitor and review the adequacy and integrity of the system of internal control include the following ongoing assessments:

- i. Examination of the business risks that impact or are likely to impact the Group and the reporting by various functional support and business divisions on the effectiveness of the system of internal control, highlighting any weakness, improvement, and change in the risk profile.

- ii. Review of the state of internal control across various functional support and business divisions by the IA function which reports the review conducted on a quarterly basis to the BAC.

The Board has reviewed the effectiveness, adequacy, and integrity of the system of risk management and internal control in operation during the financial year through the monitoring process set out above. There was no material losses incurred during the current financial year arising from the weaknesses in internal control. Management continues to take measures to strengthen the control environment.

The Board has received assurance from the CEO and CFO that the Group's risk management and internal control system is operating adequately and effectively in all significant material aspects.

Review of the Statement by the External Auditors

As required by paragraph 15.23 of the Listing Requirements, the external auditors have reviewed this SORMIC. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants and has reported to the Board that nothing has come to the attention that causes them to believe that this statement is inconsistent with their understanding of the process adopted by the Board in the review of the adequacy and effectiveness of the risk management and internal control systems within the Group.

SORMIC was approved by the Board of Directors on 28 October 2024.

Additional Compliance

Fundraising

A. Utilisation of Proceeds from Private Placement mandated on 27 December 2022

The final tranche of private placement that was approved during the previous AGM dated 27 December 2022 was issued on 28 July 2023 :

Date of Issue	No. of Shares	Issue Price (RM)	Amount Raised (RM)	Latest Issued Share Capital
28 July 2023	25,910,000	0.82	21,246,200	420,219,700

Below is the fund utilization of the final tranche of the private placement:

Purposes	Proceeds raised and Actual Utilisation RM'000
Partially finance the pre-development expenditures of Project Oriole and future viable investment in renewable energy projects	10,924
Working capital	8,509
Expansion of healthcare division	755
Estimated expenses	1,058
Total	21,246

Note:

- All proceeds from the private placement approved during AGM on 27 December 2022 were fully utilized.

Additional Compliance (Continued)

B. Utilisation of Proceeds from Private Placement mandated on 5 December 2023

At a General Meeting of the shareholders of the company on 5 December 2023, a Private Placement of up to 57,236,765 shares, representing up to approximately 10% of the total number of issued JENTAYU shares to third party investors was approved. Based on the existing 420,219,700 issued JENTAYU shares and 152,147,950 warrants at the then Latest Practicable Date ("LPD") of 6 December 2023, the maximum number of shares that was allowed to be offered, assuming all warrants are exercised is 57,236,765 shares.

The first tranche of private placement that was approved during the previous AGM dated 5 December 2023 was issued on 17 January 2024 :

Tranche	Date of Issue	No. of Shares	Issue Price (RM)	Amount Raised (RM)	Latest Issued Share Capital
1	17 January 2023	18,728,070	1.16	21,724,561	438,947,770

Below is the fund utilization of the first tranche of the above private placement:

Purposes	Minimum Scenario RM'000	Maximum Scenario RM'000	Estimated timeframe for utilisation of proceeds (from date of listing of the Placement Shares)	Proceeds raised on the 17 January 2024 and utilised RM'000	Balance unutilised proceeds RM'000
Partial finance for the development or pre-development expenditures of Project Oriole (as defined herein)	26,000	26,000	Within 12 months	8,100	17,900
Professional fees	5,000	5,000	Within 12 months	2,350	2,650
Working capital	12,324	28,060	Within 12 months	8,425	3,899
Expansion of healthcare division	1,200	1,600	Within 6 months	1,200	-
Estimated expenses	1,700	2,300	Within 3 months	1,650	50
Total	46,224	62,960		21,725	24,499

Material Contracts Involving Directors and Major Shareholders

Save as disclosed below, the Company and its subsidiaries have not entered into any material contracts subsisting at the end of the financial year or entered into since the end of the previous financial year, which involved the interest of the Directors and major shareholders other than contracts entered in the ordinary course of business:

- i. Datuk Haji Beroz Nikmal Mirdin is the Executive Chairman of JENTAYU and spouse of Datin Hajjah Nurhaida Abu Sahid.
- ii. Datin Hajjah Nurhaida Abu Sahid is the major shareholder of JENTAYU and spouse of Datuk Haji Beroz Nikmal Mirdin. She is the major shareholder and Director of Jentayu Capital Sdn. Bhd. and is a Director of Borneo Sustainability Energy Sdn. Bhd.

Additional Compliance (Continued)

- iii. Baevinraj Thiagarajah is the ED of JENTAYU pursuant to his redesignation from INED on 4 September 2023. He was subsequently redesignated as CEO on 15 January 2024.

He is a Director in Telekosang Hydro One Sdn. Bhd. and Telekosang Hydro Two Sdn. Bhd.

On 22 September 2021, the Company entered into the following share sales agreements ("SSA") in relation to the proposed acquisition of hydro asset and proposed acquisition of solar asset:

- i. One SSA with Jentayu Capital Sdn. Bhd. and Seri Panglima Holdings Sdn. Bhd. for the acquisition of 3,000,000 ordinary shares representing the entire equity interest in Jentayu Solar Sdn. Bhd. for a total purchase consideration of RM11,107,050 to be satisfied via issuance of new shares of the Company in relation to the proposed acquisition of solar asset.
- ii. One SSA with Kasa Tuah Resources Sdn. Bhd. and Borneo Sustainability Energy Sdn. Bhd. for the acquisition of 200 ordinary shares representing the entire equity interest in Senja Optima Sdn. Bhd. by acquiring 50 percent equity interest from Kasa Tuah Resources Sdn. Bhd. and Borneo Sustainability Energy Sdn. Bhd. respectively, for a total purchase consideration of RM 44,600,200 to be satisfied via cash consideration of RM 5,464,000 and issuance of new shares of the Company amounting to RM39,136,200 in relation to the proposed acquisition of hydro asset.
- iii. One SSA with Jentayu Capital Sdn. Bhd. for the acquisition of 60,000,000 redeemable preference shares representing 100 percent issued and paid-up preference shares in Telekosang Hydro One Sdn. Bhd. and 40,000,000 redeemable preference shares representing 100 percent issued and paid-up preference shares in Telekosang Hydro Two Sdn. Bhd. for a total purchase consideration

of RM 93,600,000 to be satisfied via cash consideration of RM 7,488,000 and issuance of new shares of the Company amounting to RM 86,112,000 in relation to the proposed acquisition of hydro asset.

- iv. One SSA with Jentayu Capital Sdn. Bhd. for 100 percent of the Junior Bonds in Telekosang Hydro One Sdn. Bhd. for a total purchase consideration of RM 38,100,000 to be satisfied via cash consideration of RM 3,048,000 and issuance of new shares of the Company amounting to RM 35,052,000 in relation to the proposed acquisition of hydro asset (collectively referred to as the "proposed acquisitions").

The Company and the respective vendors involved in the proposed acquisitions have mutually agreed to extend the fulfilment date for the SSA conditions precedent ("CP") to 31 March 2025. On 27 March 2024, the Company announced that the SC had approved the above Proposed Acquisitions, subject to terms and conditions, among others, obtaining regulatory approvals for change in shareholding structure and to submit to the proposal within six months from the Trigger Date.

On 2 September 2024, the Company announced that it has submitted an application to the SC for an extension of time of up to 26 March 2025 to implement and complete the Proposed Acquisitions.

The proposed acquisitions have not been completed during FY 2024. As at 1 October 2024, JENTAYU is still awaiting response from the SC.

Recurrent Related Party Transactions ("RRPT") of a Revenue or Expenses Nature

The breakdown of the aggregate value of the RRPT of a revenue or trading nature during FY 2024 are as follows:

Below is the RRPT without a shareholders' mandate, and announcement has been made to Bursa Securities upon reaching the relevant percentage ratio threshold.

Additional Compliance (Continued)

Directors' Responsibility Statement

Name of Related Parties	Interested Directors and Major Shareholders	Nature of RRPT	Aggregate Value of Transactions (RM)
Telekosang Hydro One Sdn.Bhd.	Datuk Haji Beroz Nikmal Mirdin* Datin Hajah Nurhaida Abu Sahid** Baevinraj Thiagarajah***	Issuance of RECs	2,019,487

Note:

- Datuk Haji Beroz Nikmal Mirdin is the EC and a major shareholder of JENTAYU, and he is also the CEO of Telekosang Hydro One Sdn. Bhd.
- Datuk Haji Beroz Nikmal Mirdin is the spouse of Datin Hajah Nurhaida Abu Sahid, a substantial shareholder and a Director of Jentayu Capital Sdn. Bhd., which in turn has indirect substantial interest in Senja Optima Sdn. Bhd., the holding company of Telekosang Hydro One Sdn. Bhd.
- Baevinraj Thiagarajah is the CEO and a shareholder of JENTAYU, and he is also a Director of Telekosang Hydro One Sdn. Bhd.

Contracts Relating to Loans

There was no material contract relating to loans by the Company and its subsidiaries involving the interest of Directors and major shareholders during FY 2024.

Employee Share Option Scheme ("ESOS")

The Company did not issue any ESOS during FY 2024.

Directors' Responsibility Statement

The Directors are responsible for ensuring that the annual financial statements of the Group and of the Company are drawn up in accordance with the applicable MFRS Accounting Standards as issued by the Malaysia Accounting Standards Board ("MFRS Accounting Standards") and IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), the provisions of the Companies Act 2016 and the MMLR of Bursa Securities.

The annual financial statements are prepared with reasonable accuracy from the accounting records of the Group and Company so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of the financial performance and cash flows of the Group and of the Company for the financial year ended on that date.

In preparing the annual financial statements, the Directors have also ensured that Management has:

- adopted the appropriate and relevant accounting policies and applied them consistently;

- made judgements and estimates that are reasonable and prudent; and
- assessed the Group's and the Company's ability to continue as going concern, and confirmed that the annual financial statements are prepared using the going concern basis of accounting.

The Directors are also responsible for:

- ensuring that the Group and the Company keep proper accounting and other records to enable the explanation of transactions and preparation of financial statements; and
- taking the necessary steps to ensure appropriate systems and internal controls are in place to safeguard the assets of the Group and of the Company, as well as to prevent and detect fraud and any other irregularities.

The Directors confirm that they have complied with the above requirements for the annual financial statements for year ended 30 June 2024.

Sustainability Statement

The Group’s Approach to Sustainability

The Group’s Approach to Sustainability

Embedding Sustainability in the Group’s Business Approach

The Group has made a steadfast commitment to sustainable practices, emphasising the importance of addressing the needs of stakeholders, communities and the environment. This dedication is reflected in the integration of the sustainability framework into the business strategy.

In FY 2023, the Group undertook a comprehensive assessment of its sustainability framework to accelerate the transition to renewable energy and better reflect stakeholder expectations. As a result, the original four pillars i.e., Governing Responsibly, Nation Empowerment, Environmental Sustenance and Uplifting Communities pillars were consolidated into two new focal areas: Fix Existing Business Models and Growing Green Power. These pillars are bolstered by three key enablers: lead with responsible governance, contribute to local communities, and streamline the organisation. This revamped framework guides JENTAYU initiatives to address critical ESG issues pertinent to the business.

In FY 2024, the Group has maintained the sustainability framework, recognising its continued relevance to its operational landscape. For further details of the Sustainability Framework, please refer to Diagram 10.

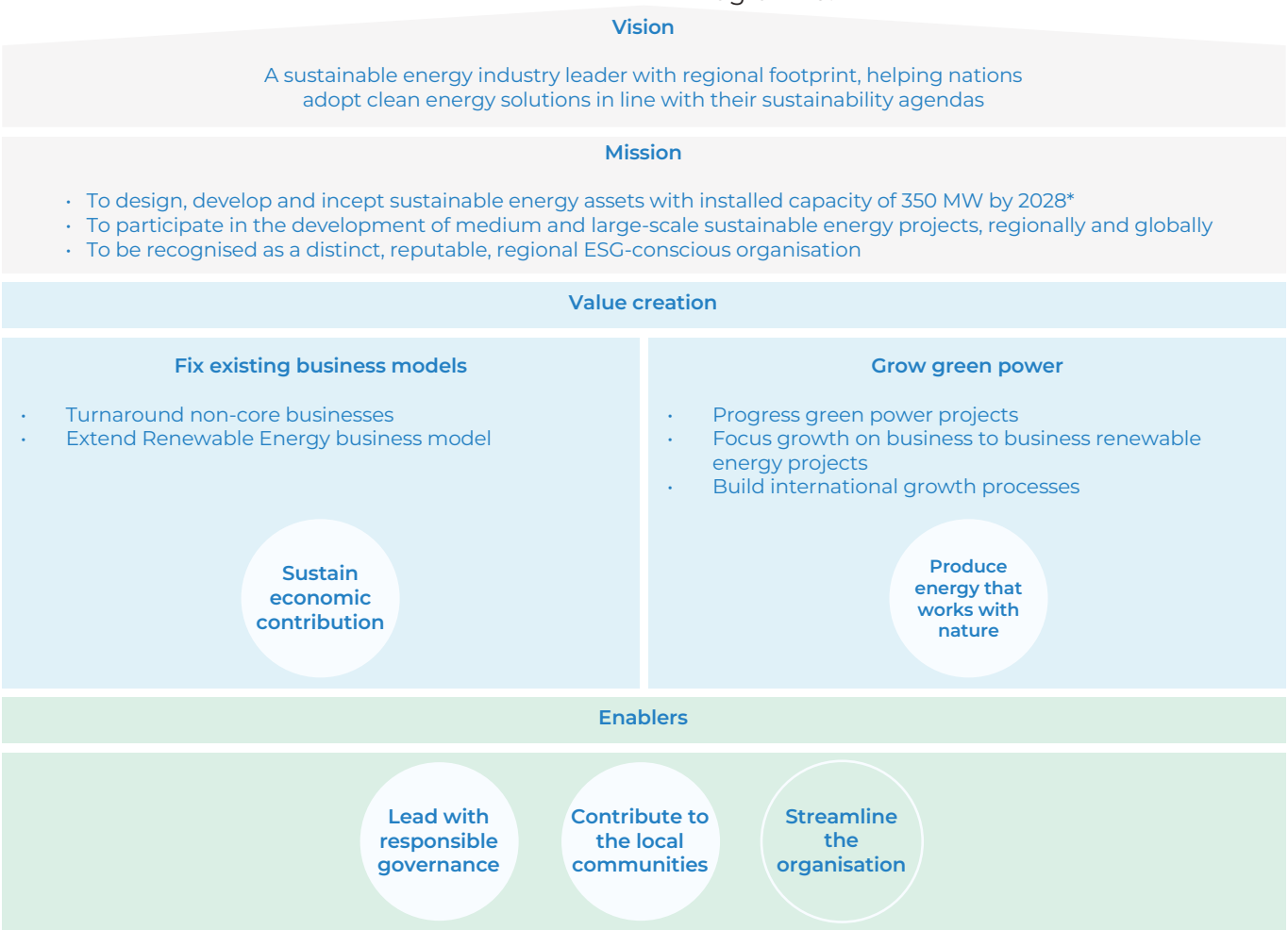


Diagram 10: Sustainability framework

Legend:
Key material matter



Note:
* The Group has extended its mission target date from 2027 to 2028 to align with the anticipated completion of Project Oriole, a 162 MW run-of-river hydropower plant scheduled for completion in 2028.

Sustainability Governance

Enhancing Accountability Through Strong Sustainability Governance

Establishing a comprehensive sustainability governance framework with clearly defined roles and responsibilities is vital for maintaining accountability and ensuring the successful implementation of the Group's sustainability initiatives. The Board, serving as the highest governing entity, offers broad leadership, strategic direction and oversight of the Group's ESG strategies to manage both risks and opportunities effectively.

Comprehensive Sustainability Governance Structure Led by the Board and the its Committees

In FY 2024, JENTAYU reinforced its commitment to sustainability by establishing the Board Sustainability Committee ("BSC"). This dedicated committee oversees all sustainability-related matters, a role previously managed by the BRC. The BSC provides targeted governance, aligns sustainability initiatives with the company's broader strategic goals, enhances compliance with laws and regulations, and strengthens JENTAYU's ability to identify, assess and mitigate sustainability risks.

In this sustainability governance structure, the Board is backed by several Board Committees, such as the BAC, BRC, BNRC, BIC and the BSC. Complementing these are the Sustainability Steering Committee ("SSC") and the Sustainability Working Group ("SWG"), both integral in overseeing and monitoring its sustainability strategies. These committees draw on expertise from various divisions, ensuring a comprehensive approach to sustainability governance. Please refer to the Diagram 11 for the Sustainability Governance Structure.

Sustainability Governance (Continued)

Sustainability Governance Structure

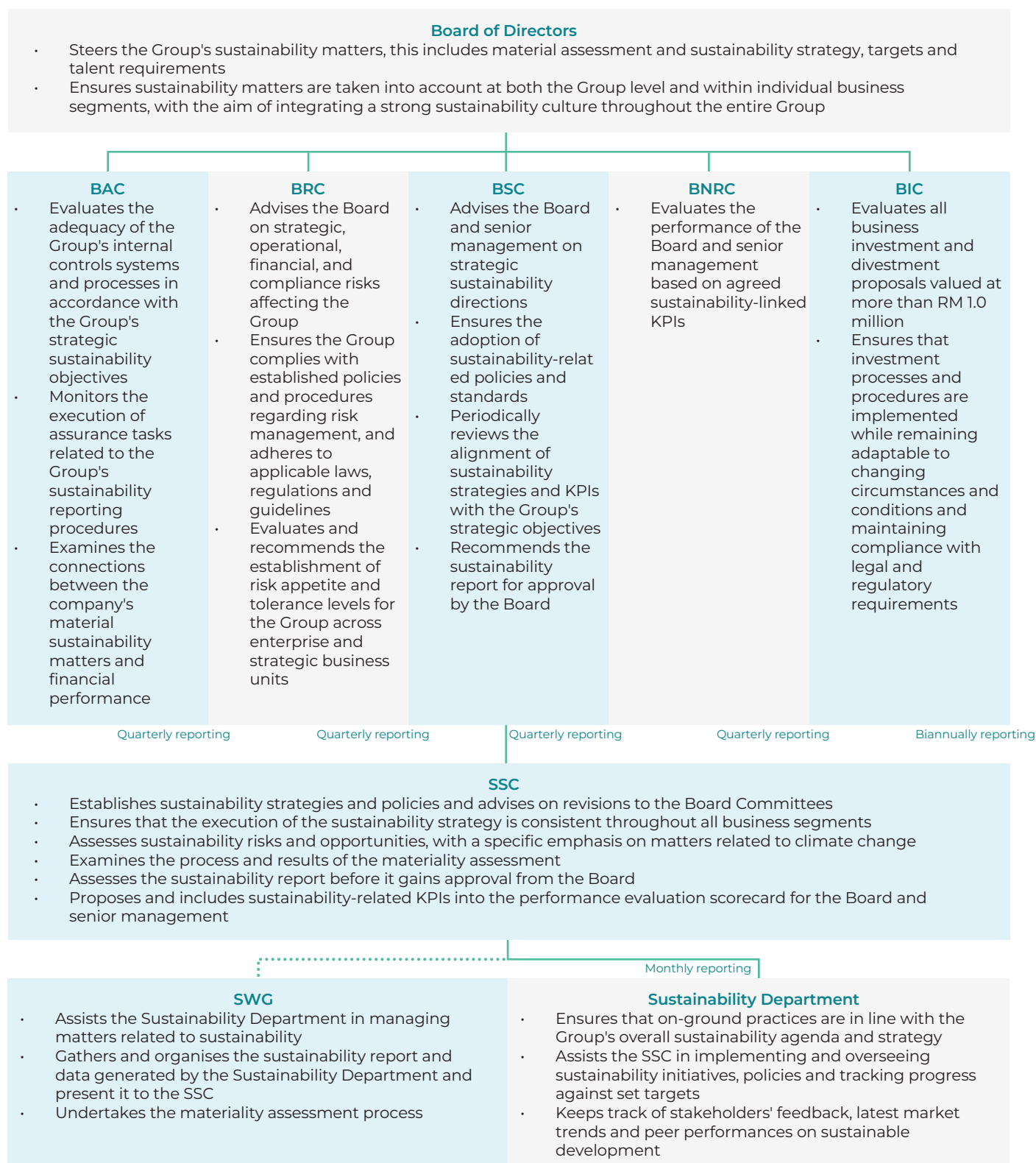


Diagram 11: Sustainability Governance Structure

Addressing stakeholders' needs and concerns

Addressing stakeholders' needs and concerns

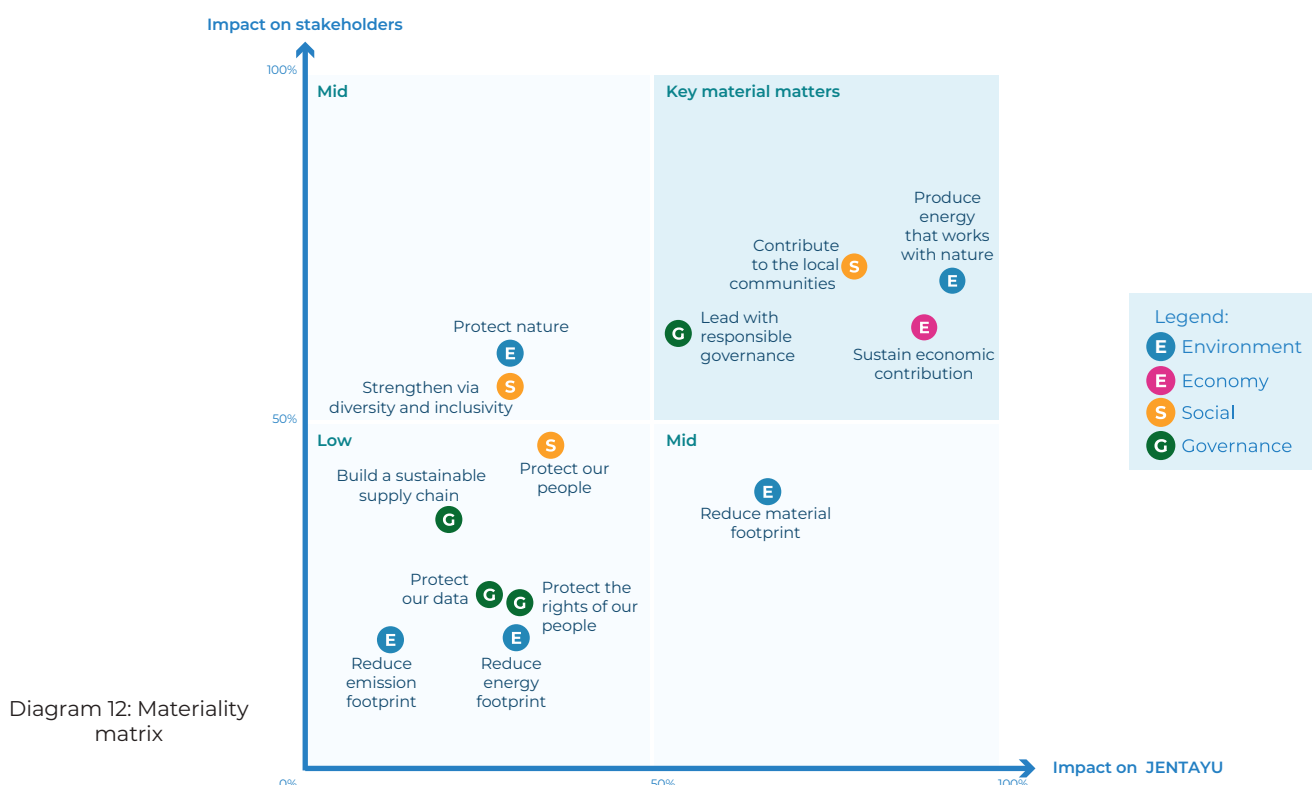
Material Matters

In the Group's pursuit of sustainable development, it has emphasised the importance of strategic decision-making that aligns to stakeholder expectations and adapts to its dynamic environment. Every two years, the Group undertakes a materiality assessment to identify and assess key sustainability risks and opportunities. To effectively manage these factors, the Group has implemented a comprehensive sustainability governance structure that provides ongoing oversight and addresses both existing and emerging material issues, as well as its associated risks and opportunities. Following an in-depth review of the current operating landscape, it has been confirmed that the 13 material issues identified in the FY 2023 materiality assessment continue to be relevant and are well-aligned with the Group's strategic objectives.

Material Matter Outcome

In the materiality assessment conducted in FY 2023, the Group identified 13 key sustainability themes, with four areas deemed most critical due to their significant impact on business strategy and stakeholder decisions, each affecting over 50 percent of these factors. These findings have been endorsed by the key senior management team and the Board, who have committed to focusing on these key material issues while maintaining oversight of the remaining themes. The key material matters include produce energy that works with nature, sustain economic contributions, contribute to local communities and lead with responsible governance. These priorities are illustrated in the materiality matrix materiality matrix in Diagram 12.

Looking forward, the Group plans to conduct its next materiality assessment in FY 2025. As the company embarks on civil works for Project Oriole and integrates Telekosang Hydro One and Two and Jentayu Solar into its corporate framework, efforts will be made to enhance data collection processes to more effectively capture stakeholders' perspectives and expectations.





Performance Scorecard

Performance Scorecard

The performance scorecard highlights seven key material matters, classified within the high and medium impact areas of the materiality matrix. Performance was evaluated for FY 2024, covering the period from 1 July 2023 to 30 June 2024. This tool provides a data-driven approach to evaluate, track and report on the Group's progress towards its sustainability goals. Key Performance Indicators ("KPIs") will be reviewed every six months to ensure they remain aligned and effective.

Material matters	Aspiration	Five-year KPI target	Performance in FY 2024	Execution plan
<div><div>E</div><div>Produce energy that works with nature</div></div>	Become a leading renewable energy player by acquiring and developing solar and hydro assets, contributing to reduced carbon emissions and national renewable energy production	Execution of Power Purchased Agreements ("PPAs") for a total of 350 MW 2026	<div>Received conditional approval for the acquisition of Telekosang Hydro One and Two (40 MW) and Jentayu Solar (5.99 MW) from SC</div> <div>Received Initial Letter Of Notification ("ILON") for Project Oriole (162 MW) from ECoS</div>	<div>The Group remains committed to its goal of securing 350 MW under PPAs by 2026 and is actively progressing toward this target</div> <div>JENTAYU is prioritising these potential projects for FY 2025:</div> <div><div><div>•</div><div>Under development</div><div><div>◦</div><div>Hydro plant (162 MW)</div></div></div><div><div>•</div><div>Proposed aquisition</div><div><div>◦</div><div>Hydro plant (40 MW)</div><div>◦</div><div>Solar plant (5.99 MW)</div></div></div><div><div>•</div><div>Potential opportunities</div><div><div>◦</div><div>Solar plant (39.2 MW)</div><div>◦</div><div>Solar with energy Storage (1.09 MW + 2.56 MWh)</div><div>◦</div><div>Hydro plant (110 MW)</div></div></div></div>

Performance Scorecard (Continued)

Material matters	Aspiration	Five-year KPI target	Performance in FY 2024	Execution plan
 <p>Sustain economic contribution</p>	Efficiently manage finances in the capital-intensive Renewable Energy business to create long-term value, aligning with the Group's sustainability goals and supporting economic stability and growth	Achieve profit before tax of RM 50 million by 2026	RM 19.53 million loss before tax	<p>Ongoing efforts under way to realise the target of achieving a profit before tax of RM 50 million by 2026, with ongoing efforts under way to realise this target</p> <p>Aligned with the Group's overarching goals, the strategies and solutions for FY 2025 will include the following:</p> <ul style="list-style-type: none"> The proposed asset injection of Telekosang Hydro One and Two, as well as Jentayu Solar, is targeted for completion in 2025 and financial close for Project Oriole is expected in 2025. These projects are anticipated to increase the revenue of Renewable Energy business segment and align with the Group's target to achieve 350 MW under PPAs by 2026. Turnaround strategy for OHANA Trading to actively participate in supplying building material for Project Oriole's construction
 <p>Contribute to local communities</p>	Empower the local communities at the project areas through meaningful initiatives and engagement that address their specific needs and contribute to their well-being and development	<p>Coordinate 12 community programmes by FY 2027*</p> <p>Positively impact at least 3,500 individuals by FY 2027*</p>	<p>Coordinated four community programmes</p> <p>Programmes have positively impacted 2,693 to 3,293 individuals</p>	<p>JENTAYU remains dedicated to its goal of coordinating 12 community programmes and making a positive impact on at least 3,500 individuals by FY 2027*. However, the Group has shifted its focus from organising numerous CSR activities to prioritising high-impact outreach initiatives, particularly within the local communities in Sabah where JENTAYU is actively involved</p> <p>The target for FY 2025 is JENTAYU will partner with local NGOs such as the Lion Club, a key element of the Group's strategy to extend its impact to a wider range of beneficiaries. JENTAYU intends to replicate this successful initiative in future programmes</p>

Note:

- * The Group has extended its KPI target date from FY 2024 to FY 2027 to align with its strategic focus on planning and identifying suitable high-impact outreach initiatives.

Performance Scorecard (Continued)

Material matters	Aspiration	Five-year KPI target	Performance in FY 2024	Execution plan
G Lead with responsible governance	Set a responsible governance example by consistently adhering to all laws and regulations at the federal, state and local levels. The Group's commitment to transparency and compliance will guide the journey to responsible governance	All operations undergo corruption risk assessments annually Zero confirmed corruption incidents occurred annually 100 percent attendance of employees' anti-corruption-related training annually Incorporate climate-related risks into the Group's ERM by FY 2024	Implemented a Procurement Policy on 21 May 2024 that aligns with JENTAYU's anti-corruption and anti-bribery guidelines All operations underwent corruption risk assessments Zero confirmed occurrences of corruption incidents 100 percent attendance of employees for anti-corruption-related training by FY 2024 Incorporated climate-related risks into the ERM on 21 May 2024 RAM Sustainability Sdn. Bhd. reviewed the Group's ESG-related activities and awarded it a Silver 1 rating	JENTAYU has successfully achieved all its targets for FY 2024 and will uphold the same objectives moving forward to ensure consistent governance across the Group's operations in FY 2025. These targets include: <ul style="list-style-type: none"> All operations undergo corruption risk assessments Zero confirmed corruption incidents occurrence Ensure anti-corruption-related trainings is conducted annually for employees and business partners Ensure the risk and opportunities of material matters are assessed and monitored Offices and Project Oriole to be assessed for Health and Safety (e.g., fire risk assessment and noise assessment) Moving forward, JENTAYU will be introducing these new targets in FY 2025: <ul style="list-style-type: none"> Ensure the risk and opportunities of material matters are assessed and monitored by FY 2025 Implement Equator Principles standards for Project Oriole
E Protect nature	Preserve and protect the natural environment in the Group's renewable energy projects through sustainable practices and initiatives that respect and follow authorities' rules and regulations, reducing ecological footprint and nurturing biodiversity	Restore 58 hectares by FY 2027*	Since FY 2023, the Group had covered 32 hectares with 12,800 trees such as Mahogany, Seraya Putih, Selangan Batu, Gagil, Binuang, and Laran. However, analysis indicate that factors such as prolonged drought conditions associated with El Niño, soil composition, topsoil fertility and the suitability of species to their environment are contributing to a significantly high mortality rate of these planted trees	In light of the significant tree mortality rate, JENTAYU has adjusted its objective to focus on efforts to preserve the surviving trees and restore the degraded land Steps to achieve this target by FY 2027 include: <ul style="list-style-type: none"> Preserve the surviving trees through regular weeding in FY 2025 Replant drought resistant pioneer plants (resilient species) in designated small plots of land as part of species trial (i.e., taxa trial). This also includes continuous weeding and monitoring Restore selected areas with suitable pioneer species based on the findings of the species trial

Note:

* The Group has extended its target date from FY 2024 to FY 2027 to focus on addressing the significant mortality rate observed amongst the planted trees.

Performance Scorecard (Continued)

Material matters	Aspiration	Five-year KPI target	Performance in FY 2024	Execution plan
E Reduce material footprint	Minimise the material footprint in renewable energy projects and internal operations through eco-friendly materials, efficient planning and an eco-conscious project life cycle for long-term environmental gains	Establish a baseline for materials used in renewable energy projects (e.g., concrete and steel) by FY 2025 Reduce paper purchased by 10 percent from previous year	In the current process of the Engineering, Procurement, Construction and Commissioning ("EPCC") for Project Oriole, the Group places significant emphasis on Bill of Quantities ("BOQ") i.e., monitoring the main material used in civil works. It is expected to be finalised once the EPCC tender is awarded, which is anticipated to occur in FY 2025. Paper purchased was reduced by 15 percent (796 kg)	JENTAYU maintains its target to establish a baseline for materials used in renewable energy projects, such as concrete and steel. JENTAYU will implement targeted strategies for FY 2025 as follows: <ul style="list-style-type: none"> Monitor the BOQ's materials from the feasibility study to the EPCC bid, aiming to optimise main materials such as concrete, steel, and cement used in Project Oriole JENTAYU will track and monitor Scope 3: 2 capital goods in preparation for disclosure FY 2026 The Healthcare business segment will enhance its processes and transition away from manual operations, helping reduce the use of paper in operations The Group achieved the target of reducing paper purchases by 10 percent from FY 2023 and is setting a new target to further decrease paper purchase by an additional 10 percent from FY 2024
S Strengthen organisation via diversity and inclusivity	Build a stronger organisation through diversity and inclusivity, valuing each individual's unique perspective and fostering a sense of belonging for all	Achieve 25 percent to 30 percent representation of females on the Board by FY 2024 Achieve 30 percent representation of females in senior management by FY 2024	33 percent* female representation on the Board 33 percent female representation in the senior management team	The Group has successfully met both of the targets in FY 2024 for strengthening organisation via diversity and inclusivity material matter. Looking ahead, the Group is introducing new targets for FY 2025, outlined as follows: <ul style="list-style-type: none"> Achieve at least one sustainability training for Board Establish a trainee programme for graduates

Legend:

E Environment**E** Economy**S** Social**G** Governance

Note:

* As of 30 June 2024, female representation on the Board was at 33 percent. However, following Datuk Hj. Masnah Binti Matsalleh's resignation on 10 September 2024, this percentage declined to 25 percent.

Sustainability at the Group's Core

This is the 13 identified material matters in the FY 2023 materiality assessment. Produce energy that works with nature, sustain economic contribution, contribute to local communities and lead with responsible governance emerged as the key material matters that scored more than 50 percent in the material matrix. For further details of the approach to material matters, please refer the dedicated Jentayu Sustainable Berhad's Sustainability Report 2024 on the corporate website.

Produce energy that works with nature

E

Why is it important?

The shift towards sustainable energy is a critical component of the global strategy to address climate change and global warming. The Group aims to be a key player in assisting countries as they navigate their energy transition strategies, contributing to the broader effort to achieve sustainable and resilient energy systems.

What is JENTAYU doing about it?

The Group is developing Project Oriole, Malaysia's largest run-of-river hydro project, with an installed capacity of up to 162 MW and is set to be completed by 2028. Once operational, the project is anticipated to generate up to 868,893 MWh of electricity annually. In line with the renewable energy goals, the Group has also secured a conditional approval from SC for acquiring a 40 MW run-of-river hydro scheme in Sabah and a 5.99 MW solar plant in Kedah. These additions are expected to contribute 296,644 MWh annually to the Group's renewable energy portfolio.

Next steps

As part of the Renewable Energy business strategy, JENTAYU aims to secure 350 MW of installed capacity from sustainable energy assets through the execution of PPAs by 2026. This objective reflects the Group's commitment to advancing clean energy solutions. The Group plans to design, develop, and construct these assets to achieve this target, marking a significant milestone in its sustainability efforts. Furthermore, the Group will focus on capturing pipeline projects and expanding its future project pipeline while investing in international growth to strengthen its position as a leading global player in the renewable energy sector.

Contribution to UNSDG



11
Sustainable Cities
and Communities



13
Climate
Change

Sustainability at the Group's Core (Continued)

Sustain economic contribution

E

Why is it important?

The Group's economic performance mirrors that of a high-growth startup, characterised by negative margins and significant equity investments for expansion. This is largely due to lengthy development timelines for renewable energy assets, extended approval processes for increasing healthcare business capacity and ongoing challenges in the building materials sector. Presently, the Group is working to stabilise its volatile revenue profile via strategic acquisitions and development of renewable energy assets. Achieving short-term financial stability is essential for the growth of these assets, which will contribute to long-term environmental and community benefits.

What is JENTAYU doing about it?

The Group is set to develop and acquire up to 208 MW of renewable energy assets, a move anticipated to deliver substantial economic benefits. In parallel, the Group is revamping its trading business strategy to support the

integration of future renewable energy assets via supplying trading materials. Efforts are also underway to expand the Healthcare business, with plans to enhance its healthcare facilities (e.g., upgrading rooms, purchasing medical equipment), expand neonatal services and increasing its customer outreach

Next steps

The Group remains committed to advancing its business strategy by focusing on expanding its Renewable Energy business and revitalising its Healthcare and Trading operations.

Contribution to UNSDG



08

Decent work and economic growth

Contribute to local communities

S

Why is it important?

The Group's dedication to local communities through its renewable energy operations transcends mere energy production. It includes efforts to address electricity poverty, enhance well-being, generate employment, and support local economic growth. This holistic approach is central to its mission of fostering a positive and sustainable impact, aligning with its responsibility to drive the energy transition inclusively. JENTAYU strives to create opportunities and benefits for communities while ensuring that local voices are heard and respected.

What is JENTAYU doing about it?

In FY 2024, the Group organised impactful initiatives aimed at fostering long-term relationships and contributing sustainable benefits for local communities. These community outreach efforts are structured

around the core pillars, reflecting JENTAYU's dedication to advancing community development and environmental stewardship.

Next steps

To strengthen community impact, the Group is focusing on developing meaningful and long-term programmes. Its approach prioritises sustainable benefits for local communities, aiming to create lasting value.

Contribution to UNSDG



11

Sustainable cities and communities

Sustainability at the Group's Core (Continued)

Lead with responsible governance



Why is it important?

The Group's goal is to foster a robust compliance culture within the organisation, acknowledging its crucial role in driving the Group's consistent and sustainable growth. JENTAYU's long-term viability hinges on achieving two key objectives; First, the acquisition of 40 MW hydro and 5.99 MW solar assets, for which JENTAYU has received conditional approval from SC and second, the completion of a hydro run-of-river project in Sabah, overseen by ECoS. A vital aspect in accelerating these initiatives the Group's ability to continually demonstrate and maintain strict adherence to laws and regulations, ensuring transparency and a steadfast commitment to compliance throughout.

What is JENTAYU doing about it?

JENTAYU is dedicated to maintaining the highest ethical standards to ensure transparency and accountability throughout its operations via the implementation of the Group's ABAC policy, Procurement policy and corruption risk assessments.

Next Steps

Ensure all operations comply with relevant rules and regulations.

Contribution to UNSDG



16

Peace, justice and strong institutions

Protect nature



Why is it important?

In the development of its run-of-river hydro plant, the Group remains dedicated to environmental preservation. Unlike traditional hydro dams, run-of-river hydro plants have a smaller physical footprint and do not require large reservoirs, thereby reducing their environmental impact. Despite this, the Group remains conscious of its ecological footprint and ensures strict adherence to environmental regulations throughout the development process.

What is JENTAYU doing about it?

The Group is committed to preserving the natural state of the hydro catchment area and has initiated replanting efforts. However, observation indicated that the extended drought periods, soil composition,

topsoil fertility and the appropriateness of species to their environment have affected the survival rate of the trees (e.g., Seraya Putih, Selangan Batu, Gagil, Binuang, and Laran).

Next Steps

In response of the significant tree mortality rate, the Group's efforts is now concentrated on ensuring the restoration of the degraded land and survival of the remaining trees.

Contribution to UNSDG



14

Life below water



15

Life on land

Sustainability at the Group's Core (Continued)

Strengthen organisation via diversity and inclusivity



Why is it important?

Fostering a diverse and inclusive work environment is fundamental to the company's success. By embracing diversity, equity, and inclusion, JENTAYU enhances unity and collaboration, which in turn drives superior business outcomes. A diverse workforce not only supports individual growth but also plays a crucial role in employee retention, boosting engagement and enhancing the company's overall performance and resilience.

What is JENTAYU doing about it?

In FY 2024, the Group has achieved 33 percent of female representation both in Board level and senior management position, showcasing dedication to diversity and inclusivity.

Next steps

The Group is committed to ensure its diverse and inclusive working environment remains strong. JENTAYU will continue fostering a workplace grounded in fairness, equality and respect through ongoing townhalls, trainings and breakfast sessions.

To ensure the Board members enhance their capacity to lead the Group toward sustainable growth, each board member will participate in at least one sustainability training session.

JENTAYU aims to establish a trainee programme for graduates.

Contribution to UNSDG



05
Gender equality



10
Reduced inequalities

Reduce material footprint



Why is it important?

Efficient use of resources and sustainable consumption are essential, particularly in the development of renewable energy projects. Emphasising resource efficiency, the Group ensures optimal material usage, reducing waste and promoting sustainable operations. This approach is crucial for hydro plant projects, where resource efficiency enhances planning, operational performance and cost savings.

What is JENTAYU doing about it?

The Group aims to establish a baseline for materials used in future hydro plant projects (e.g., concrete, cement and steel).

Next steps

The Group remains committed to minimising its material footprint in renewable energy projects and internal operations by employing efficient planning and prioritising eco-conscious projects.

Contribution to UNSDG



12
Responsible consumption and production

Sustainability at the Group’s Core (Continued)

Protect our people	
<p>Why is it important?</p> <p>JENTAYU prioritises the health and safety of its employees and contractors in all business activities and workplaces. The Group's dedication to creating a safe and supportive work environment aims to prevent injuries and illnesses, which ultimately enhances efficiency and productivity.</p> <p>What is JENTAYU doing about it?</p> <p>As part of the employer requirements in the EPCC tendering process, it is mandatory for EPCC contractors to employ an Occupational Safety and Health officer to ensure the well-being of employees is maintained.</p>	<p>Next steps</p> <p>The Group will continue its commitment to safety, health, and well-being and continue to adhere to the Occupational Health and Safety Policy across its business operations.</p> <p>Contribution to UNSDG</p> <div><p>03</p><p>Good health and well-being</p></div>
Build a sustainable supply chain	
<p>Why is it important?</p> <p>In today's socially-conscious landscape, upholding a responsible supply chain is both an ethical imperative and a strategic advantage. The Group's commitment to rigorous ethical and environmental standards helps mitigate risks and supports local economies through partnerships with local suppliers. This strategy not only fortifies the business but also enhances community well-being by promoting fair labour practices and contributing to local economic vitality.</p> <p>What is JENTAYU doing about it?</p> <p>The Group's supply chain management strategy emphasises the careful selection of subcontractors, particularly for EPCC contracts in hydro projects. This method is vital for enhancing sustainability, construction quality and electricity generation efficiency.</p> <p>JENTAYU is dedicated to community development by involving local suppliers and contractors, generating employment and supporting community projects (e.g., land clearing and road maintenance).</p>	<p>Dedicated to strengthening supply chain resilience, the Group is diversifying its supplier base and improving its risk management strategies via the implementation of the Procurement Policy.</p> <p>Next steps</p> <p>The Group is dedicated to maintaining a responsible supply chain by focusing on local supplier and broadening the supplier network to improve resilience and sustainability.</p> <p>Contribution to UNSDG</p> <div><div><p>12</p><p>Responsible consumption and production</p></div><div><p>17</p><p>Partnerships for the goals</p></div></div>

Sustainability at the Group's Core (Continued)

Protect the rights of our people



Why is it important?

The Group's main focus is on ensuring the well-being of its employees, supply chain partners and community. This dedication is embedded in its mission and values, where it champions fair and inclusive practices, foster a safe and respectful work environment and maintain high ethical standards.

What is JENTAYU doing about it?

In order to safeguard the rights and well-being of its people, the Group has implemented the Human Rights and Whistleblowing Policies across its business operations.

Next steps

The Group will continue to implement its policies and framework to keep improving business operations and foster ethical business standards throughout its operations.

Contribution to UNSDG



16

Peace, justice and strong institutions

Protect our data



Why is it important?

Embracing digital technology and innovation is essential for ensuring business resilience and adaptability, protecting sensitive information and sustaining a competitive advantage across all operational areas.

What is JENTAYU doing about it?

In FY 2024, JENTAYU has upgraded the Systems Applications and Products financial system to the latest version to improve functionality across all user modules.

Ongoing efforts to migrate Healthcare business's employee data to enhance human resource functions, including payroll, protection of employees' data, benefits administration and employee management.

Additionally, the Group is consistently upgrading its firewall system to strengthen protection against viruses, malware and spyware, including the implementation of security profiles such as cyberattack and ransomware.

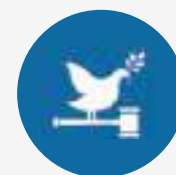
Next steps

The Group is currently enhancing OHANA's Point of Sale system to align with e-invoicing standards. This upgrade will strengthen tax administration by facilitating near-instant validation and secure storage of transactions. The completion of this project is anticipated by FY 2025.

The Group will ensure that data management practices adhere to both regulatory and ethical standards, with particular emphasis on complying with the Personal Data Protection Act 2010.

The Group will continue to focus on digitalisation and innovation, actively seeking new solutions to optimise operations and boost efficiency. The Group's dedication to leveraging cutting-edge technology ensures ongoing growth and flexibility in a rapidly changing business environment.

Contribution to UNSDG



16

Peace, justice and strong institutions

Sustainability at the Group's Core (Continued)

Reduce energy footprint



Why is it important?

In the current business environment, companies worldwide are increasingly focusing on climate-related objectives because of the ongoing issue of global warming. Understanding the effect of the operations on the environment, the Group acknowledges that its long-term success is closely tied to environmental factors. Neglecting to actively address climate risks could lead to lasting negative impact to its stakeholders.

What is JENTAYU doing about it?

The Group is enhancing energy efficiency by adopting energy-saving measures and consolidating its operations. This involves closing down the Glenmarie warehouse while

shifting the Trading business's functions to the corporate support office in Kuala Lumpur.

Next steps

The Group is actively improving energy efficiency across its properties and refining the monitoring systems to further enhance energy conservation.

Contribution to UNSDG



13
Climate action

Reduce emissions footprint



Why is it important?

Due to the pressing issue of climate change, managing environmental impact is essential. Corporations must actively work to lower their operational effects and cut Greenhouse Gas ("GHG") emissions to prevent negative environmental and social impacts that could disrupt business and impede economic growth.

What is JENTAYU doing about it?

The Group is committed to reducing emissions through sustainable practices, enhancing energy efficiency, improving data collection quality and minimising environmental impact via its sustainability efforts, including energy saving and reducing use of paper. The Group is also measuring Scope 1, 2 and 3 to monitor and compare its emissions footprint.

Next steps

JENTAYU strives to further improve on its GHG emissions reduction measures and refine its data processes to improve accuracy.

Contribution to UNSDG



13
Climate action

E Environment

E Economy

S Social

G Governance

Financial Statements



Directors' report for the year ended 30 June 2024

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

Principal activities

The Company is principally engaged in investment holding, trading and distribution of building materials and other products, whilst the principal activities of the subsidiaries are as stated in Note 7 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 Group's subsidiaries are disclosed in Note 7 to the financial statements.

Results

	Group RM'000	Company RM'000
Loss for the year attributable to:		
Owners of the Company	(19,899)	(12,597)
Non-controlling interests	-	-
	<u>(19,899)</u>	<u>(12,597)</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividend

No dividend was paid during the financial year and the Directors do not recommend any final dividend to be paid for the financial year under review.

Directors of the Company

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

Datuk Haji Beroz Nikmal Bin Mirdin
 Dato' Amiruddin Bin Abdul Satar
 Baevinraj Thiagarajah
 Abdul Halim Bin Jantan
 Pamela Kung Chin Woon
 Tobias Hjalmar Mangelmann (appointed on 4 September 2023)
 Ahmad Shahizam Bin Mohd Shariff (appointed on 08 November 2023)
 Datuk Hajah Masnah Binti Matsalleh
 (appointed on 18 January 2024 and resigned on 10 September 2024)
 Datin Noor Afzalinah Binti Mohd Afzul Khan (appointed on 29 April 2024)
 Jeeфри Bin Muhamad Yusup (retired on 15 January 2024)

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:

Subsidiaries

Dr. Dahlia Binti Abd Malik
 Datuk Akbarkhan Bin Abdulrahman
 Dato' Chairil Nazri Bin Ahmad (Resigned on 2 January 2024)
 Dr. Ainy Binti Md Aris
 Lit Kin Cheong
 Rahaidah Binti Abdul Wahab
 M Satya Riayatsyah Bin Syafruddin (Resigned on 19 April 2024)
 Mohamad Rhiaz Bin Mohamed Zamirdin (Appointed on 8 December 2023)
 Sarah Binti Azman
 Wong Chong Teck
 Wong Chong Yee

Directors' interests in shares

The interests and deemed interests in the ordinary shares and warrants 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 spouse or children of Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.7.2023/ date of appointment	Bought	Sold	At 30.6.2024
<i>Interest in the Company</i>				
<i>Direct interests</i>				
- Datuk Haji Beroz Nikmal Bin Mirdin	19,385,700	-	-	19,385,700
- Baevinraj Thiagarajah	9,000,000	-	-	9,000,000
- Dato' Amiruddin Bin Abdul Satar	1,500,000	300,000	-	1,800,000
- Abdul Halim Bin Jantan	2,650,000	-	-	2,650,000

Financial Statements (Continued)

Directors' interests in shares (continued)

	Number of ordinary shares			
	At 1.7.2023/ date of appointment	Bought	Sold	At 30.6.2024
Interest in the Company				
(continued)				
<i>Direct interests (continued)</i>				
- Tobias Hjalmar Mangelmann	-	1,150,000	-	1,150,000
- Datin Noor Afzalinah Binti Mohd Afzul Khan	482,700	-	-	482,700
<i>Deemed interests</i>				
- Datuk Haji Beroz Nikmal Bin Mirdin*	63,528,900	-	-	63,528,900

	Number of warrants			
	At 1.7.2023	Bought	Sold	At 30.6.2024
Interest in the Company				
<i>Direct interests</i>				
- Datuk Haji Beroz Nikmal Bin Mirdin	9,692,850	-	-	9,692,850
- Baevinraj Thiagarajah	4,500,000	-	-	4,500,000
- Dato' Amiruddin Bin Abdul Satar	750,000	-	-	750,000
- Abdul Halim Bin Jantan	1,125,000	-	-	1,125,000
<i>Deemed interests</i>				
- Datuk Haji Beroz Nikmal Bin Mirdin*	31,764,450	-	-	31,764,450

* In accordance with Section 59(11)(c) of the Companies Act 2016, the deemed interest of the spouse of Datuk Haji Beroz Nikmal Bin Mirdin in shares of the Company shall be treated as the interests of Datuk Haji Beroz Nikmal Bin Mirdin.

By virtue of his interests in the shares of the Company, Datuk Haji Beroz Nikmal Bin Mirdin is also deemed to have interest in the shares of the Company and of its related corporations to the extent of that interest under Section 8 of the Companies Act 2016.

None of the other Directors holding office at 30 June 2024 had any interest in the shares and warrants of the Company and of its related corporations during the financial year.

Financial Statements (Continued)

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 the Directors and transactions with them in respect of the financial year ended 30 June 2024 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	318	-
Salaries and other emoluments	2,874	-
Defined contribution plan	361	-
	<u>3,553</u>	<u>-</u>
<i>Transactions with companies in which a Director is a member:</i>		
- Trading of renewable energy certificate	-	2,019
- Legal professional fees related to proposed acquisition of solar asset and hydro asset	587	-
- Insurance charges	212	-
- Other professional fees	33	-
	<u>4,385</u>	<u>2,019</u>

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

Issue of shares and debentures

During the financial year, the Company has successfully listed private placement shares on the Main Market of Bursa Securities in two tranches as below:

Listing date	Number of units '000	Issue price per share RM	Consideration in cash RM'000
28 July 2023	25,910	0.82	21,246
17 January 2024	<u>18,728</u>	<u>1.16</u>	<u>21,725</u>
Total	<u>44,638</u>		<u>42,971</u>

The proceeds raised were to partially finance the development expenditures for investments in renewable energy projects, expansion of healthcare division and working capital requirements.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company, upon the date of allotment and issuance of those shares.

There was no issuance of debentures during the financial year.

Warrants

On 12 January 2022, the Company executed a deed poll pertaining to the creation and issuance of 152,185,950 of free detachable warrants pursuant to the bonus shares issue where 3 free detachable warrants are granted for every 2 bonus shares issued.

During the financial year, 38,000 warrants were exercised for a total cash consideration of RM25,080 at exercise price of RM0.66 per warrant. The total number of warrants that remain unexercised as at financial year end was 152,147,950.

Indemnity and insurance costs

The Directors and Officers of the Group and of the Company are covered by the Directors' and Officers' Liability Insurance for any liability incurred in discharging of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial year amounted to RM45,590.

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.

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.

Other statutory information (continued)

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 during the financial year ended 30 June 2024 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.

Significant events

Significant events during the year are disclosed in Note 33 to the financial statements.

Subsequent events

Subsequent events during the year are disclosed in Note 34 to the financial statements.

Financial Statements (Continued)

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 year are as follows.

	Group RM’000	Company RM’000
Auditors’ remuneration		
Audit fees		
- KPMG PLT	320	90
- Other auditors	85	-
Non-audit fees		
- KPMG PLT	540	530

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

.....
Datuk Haji Beroz Nikmal Bin Mirdin
Director

.....
Baevinraj Thiagarajah
Director

Kuala Lumpur

Date: 28 October 2024

Statements of financial position as at 30 June 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets					
Property, plant and equipment	3	96,354	80,000	4,483	3,442
Right-of-use assets	4	8,638	10,031	422	482
Investment properties	5	29,140	49,500	1,690	26,890
Investments in subsidiaries	7	-	-	11,471	10,114
Investments in an associate	8	-	-	-	-
Other investments	9	394	394	356	356
Goodwill on consolidation	10	5,800	11,100	-	-
Trade receivables	11	3,038	2,875	-	-
Total non-current assets		143,364	153,900	18,422	41,284
Inventories	6	3,084	4,454	-	-
Trade and other receivables	11	34,788	32,875	117,134	87,045
Tax recoverable		484	496	50	64
Cash and cash equivalents	12	4,204	5,267	183	2,708
		42,560	43,092	117,367	89,817
Assets classified as held for sale	13	25,067	180	25,067	180
Total current assets		67,627	43,272	142,434	89,997
Total assets		210,991	197,172	160,856	131,281

Financial Statements (Continued)

Statements of financial position as at 30 June 2024 (continued)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Equity					
Share capital	14	222,520	179,524	222,520	179,524
Other reserves	15	23	23	(92)	(92)
Accumulated losses		(80,144)	(55,498)	(126,409)	(113,812)
Equity attributable to owners of the Company		142,399	124,049	96,019	65,620
Non-controlling interests		-	(747)	-	-
Total equity		142,399	123,302	96,019	65,620
Liabilities					
Borrowings	16	7,363	19,475	5,000	17,047
Lease liabilities		10,639	10,752	705	33
Provision for restoration cost		-	24	-	-
Deferred tax liabilities	17	2,839	2,355	1,007	1,007
Total non-current liabilities		20,841	32,606	6,712	18,087
Trade and other payables	18	39,776	32,653	50,563	39,777
Borrowings	16	7,285	7,708	7,190	7,621
Lease liabilities		665	652	372	176
Tax payable		25	251	-	-
Total current liabilities		47,751	41,264	58,125	47,574
Total liabilities		68,592	73,870	64,837	65,661
Total equity and liabilities		210,991	197,172	160,856	131,281

Notes:

- The notes on pages 117 to 173 form an integral part of these financial statement.

Statements of profit or loss and other comprehensive income for the year ended 30 June 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	19	21,959	42,641	3,505	1,422
Cost of sales		(15,598)	(36,480)	-	(65)
Gross profit		6,361	6,161	3,505	1,357
Other income	20	7,184	16,679	7,111	18,204
Selling and marketing expenses		(1,427)	(3,478)	-	-
Administrative expenses		(31,517)	(24,323)	(21,449)	(16,564)
Net gain on impairment of financial assets		2,088	2,101	215	1,384
Other operating expenses		(1,863)	(1,576)	(574)	(355)
Results from operating activities		(19,174)	(4,436)	(11,192)	4,026
Finance income	21	254	225	-	47
Finance costs	22	(604)	(687)	(1,405)	(1,342)
(Loss)/Profit before tax	23	(19,524)	(4,898)	(12,597)	2,731
Tax (expense)/income	24	(375)	(255)	-	17
(Loss)/Profit for the year		(19,899)	(5,153)	(12,597)	2,748
Other comprehensive expense					
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Fair value changes of other investments		-	(28)	-	-
Other comprehensive expense for the year		-	(28)	-	-
Total comprehensive (expense)/income for the year		(19,899)	(5,181)	(12,597)	2,748

Financial Statements (Continued)

Statements of profit or loss and other comprehensive income for the year ended 30 June 2024 (continued)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Loss)/Profit attributable to:					
Owners of the Company		(19,899)	(4,973)	(12,597)	2,748
Non-controlling interests		-	(180)	-	-
(Loss)/Profit for the year		<u>(19,899)</u>	<u>(5,153)</u>	<u>(12,597)</u>	<u>2,748</u>
Total comprehensive (expense)/income attributable to:					
Owners of the Company		(19,899)	(5,001)	(12,597)	2,748
Non-controlling interests		-	(180)	-	-
Total comprehensive (expense)/income for the year		<u>(19,899)</u>	<u>(5,181)</u>	<u>(12,597)</u>	<u>2,748</u>
Basic loss per ordinary share (sen)	26	<u>(4.87)</u>	<u>(1.38)</u>		
Diluted loss per ordinary share (sen)	26	<u>(4.87)</u>	<u>(1.38)</u>		

Notes:

- The notes on pages 117 to 173 form an integral part of these financial statement.

Consolidated statement of changes in equity for the year ended 30 June 2024

	← Attributable to owners of the Company →		Non-distributable		Non-controlling interests		Total equity
	Share capital	Fair value reserve	Accumulated losses	Total	controlling interests	Total equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Group							
At 1 July 2022	135,969	51	(50,525)	85,495	(567)	84,928	
Issuance of ordinary shares pursuant to private placement	43,555	-	-	43,555	-	43,555	
Total transactions with owners of the Company	43,555	-	-	43,555	-	43,555	
Loss for the year	-	-	(4,973)	(4,973)	(180)	(5,153)	
Other comprehensive expense for the year	-	(28)	-	(28)	-	(28)	
Total comprehensive expense for the year	-	(28)	(4,973)	(5,001)	(180)	(5,181)	
At 30 June 2023	179,524	23	(55,498)	124,049	(747)	123,302	

Financial Statements (Continued)

Consolidated statement of changes in equity for the year ended 30 June 2024 (continued)

←— Attributable to owners of the Company —→						
←— Non-distributable —→						
	Share capital RM'000	Fair value reserve RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Group						
At 1 July 2023	179,524	23	(55,498)	124,049	(747)	123,302
Issuance of ordinary shares pursuant to private placement	42,971	-	-	42,971	-	42,971
Issuance of ordinary shares pursuant to exercise of warrants	25	-	-	25	-	25
Changes in interest of a subsidiary	-	-	(4,747)	(4,747)	747	(4,000)
7						
Total transactions with owners of the Company	42,996	-	(4,747)	38,249	-	38,996
Loss for the year	-	-	(19,899)	(19,899)	-	(19,899)
Total comprehensive expense for the year	-	-	(19,899)	(19,899)	-	(19,899)
At 30 June 2024	222,520	23	(80,144)	142,399	-	142,399
	Note 14	Note 15				

Notes:
The notes on pages 117 to 173 form an integral part of these financial statements.

Statement of changes in equity for the year ended 30 June 2024

	← Attributable to owners of the Company →			
	← Non-distributable →			
Company	Share capital RM'000	Fair value reserve RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 July 2022	135,969	(92)	(116,560)	19,317
Issuance of ordinary shares pursuant to private placement	43,555	-	-	43,555
Total transactions with owners of the Company	43,555	-	-	43,555
Profit and total comprehensive income for the year	-	-	2,748	2,748
At 30 June 2023	179,524	(92)	(113,812)	65,620
At 1 July 2023	179,524	(92)	(113,812)	65,620
Issuance of ordinary shares pursuant to private placement	42,971	-	-	42,971
Issuance of ordinary shares pursuant to exercise of warrants	25	-	-	25
Total transactions with owners of the Company	42,996	-	-	42,996
Loss and total comprehensive expense for the year	-	-	(12,597)	(12,597)
At 30 June 2024	222,520	(92)	(126,409)	96,019
	Note 14	Note 15		

Notes:

- The notes on pages 117 to 173 form an integral part of these financial statement.

Financial Statements (Continued)

Statements of cash flows for the year ended 30 June 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities					
(Loss)/Profit before tax		(19,524)	(4,898)	(12,597)	2,731
Adjustments for:					
Changes in fair value of investment properties		(4,840)	-	-	-
Depreciation of property, plant and equipment	3	1,205	889	515	296
Depreciation of right-of-use assets	4	835	887	60	61
Dividend income		-	-	(29)	(20)
(Gain)/Loss on disposal of property, plant and equipment		(100)	12	(27)	-
Gain on disposal of assets held for sale		-	(16,970)	-	(16,970)
Gain on disposal of inventories - land		-	(839)	-	-
Gain on early termination of lease arrangement		(11)	-	-	-
Gain on waiver obtained for amount due to subsidiaries		-	-	(5,973)	-
Inventories written down		374	136	-	-
Interest expense		604	687	1,405	1,342
Interest income		(254)	(225)	-	(47)
Impairment losses on goodwill	10	5,300	-	-	-
Impairment loss on investment in subsidiaries		-	-	4,538	-
Loss on disposal of investment properties		-	420	-	305
Net impairment of amounts due from subsidiaries		-	-	310	109
Net gain on impairment of financial assets		(2,088)	(2,101)	(215)	(1,384)
Property, plant and equipment written off		117	-	-	-
Reversal of inventories written down		(54)	-	-	-
Remeasurement loss of assets classified as held for sale		133	70	133	70
Unrealised foreign exchange loss		18	-	-	-
Operating loss before changes in working capital		(18,285)	(21,932)	(11,880)	(13,507)

Financial Statements (Continued)

Statements of cash flows for the year ended 30 June 2024 (continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Operating loss before changes in working capital (continued)		(18,285)	(21,932)	(11,880)	(13,507)
Changes in working capital:					
Inventories		1,050	415	-	2
Contract assets		749	190	-	-
Trade and other receivables		(575)	2,902	(3,303)	(1,577)
Subsidiaries		-	-	(27,120)	(47,179)
Associate		-	12	-	12
Trade and other payables		4,082	3,448	12,254	(3,760)
Cash used in operations		(12,979)	(14,965)	(30,049)	(66,009)
Interest received		85	225	-	47
Interest paid		(6)	-	-	(4)
Tax paid/(refunded)		(105)	(131)	13	(31)
Net cash used in operating activities		(13,005)	(14,871)	(30,036)	(65,997)
Cash flows from investing activities					
Proceeds from disposal of property, plant and equipment		108	-	48	-
Proceeds from disposal of inventories - land		-	7,560	-	-
Proceeds from disposal of assets classified as held for sale		180	18,571	180	18,571
Proceeds from disposal of investment properties		-	1,800	-	1,315
Proceeds from disposal of other investments		-	180	-	-
Net cash outflows on acquisition of additional interest in a subsidiary	7	(1,000)	-	(1,000)	-
Purchase of property, plant and equipment	A	(14,512)	(59,829)	(346)	(29)
Interest received		6	-	-	-
Dividend received		-	-	29	20
Increase in investment in subsidiaries		-	-	(150)	-
Net cash (used in)/from investing activities		(15,218)	(31,718)	(1,239)	19,877

Financial Statements (Continued)

Statements of cash flows for the year ended 30 June 2024 (continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from financing activities					
Interest paid		(2,539)	(2,219)	(1,405)	(1,338)
Issuance of shares pursuant to private placement		42,971	43,555	42,971	43,555
Issuance of shares pursuant to exercise of warrants		25	-	25	-
Payment of lease liabilities	B	(762)	(646)	(363)	(179)
Drawdown of term financing loans		-	7,515	-	5,000
Repayment of term financing loans		(12,104)	-	(12,047)	-
Net cash from financing activities		<u>27,591</u>	<u>48,205</u>	<u>29,181</u>	<u>47,038</u>
Net (decrease)/increase in cash and cash equivalents		(632)	1,616	(2,094)	918
Cash and cash equivalents at 1 July		<u>(2,354)</u>	<u>(3,970)</u>	<u>(4,913)</u>	<u>(5,831)</u>
Cash and cash equivalents at 30 June	C	<u>(2,986)</u>	<u>(2,354)</u>	<u>(7,007)</u>	<u>(4,913)</u>

Notes to the statements of cash flows

A. Purchase of property, plant and equipment

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Purchase of property, plant and equipment in cash flows	14,512	59,829	346	29
Interest expense capitalised	1,940	1,532	-	-
Purchase through lease arrangements	<u>1,231</u>	<u>-</u>	<u>1,231</u>	<u>-</u>
Additions to property, plant and equipment	<u>17,684</u>	<u>61,361</u>	<u>1,577</u>	<u>29</u>

Statements of cash flows for the year ended 30 June 2024 (continued)

Notes to the statements of cash flows (continued)

B. Cash outflows for leases as a lessee

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in net cash used in operating activities:				
Payment relating to short-term leases	545	654	323	463
Included in net cash used in financing activities:				
Payment of lease liabilities	762	646	363	179
Payment on interest of lease liabilities	527	577	19	4
Total cash outflows for leases	<u>1,834</u>	<u>1,877</u>	<u>705</u>	<u>646</u>

C. Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and cash equivalents	12	4,204	5,267	183	2,708
Overdraft facilities	16	(7,190)	(7,621)	(7,190)	(7,621)
		<u>(2,986)</u>	<u>(2,354)</u>	<u>(7,007)</u>	<u>(4,913)</u>
Cash and cash equivalents in the statements of cash flows		<u>(2,986)</u>	<u>(2,354)</u>	<u>(7,007)</u>	<u>(4,913)</u>

Financial Statements (Continued)

Statements of cash flows for the year ended 30 June 2024 (continued)

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

	At 1.7.2022 RM'000	Acquisition of a subsidiary RM'000	Additions RM'000	Net changes from financing cash flows RM'000	At 30.6.2023/ 1.7.2023 RM'000	Additions RM'000	Others RM'000	Net changes from financing cash flows RM'000	At 30.6.2024 RM'000
Group									
Term loans	12,047	-	7,515	-	19,562	-	-	(12,104)	7,458
Lease liabilities	12,050	10,832	-	(646)	11,404	1,231	(569)	(762)	11,304
	24,097	10,832	7,515	(646)	30,966	1,231	(569)	(12,866)	18,762
Company									
Term loans	12,047	-	5,000	-	17,047	-	-	(12,047)	5,000
Lease liabilities	388	-	-	(179)	209	1,231	-	(363)	1,077
	12,435	-	5,000	(179)	17,256	1,231	-	(12,410)	6,077

Notes:
The notes on pages 117 to 173 form an integral part of these financial statements.

Notes to the financial statements

Jentayu Sustainables 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 addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

Unit 25-01, Level 25
Menara Felda
11 Persiaran KLCC
50450 Kuala Lumpur

Registered office

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The consolidated financial statements of the Company as at and for the financial year ended 30 June 2024 do not include other entities.

The Company is principally engaged in investment holding, trading and distribution of building materials and other products, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors on 28 October 2024.

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.

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

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 2024

Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
 Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
 Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

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

Amendment 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*

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*

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*

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

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

from the annual period beginning on 1 July 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.

from the annual period beginning on 1 July 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.

from the annual period beginning on 1 July 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.

from the annual period beginning on 1 July 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027, except for MFRS 19, *Subsidiaries without Public Accountability: Disclosure*, which is not applicable to the Group and the Company.

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

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for investment property which is measured based on fair value.

The Group incurred a net loss of RM19,899,000 for the year ended 30 June 2024 and has net current assets of RM19,876,000 as of 30 June 2024.

As of the reporting date, and as disclosed in Note 33, the Group has embarked on several proposed acquisitions which will require significant financial resources. Subsequently, on 18 July 2024, the Group has successfully raised RM4,800,000 through a private placement of 6,000,000 new ordinary shares which improved the Group's working capital position.

The Directors believe that there is sufficient cashflow from its current operations and future funding exercises to enable the Group to fulfill its obligations as at when they fall due.

(c) Functional and presentation currency

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

1. Basis of preparation (continued)

(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 of leases

Note 5 - valuation of investment properties

Note 10 - measurement of the recoverable amount of cash-generating unit

Note 11 - measurement of expected credit losses ("ECL") of receivables

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.

The temporary mandatory relief applies retrospectively. However, there was no new legislation enacted or substantively enacted to implement the top-up tax at 30 June 2023 in the jurisdictions in which the Group operates. The retrospective application has no impact on the Group's consolidated financial statements.

2.2 Material accounting policy information

The Group also adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 July 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

Financial Statements (Continued)

3. Property, plant and equipment

Group	Freehold land and buildings RM'000	Rooftop solar power plant RM'000	Plant, machinery and tools RM'000	Motor vehicles RM'000	Office furniture and fittings RM'000	Office equipment and computers RM'000	Capital work in progress RM'000	Total RM'000
Cost								
At 1 July 2022	1,712	-	1,731	1,079	8,705	6,437	12,914	32,578
Additions	2,803	-	75	-	53	25	58,405	61,361
Disposals	-	-	-	(193)	(10)	(157)	-	(360)
Reclassification from right-of-use assets	154	-	-	-	-	-	-	154
At 30 June 2023/1 July 2023	4,669	-	1,806	886	8,748	6,305	71,319	93,733
Additions	-	1,300	29	1,327	992	130	13,905	17,683
Write off and disposals	-	-	(44)	(600)	(263)	(3,449)	(71)	(4,427)
Reclassification	-	-	175	-	341	-	(516)	-
At 30 June 2024	4,669	1,300	1,966	1,613	9,818	2,986	84,637	106,989
Accumulated depreciation								
At 1 July 2022	604	-	1,148	923	4,383	6,072	-	13,130
Charge for the year	52	-	133	40	553	111	-	889
Disposals	-	-	-	(191)	(5)	(152)	-	(348)
Reclassification from right-of-use assets	62	-	-	-	-	-	-	62
At 30 June 2023/1 July 2023	718	-	1,281	772	4,931	6,031	-	13,733
Charge for the year	72	36	174	114	721	88	-	1,205
Write off and disposals	-	-	(44)	(599)	(250)	(3,410)	-	(4,303)
At 30 June 2024	790	36	1,411	287	5,402	2,709	-	10,635
Carrying amounts								
At 1 July 2022	1,108	-	583	156	4,322	365	12,914	19,448
At 30 June 2023/1 July 2023	3,951	-	525	114	3,817	274	71,319	80,000
At 30 June 2024	3,879	1,264	555	1,326	4,416	277	84,637	96,354

Financial Statements (Continued)

3. Property, plant and equipment (continued)

Company Cost	Freehold land and buildings RM'000	Plant, machinery and tools RM'000	Motor vehicles RM'000	Office renovation, furniture and fittings RM'000	Office equipment and computers RM'000	Total RM'000
At 1 July 2022	1,000	13	98	5,123	4,509	10,743
Additions	-	-	-	4	25	29
At 30 June 2023/1 July 2023	1,000	13	98	5,127	4,534	10,772
Additions	-	-	1,327	164	86	1,577
Disposal	-	-	(98)	(57)	(2,460)	(2,615)
At 30 June 2024	1,000	13	1,327	5,234	2,160	9,734
Accumulated depreciation						
At 1 July 2022	29	11	98	2,551	4,345	7,034
Charge for the year	7	1	-	242	46	296
At 30 June 2023/1 July 2023	36	12	98	2,793	4,391	7,330
Charge for the year	7	1	74	366	67	515
Disposal	-	-	(98)	(38)	(2,458)	(2,594)
At 30 June 2024	43	13	74	3,121	2,000	5,251
Carrying amounts						
At 1 July 2022	971	2	-	2,572	164	3,709
At 30 June 2023/1 July 2023	964	1	-	2,334	143	3,442
At 30 June 2024	957	-	1,253	2,113	160	4,483

3. Property, plant and equipment (continued)

3.1 Additions of capital work-in-progress

Included in additions of capital work in progress during the financial year are as follows:

	Group	
	2024 RM'000	2023 RM'000
Interest expense capitalised at 5.5% per annum	1,940	1,532
Personnel expenses:		
- Salaries and other emoluments	1,366	1,569
- Defined contribution plan	157	191

3.2 Property, plant and equipment pledged as securities to financial institutions

Net carrying amount of property, plant and equipment pledged as securities for bank borrowings is as follows:

	Group	
	2024 RM'000	2023 RM'000
Leasehold land and buildings	3,210	3,096

The details of the bank borrowings are disclosed in Note 16 to the financial statements.

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. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Freehold land with an indefinite life is not depreciated.

Financial Statements (Continued)

3. Property, plant and equipment (continued)

3.3 Material accounting policy information

(b) Depreciation (continued)

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

Freehold buildings	2%
Rooftop solar power plants	5%
Plant, machinery and tools	10%
Motor vehicles	10 - 20%
Office renovation, furniture and fittings	10 - 33%
Office equipment and computers	10 - 33%

4. Right-of-use assets

	Buildings RM'000	Motor vehicles RM'000	Staff hostel RM'000	Hospital equipment RM'000	Total RM'000
Group					
At 1 July 2022	10,256	543	96	115	11,010
Depreciation for the year	(736)	(61)	(50)	(40)	(887)
Reclassification to property, plant and equipment	(92)	-	-	-	(92)
At 30 June 2023/ 1 July 2023	9,428	482	46	75	10,031
Additions	199	-	-	-	199
Depreciation for the year	(661)	(60)	(39)	(75)	(835)
Disposal	(757)	-	-	-	(757)
At 30 June 2024	8,209	422	7	-	8,638
Company					
At 1 July 2022		543			
Depreciation for the year		(61)			
At 30 June 2023/ 1 July 2023		482			
Depreciation for the year		(60)			
At 30 June 2024		422			

4. Right-of-use assets (continued)

4.1 Extension option

The Group determines the lease term with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. The Group typically exercises its option to renew for those leases with renewal option.

4.2 Material accounting policy information

(a) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(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. A lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty, and not to recognise right-of-use assets and lease liabilities.

Financial Statements (Continued)

5. Investment properties

At fair value	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 July	49,500	51,970	26,890	28,760
Disposals	-	(2,220)	-	(1,620)
Transfer to assets classified as held for sale	(25,200)	(250)	(25,200)	(250)
Change in fair value recognised in profit or loss	4,840	-	-	-
At 30 June	29,140	49,500	1,690	26,890

The investment properties comprise the following:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Freehold land and buildings	28,520	48,850	1,690	26,690
Leasehold land and buildings	620	650	-	200
	29,140	49,500	1,690	26,890

The strata title of the Group's and of the Company's buildings with the net carrying amounts of RM160,000 and RM40,000 (2023: RM160,000 and RM40,000) respectively are yet to be issued by the relevant authorities.

5.1 Nature of leasing activities

One of the investment properties comprise a residential unit that is leased to a third party. The leases contains an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee and on average renewal periods are 3 years. The Group does not charge variable lease payments that do not depend on an index or rate.

5.2 Investment properties pledged as securities to financial institutions

Net carrying amount of investment properties pledged as securities for bank borrowings is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Freehold land and buildings	27,730	48,150	1,650	26,650

The details of the bank borrowings are disclosed in Note 16 to the financial statements.

5. Investment properties (continued)

5.3 Other income and expenses recognised in the profit or loss in relation to investment properties

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Rental income	161	295	128	250
Direct operating expenses:				
- income generating investment properties	22	19	22	19
- non-income generating investment properties	41	32	4	6

5.4 Fair value information

Investment properties are measured with level 2 fair value, which has been determined based on valuation performed by independent valuer with recent experience in the location and category of properties being valued at the end of the reporting period using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for the differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties. There has been no change to the valuation technique during the financial year.

5.5 Material accounting policy information

Investment properties are measured subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise.

6. Inventories

	Group	
	2024 RM'000	2023 RM'000
Current		
Trading goods	748	2,118
completed properties	2,336	2,336
	<u>3,084</u>	<u>4,454</u>
Recognised in profit or loss:		
Inventories recognised as cost of sales	13,880	22,509
Write-down to net realisable value (included in cost of sales)	374	136
Reversal of write-down (included in cost of sales)	<u>(54)</u>	<u>-</u>

During the financial year 30 June 2024, following with the disposal of inventories which previously had written down, RM54,000 of the write-down was reversed.

Financial Statements (Continued)

6. Inventories (continued)

6.1 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.

7. Investments in subsidiaries

	Company	
	2024	2023
	RM'000	RM'000
Unquoted shares, at cost	47,960	43,809
Quasi loans	29,085	29,085
Capital contribution to subsidiaries	1,744	-
Less: Accumulated impairment losses	(67,318)	(62,780)
	<u>11,471</u>	<u>10,114</u>

The impairment losses were recognised to adjust the carrying amount of investment in subsidiaries as the recoverable amounts were lower than the carrying amount. Impairment losses on investment in subsidiaries and quasi loans are included in other expenses.

As of 30 June 2024, capital contribution to subsidiaries is arising from waiver provided by the Company to the subsidiaries for amount due from the subsidiaries, amounting to RM1,744,000. This capital contribution are accounted for as the Company's net shareholders' investments in subsidiaries and are stated at cost.

Details of the Level 3 fair value method used in obtaining the recoverable amounts are as follows:

Valuation method and key inputs	Significant unobservable inputs	Relationship of unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity instruments by reference to the fair value of its assets and liabilities	Fair value of individual assets and liabilities	The higher the fair value, the higher the value of net assets

In October 2023, the Company acquired an additional 21% interest in Oriole Power Sdn. Bhd. ("OPSB") for RM4,000,000 in cash which RM1,000,000 has been paid as of 30 June 2024 and this resulted OPSB to be a wholly-owned subsidiary of the Company. The Group recognised a decrease in non-controlling interests and an increase in accumulated losses. The effect of changes in equity interest in OPSB that is attributable to owners of the Company is not disclosed as the net impact of the transaction is not material.

Financial Statements (Continued)

7. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Armor Master Sdn. Bhd.	Malaysia	Operation of generation facilities that produce electricity energy, operation of transmission, and sales of electricity	100	100
Better Living Grand Sdn. Bhd. #	Malaysia	Dormant	100	100
Eager Vest Sdn. Bhd. #	Malaysia	Dormant	100	100
Glorious Future Sdn. Bhd. #	Malaysia	Dormant	100	100
Homemart Distribution Centre Sdn. Bhd. #	Malaysia	Provision of warehousing services	100	100
Ipmuda Architectural Products Sdn. Bhd. #	Malaysia	Trading in locksets and architectural hardware products	100	100
Ipmuda Borneo Sdn. Bhd. #	Malaysia	Trading and distribution of building materials	100	100
Ipmuda Buildermart Sdn. Bhd.	Malaysia	Trading in building materials	100	100
Ipmuda Development Sdn. Bhd. #	Malaysia	Trading in building materials	100	100
Ipmuda Edar Sdn. Bhd.	Malaysia	Trading and distribution of lubricants and fuel	100	100
Ipmuda Properties Sdn. Bhd.	Malaysia	Property development	100	100
Ipmuda Construction & Engineering Sdn. Bhd.	Malaysia	Contractors to the construction industry and trading in construction materials	100	100
Oriole Power Sdn. Bhd.	Malaysia	Operation of generation facilities that produce electric energy	100	79
Oriole Hydro Maligan Sdn. Bhd.	Malaysia	Renewable energy and generation of power plants	70	55

Financial Statements (Continued)

7. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows: (continued)

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Oriole Hydro Padas Sdn. Bhd.	Malaysia	Renewable energy and generation of power plants	70	55
Ipmuda Selatan Sdn. Bhd. #	Malaysia	Trading in building materials	100	100
Ipmuda Tiles & Sanitarywares Sdn. Bhd. #	Malaysia	Trading and distribution of tiles, marble and sanitaryware products	100	100
Ipmuda Timuran Sdn. Bhd. #	Malaysia	Trading in building materials	100	100
Ipmuda Utara Sdn. Bhd. #	Malaysia	Trading in building materials	100	100
Jentayu Life Sdn. Bhd. #	Malaysia	Dormant	100	100
Modular Equity Sdn. Bhd. #	Malaysia	Dormant	100	100
Mudacare Sdn. Bhd. #	Malaysia	Dormant	100	100
Perak Metal Industries Sdn. Bhd. #	Malaysia	Dormant	100	100
Roset-BLG Sdn. Bhd.	Malaysia	Letting of properties	100	100
Sitolly Co. Sdn. Bhd. #	Malaysia	Dormant	80	80
Victory Rally Sdn. Bhd. #	Malaysia	Dormant	100	100
Jentayu Power Sdn. Bhd. #	Malaysia	Dormant	100	100
Jentayu Green Initiatives Sdn. Bhd.	Malaysia	Consultancy services other than architecture engineering and management consultants	100	100
Roset Interiors Sdn. Bhd.#	Malaysia	Dormant	100	100
Ultimate Forte Sdn. Bhd.	Malaysia	Private hospital	100	100

Not audited by KPMG PLT.

7. Investments in subsidiaries (continued)

7.1 Non-controlling interests

The summarised financial information of non-controlling interests have not been presented as the non-controlling interests are immaterial to the Group.

7.2 Material accounting policy information

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

Quasi loans represent advances and payments made on behalf of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts are, in substance, a part of the Company's net investment in the subsidiaries. The quasi loans are stated at cost less accumulated impairment losses, if any.

8. Investments in an associate

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	49	49	49	49
Share of post-acquisition losses	(42)	(42)	-	-
	7	7	49	49
Less: Accumulated impairment losses	(7)	(7)	(49)	(49)
	-	-	-	-

Details of the associate are as follows:

Name of entity	Principal place of business	Nature of the relationship	Effective ownership interest and voting interest	
			%	%
Budimex Sdn. Bhd.	Malaysia	Supply of building materials to the Group	49	49

The summarised financial information for the associate has not been presented as the associate is immaterial to the Group.

The Group has not recognised any losses relating to this associate for the current and previous financial years as the associate is no longer in operation and is dormant.

8.1 Material accounting policy information

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

Financial Statements (Continued)

9. Other investments

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current				
Quoted shares in Malaysia	38	38	-	-
Club membership	356	356	356	356
	<u>394</u>	<u>394</u>	<u>356</u>	<u>356</u>
Represented by:				
At fair value	<u>394</u>	<u>394</u>	<u>356</u>	<u>356</u>
Market value:				
- Quoted shares	38	38	-	-
- Club membership	<u>356</u>	<u>356</u>	<u>356</u>	<u>356</u>

The Group and the Company designated the investment in equity securities and club membership as fair value through other comprehensive income because these investments represent the investments that the Group and the Company intend to hold for long-term strategic purpose.

10. Goodwill on consolidation

	Group	
	2024	2023
	RM'000	RM'000
Goodwill arising from business combination	16,230	16,230
Less: Accumulated impairment losses	<u>(10,430)</u>	<u>(5,130)</u>
	<u>5,800</u>	<u>11,100</u>

Initial recognition

On 21 February 2022, the Company acquired 8,800,000 ordinary shares representing 100% equity interest in Ultimate Forte Sdn. Bhd. ("UFSB") for a total purchase consideration of RM17,434,000, which was settled by a combination of cash consideration of RM6,679,000 and 18,867,700 new ordinary shares of the Company at fair value of RM0.57 each which amounted to RM10,755,000, whereby the fair value of the share of the Company is the published price of the share on the acquisition date. The fair value of net assets of UFSB at the acquisition date was RM1,204,000.

10. Goodwill on consolidation (continued)

Impairment test for cash-generating unit (“CGU”) containing goodwill

Goodwill has been allocated, at acquisition date, to the Group’s CGU, being UFSB, which is in the healthcare business segment. The goodwill represents the CGU within the Group at which the goodwill was monitored for internal management purposes. The Group has exercised significant judgement in assessing the CGU’s recoverable amount using value-in-use.

The recoverable amount of a CGU is determined based on its value-in-use, determined by discounting future cash flow projections to their present value equivalent using a rate of return that reflects the relative risk of cash flows, as well as the time value of money. The future cash flow projections is prepared based on financial budgets approved by management.

The key assumptions used for determination of value-in-use are as follows:

	2024	2023
Patients per month	72 to 107	100
Pre-tax discount rate	<u>11.50%</u>	<u>14.00%</u>

The values assigned to key assumptions is in respect of management’s assessment of future trends in the industry and historical average inputs.

Consequent to the assessment, the carrying amount of the CGU of RM21,603,000 exceeded the estimated recoverable amount of RM16,353,000, hence the Group recognised an impairment loss amounting to RM5,300,000 in profit or loss for the financial year ended 30 June 2024. Any adverse changes in a key assumptions may result in a further impairment losses to be recognised.

The above estimates are particularly sensitive to the following assumptions:

- i) an increase in 1% in discount rate will result in a further impairment losses to be recognised for the CGU of RM666,000; and
- ii) a reduction of 2% in number of patients per month will result in a further impairment loss to be recognised for the CGU of RM991,000.

Financial Statements (Continued)

11. Trade and other receivables

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Trade receivables from contracts with customers	11.1	3,038	2,875	-	-
Current					
Trade					
Trade receivables from contracts with customers		2,206	3,173	-	50
Non-trade					
Contract assets	11.2	5,321	6,069	-	-
Amounts due from subsidiaries	11.3	-	-	92,808	66,237
Other receivables		1,301	3,403	89	26
Deposits	11.4	17,087	17,289	16,659	16,645
Prepayments	11.5	8,873	2,941	7,578	4,087
		32,582	29,702	117,134	86,995
		34,788	32,875	117,134	87,045

11.1 The non-current trade receivables is related to a disposal of land where the repayment term was based on an agreed repayment schedule.

11.2 Contract assets primarily relates to retentions for work completed on construction contract but not yet billed as at the reporting date. Retentions are unsecured, interest free and are expected to be collected within 1 year. The change in contract assets is arising from billing made during the year.

11.3 The non-trade amount due subsidiaries is unsecured, interest free and repayable on demand.

11.4 Included in deposits are the refundable deposits paid by the Group and the Company to acquire new entities amounting to RM16,000,000 (2023: RM16,000,000) in relation to the proposed acquisitions as disclosed in Note 33 to the financial statements.

11.5 Included in prepayments are the capitalisation of professional expenses amounting to RM6,354,000 (2023: RM2,737,000) related to new shares to be issued in relation to the proposed acquisitions as disclosed in Note 33 to the financial statements.

12. Cash and cash equivalents

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	4,204	5,267	183	2,708

Included in cash and bank balances of the Group is an amount of RM234,000 (2023: RM413,000) which is maintained in the designated Housing Development Account pursuant to the Housing Development (Control and Licensing) Act 1966 and Housing Development Account Regulations 1991.

The utilisation of these balances is restricted before completion of the housing development projects and fulfillment of all relevant obligations to the purchasers, such that the cash could only be withdrawn from such accounts for the purpose of completing the particular projects.

13. Assets classified as held for sale

	Note	Group and Company	
		2024 RM'000	2023 RM'000
Assets classified as held for sale		25,067	180
At 1 July		180	1,601
Disposals	13.1	(180)	(1,601)
Transfer from investment properties	13.2	25,200	250
Impairment loss		(133)	(70)
At 30 June		25,067	180

13.1 Disposals

On 22 February 2023, the Company has agreed to dispose 2 units of apartment of RM250,000 at cost, and entered into the Sales and Purchase Agreement ("SPA") on 9 June 23 with the purchaser for a total consideration of RM180,000. The transaction completed on 3 January 2024 upon the conditions precedent of the SPA were met.

Financial Statements (Continued)

13. Assets classified as held for sale (continued)

13.2 Transfer from investment properties

On 23 November 2023, the Company has agreed to dispose a piece of freehold residential development land amounting RM25,000,000 at cost, and entered into the Sales and Purchase Agreement ("SPA") on 23 November 23 with the purchaser for a total consideration of RM25,000,000. The transaction has yet to be completed as at financial year end. As the fair value less cost to sell on the transaction date for the land is lower than its carrying amount, an impairment loss of RM133,000 has been recognised in the current financial year. The transaction was completed on 22 July 2024 upon the conditions precedent of the SPA were met.

On 14 June 2024, the Company has agreed to dispose a double storey intermediate terrace shop amounting RM200,000 at cost, and entered into the SPA on 30 September 2024 for a total consideration of RM200,000. The transaction has yet to be completed as at financial year end as the conditions precedent of the SPA has yet to be met.

14. Share capital

Group and Company	Note	2024		2023	
		Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Issued and fully paid shares with no par value classified as equity instruments:					
Ordinary shares:					
At 1 July		394,272	179,524	323,239	135,969
- Issued for cash under private placements	14.1	44,638	42,971	71,033	43,555
- Conversion of warrants	14.2	38	25	-	-
At 30 June		<u>438,948</u>	<u>222,520</u>	<u>394,272</u>	<u>179,524</u>

14.1 Private placements

During the financial year, the Company has successfully listed private placement shares on the Main Market of Bursa Securities in two tranches as below:

Listing date	Number of Units '000	Issue price per share RM	Consideration in cash RM'000
28 July 2023	25,910	0.82	21,246
17 January 2024	<u>18,728</u>	1.16	<u>21,725</u>
Total	<u>44,638</u>		<u>42,971</u>

The proceeds raised were to partially finance the development expenditures for investments in renewable energy projects, expansion of healthcare division, working capital and expenses in relation to the private placement exercises.

14. Share capital (continued)

14.2 Conversion of warrants

During the financial year, the Company has exercised conversion of warrants on the Main Market of Bursa Securities in one tranche as below:

Listing date	Number of Units	Exercise price per share RM	Consideration in cash RM
27 July 2023	<u>38,000</u>	0.66	<u>25,080</u>

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company, upon the date of allotment and issuance of those shares.

15. Fair value reserve

The fair value reserve represents the cumulative fair value changes (net of tax, where applicable) of financial assets measured of fair value through other comprehensive income until they are disposed.

16. Borrowings

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Secured					
Non-current					
Term loans		<u>7,363</u>	<u>19,475</u>	<u>5,000</u>	<u>17,047</u>
Current					
Term loans		95	87	-	-
Overdraft facilities		<u>7,190</u>	<u>7,621</u>	<u>7,190</u>	<u>7,621</u>
		<u>7,285</u>	<u>7,708</u>	<u>7,190</u>	<u>7,621</u>
Term loans	16.1	7,458	19,562	5,000	17,047
Overdraft facilities	16.2	<u>7,190</u>	<u>7,621</u>	<u>7,190</u>	<u>7,621</u>
Total borrowings		<u>14,648</u>	<u>27,183</u>	<u>12,190</u>	<u>24,668</u>

Financial Statements (Continued)

16. Borrowings (continued)

16.1 Term loans

Term loans are secured by a freehold land of the Company and a subsidiary's leasehold land and building (2023: freehold land of the Company) as disclosed in Note 3 and Note 5 to the financial statements.

The Group and the Company set up a finance service reserve account for term loans wherein an equivalent of 3 monthly instalments shall be maintained at all times.

16.2 Overdraft facilities

The overdraft facilities are secured against the Group's and the Company's freehold land as disclosed in Note 3 and Note 5 to the financial statements.

17. Deferred tax liabilities

17.1 Recognised deferred tax assets and liabilities

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 July	2,355	2,428	1,007	1,055
Recognised in profit or loss	484	(73)	-	(48)
At 30 June	<u>2,839</u>	<u>2,355</u>	<u>1,007</u>	<u>1,007</u>

17.2 Movement of temporary differences during the financial year

	At 1.7.2022 RM'000	Recognised in profit or loss (Note 24) RM'000	At 30.6.2023/ 1.7.2023 RM'000	Recognised in profit or loss (Note 24) RM'000	At 30.6.2024 RM'000
Group					
Property, plant and equipment	5	-	5	-	5
Investment properties	2,423	(73)	2,350	484	2,834
	<u>2,428</u>	<u>(73)</u>	<u>2,355</u>	<u>484</u>	<u>2,839</u>
Company					
Investment properties	1,055	(48)	1,007	-	1,007

The Group and the Company recognised deferred tax in respect of the changes in fair value of investment properties based on Real Property Gain Tax at 10%.

17. Deferred tax liabilities (continued)

17.3 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unutilised tax losses	185,522	175,016	112,609	100,791
Unabsorbed capital allowances	7,572	5,549	2,282	1,962
Property, plant and equipment	(239)	-	-	-
Lease liabilities	2,012	-	-	-
Impairment loss on financial assets	13,899	13,073	8,584	20,936
Others	-	836	2,794	-
	<u>207,520</u>	<u>194,474</u>	<u>126,269</u>	<u>123,689</u>

The unabsorbed capital allowances do not expire under current tax legislation.

In accordance with the provision of the Finance Act 2021, the unutilised tax losses are available for utilisation in the next ten (10) years, for which, any excess at the end of the tenth (10th) year, will be disregarded. Deferred tax assets have not been recognised in respect of this item because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefits.

Unutilised tax losses which no deferred tax asset was recognised expire in year of assessment ("YA") as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
YA 2028	65,057	69,331	32,246	32,246
YA 2029	32,156	32,156	19,857	19,857
YA 2030	37,435	37,435	20,274	20,274
YA 2031	11,684	11,354	7,928	7,928
YA 2032	10,648	10,648	9,985	9,985
YA 2033	13,619	14,092	10,501	10,501
YA 2034	14,994	-	11,818	-
	<u>185,592</u>	<u>175,016</u>	<u>112,609</u>	<u>100,791</u>

Financial Statements (Continued)

17. Deferred tax liabilities (continued)

17.4 Material accounting policy information

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, 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.

18. Trade and other payables

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade					
Trade payables	18.1	4,108	5,239	125	597
Non-trade					
Amounts due to subsidiaries	18.2	-	-	27,972	32,439
Other payables	18.3	34,119	13,422	21,649	5,429
Accruals		1,051	2,246	717	1,227
Provision		498	11,746	100	85
		35,668	27,414	50,438	39,180
		39,776	32,653	50,563	39,777

18.1 Trade payables

Trade payables are non-interest bearing and the normal trade terms credit terms granted to the Group and the Company range from 14 to 120 days (2023: 14 to 120 days).

18.2 Non-trade amounts due to subsidiaries

The non-trade amounts due to subsidiaries are unsecured, interest free and repayable on demand.

18.3 Other payables

As at 30 June 2024, included in other payables of the Group and the Company are deposits received in relation to asset held for sales (see Note 7) of RM13,843,000 (2023: RM500,000) and payables to third party in relation to acquisition of remaining stake in a subsidiary (see Note 7) of RM3,000,000 (2023: Nil). In addition, other payables of the Group also included amount payable to contractor of a subsidiary, amounting to RM6,712,000 (2023: RM6,044,000), which its comparative has been reclassified to conform to the current year's presentation.

Financial Statements (Continued)

19. Revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers				
- Sales of goods	14,388	12,969	-	115
- Property development	-	10,480	-	-
- Services rendered	5,636	6,901	3,505	1,307
- Sale of renewable energy certificates	1,229	-	-	-
- Construction contracts revenue	673	11,996	-	-
Total revenue	<u>21,926</u>	<u>42,346</u>	<u>3,505</u>	<u>1,422</u>
Revenue from other sources				
- Rental income from investment properties	33	295	-	-
Total revenue	<u>21,959</u>	<u>42,641</u>	<u>3,505</u>	<u>1,422</u>
Timing of recognition				
- At a point in time	15,617	23,449	3,505	115
- Over time	6,309	18,897	-	1,307
Total revenue	<u>21,926</u>	<u>42,346</u>	<u>3,505</u>	<u>1,422</u>

19.1 Disaggregation of revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Primary geographical market				
- Malaysia	21,174	42,346	3,505	1,422
- Singapore	420	-	-	-
- Netherlands	238	-	-	-
- Germany	26	-	-	-
- France	68	-	-	-
	<u>21,926</u>	<u>42,346</u>	<u>3,505</u>	<u>1,422</u>

Financial Statements (Continued)**19. Revenue (continued)****19.2 Nature of goods and services**

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognised revenue	Significant payment terms	Obligation for returns or refunds
Sales of goods	Revenue is recognised at a point in time when the customer obtains control of goods.	Credit period of 30 to 45 days from invoice date.	The Group allows returns for exchange with new goods.
Property development	Revenue is recognised upon delivery of properties where the control of the properties has passed to the buyer.	Credit period as determined in each individual contract.	Not applicable.
Services rendered	Revenue is recognised overtime when the services are performed to customers.	Credit period of 30 to 45 days from invoice date.	Not applicable.
Sale of renewable energy certificates	Revenue is recognised at a point in time when the control of the renewable energy certificates has passed to the buyer.	Credit period of 5 to 30 days from invoice date.	Not applicable.
Construction contracts revenue	Revenue is recognised overtime if meet the no alternative use and the Group have enforceable rights to payment for work performed.	Credit period of 30 to 45 days from invoice date.	Not applicable.

There was no warranty in the provision of the goods and services by the Group and no variable element in consideration.

Financial Statements (Continued)

20. Other income

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Gain from disposal of assets held for sale	-	16,970	-	16,970
Gain on disposal of properties	101	-	101	-
Loss on disposal of investment properties	-	(420)	-	(305)
Gain on revaluation of investment properties	4,840	-	-	-
Gain arising from waiver obtained for amount due to subsidiaries	-	-	5,973	-
Others	2,243	129	1,037	1,539
	<u>7,184</u>	<u>16,679</u>	<u>7,111</u>	<u>18,204</u>

21. Finance income

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income of financial assets calculated using the effective interest method that are:				
- Bank and deposits	6	-	-	-
- Overdue trade receivables	248	225	-	47
	<u>254</u>	<u>225</u>	<u>-</u>	<u>47</u>

Financial Statements (Continued)

22. Finance costs

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss				
- Overdraft facilities	349	594	349	526
- Term loans	1,545	1,003	1,025	812
- Lease liabilities	527	577	19	4
- Overdue trade payables	6	45	-	-
- Bank charges	117	-	12	-
	<u>2,544</u>	<u>2,219</u>	<u>1,405</u>	<u>1,342</u>
Recognised in profit or loss	604	687	1,405	1,342
Interest expense of financial liabilities that are not at fair value through profit or loss capitalised into qualifying assets:				
- Property, plant and equipment	<u>1,940</u>	<u>1,532</u>	<u>-</u>	<u>-</u>
	<u>2,544</u>	<u>2,219</u>	<u>1,405</u>	<u>1,342</u>

23. (Loss)/Profit before tax

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax is arrived at after charging/(crediting):				
Auditors' remuneration				
Audit fees				
- KPMG PLT	320	331	90	75
- Other auditors	85	78	-	-
Non-audit fees				
- KPMG PLT	540	150	530	150
Material expenses/(income)				
Directors' fees	617	250	318	250
Lease income	(161)	(295)	(128)	(250)
Short-term leases	<u>545</u>	<u>654</u>	<u>323</u>	<u>463</u>

Financial Statements (Continued)

24. Tax expense

Recognised in profit or loss

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax expense				
- Current year	103	244	-	-
- (Over)/Under provision in prior year	(212)	84	-	31
Total current tax recognised in profit or loss	(109)	328	-	31
Deferred tax expense/ (income)				
- Current year	484	(48)	-	(48)
- Over provision in prior year	-	(25)	-	-
Total deferred tax recognised in profit or loss	484	(73)	-	(48)
Total income tax expense/ (income)	375	255	-	(17)

Reconciliation of tax expense

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Loss before tax	(19,524)	(4,898)	(12,597)	2,731
Income tax calculated using Malaysian tax rate of 24%	(4,686)	(1,176)	(3,023)	655
Non-deductible expenses	3,036	2,361	3,894	1,096
Non-taxable income	(249)	(4,862)	(1,490)	(4,474)
Changes in unrecognised deferred tax assets	3,130	3,921	619	2,723
Effect of different in tax rate for fair value changes on investment properties which subject to Real Property Gain Tax	(644)	(48)	-	(48)
(Over)/Under provision in prior year	(212)	59	-	31
	375	255	-	(17)

Financial Statements (Continued)

25. Employee benefits expense

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Salaries, wages and other emoluments (excluding directors)	12,558	14,151	9,145	7,616
Defined contribution plan	1,303	1,501	1,135	820
	<u>13,861</u>	<u>15,652</u>	<u>10,280</u>	<u>8,436</u>
Directors' remuneration				
Executive				
- Salaries and other emoluments	3,146	1,914	3,146	1,914
- Benefits-in-kind	46	25	46	25
- Defined contribution plan	361	256	361	256
	<u>3,553</u>	<u>2,195</u>	<u>3,553</u>	<u>2,195</u>
Non-executive				
- Allowances	89	50	-	50
Analysis excluding benefits-in-kind				
Total executive Directors' remuneration	3,507	2,170	3,507	2,170
Total non-executive Directors' remuneration	89	50	-	50
	<u>3,596</u>	<u>2,220</u>	<u>3,507</u>	<u>2,220</u>

26. Loss per ordinary share

Basic loss per ordinary share

The calculation of basic loss per ordinary share is based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2024 RM'000	2023 RM'000
Loss attributable to ordinary shareholders	<u>(19,899)</u>	<u>(4,973)</u>
Weighted average of ordinary shares in issue ('000)	<u>426,766</u>	<u>359,851</u>
Basic loss per share (sen)	<u>(4.66)</u>	<u>(1.38)</u>

Diluted loss per ordinary share

The calculation of diluted loss per ordinary share as at 30 June 2024 and 2023 are calculated as follows:

	Group	
	2024 RM'000	2023 RM'000
Loss attributable to ordinary shareholders	<u>(19,899)</u>	<u>(4,973)</u>
Weighted average of ordinary shares in issue* ('000)	<u>426,766</u>	<u>359,851</u>
Diluted loss per share (sen)	<u>(4.66)</u>	<u>(1.38)</u>

- * The calculation of diluted loss per share for the financial year ended 30 June 2024 and 2023 did not take into account the warrants of the Company as it had an anti-dilutive effect on the basic loss per share. Therefore, the diluted loss per share is the same as basic loss per share.

27. Operating segments

The Group has five 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 Chief Operating Decision Maker ("CODM") (i.e. the Group's Chief Executive Officer) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Business segments	Business activities
Trading	Distributor and supplier of construction and finishing building materials, heavy steel products, architectural hardware, home improvement materials, cabinet systems, fuel and lubricants. This segment offers products and services for the construction, infrastructural and manufacturing sectors and end users.
Renewable energy	Sustainable energy solutions provider and leveraging on renewables, clean and green technologies.
Property development	Developing, overseeing and handling of residential and commercial real estate. This includes (but not limited to) the day-to-day repairs and ongoing maintenance, security, and upkeep of properties.
Healthcare	Private healthcare facilities.
Others	Investment holding and roofing works which products include metal roofing, prefabricated roof trusses and ceiling works and provision of interior fit-out works and services. None of these segments met the quantitative thresholds for reporting segments in 2024 and 2023.

Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal reporting that are reviewed by the CODM for the allocation of resource and assessment of segment performance.

Segment liabilities

Segment liabilities are presented in a manner that is consistent with the internal reporting provided to CODM for the allocation of resource and assessment of segment performance.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, and right-of-use assets.

27. Operating segments (continued)

Geographical segments

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers. The Group's five main business segments operate in one geographical area i.e. Malaysia – the operations in this area are principally trading and distribution of building materials, renewable energy, property development, healthcare services and specialist contracting.

	Revenue		Non-current assets	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group				
Malaysia	<u>21,959</u>	<u>42,641</u>	<u>143,364</u>	<u>153,900</u>

Major customers

As of 30 June 2024, there is no customer with revenue equal or more than 10% of the Group's total revenue. In previous year, the following were major customers with revenue equal or more than 10% of the Group's total revenue:

	Revenue 2023 RM'000	Segment
Customer A	11,996	Renewable energy
Customer B	<u>10,480</u>	Property development

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Transfer prices between business segments are set on a mutual agreement basis. Segment revenue, expenses and results include transfers between business segments. Those transfers are eliminated on consolidation.

	Note	Trading RM'000	Renewable energy RM'000	Property development RM'000	Healthcare RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
2024								
Revenue								
		14,388	1,981	33	5,557	-	-	21,959
(a)	Revenue from external customers	3,505	-	-	-	-	(3,505)	-
	Inter-segment revenue							
	Total revenue	17,893	1,981	33	5,557	-	(3,505)	21,959
Results								
	Finance income	87	-	167	-	-	-	254
	Finance costs	-	-	(78)	(525)	-	-	(604)
	Tax expense	(69)	(58)	(248)	-	-	-	(375)
	Depreciation of property, plant and equipment	(617)	(70)	(56)	(462)	-	-	(1,205)
	Depreciation of right-of-use assets	(147)	-	-	(688)	-	-	(835)
	Remeasurement loss of assets classified as held for sale	(133)	-	-	-	-	-	(133)
(b)	Other non-cash income	2,619	-	62	(173)	-	-	1,868
(c)	Segment (loss)/profit	(20,492)	(558)	4,291	(2,823)	33	-	(19,549)
Assets								
(d)	Segments assets	60,815	95,052	37,333	17,300	7	-	210,507
	Included in segment assets are:							
	Additional to non-current assets other than financial instruments							
(e)		1,327	15,205	985	167	-	-	17,684
Liabilities								
(f)	Segment liabilities	(27,426)	(11,099)	(942)	(11,559)	(54)	-	(51,080)

Financial Statements (Continued)

	Note	Trading RM'000	Renewable energy RM'000	Property development RM'000	Healthcare RM'000	Others RM'000	Adjustments and eliminations RM'000	Total RM'000
2023								
Revenue								
		13,264	11,996	10,480	6,901	-	-	42,641
	(a)	1,309	-	-	-	-	(1,309)	-
		14,573	11,996	10,480	6,901	-	(1,309)	42,641
Results								
		219	-	6	-	-	-	225
		(85)	-	(64)	(538)	-	-	(687)
		(41)	-	(224)	-	10	-	(255)
		(376)	(34)	(56)	(423)	-	-	(889)
		(235)	-	-	(652)	-	-	(887)
		(70)	-	-	-	-	-	(70)
	(b)	1,828	-	102	-	23	-	1,953
	(c)	(2,182)	(1,037)	(169)	(1,146)	(157)	-	(4,691)
Assets								
	(d)	74,164	77,148	32,611	12,155	598	-	196,676
	(e)	75	56,311	2,803	640	-	1,532	61,361
	(f)	(14,052)	(17,099)	(796)	(11,758)	(376)	-	(44,081)

Financial Statements (Continued)

27. Operating segments (continued)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:

- (a) Inter-segment revenue are eliminated on consolidation.
- (b) Other major non-cash expenses/(income) consist of the following items as presented in the respective notes to the financial statements:

	2024 RM'000	2023 RM'000
Inventories written down	374	136
Reversal of inventories written down	(54)	-
Net gain on impairment of financial assets	(2,088)	(2,101)
(Gain)/Loss on disposal of property, plant and equipment	(100)	12
	<u>(1,868)</u>	<u>(1,953)</u>

- (c) The following items are added to/(deducted from) segment loss to arrive at loss presented in the statements of profit or loss:

	2024 RM'000	2023 RM'000
Segment loss	(19,549)	(4,691)
Finance income	254	225
Finance costs	(604)	(687)
	<u>(19,899)</u>	<u>(5,153)</u>

- (d) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:

	2024 RM'000	2023 RM'000
Segment assets	210,507	196,676
Tax recoverable	484	496
	<u>210,991</u>	<u>197,172</u>

Financial Statements (Continued)

27. Operating segments (continued)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (continued):

(e) Additions to non-current assets consist of:

	2024 RM'000	2023 RM'000
Purchase of property, plant and equipment	17,684	61,361

(f) The following items are added to segment liabilities to arrive at total liabilities reported in the statement of financial position:

	2024 RM'000	2023 RM'000
Segments liabilities	51,080	44,081
Deferred tax liabilities	2,839	2,355
Borrowings	14,648	27,183
Tax payable	25	251
	68,592	73,870

28. Financial instruments

28.1 Categories of financial instruments

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

(a) Fair value through other comprehensive income ("FVTOCI") and;
(b) Amortised cost ("AC")

	2024		2023	
	AC RM'000	FVTOCI RM'000	AC RM'000	FVTOCI RM'000
Financial assets				
Group				
Other investments	-	394	-	394
Trade receivables	5,244	-	6,048	-
Other receivables	18,388	-	20,692	-
Cash and cash equivalents	4,204	-	5,267	-
	27,836	394	32,007	394

Financial Statements (Continued)

28. Financial instruments (continued)

28.1 Categories of financial instruments (continued)

	2024		2023	
	AC	FVTOCI	AC	FVTOCI
	RM'000	RM'000	RM'000	RM'000
Financial assets				
Company				
Other investments	-	356	-	356
Trade receivables	-	-	50	-
Other receivables	16,748	-	16,671	-
Amounts due from subsidiaries	92,808	-	66,237	-
Cash and cash equivalents	183	-	2,708	-
	<u>109,739</u>	<u>356</u>	<u>85,666</u>	<u>356</u>
Financial liabilities				
Amortised cost				
Group				
Trade payables			4,108	5,239
Other payables			35,668	27,414
Borrowings			14,648	27,183
			<u>54,424</u>	<u>59,836</u>
Company				
Trade payables			125	597
Other payables			22,466	6,741
Borrowings			12,190	24,668
Amounts due to subsidiaries			27,972	32,439
			<u>62,753</u>	<u>64,445</u>

28.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Net gains/(losses) on:				
Financial assets at amortised cost	2,342	2,326	215	1,431
Financial liabilities at amortised cost	<u>(622)</u>	<u>(687)</u>	<u>(1,405)</u>	<u>(1,342)</u>
	<u>(1,720)</u>	<u>1,639</u>	<u>(1,190)</u>	<u>89</u>

28. Financial instruments (continued)

28.3 Financial risk management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The Group and the Company established policies and procedures to ensure effective management of risks.

28.4 Credit risk

Credit risk is the risk of a financial loss to the Group and the Company 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 and investment in debt securities. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. 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 are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or fully) 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 are 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 statements of financial position of the Group and of the Company.

28. Financial instruments (continued)

28.4 Credit risk (continued)

Trade receivables (continued)

Concentration of credit risk

In previous year, the Group has major concentration of credit risk related to the amounts owing by one customer which constituted approximately 48% of total trade receivables.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 days. The Group's debt recovery process is as follows:

- a) Above 30 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the sales management team; and
- b) Above 90 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 90 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 90 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 historic 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.

28. Financial instruments (continued)

28.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

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	Expected credit loss RM'000	Net balance RM'000
Group			
2024			
Not past due	3,550	(8)	3,542
1 - 30 days past due	820	(51)	769
31 - 60 days past due	619	(35)	584
61 - 90 days past due	338	(32)	306
More than 90 days past due	54,899	(54,856)	43
	<u>60,226</u>	<u>(54,982)</u>	<u>5,244</u>
2023			
Not past due	4,629	(633)	3,996
1 - 30 days past due	1,075	(147)	928
31 - 60 days past due	852	(117)	735
61 - 90 days past due	451	(62)	389
More than 90 days past due	56,150	(56,150)	-
	<u>63,157</u>	<u>(57,109)</u>	<u>6,048</u>
Company			
2024			
More than 90 days past due	<u>34,560</u>	<u>(34,560)</u>	<u>-</u>
2023			
Not past due	50	-	50
1 - 30 days past due	-	-	-
31 - 60 days past due	-	-	-
61 - 90 days past due	-	-	-
More than 90 days past due	<u>34,815</u>	<u>(34,815)</u>	<u>-</u>
	<u>34,865</u>	<u>(34,815)</u>	<u>50</u>

28. Financial instruments (continued)

28.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment losses (continued)

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

	Group RM'000	Company RM'000
Balance at 1 July 2022	58,640	34,962
Amounts written off	(81)	-
Net remeasurement of loss allowance	(1,450)	(147)
Balance at 30 June 2023/1 July 2023	57,109	34,815
Amounts written off	(39)	-
Net remeasurement of loss allowance	(2,088)	(255)
Balance at 30 June 2024	54,982	34,560

Other receivables

Credit risks on other receivables are mainly arising from tender deposits and utilities deposits.

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.

The movements in the allowance for impairment in respect of other receivables during the financial year are shown below:

	Group RM'000	Company RM'000
Lifetime ECL		
Balance at 1 July 2022/30 June 2023/ 1 July 2023/30 June 2024	3,886	223

Cash and cash equivalents

The cash and cash equivalents are held with banks. 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 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, is not provided for.

28. Financial instruments (continued)

28.4 Credit risk (continued)

Financial guarantees

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

the amount of the loss allowance; and
the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Risk management objectives, policies and processes for managing the risk

In previous financial year, the Company provides financial guarantees and letters of undertaking in favor of third parties for supplying goods to subsidiaries. The Company monitors on an on-going basis the results of the subsidiaries, repayments and supply of goods made by the subsidiaries. As of 30 June 2024, there is no financial guarantees nor letter of undertaking has been provided by the Company .

Exposure to credit risk, credit quality and collateral

In previous financial year, the maximum exposure to credit risk of the Company amounts to RM3,829,000 representing the outstanding performance guarantee as at the end of the reporting period.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiary is unlikely to repay its credit obligations to the bank in full or the subsidiary is continuously loss making and is having a deficit shareholders' fund. The Company determines the probability of default of the guaranteed loans individually using internal information available.

The Directors are of the opinion that financial guarantees have not been recognised since the fair value on initial recognition was not material and it is not probable that a future sacrifice of economic benefits will be required.

Intercompany balances

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

The Company has non-trade transactions and provide unsecured advances to subsidiaries and monitors their results regularly.

Financial Statements (Continued)

28. Financial instruments (continued)

28.4 Credit risk (continued)

Intercompany balances (continued)

The following table provides information about the exposure to credit risk and ECLs for amounts due from subsidiaries:

	Gross carrying amount RM'000	Loss allowance RM'000	Others* RM'000	Net balance RM'000
Company				
2024				
Not past due	101,392	(6,840)	(1,744)	92,808
2023				
Not past due	87,173	(20,936)	-	66,237

* Others represent waiver granted to the subsidiaries for amount due from the subsidiaries and accounted for as the Company's capital contribution to subsidiaries (see Note 7).

The movements in the allowance for impairment in respect of amounts due from subsidiaries during the financial year are shown below:

	Company RM'000
Balance at 1 July 2022	23,010
Amounts written off	(2,183)
Net remeasurement of loss allowance	109
Balance at 30 June 2023/1 July 2023	20,936
Amounts written off	(14,406)
Net remeasurement of loss allowance	310
Balance at 30 June 2024	6,840

28.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings and lease liabilities.

The Group and the Company maintain 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.

Financial Statements (Continued)

28. Financial instruments (continued)

28.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group'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 per annum %	Contractual cash flows RM'000	Within 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
Group						
2024						
<i>Non-derivative financial liabilities</i>						
Trade payables	4,108	-	4,108	4,108	-	-
Other payables	35,668	-	35,668	35,668	-	-
Lease liabilities	11,304	1.49 - 6.89	17,873	1,566	3,719	12,588
Borrowings	14,648	4.93 - 7.73	16,396	8,976	5,171	2,249
	65,728		74,045	50,318	8,890	14,837
2023						
<i>Non-derivative financial liabilities</i>						
Trade payables	5,239	-	5,239	5,239	-	-
Other payables	27,414	-	27,414	27,414	-	-
Lease liabilities	11,404	1.49 - 6.89	18,393	1,181	3,307	13,905
Borrowings	27,183	6.76 - 7.72	39,875	10,442	11,704	17,729
	71,240		90,921	44,276	15,011	31,634

Financial Statements (Continued)

28. Financial instruments (continued)

28.5 Liquidity risk (continued)

Maturity analysis (continued)

Company	Carrying amount RM'000	Contractual interest rate/ discount rate per annum %	Contractual cash flows RM'000	Within 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000
2024						
<i>Non-derivative financial liabilities</i>						
Trade payables	125	-	125	125	-	-
Other payables	22,467	-	22,467	22,467	-	-
Amount due to subsidiaries	27,972	-	27,972	27,972	-	-
Lease liabilities	1,077	1.49	1,460	755	705	-
Borrowings	12,190	4.96 - 7.72	12,434	8,684	3,750	-
	63,831		64,458	60,003	4,455	-
2023						
<i>Non-derivative financial liabilities</i>						
Trade payables	597	-	597	597	-	-
Other payables	6,741	-	6,741	6,741	-	-
Amount due to subsidiaries	32,439	-	32,439	32,439	-	-
Lease liabilities	209	1.49	214	184	30	-
Borrowings	24,668	6.97 - 7.72	35,890	9,893	10,674	15,323
	64,654		75,881	49,854	10,704	15,323
Financial guarantee	-	-	3,829	3,829	-	-

28. Financial instruments (continued)

28.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's and Company's financial position or cash flows.

28.6.1 Currency risk

The Group and the Company are exposed to foreign currency risk on income and expenses that are denominated in a currency other than the respective functional currencies of the Group and of the Company. The currencies giving rise to this risk are primarily United States Dollar ("USD").

Any reasonable possible change in the foreign currency exchange rates at the reporting date against the functional currency of the Group and of the Company do not have material impact on the profit/loss after tax and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

28.6.2 Interest rate risk

Risk management objectives, policies and processes for managing the risk

The Group's investment in fixed rate loans and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate loans and borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group's and the Company's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debts based on assessment of their existing exposure and desired interest rate profile.

Financial Statements (Continued)**28. Financial instruments (continued)****28.6 Market risk (continued)****28.6.2 Interest rate risk (continued)***Exposure to interest rate risk (continued)*

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	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Financial liabilities				
Lease liabilities	11,304	11,404	1,077	209
Floating rate instruments				
Financial liabilities				
Term loans	7,458	19,562	5,000	17,047
Overdraft facilities	7,190	7,621	7,190	7,621
	14,648	27,183	12,190	24,668

*Interest rate risk sensitivity analysis**(a) Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

28. Financial instruments (continued)

28.6 Market risk (continued)

28.6.2 Interest rate risk (continued)

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points ("bp") in interest rates at the end of the reporting period would have (decreased)/increased post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Post-tax profit/(loss)	
	50 bp increase	50 bp decrease
Group	RM'000	RM'000
2024		
Floating rate instruments	(557)	557
2023		
Floating rate instruments	(1,033)	1,033
Company		
2024		
Floating rate instruments	(463)	463
2023		
Floating rate instruments	(937)	937

28.7 Equity price risk

The Group's and the Company's principal exposure to equity price risk arises mainly from changes in quoted investment prices. The Group and the Company manage their exposure to equity price risks by maintaining a portfolio of equities with different risk profiles.

Equity price risk sensitivity analysis

Any reasonably possible change in the prices of quoted investments at the end of the reporting date does not have material impact on the profit or loss after tax and other comprehensive income or loss of the Group and of the Company and hence, no sensitivity analysis is presented.

Financial Statements (Continued)

28. Financial instruments (continued)

28.8 Fair value information

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and short-term borrowings reasonably approximate fair values due to the relatively short-term nature of these financial instruments. The carrying amounts of hire purchase liabilities also approximate their fair values upon discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities. The table below analyses other financial instruments at fair value:

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value		Total fair value	Carrying amount
	Level 1	Level 2	Total	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000		
2024							
Financial assets							
Other investments							
- quoted shares	38	-	38	-	-	38	38
- club membership	-	356	356	-	-	356	356
	38	356	394	-	-	394	394
Financial liabilities							
Borrowings	-	-	-	13,839	13,839	13,839	14,648
2023							
Financial assets							
Other investments							
- quoted shares	38	-	38	-	-	38	38
- club membership	-	356	356	-	-	356	356
	38	356	394	-	-	394	394
Financial liabilities							
Borrowings	-	-	-	25,235	25,235	25,235	27,183

Financial Statements (Continued)

28. Financial instruments (continued)

28.8 Fair value information (continued)

The table below analyses other financial instruments at fair value (continued):

	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	Total RM'000	Total RM'000		
Company 2024						
Financial assets						
Other investments	-	356	356	-	356	356
- club membership						
Financial liabilities						
Borrowings	-	-	-	11,428	11,428	12,190
2023						
Financial assets						
Other investments	-	356	356	-	356	356
- club membership						
Financial liabilities						
Borrowings	-	-	-	22,900	22,900	24,668
Level 2 fair value						
<i>Other investments</i>						

The fair value of other investments is determined based on the net assets value as stipulated in the statements provided by the counterparties of the investments.

28. Financial instruments (continued)

28.8 Fair value information (continued)

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2023: no transfer in either directions).

Level 3 fair value

Valuation process applied by the Group for Level 3 fair value

For financial instruments not carried at fair value, the Group has applied discounted cash flows valuation technique using a rate based on the current market rate of borrowings of respective Group entities at the reporting date in determination of fair values within Level 3.

29. Capital management

The Group and the Company manage their capital to ensure that entities within the Group and the Company will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholder's value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as total debt divided by total equity less goodwill. Total debt is including banker's acceptances, overdraft financing, term financing/loan, bank overdrafts and lease liabilities.

There were no changes in the Group's and the Company's approach to capital management during the current financial year.

The debt-to-equity ratios at the end of the reporting periods were as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Total debt	25,953	38,587	13,267	24,877
Total equity	142,399	123,302	96,019	65,260
Debt-to-equity ratio	0.18	0.31	0.14	0.38

Financial Statements (Continued)

30. Capital commitment

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Contracted but not provided for:				
- Construction of solar project	-	1,300	-	-
- Acquisition of Solar Asset and Hydro Asset via issuance of shares (Note 33)	171,407	171,407	171,407	171,407

31. Contingent liabilities

Litigation

On 9 May 2019, a malpractice lawsuit was filed against a subsidiary of the Company, Ultimate Forte Sdn. Bhd. ("UFSB"). The case was concluded with an out-of-court settlement following consent judgement issued on 6 September 2024. The sum agreed by both parties was RM175,000, which serves as the final settlement.

32. 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 are shown below. The balances related to the below transactions are shown in Note 11 and Note 18.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Subsidiaries				
Sales to subsidiaries	-	-	3	3
Management fees charged	-	-	3,505	1,307
Other related parties*				
Trading of renewable energy certificate	2,019	-	-	-
Professional fees for proposed acquisition of solar asset and hydro asset	587	-	587	-
Insurance charges	212	-	212	-
Other professional fees	33	-	33	-

* Other related parties include companies in which a Director is a member.

Financial Statements (Continued)

32. Related parties (continued)**Significant related party transactions (continued)**

The key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group.

Key management includes all the Directors of the Company and certain members of senior management of the Group.

The transactions with key management personnel are as follows:

	Group and Company	
	2024	2023
	RM'000	RM'000
Remuneration of other key management personnel		
- Short-term employee benefits	4,568	2,547
- Defined contribution plan	645	336
	<u> </u>	<u> </u>
Renovation services provided to a Director	<u> </u>	<u> </u>
	-	(213)

33. Significant events**(a) Proposed Acquisition of Solar Asset and Hydro Asset**

On 22 September 2021, the Company has entered into the following share sales agreement ("SSA") in relation to the Proposed Acquisition of Solar Asset and Proposed Acquisition of Hydro Asset:

- (i) one (1) SSA with Jentayu Capital Sdn. Bhd. and Seri Panglima Sdn. Bhd. for the acquisition of 3,000,000 ordinary shares representing the entire equity interest in Jentayu Solar Sdn. Bhd. for a total purchase consideration of RM11,107,050 to be satisfied via issuance of new shares of the Company in relation to the proposed acquisition of solar asset;
- (ii) one (1) SSA with Kasa Tuah Resources Sdn. Bhd. and Borneo Sustainable Energy Sdn. Bhd. for the acquisition of 200 ordinary shares representing the entire equity interest in Senja Optima Sdn. Bhd., by acquiring 50% equity interest from Kasa Tuah Resources Sdn. Bhd. and Borneo Sustainable Energy Sdn. Bhd. respectively, for a total purchase consideration of RM44,600,200 to be satisfied via cash consideration of RM5,464,000 and issuance of new shares of the Company amounting to RM39,136,200 in relation to the proposed acquisition of hydro asset;

33. Significant events (continued)

(a) *Proposed Acquisition of Solar Asset and Hydro Asset (continued)*

- (iii) one (1) SSA with Jentayu Capital Sdn. Bhd. for the acquisition of 60,000,000 redeemable preference shares representing 100% issued and paid-up preference shares in Telekosang Hydro One Sdn. Bhd. and 40,000,000 redeemable preference shares representing 100% issued and paid-up preference shares in Telekosang Hydro Two Sdn. Bhd. for a total purchase consideration of RM93,600,000 to be satisfied via cash consideration of RM7,488,000 and issuance of new shares of the Company amounting to RM86,112,000 in relation to the proposed acquisition of hydro asset; and
- (iv) one (1) SSA with Jentayu Capital Sdn. Bhd. for 100% of the Junior Bonds in Telekosang Hydro One Sdn. Bhd. for a total purchase consideration of RM38,100,000 to be satisfied via cash consideration of RM3,048,000 and issuance of new shares of the Company amounting to RM35,052,000 in relation to the proposed acquisition of hydro asset.

From the initial SSA date, the Company and the respective vendors for the Proposed Acquisitions of both Hydro Assets and Solar Assets have mutually agreed to extend the CP Fulfilment Date of the SSAs several times and it was announced on 25 September 2024 that it has been extended to 31 March 2025. It was also mutually agreed by all parties that the Solar Assets and Hydro Assets being transferable or transferred (as the case may be) to and in the name of Jentayu Sustainables Berhad or its elected nominee, which shall be a wholly-owned subsidiary of Jentayu Sustainables Berhad, if it so chooses.

On 27 March 2024, the Company announced that the Securities Commission had approved the above Proposed Acquisitions, subject to terms and conditions, among others, obtaining regulatory approvals for change in shareholding structure and to submit to the proposal within 6 months from the Trigger Date.

On 2 September 2024, the Company announced that it has submitted an application to the SC for an extension of time of up to 26 March 2025 to implement and complete the Proposed Acquisitions.

Financial Statements (Continued)

33. Significant events (continued)

(b) Issuance of shares

During the financial year, the Company has successfully listed shares in two tranches amounting to 25,910,000 and 18,728,000 on 28 July 2023 and 17 January 2024, respectively. The proceeds are to be utilised as follows:

	Utilisation of proceeds	Indicative amount of utilisation RM'000		Intended timeframe for utilisation
		Min.	Max.	
(i)	Partially finance the pre-development expenditures for the Project Oriole	26,000	26,000	Within 12 months
(ii)	Professional fees	5,000	5,000	Within 12 months
(iii)	Working Capital	12,324	28,060	Within 3 months
(iv)	Expansion of healthcare division	1,200	1,600	Within 6 months
(v)	Estimated expenses	1,700	2,300	Within 3 months
	Total estimated proceeds	46,224	62,960	

(c) Development of Project Oriole

On 15 December 2021, the Company announced that Oriole Power Sdn. Bhd., a wholly-owned subsidiary of the Company had entered into shareholders' agreement with Inno Hydropower (P) Sdn. Bhd. and Elopura Power Sdn. Bhd. to regulate the relationship of a joint venture company known as "Oriole Hydro Padas Sdn Bhd" ("OHP") to jointly develop of a run-of-river hydropower cascading scheme in Ulu Padas, Sipitang, Sabah.

On 4 September 2024, the Company announced that OHP has received a Letter of Notification ("LON") from the Energy Commission of Sabah, representing the State Government of Sabah, for OHP to develop the run-of-river hydroelectric power plant project with a capacity of 162 MW and is scheduled for completion by end 2028. The estimated project cost to set up these small hydropower plants will amount to approximately RM2.8 billion. As at 30 June 2024, the Group has already incurred approximately RM81.16 million towards the development of Project Oriole.

34. Subsequent events

On 18 July 2024, the Company has successfully listed shares of 6,000,000 ordinary shares amounting RM4,800,000. The issuance of the new ordinary shares was in line with the proposed private placement approved at a General Meeting of the shareholders of the Company held on 5 December 2023. The Proposed Private Placement was up to 57,236,765 Placement Shares, representing 10% of the total number of issued Jentayu Sustainables shares to independent third party investor(s).

35. Comparative figures

Certain reclassification was made to comparatives to conform to the current year's presentation as below:

Group	As	2023	
	previously reported RM'000	Re- classification RM'000	As restated RM'000
(i) Reclassification of contract liabilities to other payables			
Statement of financial position			
Other payables	21,296	6,118	27,414
Contract liabilities	6,118	(6,118)	-

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 105 to 173 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 of 30 June 2024 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:

.....
Datuk Haji Beroz Nikmal Bin Mirdin
Director

.....
Baevinraj Thiagarajah
Director

Kuala Lumpur

Date: 28 October 2024

Statutory declaration pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Noor Erni Surya Binti Noordin**, the officer primarily responsible for the financial management of Jentayu Sustainables Berhad, do solemnly and sincerely declare that the financial statements set out on pages 105 to 173 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Noor Erni Surya Binti Noordin, NRIC: 720502-02-5060, MIA CA 46318, at Kuala Lumpur, Wilayah Persekutuan on 28 October 2024.

.....
Noor Erni Surya Binti Noordin

Before me:

Before me,
Commissioner for Oaths
Siti Nurbaya binti Mohd Bisharuddin
(No.W738)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JENTAYU SUSTAINABLES BERHAD

(Registration No. 197501000834 (22146-T))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jentayu Sustainable Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 105 to 173

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysia 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.

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.

Impairment of goodwill - Group

Refer to Note 10 - Goodwill on consolidation.

The key audit matter

As at 30 June 2024, the carrying amount of the Group's goodwill on consolidation amounted to RM5.8 million. The goodwill is arising from acquisition of a subsidiary which is in the healthcare business segment.

Goodwill acquired in a business combination is required to be tested for impairment annually. The Group estimated the recoverable amount of the hospital CGU assets based on the value in use ("VIU") method.

We identified this as a key audit matter because of the inherent uncertainties in the key assumptions used by the Group, and the level of judgement required by us in evaluating the Group's impairment assessments.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- Considered the appropriateness of the VIU method applied by the Group to perform the annual test of goodwill for impairment against the requirements of the accounting standards.
- Compared the cashflow forecasts prepared at the end of last year for the purpose of impairment assessments with the actual performance of the businesses for the current year to assess how accurate the cash flow forecasts were and made enquiries of the Group as to the reasons for any significant variations identified.
- Evaluated and challenged the key assumptions used in the preparation of the cash flow forecasts for the purpose of the impairment assessment of goodwill, including projected revenue, with reference to internally and externally derived sources of information. We involved our own valuation specialist to compare the discount rate used against other industry players and external sources.
- Performed sensitivity analysis on the different elements of the cash flow projections to understand which judgements and assumptions were most sensitive in impairment assessment and evaluate their impact on the overall impairment test outcome.
- Assessed the adequacy of the Group's disclosures in the financial statements in respect of the key assumptions that reflect the risks inherent in the impairment assessment.

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.

Financial Statements (Continued)**Information Other than the Financial Statements and Auditors' Report Thereon**

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with 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.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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 7 to the financial statements.

Financial Statements (Continued)**Other Matter**

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

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya

Date: 28 October 2024

Muhammad Azman Che Ani
Approval Number: 02922/04/2026 J
Chartered Accountant

Additional Information



Analysis of Shareholdings

Analysis by Size of Shareholdings

Analysis of Shareholdings

As at 30 September 2024



Issued Share Capital
444,947,770



Class of Shares
Ordinary shares



Voting Rights
One vote per ordinary share held

Analysis by Size of Shareholdings

As at 30 September 2024

Size of Shareholdings	No. of Shareholder	%	No. of Shares Held	%
1 – 99	51	1.56	957	0.00
100 - 1,000	251	7.66	129,069	0.03
1,001 - 10,000	1,964	59.97	8,150,264	1.83
10,001 - 100,000	686	20.95	22,784,642	5.12
100,001 – 22,247,388 (*)	321	9.80	322,283,538	72.43
22,247,389 and above (**)	2	0.06	91,599,300	20.59
TOTAL	3,275	100.00	444,947,770	100.00

Notes

* Less than 5% of Issued Holdings

** 5% and above of Issued Holdings

Substantial Shareholders Statement of Directors' Shareholdings

Substantial Shareholders

As at 30 September 2024 (based on the register of substantial shareholders' shareholdings)

This list of substantial shareholders is based on the register of substantial shareholders' shareholdings belonging to the same persons.

Name of Shareholder	Direct	%	Indirect	%
Datin Hajjah Nurhaida binti Abu Sahid	63,528,900	14.28	-	-
Datuk Haji Beroz Nikmal Bin Mirdin	19,385,700	4.36	63,528,900*	14.28
Lazarus Capital Partners	30,770,400	6.92	-	-

Notes

* Deemed of interest by the virtue of spouse's shareholding in the Company

Statement of Directors' Shareholdings

As at 30 September 2024 (based on the register of Directors' shareholdings)

Name of Directors	Direct	%	Indirect	%
Datuk Haji Beroz Nikmal bin Mirdin	19,385,700	4.36	63,528,900*	14.28
Abdul Halim bin Jantan	2,650,000	0.60	-	-
Baevinraj Thiagarajah	9,000,000	2.02	-	-
Dato' Amiruddin bin Abdul Satar	1,800,000	0.40	-	-
Datin Noor Afzalinah binti Mohd Afzul Khan	517,700	0.12	-	-
Pamela Kung Chin Woon	-	-	-	-
Tobias Hjalmar Mangelmann	1,150,000	0.26	-	-
Ahmad Shahizam bin Mohd Shariff	-	-	-	-

Notes

* Deemed of interest by virtue of spouse's shareholding in the Company pursuant to Section 59(1)(c) of the Companies Act 2016.

30 Largest Shareholders Based on Record of Depositors

Thirty Largest Shareholders Based on Record of Depositors

As at 30 September 2024

This list of thirty (30) largest shareholders is without aggregating securities from different securities accounts belonging to the same persons.

No.	Name of Shareholder	No. of Shares	%
1.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Nurhaida binti Abu Sahid (JCSB)	60,828,900	13.67
2.	Citigroup Nominees (Asing) Sdn. Bhd. Exempt an for CLSA Limited (Cust-Non Res)	30,770,400	6.92
3.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Beroz Nikmal bin Mirdin (MGN-BNM0001M)	18,731,700	4.21
4.	Yap Swee Sang	17,640,000	3.97
5.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Abdullah Faroff bin Husain	11,167,400	2.51
6.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Lee Sze Suen (PB)	9,205,000	2.07
7.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Baevinraj Thiagarajah (JCSB)	9,000,000	2.02
8.	Burukan bin Mohamed	8,400,000	1.88
9.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Koh Kin Lip (MY0502)	8,000,000	1.79
10.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Rickoh Corporation Sdn. Bhd.	7,525,000	1.69
11.	CIMSEC Nominees (Tempatan) Sdn. Bhd. Cimb for Siew Mun Chuang (PB)	7,039,300	1.58
12.	MERCSEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Gerald Nicholas Tan Eng Hoe	6,296,200	1.42

30 Largest Shareholders Based on Record of Depositors (Continued)

No.	Name of Shareholder	No. of Shares	%
13.	Maju Offshore Capital Sdn. Bhd.	4,989,300	1.12
14.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Loh Yong Huat	4,300,000	0.97
15.	Kenanga Nominees (Tempatan) Sdn. Bhd. Ooi Hee Kah	3,975,000	0.89
16.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Jeefri bin Muhamad Yusup (MI0075)	3,920,700	0.88
17.	Fathil Sulaiman bin Ismail	3,800,000	0.85
18.	Lim Meng Hong	3,735,800	0.84
19.	CIMSEC Nominees (Tempatan) Sdn. Bhd. Cimb for Foong Choong Heng (PB)	3,640,200	0.82
20.	Jean-Michel Marie Gathy	3,300,000	0.74
21.	Gerald Nicholas Tan Eng Hoe	3,296,800	0.74
22.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ng Keok Chai	3,189,300	0.72
23.	Yeoh Joon Kuan	3,000,000	0.67
24.	Chooi Yoey Sun	2,800,000	0.63
25.	Alipay Loan Services (M) Sdn. Bhd.	2,740,000	0.62
26.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Nurhaida binti Abu Sahid (MGN-BNM0001M)	2,700,000	0.61
27.	Abdul Halim bin Jantan	2,650,000	0.60
28.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chai Chan Tong	2,642,600	0.59
29.	Ooi Hee Kah	2,621,000	0.59
30.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Koh Chen Foong (My1718)	2,500,000	0.56

Analysis of Warrant Shareholdings

Analysis by Size of Warrant Holdings

Analysis of Warrant Shareholdings

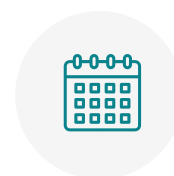
As at 30 September 2024



Number of warrants issued
152,147,950



Exercise Price
RM 0.66



Expiry date
20 February 2032

Analysis by Size of Warrant Holdings

As at 30 September 2024

Size of Warrantholdings	No. of Warrant Holder	%	No. of Warrants	%
1 - 99	131	5.87	5,003	0.00
100 - 1,000	97	4.35	41,450	0.03
1,001 - 10,000	1,567	70.27	4,626,882	3.04
10,001 - 100,000	301	13.50	10,555,765	6.94
100,001 – 7,607,397 (*)	131	5.87	85,898,500	56.46
7,607,398 and above (**)	3	0.14	51,020,350	33.53
TOTAL	2,230	100.00	152,147,950	100.00

Notes

* Less than 5% of Issued Holdings

** 5% and above of Issued Holdings

Statement of Directors' Warrant Holdings

Statement of Directors' Warrant Holdings

As at 30 September 2024 (based on the register of Directors' Warrant Holdings)

This statement of Directors' warrant holdings is based on the Register of Directors' warrant holdings of JENTAYU as at 30 September 2024.

Name of Director	Direct Interest	%	Indirect Interest	%
Datuk Haji Beroz Nikmal bin Mirdin	9,692,850	6.37	31,764,450*	20.87
Datin Noor Afzalinah binti Mohd Afzul Khan	-	-	-	-
Dato' Amiruddin bin Abdul Satar	750,000	0.49	-	-
Baevinraj Thiagarajah	4,500,000	2.96	-	-
Abdul Halim bin Jantan	1,125,000	0.74	-	-
Pamela Kung Chin Woon	-	-	-	-
Tobias Hjalmar Mangelmann	-	-	-	-
Ahmad Shahizam bin Mohd Shariff	-	-	-	-

Notes

* Indirect Interest via the warrant holdings of spouse pursuant to Section 59(1)(c) of the Companies Act 2016

Thirty Largest Warrant Holdings based on Record of Depositors

Thirty Largest Warrant Holdings based on Record of Depositors

As at 30 September 2024

This list of thirty (30) largest warrant holders is without aggregating securities from different securities accounts belonging to the same persons.

No.	Name of Warrantholder	No. of Warrants	%
1.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Nurhaida binti Abu Sahid (JCSB)	30,414,450	19.99
2.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Jinata bin Muhamad Yusup	11,240,050	7.39
3.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Beroz Nikmal bin Mirdin (MGN-BNM0001M)	9,365,850	6.16
4.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Abdullah Faroff bin Husain	6,008,000	3.95
5.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Shaffrina binti Ibrahim	4,868,800	3.20
6.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Baevinraj Thiagarajah (JCSB)	4,500,000	2.96
7.	Lim Meng Hong	3,120,400	2.05
8.	Maybank Nominees (Tempatan) Sdn. Bhd. Terry Lim Yew Meng	2,709,800	1.78
9.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Jeefri bin Muhamad Yusup	2,460,000	1.62
10.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Looi Boon Han	2,370,000	1.56
11.	Maybank Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Abdullah Faroff bin Husain (STF)	2,022,800	1.33
12.	Azra bin Kamarudin	2,009,400	1.32
13.	Lim Meng Hong	2,000,000	1.32
14.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Meng Hong (7007149)	1,926,100	1.27

Thirty Largest Warrant Holdings based on Record of Depositors (Continued)

No.	Name of Warrantholder	No. of Warrants	%
15.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Jeeфри bin Muhamad Yusup (M10075)	1,712,700	1.13
16.	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Vincent Wong Soon Choy	1,680,000	1.10
17.	Jean-Michel Marie Gathy	1,650,000	1.08
18.	Mok Check Chee	1,555,400	1.02
19.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Meow Ling (MF00411)	1,353,200	0.89
20.	Lim Kew Seng	1,352,400	0.89
21.	MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Nurhaida binti Abu Sahid (MGN-BNM0001M)	1,350,000	0.89
22.	Leong Kok Cheng	1,150,000	0.76
23.	Abdul Halim Bin Jantan	1,125,000	0.74
24.	Lim Jia Sam	1,061,400	0.70
25.	Anis bin Affandi	1,022,000	0.67
26.	Koh Mun Wai	890,000	0.59
27.	Noor Azrina binti Mohd Azmi	882,000	0.58
28.	Harmoni Sdn. Bhd.	829,200	0.55
29.	Chong Sew Kem @ Chong Lian Keong	819,000	0.54
30.	MERCSEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Shahril Ismail bin Abdul Razak	800,500	0.53

List of Properties

List of Properties

As at 1 October 2024

No.	Property Location	Property Type	Size (m²)	Tenure	Owner Name	Value (RM)
Pulau Pinang						
1.	Lot 487 & 509, Jalan Bagan Dalam, 12100, Butterworth, Pulau Pinang	Land	12,291	Freehold	Roset BLC Sdn. Bhd.	24,480,000.00
2.	3K-23-2 Straits Residences, Jalan Seri Tanjung Pinang 1, 10470 Tanjung Tokong, Daerah Timor Laut, Pulau Pinang.	Apartment	120	Freehold	Roset BLC Sdn. Bhd.	1,600,000.00
Perak						
3.	1, Jalan Hala Dato 2, 30000, Ipoh, Perak	Shop office	339	Freehold	JENTAYU	956,153
Selangor						
4.	No. 1122, 11th Floor, Block A, Pusat Dagangan Setia Jaya 9, Jalan PJS 8/9, 46150 Subang Jaya, Selangor	Office	47	Leasehold (17/7/2091)	Ipmuda Architectural Products Sdn. Bhd.	85,828
WP Kuala Lumpur						
5.	CG09 Block C, Plaza Pekeliling, 50400 Kuala Lumpur	Shop Office	103	Freehold	JENTAYU	550,000.00
6.	CG10 Block C, Plaza Pekeliling, 50400 Kuala Lumpur	Shop Office	171	Freehold	JENTAYU	1,100,000.00
7.	13A-10, Residensi V, No 8, Jalan Sepadu 5, 58200 Kuala Lumpur	Apartment	60	Freehold	Roset BLC Sdn. Bhd.	550,000.00
Melaka						
8.	B4-22-31B, 22nd Foor Tower 4, Villa D'Savoy Condo Park A Famosa Resort 78000 Alor Gajah, Melaka	Apartment	101	Freehold	Ipmuda Selatan Sdn. Bhd.	120,000.00
9.	Lot 125, A Famosa Golf Resort Jalan Kemus Simpang Empat 78000 Alor Gajah, Melaka	Land with Bungalow	711	Leasehold (18/12/2094)	Ipmuda Selatan Sdn. Bhd.	500,000.00

List of Properties (Continued)

No.	Property Location	Property Type	Size (m2)	Tenure	Owner Name	Value (RM)
Negeri Sembilan						
10.	No 44, Jalan TSJ 8/1B, Taman Seremban, Negeri Sembilan	Shop Office	164	Freehold	Ipmuda Selatan Sdn. Bhd.	127,798
Johor						
11.	PTD 129839, Masai, Mukim Plentong 81700, Johor	Land	816	Freehold	Ipmuda Selatan Sdn. Bhd.	200,000.00
Sabah						
12.	Unit A-7-8, Block A Kondominium Kristal 88450 Kota Kinabalu, Sabah	Apartment	152.36	Leasehold (17/5/2908)	Ipmuda Properties Sdn. Bhd.	512,714
13.	Unit A-3A-5, Block A Kondominium Kristal 88450 Kota Kinabalu, Sabah	Apartment	184	Leasehold (17/5/2908)	Ipmuda Properties Sdn. Bhd.	773,586
14.	Unit A-3A-4, Block A Kondominium Kristal 88450 Kota Kinabalu, Sabah	Apartment	184	Leasehold (17/5/2908)	Ipmuda Properties Sdn. Bhd.	792,148
15.	Unit C-5-3, Block C Kondominium Kristal 88450 Kota Kinabalu, Sabah	Apartment	143	Leasehold (17/5/2908)	Ipmuda Properties Sdn. Bhd.	257,139
16.	Lot No. R-10-02 (DBKK No. B2-10-02), Block B, Level Tenth, Kota Kinabalu, Sabah	Business /Office Suite	372.13	Leasehold (31/12/2096)	Ipmuda Properties Sdn. Bhd.	2,710,050

Total properties: 16

Corporate Directory

JENTAYU Sustainables Berhad

Company Reg No. :
197501000834 (22146-T)

Kuala Lumpur Office

Address :
Unit 25-01, Level 25, Menara FELDA,
11 Persiaran KLCC, 50450 Kuala Lumpur

Tel No. :
+603 9212 7878

Fax No. :
+603 9212 7885

Sabah Office

Address :
Lot No. R-10-02, Block B,
Level 10, Riverson Suites,
Off Coastal Highway, 88100
Kota Kinabalu, Sabah

Tel No. :
+6088 335 338

Fax No. :
+6088 275 066

Ipmuda Buildermart Sdn. Bhd.

Company Reg No. :
198201014812 (94576-T)

Kuala Lumpur Office

Address :
Unit 25-01, Level 25, Menara FELDA,
11 Persiaran KLCC, 50088 Kuala Lumpur

Tel No. :
+603 9212 7879

Fax No. :
+603 9212 7885

Branch Office

Address :
No. 1 Hala Datoh 2,
30000 Ipoh, Perak

Tel No. :
+605 253 8030

Store

Address :
No. 3, Laluan Perindustrian Silibin 1,
Jalan Jelapang, 30020 Ipoh, Perak

OHANA Specialist Hospital (Ultimate Forte Sdn. Bhd.)

Company Reg No. :
201201029805 (1014292-D)

Address :
No. 9, 11, 13-1 & 13-2, Jalan Seri Rejang,
Rampai Business Park South, 53300 Setapak,
Kuala Lumpur

Tel No. :
+603 4131 2039

Ipmuda Properties Sdn. Bhd.

Company Reg No. :
198801000648 (168005-V)

Address :
Kristal Kondominium, Block A,
Jalan Kepayan, 88100 Kota Kinabalu, Sabah

Tel No. :
+6088 232 168