LBS

BELIEVE • BECOME • BEHOLD

65 Years of Strength & Progress

YEAR 2026

ON THE MOVE

INTEGRATED

ANNUAL REPORT 2025

Cover Rationale

ON THE MOVE

The theme "On The Move" is inspired by LBS Bina Group Berhad's ("LBS" or "the Group") 8 x 8 Strategy, which serves as a catalytic plan to accelerate the Group's growth and drive greater stakeholder value creation.

"On The Move" reflects LBS' dynamism and continued forward momentum as we progress towards our strategic aspirations and business goals.

For more information on our Brand Promise and 8 x 8 Strategy, please refer to the *Management Discussion and Analysis ("MD&A")* section of this report.

WWW.LBS.COM.MY

ABBREVIATION:

LBS or **the Group** refers to the listed entity of LBS Bina Group Berhad and its subsidiaries

NOTE:

For the purposes of this report, all mentions of "Board of Directors" refers to the Board of Directors of LBS Bina Group Berhad as the Company.

THE INTERWEAVING LINES WITHIN THE LBS LOGO REPRESENT THE ENDURING BONDS between our founder, the late Dato' Seri Lim Bock Seng, and his four sons. These connections are the foundation upon which LBS was built—a legacy of unity, trust, and shared purpose.

AT THE HEART OF THE LOGO LIES A LEAF-SHAPED EMBLEM, a symbol of our founder's vision and the company's unwavering commitment to the wellbeing of society and sustainability. It reflects our dedication to creating spaces that nurture communities, foster belonging, and embrace a balanced way of life—where progress and care go hand in hand.

THIS EMBLEM IS MORE THAN A DESIGN—IT IS A PROMISE. A promise to build not just homes, but thriving communities; to shape not just spaces, but experiences; and to leave behind a legacy where future generations can flourish.

Commemorating Our 65th Anniversary:

LBS' 65-year journey is a testament to a strong foundation and an unwavering commitment to continuous progress with purpose. LBS' journey began in 1961 with the late Dato' Seri Lim Bock Seng, who started a sand and stone business with just two lorries and a determination to build something enduring. Guided by hard work and integrity, the business grew steadily and was formally incorporated as LBS Bina Holdings Sdn Bhd in 1982, laying the foundation for long-term growth.

LBS continued to progress from strength to strength – progressing steadily with each milestone of success. In 2002, LBS was listed on Bursa Malaysia. The listing marked a new phase and chapter for the Group, culminating in LBS' diversification from construction into property development, integrated townships and complementary businesses. Since then, LBS has continued to venture boldly to embrace new opportunities, while remaining driven by its philosophy of being a people-focused developer. Today, LBS is well recognised as a provider of affordable homes and township developments, addressing the housing needs of Malaysians while advancing strong economic, environmental, social and governance ("EESG") performance. This progress is underpinned by a firm belief in progressing together with its stakeholders.

Our Progress Milestones FROM 1961 TO 2025

65 Years of Strength & Progress

THE ERA OF FOUNDATION
1961 to 1996



1961
LBS commenced operations as a **sand and stone transportation company**.



1978
Undertook the construction of the **Embassy of the People's Republic of China** in Kuala Lumpur.



1982
LBS Bina Holdings Sdn Bhd was incorporated.

1992
Ventured into its **first industrial project with the development of the Jelapang Maju Light Industrial Park**. In the same year, LBS collaborated with the winning Malaysia Thomas Cup badminton players to co-develop the Bukit Serdang Light Industrial Park in Selangor.

THE ERA OF GROWTH
1997 to 2016

1998
LBS expanded to **Cameron Highlands** with the launch of its first residential development in the Highlands – **Carnation Park**.



2002
- **Successful listing on the then Kuala Lumpur Stock Exchange** (now known as Bursa Malaysia).
- **Expanded into Johor with Bandar Putera Indah**, a mixed development project.

2003
LBS launched **Bandar Saujana Putra**, an **award-winning mixed development township** catering to a population of more than 40,000.

2011
LBS launched **D' Island Residence, an award-winning lakefront township in Puchong**, inspired by island resort-living. This marked the Group's entry into the premium residential segment.





EMBRACING TRANSFORMATION
2017 to 2025



2012
Further expanding its presence in Cameron Highlands, LBS launched **Cameron Golden Hills**, a award-winning boutique lifestyle township.

2014
LBS expanded its presence in Pahang with the launch of **Midhills Serviced Apartments**, a wellness-focused retreat in Genting Highlands.

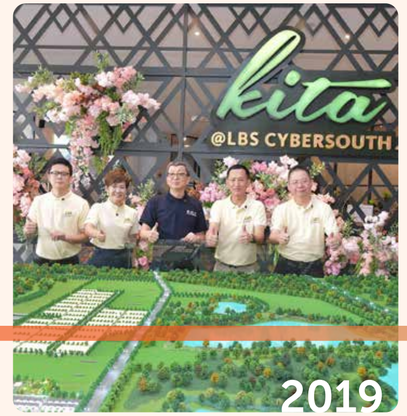
2015
The LBS Foundation was established as the Group's CSR arm to strengthen community outreach.

LBS Foundation
Growing with Compassion



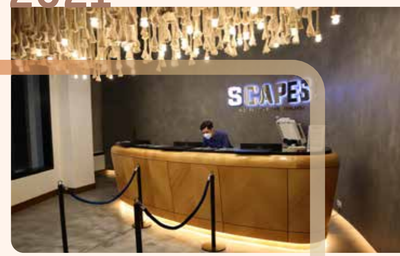
2016
Further expanding in Cameron Highlands, **LBS launched Cameron Centrum**, the largest mixed commercial development in Brinchang New Town.

2018
LBS launched its **LBS Alam Perdana**, award-winning township in Bandar Puncak Alam. To date we are housing more than 20,000 residents.



2019
Catering to the affordable segment, LBS launched, the award-winning, **KITA @ Cybersouth**, that currently houses 67,000 residents.

- LBS ventured into the hospitality segment with **SCAPES Hotel**, the Group's first hotel in Genting Highlands.
- In collaboration with the Selangor State Government, LBS launched **Rumah Idaman MBI**, another affordable housing initiative comprising 7,416 units located in six prime locations in Selangor.
- LBS was included into the **FTSE4Good Bursa Malaysia Index ("F4GBMI")**, an index jointly developed by FTSE Russell, UK, and Bursa Malaysia for companies with excellent sustainability disclosures.

2021


2022
Recognised by Deloitte Private as one of **Malaysia's Best Managed Companies 2022**.

2023
Selected for the second consecutive year as one of the **Deloitte's Best Managed Companies 2023 (Malaysia)**.

2024
- **First Malaysian property developer** to issue an **ASEAN Social SRI Sukuk Wakalah** under its RM750 million Sukuk Wakalah Programme. The first tranche totalled RM200 million in nominal value with proceeds to fund the development of socially responsible projects.
- Selected for the third consecutive year as one of the **Deloitte Best Managed Companies 2024 (Malaysia)**.



2025

FORGING FORWARD
2025 and Beyond

- **Secured exclusive rights to develop 11 parcels of prime freehold land** totalling 192.32 acres within the thriving **Kwasa Damansara Township** in the District of Petaling, Selangor.
- **Awarded a 43 MWp solar farm project in Senawang, Negeri Sembilan, to Solarvest Holdings Berhad**, a significant milestone in LBS' transition towards renewable energy production.
- Issued the **second tranche of its ASEAN Social SRI Sukuk Wakalah** totalling RM400 million, under its aforementioned RM750 million Sukuk Wakalah Programme.
- Recognised at **The Asset Triple A Awards 2025**, securing the **Best ASEAN Social Sukuk Award**, **Best Social Sukuk**, and **Best Asian Social SRI Sukuk – Real Estate Malaysia**.
- Secured the **IFN Award**, **Malaysia Deal of the Year and Sustainability Deal of the Year**.
- Selected for the fourth consecutive year as one of the **Deloitte Best Managed Companies 2025 (Malaysia)**, earning the coveted Gold Standard recognition.
- Awarded its highest **4-Star ESG Rating by FTSE Russell**.



What's Inside

Integrated Annual Report 2025

Commemorating Our 65th Anniversary: Our Journey Thus Far

2 Building Tomorrow Together

4 About This Report

About LBS

8 The LBS Story

9 LBS at a Glance

10 Corporate Information

12 Corporate Structure

14 Our Portfolio

Highlights and Achievements

25 Event Highlights

27 Awards

Group Financial Highlights

29 Financial Calendar

29 5-Year Financial Highlights

31 Statement of Value Added Distribution & Simplified Financial Statements

Investor Relations

33 Investor Relations Highlights

34 Share Price Performance

35 Dividend Performance

Our Leadership

38 Board and Board Committees

39 Directors' Profiles

48 Key Senior Management's Profiles

Messages from the Leadership

54 Group Executive Chairman's Perspectives

57 Management Discussion and Analysis

Our Sustained Path to Value Creation

66 Our Business Model and Business Strengths

69 Our Value Chain

70 Value Creation Model



Artist impression

Approach to Materiality

Materiality Assessment Process

74 Introduction
75 Phase One: Soliciting Stakholder Views
76 Phase Two: Identifying Material Information
77 Application of Materiality Judgement
77 Preventive Measures, Mitigation Action, and Remediation Plans
78 Summary of PESTLE Analysis

Material Sustainability Related Risks and Opportunities

84 Economic Performance: Timely Project Completion and Revenue Recognition
86 Product Quality and Customer Experience
88 Market Presence and Branding
90 Occupational Safety and Health
92 Talent Management
94 Climate Action

Upholding Good Governance

101 Sustainability Governance
103 Corporate Governance Overview Statement
124 Audit Committee Report
129 Statement of Risk Management and Internal Control

Financials

140 Financial Statements

Other Information

290 Financial Data for Shariah Screening Disclosure
292 List of Material Properties
293 Analysis of Ordinary Shareholdings
296 Analysis of Preference Shareholdings

AGM Information

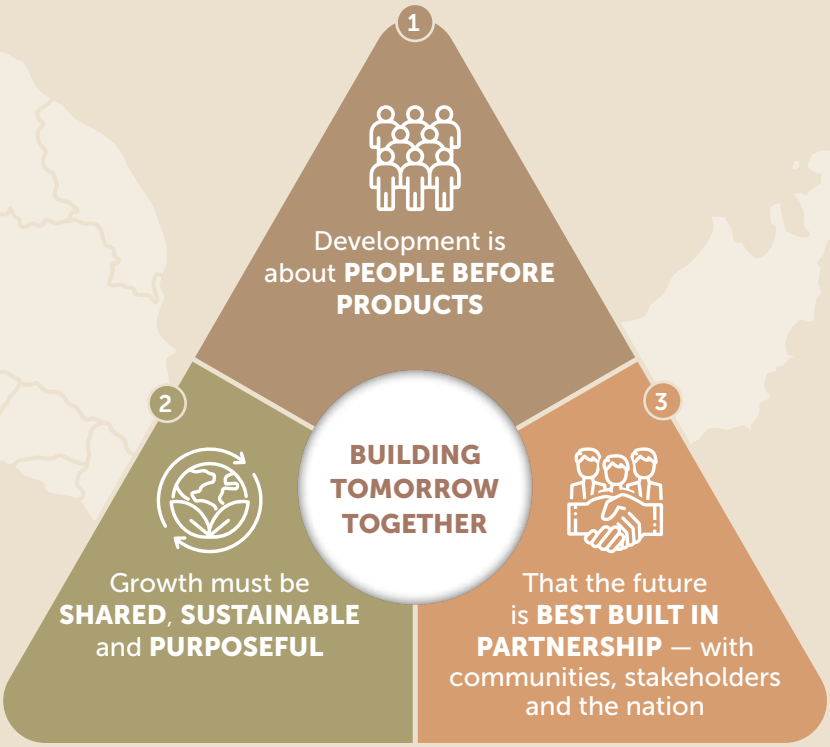
299 Notice of 26th Annual General Meeting
305 Privacy Notice

Proxy Form

Building Tomorrow Together



For decades, LBS has played a role in shaping homes, developing townships and fostering communities across Malaysia. As the Group marks its 65th anniversary, our brand promise of **BUILDING TOMORROW TOGETHER** encapsulates LBS' storied journey and its renewed vigour, aspirations and passion to continue forging a path of excellence well into the future. Building Tomorrow Together captures a simple but powerful belief that:





The launch of this brand promise is closely aligned with our **8 x 8 STRATEGY**, a 3-year strategic blueprint for sustainable growth and innovation.

BUILDING TOMORROW TOGETHER brings to life the LBS ethos of "**To be the best and to keep progressing**", which is fully realised and expressed below:

BELIEVE

We **BELIEVE** in the life-changing impact of our pursuits. To us, it's a force for the wellbeing of society. At LBS, this is our calling.

- Belief In People
- Belief In Building Long-term, Self-sustaining Townships
- Setting Strong Foundations
- Purpose-led Growth

BECOME

We **BECOME** the trusted champion of our communities. Where every space we create nurtures your spirit and fosters belonging, where sustainable living becomes a way of life.

- Becoming Future-ready Creating Value Today for a better tomorrow
- Demonstrating Proof and Progress
- Turning Intent into Action
- Building Trust Through Consistency

BEHOLD

We **BEHOLD** the transformative power of communities uplifted, where progress is balanced with care for future generations to flourish. Where we build a better tomorrow, one delightful story at a time.

- A More Evolved Portfolio
- The Results of Discipline and Foresight
- The Outcome of Long-term Planning

About This Report

INTRODUCTION

LBS Bina Group Berhad ("LBS" or "the Group") presents its Integrated Annual Report ("IAR2025" or "this report") for financial year ended 31 December 2025 ("FY2025"). This report has been developed in accordance with the principles based framework of Integrated Reporting as established by the then International Integrated Reporting Council ("IIRC"), which is under the oversight of the International Sustainability Standards Board ("ISSB").

With the onset of the National Sustainability Reporting Framework ("NSRF")[1] in Malaysia, LBS is progressively developing its reporting to be aligned with the IFRS Sustainability Disclosure Standards as issued by the ISSB as per the following:

- IFRS S1 (General Requirements for Disclosure of Sustainability related Financial Information)[2]
- IFRS S2 (Climate-related Disclosures)

This report provides material information about sustainability-related risks and opportunities ("SRROs") as well climate-related risks and opportunities ("CRROs") that could reasonably be expected to affect the Group over the short, medium, and long term. This includes information from the Group's own operations and information that arises or might arise in the context of the Group's value chain.

This is the first year, marking a transition from the Integrated reporting framework to developing IFRS aligned disclosures in a prescribed format drawing from the Illustrated Sustainability Report ("ISR") for the Construction Sector that has been produced by the Securities Commission of Malaysia ("SC") under its PACE[4] initiative. LBS will continue to improve its disclosures in subsequent reports based on the Integrated Reporting framework, as well as the disclosure requirements of IFRS S1 and IFRS S2.

This report should be read together with the Sustainability Report 2025 ("SR2025"), which forms the Group's Sustainability Statement for the financial year ended 31 December 2025. The SR2025 includes the disclosures required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, including the prescribed table generated from the CSI Platform.

BASIS OF PREPARATION AND REPORTING BOUNDARY

This report has been developed based on the following sustainability reporting policy notes or principle requirements of the IFRS Sustainability Disclosure Standards:



[1] *The NSRF has been developed by the Advisory Committee on Sustainability Reporting ("ACSR") which is chaired by the Securities Commission of Malaysia and whose other member bodies include Bank Negara Malaysia, Bursa Malaysia Berhad, The Companies Commission of Malaysia and the Financial Reporting Foundation.*

[2] *IFRS S1 sets out the general requirements for the disclosure of sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects.*

[3] *IFRS S2 builds on IFRS S1 and sets out specific requirements for the disclosure of climate-related risks and opportunities.*

[4] *PACE (Policy, Assumptions, Calculators and Education) is an initiative by the Securities Commission of Malaysia to support companies in adopting the NSRF.*



An aerial view of KITA Mekar, a residential development comprising townhouses, single-storey terrace houses and double-storey terrace houses in KITA @ Cybersouth.

The reporting boundary is consistent with the boundary set for the consolidated and audited financial statements. This is an operational control boundary, where all entities in which LBS has full management control has been included. For a list of subsidiaries, joint ventures and associate companies, please refer to the *Corporate Structure* Section.

For specific information on the reporting scope and boundary for LBS' Greenhouse Gas ("GHG") emissions, please refer to the *Climate Action: Metrics and Targets* section.

The Group's financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

LBS has applied the principle of "shall review and consider" in relation to implementing relevant Industry-based disclosure requirements of the International Sustainability Standards Board ("ISSB") and the Sustainability Accounting Standards Board ("SASB") industry specific standards. The Group has included disclosure topics and indicators from the Home Builders standard that management has deemed material for disclosure.

For specific information on how LBS has developed its materiality judgements, kindly refer to the *Approach to Materiality* section.

ADDITIONAL SUSTAINABILITY DISCLOSURES

Additional sustainability information based on the Main Market Listing Requirements of Bursa Malaysia (Sustainability Reporting Guide 3rd Edition), the FTSE4Good Bursa Malaysia Index ("F4GBMI") and the Global Reporting Index ("GRI") have been disclosed in the LBS' standalone SR2025.

AUDIT AND ASSURANCE

Financial statements provided in this report have been audited by Messrs UHY Malaysia PLT. The Group has undertaken internal assurance of its sustainability disclosures, including disclosures on sustainability risks and opportunities. The assurance statement is provided in SR2025. LBS intends to embark on external assurance for subsequent sustainability reporting.

FORWARD LOOKING STATEMENTS

This report may contain forward-looking statements discussing targets, future plans, operations and performance of the Group based on current assumptions and projections.

While every care and precaution has been taken to ensure that forward looking statements are as accurate as possible, developments, incidents or changes beyond the control of the Group can occur, resulting in forward looking statements becoming less reflective of the actual business operating environment. Hence, readers are advised to conduct their own due diligence and to not rely solely on the forward-looking statements provided in this report. Readers are encouraged to seek clarification from the Group on any matters by contacting the designated investor relations personnel.

FEEDBACK

Feedback, suggestions or enquiries on this report may be sent to: iarcommittee@lbs.com.my.

Expanding Our Market Presence Through LBS Kwasa Damansara

LBS through its Group subsidiary, LBS KWASA DAMANSARA SDN BHD secured exclusive rights to progressively develop

11 parcels of PRIME FREEHOLD LAND totalling

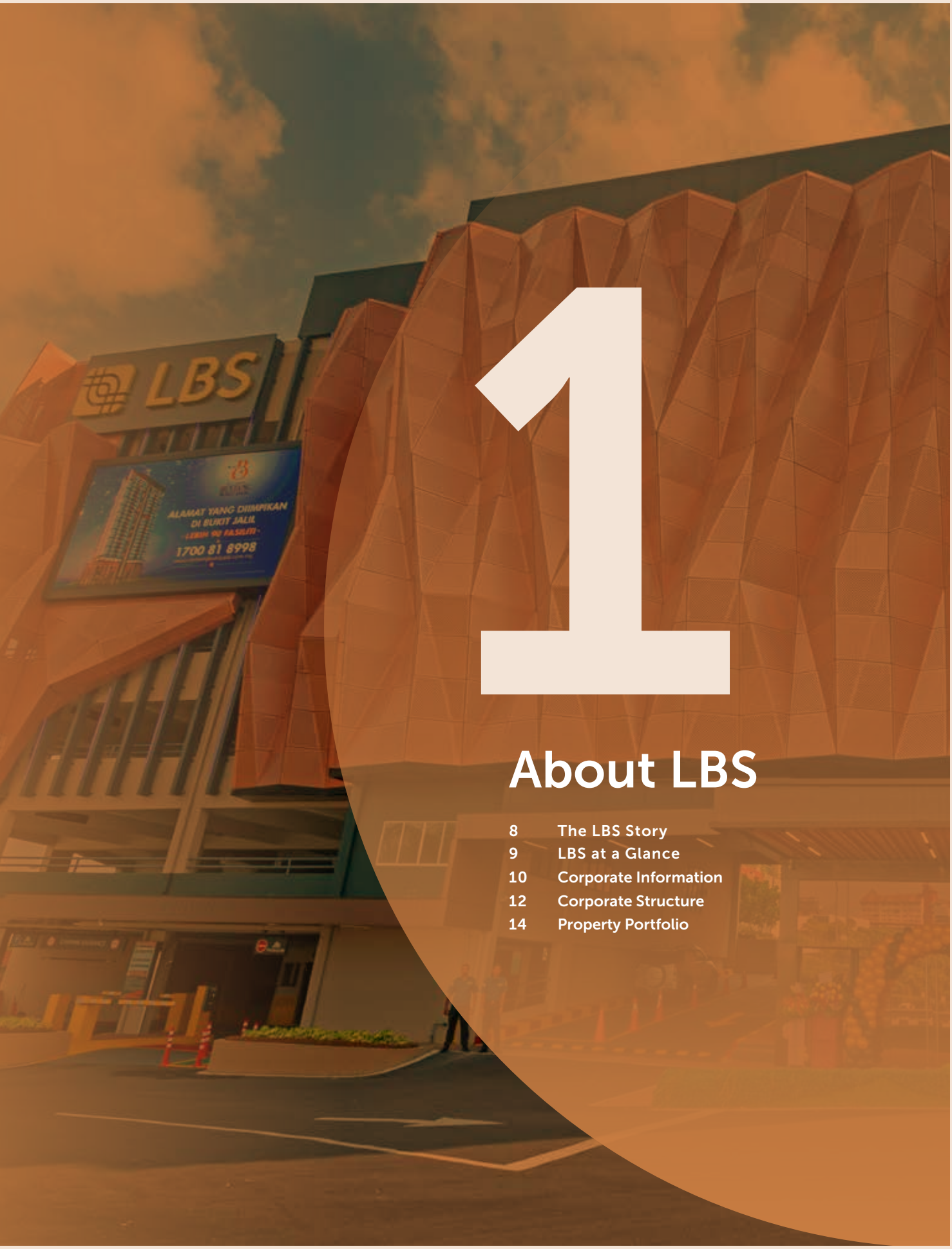
192.32 acres within the KWASA DAMANSARA TOWNSHIP in the District of Petaling, Selangor.

At the Extraordinary General Meeting ("EGM") held on 5 December 2025, LBS secured shareholders' approval to proceed with the development rights for the estimated RM8.30 billion Gross Development Value ("GDV") project. The proposed development located in the "PJ West" area of Kwasa Damansara is set to feature 2,922 residential units, comprising a balanced mix of low- and mid-rise condominiums as well as landed homes, tailored to meet a wide spectrum of market needs and lifestyle aspirations.

Kwasa Damansara marks a new chapter of growth for LBS as the Group looks to develop a future-ready township in what is one of the last freehold tracts of land in Petaling Jaya. The project marks LBS' further expansion into the property development segments beyond the affordable housing category.



Senior managements of LBS and Kwasa Land Sdn Bhd at the signing ceremony of the development rights agreement in July 2025.



1

About LBS

8 The LBS Story
9 LBS at a Glance
10 Corporate Information
12 Corporate Structure
14 Property Portfolio

The LBS Story

Founded in the early 1960s by the late Dato' Seri Lim Bock Seng, in Petaling Jaya, LBS started with a singular vision: to provide affordable, high-quality homes. Over the decades, the company has evolved from a small construction business into one of Malaysia's most respected property developers, known for developing successful townships and enriching communities. In January 2002, LBS was listed on the Main Market of Bursa Malaysia Securities Berhad and continues to strive for greater success and progress, reflected in its many accolades and achievements. Since its inception, LBS has successfully delivered more than 57,000 homes as of 31 January 2026.



The foundation of LBS' philosophy is encapsulated in our corporate tagline: Believe. Become. Behold. In 2025, LBS secured the Deloitte Best Managed Companies award for the fourth consecutive year, earning LBS a Gold Standard, an achievement that reflects not just the growth of the Group, but its continued excellence as a leading corporation in Malaysia. This award and various other secured in 2025, attest to the continued ascendance of LBS and its growth centred on corporate values, good governance and a people-first business philosophy.

In its pursuit of continuous improvement and new milestones, LBS has accelerated its pace of transformation through its 8 × 8 Strategy. The Strategy is designed to unlock new business potential, elevate the Group's market positioning, drive diversification and strengthen its business model to sustain value creation.

At the heart of LBS' corporate philosophy is its guiding ethos: to be the best and to keep progressing. This belief has guided our journey from humble beginnings to becoming a premier developer committed to innovation, quality, and community and it continues to resonate across the Organisation. LBS is committed to creating spaces that foster wellbeing, encourage the convergence of people and communities from all walks of life, and support harmony, vibrancy and shared prosperity that reflect multicultural Malaysia.

The Group stands as a testament to visionary leadership, commitment to excellence, and a deep-rooted passion for building homes that meet the diverse needs of Malaysians.

LBS at a Glance

as at 15 April 2026



DIVIDEND *
3.30 SEN
PER ORDINARY SHARE

BUILT MORE THAN
57,000
PROPERTIES
UP TO YEAR 2025

MORE THAN
1,100^
EMPLOYEES

LANDBANK
3,918
ACRES

REVENUE
RM1.55
BILLION IN YEAR 2025

SALES ACHIEVEMENT
RM1.4**
BILLION IN YEAR 2025

* *Comprises :*

First Interim Single-tier Dividend of 1.30 sen per ordinary share; and Final Single-tier Dividend of 2.00 sen per ordinary share to be approved by shareholders at forthcoming 26th AGM.

** *The figure includes the divestment of land in Johor.*

^ *This figure is at the Group level.*

*For more information on **financial and business performance including dividends**, please refer to the **Management Discussion and Analysis section**.*

Corporate Information

as at 15 April 2026

REGISTERED OFFICE & BUSINESS ADDRESS

Head Office

Plaza Seri Setia, Level 1-4
No. 1 Jalan SS9/2
47300 Petaling Jaya
Selangor Darul Ehsan
Malaysia

T: + 603 7877 7333
F: + 603 7877 7111

REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd

[Registration No. 197101000970 (11324-H)]

Unit 32-01
Level 32 Tower A
Vertical Business Suite Avenue 3
Bangsar South
No. 8 Jalan Kerinchi
59200 Kuala Lumpur
Malaysia

T: + 603 2783 9299

SALES OFFICES & GALLERIES

KITA @ Cybersouth

LBS Discovery Gallery
KITA @ Cybersouth
Cybersouth
43800 Dengkil
Selangor Darul Ehsan
Malaysia

Hotline: + 6011 1722 5559

LBS Alam Perdana

LBS Discovery Gallery Alam Perdana
Lot 4292
Persiaran Alam Perdana
Bandar Puncak Alam
42300 Bandar Puncak Alam
Selangor Darul Ehsan
Malaysia

Hotline: + 6011 1722 5998

Bandar Saujana Putra

LBS Discovery Gallery
Bandar Saujana Putra
No. 2 & 6, Jalan SPU 1
Bandar Saujana Putra
42610 Jenjarom, Kuala Langat
Selangor Darul Ehsan
Malaysia

Hotline: + 6011 1722 5522

D' Island Residence

LBS Discovery Gallery D' Island
No. 2A Jalan Timur 9
D' Island Residence
47130 Puchong
Selangor Darul Ehsan
Malaysia

Hotline: + 6011 1722 5678

Astella

LBS Sales Gallery Astella
No. 1, Jalan Utara 1
D' Island Residence
47130 Puchong
Selangor Darul Ehsan
Malaysia

Hotline: + 6011 1722 5678

Aulica

LBS Sales Gallery Aulica
No. 5, Jalan Utara 1
D' Island Residence
47130 Puchong
Selangor Darul Ehsan
Malaysia

Hotline: + 6011 1722 5678



The lobby of SCAPES Hotel, a 4-star, 176-room hotel owned and operated by LBS.

Corporate Information

as at 15 April 2026

Prestige Residence

LBS Sales Gallery Prestige Residence
C-UG-2 & C-1-2 to C-UG-6 & C-1-6
Jalan LP 7/4 Taman Lestari Perdana
Bandar Putra Permai
43300 Seri Kembangan
Selangor Darul Ehsan
Malaysia

Hotline: + 6011 1722 5557

Ipoh

LBS Sales Gallery Ipoh
No. 17 Jalan Medan Ipoh 1A
Medan Ipoh Bistari
31400 Ipoh
Perak Darul Ridzuan
Malaysia

T: + 605 545 8520
F: + 605 548 6137

Cameron Highlands Centrum Iris

LBS Sales Gallery Centrum Iris
C-2-48 & C-2-49 Presint 1
Cameron Centrum
39100 Brinchang
Cameron Highlands
Pahang Darul Makmur
Malaysia

Hotline: + 6011 1722 5556

Genting Highlands Rimbawan

LBS Discovery Gallery Rimbawan
SCAPES Hotel, Midhills
Jalan Jaya Permai
69000 Genting Highlands
Pahang Darul Makmur
Malaysia

T: + 6011 1722 5998

Batu Pahat

LBS Sales Gallery Batu Pahat
No. 11, 11A & 11B
Jalan Putera Indah 4/11
Bandar Putera Indah
Tongkang Pechah
83000 Batu Pahat
Johor Darul Takzim
Malaysia

T: + 607 445 8899
F: + 607 445 8888

Imperial Garden

LBS Sales Gallery Imperial Garden
No. 1, Jalan Putera Indah 8/5
Bandar Putera Indah
Tongkang Pechah
83000 Batu Pahat
Johor Darul Takzim
Malaysia

Hotline: + 6012 7222954

Pangsapuri Saujana Indah, Molek

LBS Sales Gallery Molek
G-15 & 01-15
Jalan Masai Jaya 1
Plentong
81750 Johor Bahru
Johor Darul Takzim
Malaysia
T: + 607 355 5511

AUDITORS

UHY Malaysia PLT

PRINCIPAL BANKERS/ FINANCIERS

Affin Bank Berhad

Alliance Bank Malaysia Berhad

AmBank (M) Berhad

Bank Kerjasama Rakyat Malaysia Berhad

Bank of China (Malaysia) Berhad

Bank Pembangunan Malaysia Berhad

CIMB Bank Berhad

Hong Leong Bank Berhad

HSBC Bank Malaysia Berhad

Industrial and Commercial Bank of China (Malaysia) Berhad

Malayan Banking Berhad

Public Bank Berhad

RHB Bank Berhad

United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Main Market,
Bursa Malaysia Securities Berhad
since 30 January 2002

Stock Code : 5789
Stock Name : LBS
Sector : Property

WEBSITE

www.lbs.com.my

CUSTOMER SERVICE

https://helpdesk.lbs.com.my/tickets/open

SOCIAL MEDIA

LBS Bina Group Berhad

@lbsbina

LBS Bina Group

LBS Bina Group

lbsbinagroup

Corporate Structure

as at 15 April 2026

LBS

100% Dragon Hill Corporation Limited
HK

100% Intellplace Holdings Limited
BVI

100% LBS Bina Holdings Sdn Bhd

- 100% Adil Restu Sdn Bhd
- 100% Alunan Prestasi Sdn Bhd
- 100% Angsana Abadi Sdn Bhd
- 100% Astana Modal (M) Sdn Bhd
- 100% Azam Perspektif Sdn Bhd
- 100% Bendera Berlian Sdn Bhd
- 100% Cergas Asal (M) Sdn Bhd
- 100% Equal Alliance Sdn Bhd
- 100% Equal Sign Sdn Bhd
- 100% Focal Remedy Sdn Bhd
- 100% Fokus Awana Sdn Bhd
- 100% Generasi Nostalgia Sdn Bhd
- 100% Generasi Simbolik Sdn Bhd
- 100% Getstyle Sdn Bhd
- 100% Green Technology Solar Sdn Bhd
- 100% Inderaloka Impian Sdn Bhd
- 100% Intellview Sdn Bhd
- 100% Jatidiri Gigih Sdn Bhd
- 100% Jauhari Unggul Sdn Bhd
- 100% Kalimah Jaya Sdn Bhd
  - 100% Utuh Sejagat Sdn Bhd
- 100% Kemudi Ehsan Sdn Bhd
- 100% Kilatlima Sdn Bhd
- 100% LBS Capital Sdn Bhd
- 100% LBS South Sphere Sdn Bhd
- 100% LBS Kwasa Damansara Sdn Bhd
- 100% LBS Landscape Sdn Bhd
- 100% LBS Treasury Sdn Bhd
- 100% Misi Aktif Sdn Bhd
- 100% MITC Sdn Bhd
- 100% Pelangi Homes Sdn Bhd
  - 100% Restu Bidara Sdn Bhd
  - 51.92% Biz Bena Development Sdn Bhd
- 100% Pelangi Kolonel Sdn Bhd
- 100% Pembangunan Primer Sdn Bhd
- 100% Puncak Gama Sdn Bhd
- 100% Saga Megah Sdn Bhd
- 100% Sepadan Maju Sdn Bhd
- 100% Seribu Baiduri Sdn Bhd

100% LBS Wellness Holdings Sdn Bhd

- 60% LBS Healthcare Sdn Bhd
- 60% LBS Healthcare (AP) Sdn Bhd

- 100% Sejuta Bina Sdn Bhd
- 100% Seloka Sinaran Sdn Bhd
- 100% Sinaran Restu Sdn Bhd
  - 100% Juaraplex Sdn Bhd
  - 100% Kenderong Sdn Bhd
  - 100% Keranji Bina Sdn Bhd
  - 100% Lingkaran Semangat Sdn Bhd
  - 100% Pacific Grant Sdn Bhd
  - 100% Silibin Jaya Sdn Bhd
- 100% Utuh Aspirasi Sdn Bhd
- 85% Johan Anggun Sdn Bhd
- 85% Koleksi Sigma Sdn Bhd
- 80% Business Park Development Sdn Bhd
- 70% Central Valley Ventures Sdn Bhd
- 70% Iringan Kejora Sdn Bhd
- 70% Alam Central Sdn Bhd
- 69% Casa Inspirasi Sdn Bhd
  - 100% Seri Aliran Sdn Bhd
- 70% Dataran Enigma Sdn Bhd
- 60% Bimbingan Sumber Sdn Bhd
- 55% LBS Northern Development Sdn Bhd
- 51% Kirana Emas Sdn Bhd
- 51% LBS Borneo Sdn Bhd
- 51% Lestari Angkasa Sdn Bhd
- 51% Mayang Jelatek Sdn Bhd
- 51% Panglima Riang Sdn Bhd
- 51% Wirama Era Baru Sdn Bhd
- 35% Usaha Semarak Sdn Bhd
- 20% Tarikan Puncak Sdn Bhd

BVI - The British Virgin Islands
HK - Hong Kong

Corporate Structure

as at 15 April 2026

- **100%** Kita Sejati Sdn Bhd
- **100%** Galeri Cekap Sdn Bhd
  - 70% Leaptec Engineering Sdn Bhd
    - 100% Maju Kamabisa Sdn Bhd
- **100%** Setara Armada Sdn Bhd
  - 51% Suria Hijauan Sdn Bhd
- **100%** LBS Agro Farm Sdn Bhd
  - 100% Sinaran Gerbang Sdn Bhd
- **100%** Saujana Tunggal Sdn Bhd
  - 100% Gerbang Mekar Sdn Bhd
- **57.94%** MGB Berhad

Please refer to Note to the Financial Statements for the full list of subsidiaries and associates of the Group.



LBS' headquarters is located in Sungai Way, Petaling Jaya.

Our Portfolio

as at 15 April 2026

Since its inception, LBS has successfully completed and delivered over 57,000 property units. Its portfolio spans a diverse range of residential, commercial and industrial developments, including a substantial number of affordable homes.

The Group's existing townships include KITA @ Cybersouth, LBS Alam Perdana, Bandar Saujana Putra and, more recently, Rimbawan – a premier eco-conscious development. The total ongoing GDV of its developments as at end-2025 stands at RM4.2 billion.

In addition, LBS owns and manages several property assets, comprising a hotel and a shopping mall.

Property



Artist Impression

D' Island Residence, is a 175-acre, exclusive island-themed development that redefines waterside living in Puchong. Surrounded by 1,000 acres of tranquil lake, it offers residents an immersive waterside living experience. Our celebrated, award-winning design township prioritizes both beauty and sustainability. The eco-conscious landscape features native plants, thriving with minimal maintenance to ensure a naturally enduring and sustainable environment.

With an emphasis on security, residents enjoy peace of mind with a robust three-tier security system. And while D' Island feels like a world away, it's remarkably close to everything. Effortless connectivity is guaranteed via major highways like ELITE, SKVE, LDP, KESAS, and MEX.

The amenities are designed to foster community and well-being. From family picnic areas and lake-view yoga spaces to children's playgrounds and expansive jogging paths, residents are encouraged to stay active and connect with nature and one another.

D' Island Residence offers the ultimate balance: the calm of a natural sanctuary fused seamlessly with modern amenities and great accessibility. This unique combination of privacy and convenience makes it a highly sought-after location for a truly harmonious lifestyle.

The township's latest precinct, Aulica, is a low-density development with a GDV of RM84 million. It comprises 79 double-storey terrace homes across a 3.1-acre site. Masterfully planned as a private enclave within the lakeside setting, the landed development complements the established character of D' Island Residence. It is designed as a serene residential setting that offers space and tranquility for practical, idyllic family living.

Our Portfolio

as at 15 April 2026

Property

KITA @ Cybersouth, a 633-acre Malay Reserve Land flagship development by LBS, is conceived as a complete, affordable township centred on community integration and strategic convenience. The design philosophy prioritises the creation of strong social bonds and frequent interactions among neighbours. Today, this thriving township houses more than 67,000 residents.

The development fosters a lively, community-centric environment through a series of practical facilities. These include futsal pitches, dedicated playgrounds, extensive jogging paths, and a major community park, all designed for communal use, promoting healthy living and enhancing the overall sense of belonging.

Strategic accessibility is a defining feature. KITA @ Cybersouth is well connected via major highways such as SKVE, NSE, LDP and MEX, ensuring efficient connectivity and ease of travel for residents.

In further strengthening its commercial component, LBS has launched KITA Avenue Square, the township's latest phase designed to introduce greater retail and commercial vibrancy to meet the needs of its growing population. KITA Avenue Square is the township's first double-storey commercial development, offering a limited release of 45 units with a total GDV of RM62 million.



Artist Impression

Our Portfolio

as at 15 April 2026

Property



Artist Impression

LBS Alam Perdana is thoughtfully designed as an accessible, community-inspired township, built to connect residents and forge lasting social bonds. It achieves this goal while prioritising security and serenity, offering a gated environment that ensures both resident safety and a tranquil lifestyle. The township's commitment to community living is evident in its core social infrastructure as a growing commercial hubs and vibrant community centres serving as key gathering points. These features are designed to encourage interaction and unity, forming a vibrant and inclusive community. Further enhancing resident well-being, beautifully landscaped recreational gardens surrounding lake offer peaceful spaces for relaxation and communal activities. This dedication to connection and a quality living makes LBS Alam Perdana a sought-after and attainable address.

Further enhancing the township's appeal and supporting economic growth is the Alam Perdana Industrial Park ("APIP"). Among the latest additions is the 2.96-acre Alam Perdana Industrial Terrace Factory. The RM85 million GDV integrated industrial hub comprises 71 terraced, semi-detached, and detached factory units, designed to cater to small and medium-sized enterprises across a diverse range of commercial or industrial sectors. The 20' x 60' sized units are well suited for light manufacturing, storage and service-based operations.

Another key project is the 20.1-acre Alam Perdana Detached Factory development featuring 18 detached factory units with an estimated total GDV of RM343 million. Offering built-up sizes ranging from approximately 14,114 sqft to 73,251 sqft, these factories cater to larger-scale industrial users requiring greater operational flexibility, yard space, and functional layouts. Together, these phases strengthen APIP's role as a versatile industrial destination serving a wide spectrum of business sectors.

LBS Alam Perdana enjoys seamless connectivity via major expressways, including the Guthrie Corridor Expressway, KL Kuala Selangor Expressway (LATAR), Damansara-Shah Alam Expressway (DASH) and the North-South Expressway (PLUS), ensuring convenient access to key destinations. Adding to its strategic advantage, the township is located near the new West Coast Expressway (WCE) and the future East Coast Rail Link (ECRL) Puncak Alam station, which will further enhance transport and logistics connectivity.

Our Portfolio

as at 15 April 2026

Property

Bandar Saujana Putra (BSP) stands as an award-winning flagship township, a thriving, self-contained community spanning 850 acres. Having fully matured, BSP is now home to a diverse mix of residential and commercial offerings, including serviced residences, landed homes, commercial units and accessible housing options under the Rumah Idaman scheme.

Strategically positioned at a nexus between USJ, Putrajaya, Cyberjaya, and Shah Alam, BSP offers residents seamless connectivity. Effortless access to the Klang Valley's key destinations is guaranteed via major expressways, including MEX, ELITE, SKVE, and LDP. This established community currently accommodates a robust population of over 40,000 residents.

The township provides a serene suburban atmosphere, perfectly complemented by a wide array of modern amenities. The latest addition to the BSP landscape is BSP Sutera, a mixed residential development featuring high-rise units and townhouses. The high-rise units in this development have obtained the GreenRE Certification and offer a range of modern, sustainable facilities, such as outdoor fitness areas, a jogging track and walkway, a community garden, and a futsal court.

As BSP continues to evolve, future phases will introduce additional high-rise residences and landed homes. More than just a township, BSP represents sustainable, community-centric living and sets a regional benchmark for integrated developments.



Our Portfolio

as at 15 April 2026

Property



Cameron Centrum is a premier mixed-use development that has revitalised Brinchang, Cameron Highlands, establishing a dynamic new hub of activity known as Brinchang's New Town. The project features a strategic blend of residential, commercial, hotel and retail components, unified by its distinctive Tudor-style architecture.

As a transformative development in the highlands, it supports retail, commercial and leisure activities, contributing to both the local communities and the growing tourism sector.

The cornerstone of the development is Precinct 1, which comprises 58 shop offices and an upcoming hotel. Designed with landscaped streets and a modern sheltered boulevard, Precinct 1 provides an attractive setting for shopping and dining in the cool highland environment.

In addition, Precinct 3 (Centrum Pinewood) & Precinct 4 (Centrum Orkedia) comprises shoplots & bungalow lots respectively, and have been fully sold following strong market response.

Centrum Iris is the main residential component of the development, offering 705 modern apartments inspired by colonial architectural elements. It blends classic design with modern functionality, complemented by a range of facilities for contemporary living. The development also includes one- and two-storey shop, café and restaurant units.

The latest phase, Centrum Caspia, features 24 units of three- and four-storey shop offices with a GDV of RM81 million. Designed to complement the natural highland setting, each unit offers generous natural light and panoramic views, supporting businesses seeking visibility and growth within the development.

Our Portfolio

as at 15 April 2026

Property

Rimbawan is a landmark, eco-conscious township strategically located in Genting Highlands. Spanning 315 acres and situated 821 meters above sea level, the development offers the advantage of a cooler climate and is centred on sustainability and long-term environmental stewardship.

Guided by a commitment to progress and preservation, Rimbawan integrates eco-friendly practices. These include the Miyawaki method for rapid native plant growth, permeable pathways for enhanced rain absorption and advanced Sponge City features designed for effective flood prevention. The township dedicates over 50 acres to Eco Haven and preserves more than 11 acres of riverways, providing abundant natural space for residents.

The community offers a wide range of recreational amenities, including over 9 km of jungle trekking trails and 6 km of jogging and cycling tracks. Rimbawan's product mix comprises a balanced combination of landed and high-rise residences, commercial and bungalow lots, alongside community spaces that support environmentally conscious living.

Rimbawan represents a holistic, integrated township, offering a sustainable quality of life in the cooler environment of Genting Highlands.



Artist Impression

Our Portfolio

as at 15 April 2026

Property



Bandar Putera Indah is a major, 1,288-acre freehold integrated township in Johor's southern region of Batu Pahat. This expansive development currently features over 11,000 units of residential and commercial properties, with 3,726 units successfully handed over to purchasers, reflecting a well-established and thriving community.

Strategically positioned near the key towns of Muar and Yong Peng, Bandar Putera Indah sits within the vital KL-JB-Iskandar-Singapore growth corridor, supporting its potential for future expansion and economic opportunities. Residents benefit from a self-sustaining community with access to a range of amenities, including mini markets, eateries and essential services.

To meet growing demand, the township introduced two additional developments during the year: a new landed residential phase and a commercial development.

The latest residential phases, Imperial Garden comprising 30 units of double-storey semi-detached homes, and Sapphire Garden with 306 units of double-storey semi-detached homes, are located on 33 acres of freehold land. These properties are designed to support practical, family-oriented living, with convenient access to essential amenities, making them suitable for both growing families and empty nesters.

The township's commercial offering is further enhanced by Pusat Komersial Putera Indah, which features 112 units of two- and three-storey shop offices. With its strategic location, well-planned residential mix and expanding commercial presence, Bandar Putera Indah continues to serve as a key development in Johor, catering to the evolving needs of both homeowners and businesses.

Our Portfolio

as at 15 April 2026

Property

Prestige Residence offers a modern, high-rise living solution in Seri Kembangan, designed to provide urban convenience and a balanced lifestyle. The development comprises two contemporary 29-storey towers delivering a secure and vibrant residential experience.

This development benefits from excellent accessibility and connectivity to key amenities including schools, major shopping malls, expressways and the nearby Ayer Hitam Forest Reserve.

Prioritising comfort and community, it features 40 facilities set within landscaped green spaces. These amenities support various aspects of modern living, promoting wellness, recreation, relaxation and social interaction.

With three layout options ranging from 600 to 850 sq ft, Prestige Residence is well positioned to meet the needs of young professionals, first-time homebuyers and small families, offering an accessible path to home ownership without compromising on connectivity or modern amenities.

Overall, Prestige Residence offers a balanced living environment that combines comfort, security and accessibility within an urban setting.



Artist Impression

Our Portfolio

as at 15 April 2026

Property



In collaboration with the Selangor State Government, LBS proudly drives the **Rumah Idaman MBI** initiative. Launched by Menteri Besar Incorporated (MBI), the programme aims to provide quality, modern and affordable homeownership for middle-income homebuyers.

The program delivers 7,416 high-rise residential units across five locations in Selangor: Shah Alam, Bandar Saujana Putra, Dengkil, Puncak Alam and Puchong. Developments include Idaman Cahaya 1, Cahaya 2, and Cahaya 3; Idaman BSP; Idaman Melur and Idaman KITA; Idaman Perdana; and Idaman Sari.

Each unit, priced from RM250,000, offers a built-up size of either 1,000 or 1,022 sq ft, with three bedrooms and two to three bathrooms. Residents also have access to a range of community facilities, including multi-purpose halls, playgrounds, and basketball and takraw courts.

In addition, each unit is delivered with a move-in-ready package, comprising two parking bays and essential fittings such as a refrigerator, kitchen cabinets, air conditioners, water heaters, wardrobes, and a television with a cabinet.

LBS' involvement in the Rumah Idaman MBI programme reflects its commitment to delivering accessible housing solutions that meet the needs of modern homeowners.



Taman Kinding Flora, situated in the serene setting of Tanah Hitam, Mukim Hulu Kinta, is a development rooted in a community-centric ethos. Its design emphasises sustainability and social responsibility, with a focus on residents' wellbeing and a harmonious living environment.

Targeted at environmentally conscious middle-income homebuyers, Taman Kinding Flora offers convenience through its strategic location. Essential nearby amenities such as a hypermarket, hospital, schools and clinics enhance accessibility and overall quality of life for residents.

Positioned north of Ipoh, Perak's capital, the township provides access to the region's cultural attractions, culinary offerings and natural landscapes. With connectivity to nearby areas such as Tanjung Rambutan, Klebang Ria and Aman Jaya, Taman Kinding Flora supports sustainable living and community integration.

Our Portfolio

as at 15 April 2026

Retail



Strategically located in Taman Melati, Kuala Lumpur, **M3 Shopping Mall** has become a bustling retail destination designed to serve the growing communities of Taman Melati, Gombak, and Ampang. Spanning a gross built-up area of 590,000 sq.ft. with a nett lettable area of 177,000 sq.ft., the mall features 152 retail outlets, offering a diverse mix of shopping, dining, and lifestyle experiences.

Positioned within a rapidly developing residential hub, M3 Shopping Mall enjoys a potential population catchment of 2.7 million shoppers and consumers, reinforcing its role as a key retail and lifestyle hub for the surrounding neighbourhoods. A comprehensive tenant mix meets the needs and wants of the local community.

The mall's strategic location, strong accessibility, and evolving retail mix have contributed to a steady increase in footfall, making it an attractive destination for both shoppers and businesses. M3 Shopping Mall's strategic location makes it easily accessible — just a 5-minute walk from the Taman Melati LRT Station and amply served by taxis and Rapid KL buses.

Unique attractions include Alibaba Karaoke, fast food restaurant Richeese Factory and coffee chain Lucky Cup. With a commitment to enhancing customer experience and tenant diversity, M3 Shopping Mall continues to evolve, catering to the modern shopping preferences and lifestyle needs of the vibrant communities it serves.

Hospitality



Nestled in the scenic enclave of Genting Highlands, **SCAPES Hotel** is LBS' flagship venture into the high-potential hospitality sector, reinforcing the Group's strategy to diversify into recurring income assets. As a 4-star, 176-room hotel, it offers a perfect blend of modern comfort and nature-inspired tranquillity, appealing to discerning travellers seeking an escape from the city.

Designed for those who appreciate affordable luxury and personalised service, SCAPES Hotel provides panoramic views of lush highland landscapes while ensuring seamless access to Genting Highlands' world-class attractions, entertainment hubs, and shopping destinations.

Thoughtfully curated amenities, contemporary interiors, and a welcoming atmosphere create an immersive stay, whether for leisure or business travellers. Facilities/ amenities include the outdoor jacuzzi, the Kids Zone and many more stylistic trappings for guests.

SCAPES Hotel represents more than just a hospitality offering—it is a strategic expansion that aligns with evolving consumer travel trends. By capturing the growing demand for experiential getaways, the hotel solidifies LBS' position in the hospitality sector while enhancing the broader Genting Highlands experience.



2

Highlights and Achievements

25 Event Highlights
27 Awards

Event Highlights



LBS Embraces New Beginnings at 'Majlis Menjunjung Kasih' in the Year of the Snake

His Royal Highness the Sultan of Pahang and His Royal Highness the Crown Prince of Pahang graced the Majlis Santapan Tengahari 2025 with LBS at the Shangri-La Hotel, Kuala Lumpur, marking the symbolic opening of the event with the presentation of an auspicious plate.





LBS Strengthens Community Well-Being with the Establishment of Surau Al-Amin in Brinchang, Cameron Highlands

His Royal Highness the Sultan of Pahang, Al-Sultan Abdullah Ri'ayatuddin Al-Mustafa Billah Shah, graced the ceremony of Surau Al-Amin at IPD Cameron Highlands, Pahang, alongside esteemed dignitaries including the Crown Prince of Pahang, Tengku Hassanal Ibrahim Alam Shah; Pahang Chief Minister, Dato' Sri Wan Rosdy Wan Ismail; Inspector-General of Police, Tan Sri Razarudin Husain; Pahang Police Chief, Dato' Seri Yahaya Othman; and LBS Executive Director, Dato' Sri Daniel Lim.

Event Highlights



LBS Signs Memorandum of Understanding with Oriental Holdings Berhad for Klebang Project in Melaka

A historic moment at the MoU signing ceremony between LBS and Oriental Holdings Berhad, witnessed by (from left to right): YB Datuk Wira Salhah binti Salleh, Melaka State Finance Officer; YB Dato' Azhar bin Haji Arshad, State Secretary of Melaka; Datuk Loh Kian Chong, Group Executive Chairman of Oriental Holdings Berhad; YAB Datuk Seri Utama Ab Rauf bin Yusoh, Chief Minister of Melaka; Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San, Group Executive Chairman of LBS; Maj (Hon) Dato' Sri Lim Hock Sing, Executive Director of LBS; and Mr. Wong Tet Look, Group Chief Financial Officer of Oriental Holdings Berhad.

10 JANUARY 2025

LBS kicked off 2025 with the unveiling of Centrum Iris

24 JANUARY 2025

LBS successfully concluded the second ASEAN Social SRI Sukuk Wakalah issuance

27 JANUARY 2025

LBS debuted its three-year 8 x 8 Strategy at the annual townhall

20 MARCH 2025

LBS celebrated Ramadan with key stakeholders, such as the media, bankers and legal advisors

9 JUNE 2025

LBS achieves a pivotal milestone with RM88.4 million green financing from Alliance Bank Malaysia Berhad

23 JUNE 2025

LBS celebrated the launch of Centrum Iris, a residential development in Cameron Highlands

21 JULY 2025

LBS Group Executive Chairman Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San returned to his alma mater, Cardiff University, UK, as an alumnus speaker

30 JULY 2025

LBS secures development rights for 192.32 acres in Kwasa Damansara

18 AUGUST 2025

LBS collaborated with KLM Land to develop detached factory units at Alam Perdana Industrial Park

18 SEPTEMBER 2025

LBS Group Executive Chairman Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San shared his vision on "Building the Business of Tomorrow" at the Now and Future 2025 Conference & Exhibition

27 OCTOBER 2025

LBS and Oriental Holdings Berhad signed a joint venture agreement for a mixed-use development in Melaka

15 DECEMBER 2025

LBS launched Aulica at D' Island Residence, Puchong

Awards

In 2025, LBS continued to be recognised for its performance, as reflected in the various awards and accolades received by the Group. These recognitions underscore LBS' commitment to progress and its pursuit of new milestones.





19 NOV 2025

DELOITTE PRIVATE MALAYSIA BEST MANAGED COMPANIES 2025

Gold Standard Status

LBS Group Managing Director/CEO, Datuk Wira Lim Hock Guan (right), received the Gold Standard Award from James Walton (left), Deloitte Southeast Asia Growth Leader, at the 2025 Southeast Asia Best Managed Companies Regional Awards Ceremony.



25 SEP 2025

BUSINESSTODAY INDUSTRY CHOICE AWARDS 2025

Best In Community-Centric Property Development

Ms Shany Lim, Head of Corporate Integrity & Sustainability, proudly accepted the Best in Community-Centric Property Development Award at the Business Today Industry Choice Awards 2025.

10 NOV 2025

THE EDGE MALAYSIA PROPERTY EXCELLENCE AWARD 2025

- Outstanding Property Entrepreneur Award 2025
- Top Property Developers Awards - Top 16

LBS Group Executive Chairman, Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San, has been honoured with the Outstanding Property Entrepreneur Award 2025 for his Outstanding Leadership, Vision and Contributions to Malaysia's Property Industry.



21 FEB 2025

ISLAMIC FINANCIAL NEWS (IFN) AWARD 2024

- Malaysia Deal of the Year
- Sustainability Deal of the Year

24 MAY 2025

ISLAMIC DISTINGUISHED ENTERPRISE AWARDS 2025 (IDEA)

- Distinguished Consumer Confidence Award

25 MAY 2025

(KSI) 2025 SPECIAL ASEAN EXCELLENCE AWARD

- The Great Asean Entrepreneur Award

19 JUN 2025

EUROMONEY ISLAMIC FINANCE AWARDS

- Asia's Best Islamic Real Estate Deal

27 AUG 2025

ASSET TRIPLE A SUSTAINABLE FINANCE AWARDS 2025

- Best Social Sukuk
- Best Asean Social Sri Sukuk - Real Estate Malaysia

26 OCT 2025

KWONG WAH YIT POH DR. SUN YAT-SEN SPIRIT AWARDS 2025

- Star Partner Honor Award



3

Group Financial Highlights

29 Financial Calendar
29 5-Year Financial Highlights
31 Statement of Value Added Distribution & Simplified Financial Statements

Financial Calendar

Financial year ended 31 December 2025

First Quarter ended 31 March 2025	Second Quarter ended 30 June 2025	Third Quarter ended 30 September 2025	Fourth Quarter ended 31 December 2025
Announcement of Quarterly Results:	Announcement of Quarterly Results:	Announcement of Quarterly Results:	Announcement of Quarterly Results:
29 MAY 2025	20 AUGUST 2025	28 NOVEMBER 2025	25 FEBRUARY 2026

5-Year Financial Highlights

Financial year ended 31 December

		2021	2022	2023 [1]	2024	2025
Revenue	(RM'000)	1,365,757	1,723,857	1,806,134 #	1,434,658 #	1,553,761
Profit before tax	(RM'000)	176,808	216,927	249,403 #	190,880 #	216,895
Profit after tax and non-controlling interests	(RM'000)	95,619	128,539	140,977	244,058	116,929
Share capital	(RM'000)	922,887	922,887	922,887	922,887	922,887
Equity attributable to owners of the parent	(RM'000)	1,307,866	1,378,741	1,455,620	1,629,672	1,683,262
Basic earnings per share	(sen)	5.16	6.87	7.75	14.45	6.53
Gross dividend per share						
- ordinary share	(sen)	1.85	2.45	2.70	4.70	3.30 *
- redeemable convertible preference shares ("RCPS")	(sen)	6.60	6.60	6.60	6.60	6.60
Net assets per share	(sen)	83.80	88.81	94.52	105.43	109.65

Remarks

[1] *The comparative figures have been restated in accordance with MFRS5 Non-current Assets Held for Sale and Discontinued Operations.*

\# *The figures excluded discontinued operations.*

* *Comprises:*

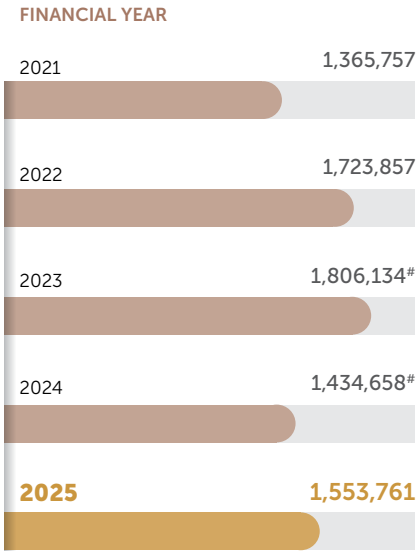
(i) *First interim single-tier dividend of 1.30 sen per ordinary share that has been declared by the Board of Directors on 25 February 2026 and to be paid on 20 May 2026; and*

(ii) *Final single-tier dividend of 2.00 sen per ordinary share to be approved by the shareholders at the forthcoming 26th Annual General Meeting.*

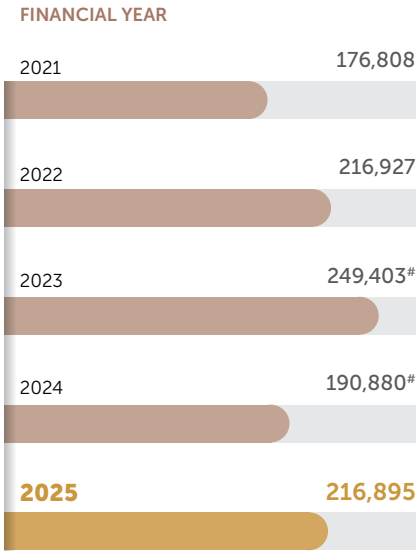
5-Year Financial Highlights

Financial year ended 31 December

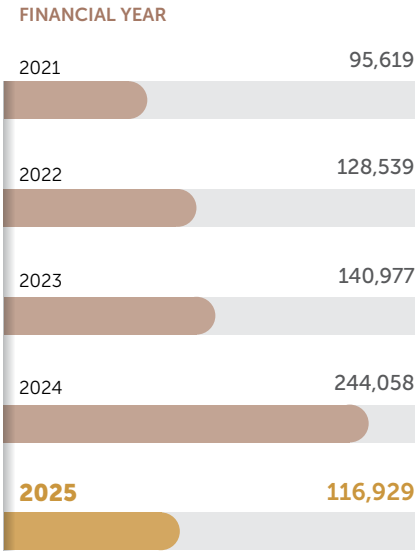
Revenue
(RM'000)



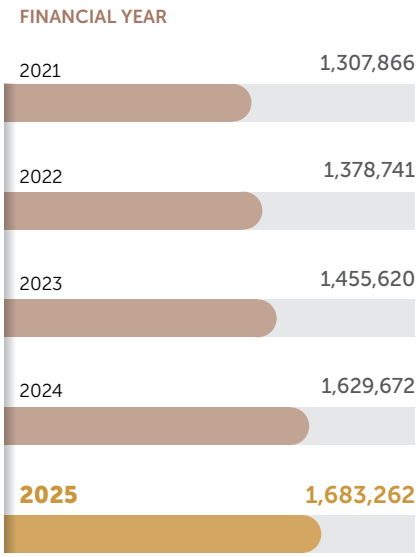
Profit Before Tax
(RM'000)



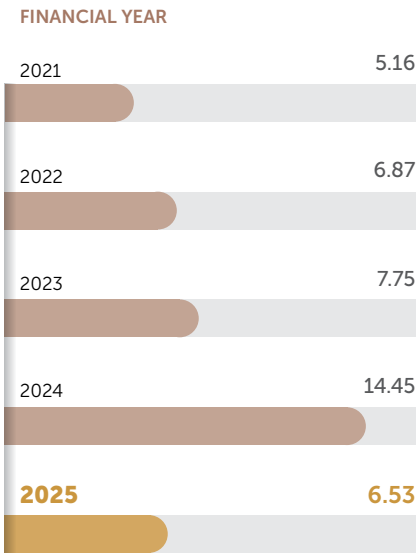
Profit After Tax and Non-Controlling Interests
(RM'000)



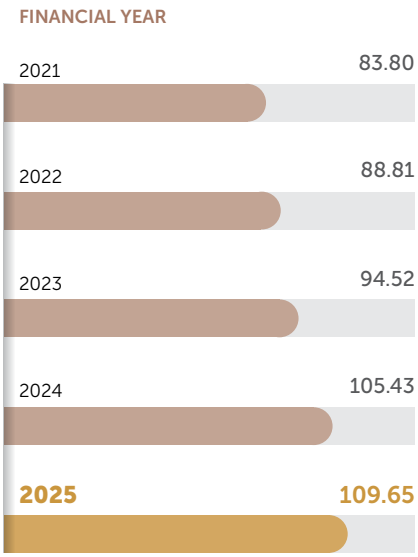
Equity Attributable to Owners of the Parent
(RM'000)



Basic Earnings Per Share
(sen)



Net Assets Per Share
(sen)



Statement of Value Added Distribution & Simplified Financial Statements

LBS presents its Value Added Distribution & Simplified Financial Statements towards demonstrating how the Group through its business model has created a wide range of direct and indirect financial values for stakeholders. The statement presents a concise and condensed view of financial performance, as well as how financial capital created has resulted in positive outputs and outcomes for the Group's stakeholders.

ITEMS	2023 # RM'000	2024 # RM'000	2025 RM'000
Value Created and Distributed			
Economic value generated	1,853,264	1,648,725	**1,593,804**
Economic value distributed	1,752,835	1,502,856	**1,511,727**
Operating costs	1,425,039	1,096,817	**1,167,593**
Community investments	2,968	5,263	**1,411**
Employee benefits expenses	118,647	143,969	**143,186**
Corporate taxation	80,365	88,425	**87,198**
Finance costs	66,642	65,559	**63,707**
Dividend expenses	43,953	87,554	**37,926**
Distribution to holders of Perpetual Sukuk	15,221	15,259	**10,706**
Economic value retained	100,429	145,869	**82,077**
Simplified Statement of Assets			
Property, plant and equipment	53,820	104,017	**98,528**
Right-of-use assets	351,854	170,274	**150,772**
Investment properties	189,824	187,087	**183,838**
Deferred tax assets	88,872	95,669	**95,803**
Trade and other receivables	455,208	510,015	**562,022**
Deposits, cash and bank balances	707,662	567,810	**653,212**
Inventories - property development costs	1,768,182	2,066,682	**1,947,222**
Inventories - completed properties and others	95,659	99,078	**128,961**
Simplified Statement of Liabilities and Shareholders' Equity			
Total debts	768,223	956,987	**1,269,145**
Share capital	922,887	922,887	**922,887**
Trade and other payables	1,587,359	1,223,835	**1,047,158**
Deferred tax liabilities	34,944	5,739	**5,285**
Retained earnings	754,733	895,978	**956,449**
Other reserves	(210,083)	(173,972)	**(176,594)**

Remarks

The figures inclusive of discontinued operations.



4

Investor Relations

33 Investor Relations Highlights
34 Share Price Performance
35 Dividend Performance

Investor Relations Highlights

275
Company Announcements
to Bursa Malaysia and on the Group's website

7
Investor Non-Deal Roadshow ("NDR")
engagements

2
Shareholder Meetings
AGM : 26 June 2025
EGM: 5 December 2025

4
Financial Results
briefings

4
Buy Calls
received in 2025

LBS has actively undertaken a wide range of investor relations activities in 2025. These include briefings, participating in roadshows, issuances of announcements and press releases as well as media engagement activities such as press releases and interviews. The engagement is pivotal in the Group overall brand corporate strategy to sustain and grow its corporate perception and to proactively drive the Group's corporate narrative and positioning.

Over the course of 2025, LBS engaged with institutional and retail investors, financiers and lenders, fund managers, pension funds, investment houses, research analysts and the media. Engagements comprised both voluntary and mandatory interactions and communications, as prescribed by the listing requirements, other regulatory requirements, or by law. The execution of the investor relations strategy, including engagement activities and communications, is primarily led by the Group's Investor Relations unit.



A street view of Emerald Garden 3, a residential development comprising single-storey terrace houses in Bandar Putera Indah.

Following are the key engagements undertaken in 2025:

These include:

- Mandatory disclosures such as quarterly announcements of financial results, changes in Board or Senior Management personnel, changes in equity ownership and other developments deemed material for disclosure. Such information was disseminated to regulatory authorities such as Bursa Malaysia and also made available on the Group's corporate website: www.lbs.com.my
- Use of media relations strategies such as dissemination of press releases, press conferences and interviews.
- Participation in investor and industry roadshows
- One-on-one briefings with research houses, Investment bankers, and investment analysts
- Other communication channels and engagement strategies

As mandated by the Main Market Listing Requirements, LBS' past Annual General Meeting ("AGM") was held on 26 June 2025. For more information on the conduct and proceedings of the immediate past AGM, including the role of the Chairman of the AGM, voting patterns and the presence and role of the LBS Board of Directors and Senior Management, please refer to the *Corporate Governance Overview Statement ("CGOS")* section.

Share Price Performance

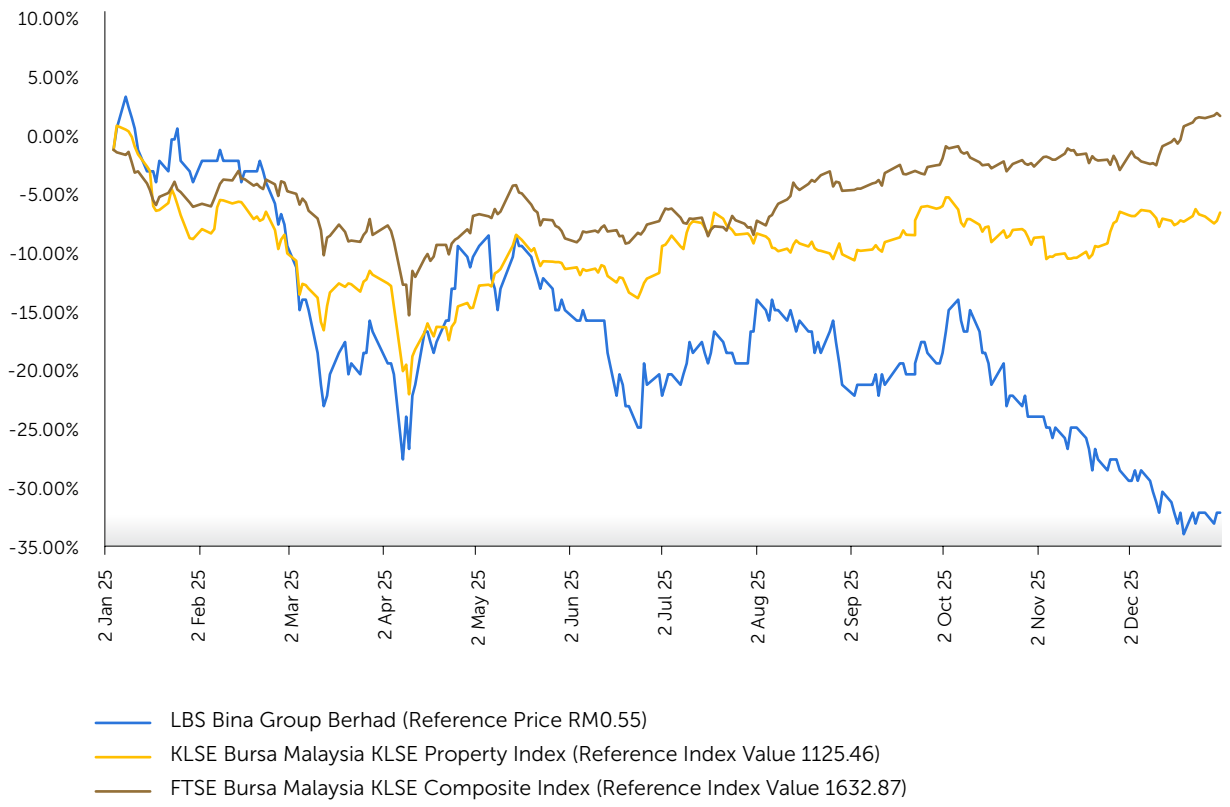
Market Capitalisation as of 31 December 2024 = **RM850.2 million**

Market Capitalisation as of 31 December 2025 = **RM583.4 million**

Highest Share Price = **RM0.575 (6 January 2025)**

Lowest Share Price = **RM0.370 (19 December 2025)**

No. of Shareholders (as of 31 December 2025) = **12,234 shareholders**

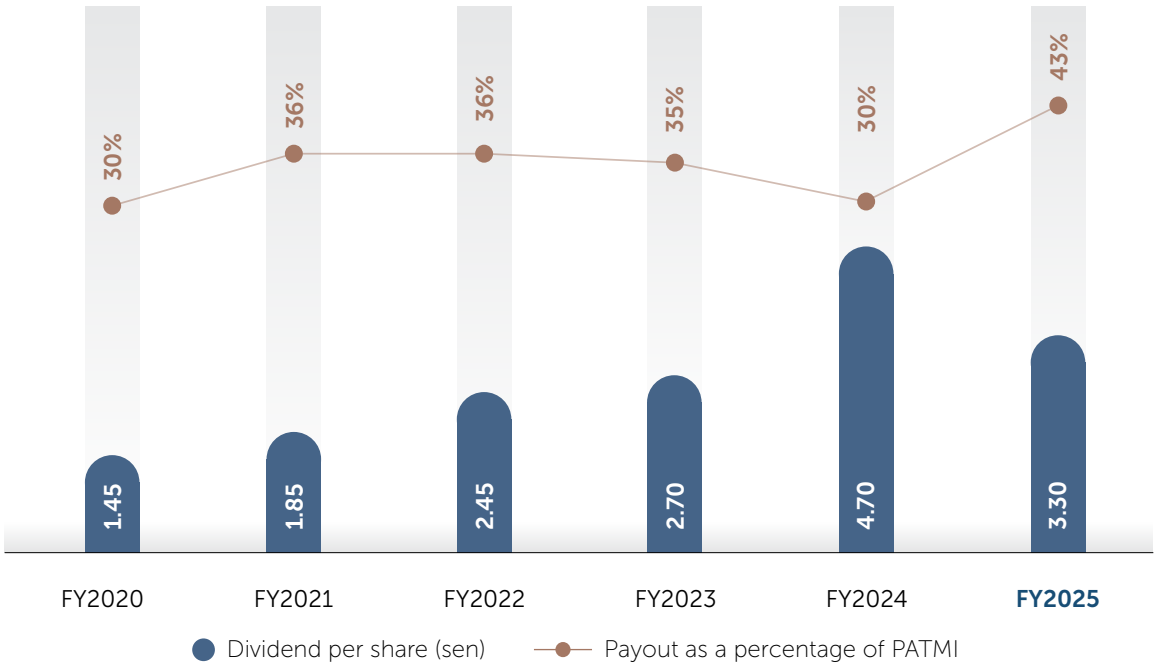


YEAR-ON-YEAR CHANGES (%)

(30.91)%	(6.05)%	2.30%
LBS	KLSE PROPERTY INDEX	KLSE COMPOSITE INDEX

Dividend Performance

- Dividend per share = **3.30 sen per ordinary share#**
- Total dividend payout for 2025 = **43% (2024: 30%)**
- Dividend payout policy = **40%**



Comprises:

(i) First interim single-tier dividend of 1.30 sen per ordinary share that has been declared by the Board of Directors on 25 February 2026 and to be paid on 20 May 2026; and

(ii) Final single-tier dividend of 2.00 sen per ordinary share to be approved by the shareholders at the forthcoming 26th Annual General Meeting.



A street view of KITA Avenue, the first commercial development comprising double-storey shop offices in KITA @ Cybersouth.

Investor Relations Contact Details

Feedback or enquiries can be sent to:

Name : Investor Relations
Tel : +603 7877 7333
Email : ir@lbs.com.my



LBS 8 x 8 Strategy

The LBS 8 x 8 Strategy is an ambitious plan centred on EIGHT FOCUS AREAS OR STRATEGIC THRUSTS, designed to accelerate the Group's progression towards achieving RM8 billion in GROSS DEVELOPMENT VALUE ("GDV") BY 2027.

The **8 x 8 Strategy** is centred on building a multi-portfolio of residential, industrial and commercial properties.

It focuses on optimising the Group's landbank to unlock value, while strengthening customer insights and market understanding.

At the same time, the Strategy enhances internal fundamentals by developing a continuous talent pipeline, improving operational efficiency across the business model, and leveraging technology as an overarching enabler.

For more information on the 8 x 8 Strategy, please refer to the *MD&A* section.



5

OUR LEADERSHIP

38 Board and Board Committees
39 Directors' Profiles
48 Key Senior Management Profiles

Board and Board Committees

As at 15 April 2026

Board of Directors

Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San
PSM, SSAP, DSSA, JP

Group Executive Chairman

Datuk Wira Lim Hock Guan
DCSM, DMSM, PJK, JP

Group Managing Director/
Chief Executive Officer

Maj (Hon) Dato' Sri Lim Hock Sing
SSAP, DIMP, JP

Executive Director

Dato' Lim Mooi Pang
DIMP

Executive Director

Dato' Lim Han Boon
DIMP

Senior Independent
Non-Executive Director

Dato' Yong Lei Choo
DIMP

Independent
Non-Executive Director

Dato' Aminudin Zaki Bin Hashim
AMP, DPMP

Independent
Non-Executive Director

Nuraini Binti Ismail
Independent
Non-Executive Director

Audit Committee
Dato' Lim Han Boon
(Chairman)

Dato' Aminudin Zaki Bin Hashim

Nuraini Binti Ismail

Nomination and Remuneration Committee
Dato' Yong Lei Choo
(Chairperson)

Dato' Aminudin Zaki Bin Hashim

Nuraini Binti Ismail

Risk Management Committee
Maj (Hon) Dato' Sri Lim Hock Sing
(Chairman)

Dato' Lim Mooi Pang

Dato' Lim Han Boon

Dato' Yong Lei Choo

Dato' Aminudin Zaki Bin Hashim

Sustainability Committee
Dato' Lim Mooi Pang
(Chairperson)

Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San

Datuk Wira Lim Hock Guan

Dato' Lim Han Boon

Dato' Yong Lei Choo

Nuraini Binti Ismail

Company Secretaries
Lee Ching Ching

Eugene Chow Jan Liang

Directors' Profiles

Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San

PSM, SSAP, DSSA, JP

Group Executive Chairman

Non-Independent Executive Director

AGE	GENDER	NATIONALITY
68	Male	Malaysian



Tan Sri Lim brings over four decades of leadership experience to LBS, underpinned by engineering discipline, entrepreneurial vision and deep community engagement. Guided by the values of the Group's founder, his father, he has built upon a legacy of principled leadership while shaping a clear focus on sustainable growth and long-term value creation.

Appointed Managing Director on 6 December 2001, Tan Sri Lim, a First-Class Honours Civil Engineer, played a pivotal role in steering LBS through the 1997–1998 economic downturn by decisively pivoting towards affordable housing, strengthening the Group's resilience during a period of industry-wide stress. He subsequently led the successful listing of LBS on the Main Board of Bursa Malaysia Securities Berhad in 2002, positioning the Group for national-scale expansion. He was subsequently appointed as the Group Executive Chairman on 1 March 2021.

Under his leadership, LBS evolved from its construction roots into a diversified property group with interests spanning residential townships, industrial, commercial, hospitality and sustainability-led developments. Tan Sri Lim's leadership philosophy is grounded in strong governance, financial discipline and a commitment to community-centred growth.

A respected figure in Malaysia's business and community landscape, Tan Sri Lim holds leadership roles in national organisations that strengthen public trust, deepen grassroots engagement and extend LBS' institutional networks. He has received multiple accolades, including an honorary doctorate recognising his contributions to industry and society.

As Group Executive Chairman, Tan Sri Lim provides strategic oversight of corporate direction, governance and long-term growth, reinforcing LBS' focus on sustainability, operational resilience and enduring value creation for stakeholders.

Tan Sri Lim is a substantial shareholder of the Company. He holds directorship of several subsidiaries of LBS and currently sits as the Group Executive Chairman of MGB Berhad. He is also a member of Sustainability Committee in LBS.

Tan Sri Lim is a brother of Datuk Wira Lim Hock Guan (Group Managing Director/Chief Executive Officer), Maj (Hon) Dato' Sri Lim Hock Sing (Executive Director) and Dato' Lim Mooi Pang (Executive Director).

Directors' Profiles

Awards and Accolades

i. Second Prize in the British Steel Corporation Competition for Design in Hollow Steel Section, 1982
ii. The inaugural Platinum Entrepreneur Award by SMI Association of Malaysia, 2011
iii. Prestigious Entrepreneur of the Year by Asia Pacific Entrepreneurship Awards (APEA), 2012
iv. Best Company for Leadership of Property Development of the Year by International Alternative Investment Review (IAIR) Awards, 2014
v. World Chinese Economic Summit ("WCES") Lifetime Achievement Award for continued efforts in enhancing bilateral relations between Malaysia and China (Guangdong Province), 2015
vi. The BrandLaureate Hall of Fame – Lifetime Achievement Brand Icon Leadership Awards by Asia Pacific Brands Foundation, 2015
vii. Global Best Company for Leadership of Property Development of the Year by International Alternative Investment Review ("IAIR") Awards, 2016
viii. Most Affluent Chinese Entrepreneur Award, 2016
ix. Property Insight Prestigious Developer Awards ("PIPDA") – Personality of the Year, 2017
x. Asia Corporate Excellence & Sustainability Awards ("ACES") - Outstanding Leader in Asia, 2017
xi. Special Distinguished Award for Promotion of China- ASEAN Relations at the 9th World Chinese Economic Summit ("WCES"), 2017
xii. Worldwide Excellence Award ("WEA") - Person of the Year, 2017
xiii. Queen Victoria Commemorative Medal by The Europe Business Assembly, 2017
xiv. 8th Global Leadership Awards 2018 - Lifetime Achievement Award, 2018
xv. The BrandLaureate Prominent Business Brand Awards: Most Eminent - Prominent Business Brand Leadership Award, 2018
xvi. The BrandLaureate Special Edition World Awards: BrandLaureate World Brandpreneur Hall of Fame - Lifetime Achievement Award, 2018
xvii. FIABCI Malaysia Property Award - Property Man of the Year, 2018
xviii. Des Prix Infinitus Asean Property Award 2019 - Lifetime Achievement, 2019
xix. Property Insight Prestigious Developers Awards ("PIPDA") 2019 - Lifetime Achievement Award, 2019
xx. iProperty Development Excellence Awards ("iDEA") 2019 – Innovative Leader of the Year, 2019
xxi. KSI Special Business Award (2022) – National Outstanding Entrepreneurs Lifetime Achievement Award, 2022
xxii. Adjunct Professor of Leadership of UNITAR International, 2023
xxiii. Professional Engineer of Board of Engineer Malaysia
xxiv. UNITAR 23rd Convocation Ceremony – Honorary Doctor of Management (Honoris Causa)
xxv. ASEAN Chartered Professional Engineer

As an ardent and passionate philanthropist and active advocate of social and community causes, Tan Sri Lim sits on the board of the following organisations: -

1. President, The Federation of Hokkien Associations Malaysia
2. President, The Federation of Malaysia Lim Associations
3. Honorary Life President, Malaysia-Guangdong Chamber of Investment Promotion
4. Honorary Life Adviser, The Federation of Chinese Associations Malaysia (Huazong)
5. Honorary Life President, Persekutuan Persatuan-Persatuan Ann Koai Malaysia
6. Chairman, Board of Governors of SMJK Katholik, Selangor
7. Chairman, Board of Governors of SJK (C) Tun Tan Siew Sin, Selangor
8. Chairman, ASEAN China Association For the Promotion of Industrial Cooperation and Development Limited (ACAPICD)
9. Honorary Life Chairman of Selangor/K.L Lim Clansmen Association
10. Honorary University Fellowship of Genovasi University College
11. Adjunct Professor of Leadership of UNITAR International
12. Honorary President, Malaysia-China Chamber of Commerce
13. Honorary Adviser, The Federation of Malaysia Chinese Surname Association
14. President of the Sungai Way Hokkien Association, Selangor
15. Honorary Adviser, Gabungan Persatuan Keturunan Cina Negeri Sembilan
16. Honorary Life President, Gabungan Persatuan Cina Petaling Jaya, Selangor
17. Honorary President, Malaysia-China Silk Road Entrepreneurs Association
18. Honorary President, The Federation of Malaysian Clans and Guilds Youth Association
19. Honorary President, Catholic High School Alumni Association, Selangor
20. Honorary President, Persatuan Penganut Tho Guan Sen
21. Advisor, Petaling P District Branch, Chinese Primary School Principals Council, Selangor
22. Honorary Life Chairman, Board of Governors of SJK (C) Sungai Way, Selangor
23. Honorary President, Young Malaysians Movement
24. Honorary Life President, Persatuan Anxi Selangor dan W.P. Kuala Lumpur
25. Honorary Life Chairman, Selangor Petaling Business & Industry Association
26. Honorary Chairman, Rumah Berhala Leng Eng Tian, Selangor
27. Honorary Life Adviser, Ang Men Culture and Arts Association of Malaysia, Selangor
28. Adviser, Persatuan Ko Chow Sungai Way, Selangor
29. Adviser, Kelab Sungai Way, Selangor
30. Adviser, Majlis Pembangunan Sekolah Menengah Jenis Kebangsaan Malaysia
31. Advisory Committee, Malaysia China Mergers & Acquisitions Association
32. National Adviser of the Malaysia Entrepreneurs' Development Association ("PUMM")
33. National Committee, Malaysian Scouts Association
34. Honorary Life President, United Youth Movement of Malaysia GBBM
35. Fellowship, The World Baden-Powell, World Scout Foundation Switzerland
36. Overseas Representative, 5th Session of the 12th Chinese People's Political Consultative Conference 2017
37. Committee Member, China Federation 11th Plenary Session
38. Committee Member, 6th China Overseas Exchange Association
39. Overseas Representative, 3rd Session of the 11th Fujian Chinese People's Political Consultative Conference 2015
40. Honorary Life Chairman, Member of the 6th Committee of Quanzhou Overseas Friendship Association
41. Overseas Representative, 17th People's Congress of Quanzhou, China
42. Vice President, Fujian Overseas Exchanges Association 6th Council
43. Overseas Adviser, Fujian Provincial Federation 11th Plenary Session
44. Vice President, World Lin's Association
45. Vice President, 6th China Xiamen Overseas Friendship Association
46. Honorary Life Adviser, Tan Kah Kee Educational Charity Foundation
47. Executive Director of the 6th China Overseas Friendship Association 2024
48. Inaugural Rotating President, ASEAN Federation of Hokkien Association
49. Honorary Adviser, the 1st China Meizhou Lim Association
50. Director, Economic and Technology Committee of the Fujian Overseas Friendship Association, 2004
51. Executive Adviser, World Quanzhou Youth Friendship Association Malaysia Branch 2026
52. Director, Malaysia Stadium Corporation 2026

Directors' Profiles

Datuk Wira Lim Hock Guan

DCSM, DMSM, PJK, JP

Group Managing Director/Chief Executive Officer
Non-Independent Executive Director

AGE	GENDER	NATIONALITY
65	Male	Malaysian

Datuk Wira Lim Hock Guan has served as Group Managing Director and Chief Executive Officer of LBS since 14 January 2022. With a background in civil engineering, he brings over 30 years of experience across engineering, construction and property development, providing a strong technical and operational foundation for his leadership.

Under his stewardship, Datuk Wira Lim has strengthened the Group's operational discipline and advanced its growth agenda. LBS has successfully delivered and launched a wide range of residential, industrial and commercial developments, reinforcing its standing as one of Malaysia's established property developers.

Renowned for his hands-on and fast-paced leadership style, he maintains a deep understanding of projects at a technical level, enabling him to challenge assumptions, refine design intent and ensure high standards of execution. His continued involvement in key planning and technical discussions ensures decisions remain practical, disciplined and value-driven.

Datuk Wira Lim has also played a key role in sharpening the Group's strategic focus, including initiatives to enhance product quality, unlock landbank value, diversify the portfolio and expand into new markets. He is instrumental in steering major upcoming developments, including the 192-acre project in Kwasa Damansara, supporting LBS' long-term sustainability and growth.

Datuk Wira Lim is a substantial shareholder of the Company. He is also a member of the Sustainability Committee in LBS. He holds directorships in several subsidiaries of LBS and presently sits as the Group Managing Director of MGB Berhad.

Datuk Wira Lim is a brother of Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San (Group Executive Chairman), Maj (Hon) Dato' Sri Lim Hock Sing (Executive Director) and Dato' Lim Mooi Pang (Executive Director).



Directors' Profiles

Maj (Hon) Dato' Sri Lim Hock Sing

SSAP, DIMP, JP

Non-Independent Executive Director

AGE	GENDER	NATIONALITY
63	Male	Malaysian



Maj (Hon) Dato' Sri Lim Hock Sing was appointed Executive Director of LBS on 6 December 2001. A graduate of Eastern Washington University with a Bachelor of Accounting, he began his career in public accounting before joining LBS, where he has held senior roles across finance, marketing, real estate evaluation and operations. His long tenure provides him with deep insight into the Group's operations and strategic direction.

Known for his disciplined leadership style, Dato' Sri Lim was shaped by early exposure to site operations and practical project engagement. These formative experiences continue to guide his focus on execution, detail and operational discipline.

Dato' Sri Lim plays a significant role in LBS' developments in Pahang, particularly in Cameron Highlands and Genting Highlands. He has guided the Group's emphasis on low-rise, landed and eco-tourism developments that balance market demand with environmental sensitivity. He also oversaw the launch of Centrum Iris in 2025, which has generated strong buyer interest and steady tourist activity.

In recognition of his contributions, Dato' Sri Lim was conferred the rank of Honorary Major in the 505th Regiment of the Malaysian Army Reserve.

Dato' Sri Lim also sits on the board of several subsidiaries of LBS, as well as serving as the Chairman of the Risk Management Committee in LBS.

Dato' Sri Lim is a brother to Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San (Group Executive Chairman), Datuk Wira Lim Hock Guan (Group Managing Director/Chief Executive Officer) and Dato' Lim Mooi Pang (Executive Director).

Directors' Profiles

Dato' Lim Mooi Pang

DIMP

Non-Independent Executive Director

AGE	GENDER	NATIONALITY
60	Female	Malaysian



Dato' Lim Mooi Pang brings over three decades of international and corporate leadership experience to LBS, underpinned by strong financial discipline and governance expertise. She is a graduate of the University of Waikato, New Zealand, with an Honours Degree in Management Studies, and a member of the New Zealand Institute of Chartered Accountants, as well as a Fellow of Chartered Accountants Australia and New Zealand.

Her early career included a senior finance leadership role in Singapore with an American multinational, strengthening her capabilities in financial governance, operational efficiency and cross-border management.

Dato' Lim joined LBS in 2004 and was involved in overseeing the Group's investment in Zhuhai, China. She later served as Vice Chairman of Zhuhai International Circuit Ltd, guiding the organisation through transformation until its divestment in 2024. Appointed to the Board on 16 July 2009, she currently oversees key corporate functions including Finance, Human Resources, Sales and Marketing, and Program Management.

As Chairperson of the Sustainability Committee and a member of the Risk Management Committee, Dato' Lim plays a central role in strengthening governance, ESG oversight and organisational discipline. A strong advocate of transformation and accountability, she is a key driver in the implementation of the Group's strategies, with a consistent emphasis on measurable progress, operational discipline and a high-performance culture. She has led initiatives to streamline hierarchies and empower emerging leaders, fostering a workforce that prioritises execution, follow-through and accountability across the organisation.

Dato' Lim is a sister of Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San (Group Executive Chairman), Datuk Wira Lim Hock Guan (Group Managing Director/Chief Executive Officer) and Maj (Hon) Dato' Sri Lim Hock Sing (Executive Director).

Directors' Profiles

Dato' Lim Han Boon

DIMP

Senior Independent Non-Executive Director

AGE	GENDER	NATIONALITY
69	Male	Malaysian



Dato' Lim Han Boon was appointed an Independent Non-Executive Director of LBS on 27 August 2020 and re-designated as Senior Independent Non-Executive Director on 18 April 2023. He brings deep expertise in accounting, corporate governance and Board oversight, supported by multi-industry leadership experience.

He holds a Master of Business Administration from the University of South Australia, attended the Senior Management Development Program at Harvard Business School, and is a Fellow of the Association of Chartered Certified Accountants (UK) as well as a Chartered Accountant of the Malaysian Institute of Accountants.

Dato' Lim began his career with BDO and subsequently spent over two decades in the transportation and maritime logistics industry. He later founded Envo BPO Services Sdn Bhd, establishing it as a business outsourcing company specialising in contact centre services.

As an Independent Director, Dato' Lim has served on the Boards of several public listed companies, including Top Glove Corporation Berhad, where he progressed from Independent Non-Executive Director to Senior Independent Non-Executive Director. His Board tenures have enabled him to engage closely with diverse stakeholder groups, strengthening his ability to provide independent challenge, balanced judgement and robust oversight.

At LBS, Dato' Lim serves as Chairman of the Audit Committee and a member of the Risk Management and Sustainability Committees, where he focuses on strengthening governance frameworks, financial reporting integrity and effective risk oversight.

As Senior Independent Non-Executive Director, he champions independence, diversity and constructive challenge at Board level, reinforcing checks and balances and safeguarding the interests of the Company and its shareholders.

Directors' Profiles

Dato' Yong Lei Choo

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
65	Female	Malaysian



Dato' Yong Lei Choo was appointed to the Board of LBS as an Independent Non-Executive Director on 14 January 2022. Dato' Yong holds an Honours Degree in Bachelor of Arts (Population Studies) from the University of Malaya and a Master's degree in Science (Human Resource Development) from Western Carolina University, North Carolina, USA.

She brings 38 years of service with the Royal Malaysian Police Force (PDRM), where she held senior command and intelligence roles underpinned by discipline, impartiality and integrity.

During her career, Dato' Yong achieved several historic milestones, including being the first female Head of Special Branch in the Petaling Jaya Police District and the first Chinese woman to attain the rank of Senior Assistant Commissioner. She later served as Special Branch Chief of the Penang Police Contingent, Assistant Principal Director of the Special Branch (Economic Intelligence Division), Deputy Chief Police Officer of Kuala Lumpur, and a member of the Chief VIP Security Team supporting the Prime Minister's international engagements.

Her professional expertise spans intelligence, criminal investigation, risk assessment and organisational leadership. As Chairperson of the Nomination and Remuneration Committee and a member of the Risk Management and Sustainability Committees, she provides independent oversight, strengthens governance discipline and reinforces ethical balance in Board decision-making.

Dato' Yong is a strong advocate of responsible and sustainable business practices and supports the integration of ESG considerations across the Group. Her public-sector background brings a broader societal and risk-aware perspective to the Board, supporting LBS' long-term sustainability and governance excellence.

Currently, Dato' Yong is the Chairman of Jagasolution Berhad, Independent Non-Executive Director of Fiamma Holdings Berhad, Vestland Berhad and M & A Equity Holdings Berhad.

Directors' Profiles

Dato' Aminudin Zaki Bin Hashim

FCMA, CGMA, ACMA, DPMP, AMP

Independent Non-Executive Director



AGE	GENDER	NATIONALITY
56	Male	Malaysian

Dato' Aminudin Zaki Bin Hashim was appointed as an Independent Non-Executive Director of LBS on 18 April 2023. He brings extensive experience spanning strategic consultancy, public sector leadership and corporate transformation, with a strong focus on future readiness and sustainable growth.

He holds a Bachelor of Arts in Accounting and Finance (Honours) from Liverpool John Moores University (UK) and is a Chartered Global Management Accountant (CGMA) and a member of the Chartered Institute of Management Accounts (ACMA). He was the recipient of the Sir Ian Morrow Award in 1996 and attended a leadership programme at Harvard Kennedy School in 2016.

Dato Aminudin Zaki has been awarded and officially admitted as a fellow of the Chartered Institute of Management Accountants (FCMA) on 9 May 2025.

Dato' Aminudin began his career with Rating Agency Malaysia Berhad before progressing through senior roles in leading consulting and technology firms, including PA Consulting Group, Unisys MSC, PricewaterhouseCoopers Consulting, IBM Business Consulting Services and the Multimedia Development Corporation. These roles provided him with broad exposure across strategy, policy, digital transformation and organisational change.

He later served as Associate Director of The iA Group and played a key role in rejuvenating Institut Darul Ridzuan and reactivating Menteri Besar Incorporated for the State of Perak. As Chief Executive Officer of Menteri Besar Incorporated, he focused on revitalising sustainable mineral development and developing new growth corridors for the state. Between 2009 and 2018, he served on various Boards and high-level committees for the Perak State Government and its agencies. In recognition of his contributions, he was conferred the Darjah Paduka Mahkota Perak (DPMP) by DYMM Sultan Perak in 2014.

In 2020, Dato' Aminudin joined a large family-owned conglomerate as Group Managing Director, where he served until February 2023.

At LBS, Dato' Aminudin is a member of the Audit Committee, Nomination and Remuneration Committee, and Risk Management Committee. As an Independent Director, he contributes strategic foresight, policy insight and governance perspective, particularly in relation to emerging risks, sustainability, government relations and long-term value creation. Guided by his philosophy of "Comfort with Discomfort," he constructively challenges conventional thinking and encourages organisational agility, adaptability and future-oriented decision-making.

Directors' Profiles

Nuraini Binti Ismail

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
64	Female	Malaysian



Nuraini Binti Ismail was appointed as an Independent Non-Executive Director of LBS on 18 April 2023. A Fellow of the Association of Chartered Certified Accountants (FCCA) and a member of the Malaysian Institute of Accountants, she brings over three decades of senior-level experience in finance, treasury and corporate governance.

Her career spans the public sector, professional services, banking and energy. She began her career with the Accountant General's Office and in public audit before progressing into senior roles within Malaysia's leading financial institutions. She later joined Petroliam Nasional Berhad (PETRONAS), where she held a range of senior finance, treasury and corporate finance portfolios over nearly three decades.

During her tenure at the national oil company, Nuraini oversaw PETRONAS Group funds management, debt and liquidity management, capital market transactions, project financing and credit rating engagements. Among her notable roles was Vice President of Treasury, which she served for 11 years prior to her retirement in 2021, and as Chief Financial Officer of a PETRONAS subsidiary. In addition, she served as a Non-Independent Non-Executive Director of Petronas Dagangan Berhad.

At LBS, Nuraini serves on the Audit Committee, Nomination and Remuneration Committee and Sustainability Committee. She provides independent views and insights pertaining to strengthening corporate governance practices and fiscal as well as internal controls, particularly in the areas of corporate finance, corporate governance, sustainability and risk management.

Known for her principled and rigorous approach, she actively encourages robust discussion at Board level and brings seasoned judgement shaped by complex, large-scale corporate environments. Her experience strengthens the Board's ability to navigate financial, regulatory and sustainability considerations in support of long-term value creation.

Apart from LBS, Nuraini also serves as an Independent Non-Executive Director of Bank Islam Malaysia Berhad, GDex Berhad, IIUM Holdings Sdn Bhd, IIUM Educare Sdn Bhd and Daya Bersih Sdn Bhd. She is currently also the Chairperson of BIMB Securities Sdn Bhd and IIUM Educare Sdn Bhd. She also serves as a Board of Trustee of Yayasan University Technology Petronas.

Key Senior Management's Profiles

Dato' Sri Lim Hock Seong

Deputy Chief Executive Officer

AGE	GENDER	NATIONALITY
61	Male	Malaysian



Dato' Sri Lim Hock Seong was appointed Executive Director of LBS on 6 December 2001 and re-designated as Deputy Chief Executive Officer on 14 January 2022. He brings over two decades of operational and management experience within the Group, providing continuity, execution-focused leadership and deep institutional knowledge.

Having served in various managerial and operational roles since joining LBS, Dato' Sri Lim has developed a strong understanding of the Group's development lifecycle and operational priorities. As Deputy Chief Executive Officer, he supports the Group Chief Executive Officer in the day-to-day management of LBS, with oversight of the Group's property operations in Perak, ensuring disciplined execution across active developments.

He is recognised for his technical capability and practical approach to development. Among his key contributions was the architectural and design leadership behind Cameron Centrum, a complex commercial development delivered on challenging terrain, which has since become a focal point for retail, leisure and tourism activity in Cameron Highlands and contributed to the urban regeneration of Brinchang town.

Dato' Sri Lim holds a Diploma in Telecommunication and Computer Engineering from Kolej Damansara Utama. He is actively involved in community and charitable organisations and was conferred the Darjah Kebesaran Sri Sultan Ahmad Shah Pahang in 2017 in recognition of his contributions to community development. He remains committed to the belief that property development is a key enabler of inclusive and shared progress.

He sits on the board of several subsidiaries of LBS.

Dato' Sri Lim is a brother of Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San (Group Executive Chairman), Datuk Wira Lim Hock Guan (Group Managing Director/ Chief Executive Officer), Maj (Hon) Dato' Sri Lim Hock Sing (Executive Director) and Dato' Lim Mooi Pang (Executive Director).

Key Senior Management's Profiles

Lim Kim Kiat

Deputy Chief Executive Officer

AGE	GENDER	NATIONALITY
40	Male	Malaysian



As the principal driver of the Group's digital transformation agenda, **Mr. Lim Kim Kiat** brings a rare combination of engineering discipline, financial acumen and technology leadership to his role as Deputy Chief Executive Officer. Since joining LBS in 2009, he has evolved from a corporate finance practitioner into one of the Group's most strategically influential executives, co-leading the management team with a clear focus on data-driven performance and long-term organisational capability.

He graduated from the University of Melbourne, Australia, with an Honours Bachelor of Engineering in Engineering Management (Mechanical & Manufacturing). This engineering background has since shaped his approach to financial management and technology strategy at LBS. Upon returning to Malaysia, he joined LBS in 2009 within the Corporate Finance function and has since progressed through a range of management and technical roles across the Group. In 2019, he was appointed General Manager of the Treasury Department.

Over the course of his tenure, Mr. Lim has overseen a broad portfolio spanning corporate planning and financing, commercial and corporate banking, cash and capital management, treasury risk management and investor relations. These responsibilities have given him deep exposure to the Group's financial architecture, capital strategy and funding discipline.

On 1 January 2021, Mr. Lim was appointed Executive Director of the Company and was subsequently redesignated as Deputy Chief Executive Officer on 14 January 2022. He also sits on the boards of several subsidiaries of LBS.

As Deputy Chief Executive Officer, Mr. Lim co-leads the management team and plays an active role in driving progressive change through technology, innovation and the development of human capital. His specific areas of responsibility include budgetary controls, cashflow and fiscal management, as well as leading the Group's digital transformation agenda, a key strategic priority under the 8 x 8 Strategy, LBS' eight-pillar growth framework for sustainable long-term value creation. He also founded the Business Intelligence function, which supports data-driven decision-making across the organisation.

Known for his collaborative and inclusive leadership style, Mr. Lim works closely with management teams to strengthen execution, build internal capabilities and develop future leaders. He places strong emphasis on disciplined financial management, data-led insights and continuous improvement, supporting LBS' ambition to remain agile, resilient and future-ready in a dynamic market environment.

Mr. Lim Kim Kiat is the son of Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San (Group Executive Chairman), and nephew of Datuk Wira Lim Hock Guan (Group Managing Director/ Chief Executive Officer), Maj (Hon) Dato' Sri Lim Hock Sing (Executive Director) and Dato' Lim Mooi Pang, (Executive Director).

Key Senior Management's Profiles

Chee Kok Keong

Director of Sales & Marketing

AGE	GENDER	NATIONALITY
52	Male	Malaysian

Chee Kok Keong was appointed as the Director of Sales and Marketing on 6 January 2025. He holds a Master of Business Administration from Anglia Ruskin University (UK), which he completed in 2017, and has a Postgraduate Diploma in Marketing from the Chartered Institute of Marketing ("CIM").

With over 25 years of experience in sales and marketing within the property development industry, Chee is a versatile leader with a proven track record of driving business growth and delivering impactful strategies. He was previously the General Manager for Sales and Marketing at Hap Seng Consolidated Berhad and OSK Property Holdings Berhad, where he developed strategic business plans and pushed property sales to new heights.

In 2019, Chee was appointed as Director of Sales and Marketing at Avaland Berhad and was promoted to Deputy Chief Operating Officer in 2023. He spearheaded Avaland's successful rebranding exercise, elevating the company's brand perception and fostering long-term customer loyalty.

In 2024, Chee co-founded Goldengate Asset Management Sdn Bhd, a company specialising in fit-out and furnishing services, as well as asset management services for both local and international clients.

Chen Sau Hiong

Senior General Manager of Project

AGE	GENDER	NATIONALITY
63	Male	Malaysian

Chen Sau Hiong joined LBS in July 2011. He holds a Bachelor of Science in Construction Management from Heriot-Watt University, UK. He is a Corporate Member of the Chartered Institute of Building, UK. He was promoted to Senior General Manager of Project on 1 January 2021.

He has more than 30 years of experience in the property development industry with a wealth of experience in planning, development, implementation, and maintenance over various projects spanning from the housing sector, to commercial, and multi-storey development. Prior to joining LBS, he has been working in a public listed company for 20 years and gained extensive experience in project management and other related disciplines. Within his current role, he is responsible for the planning and implementation of building and infrastructure of property developments under the Group, particularly projects in the Klang Valley.

Chan Yi Munn

Director of Accounts & Finance

AGE	GENDER	NATIONALITY
39	Female	Malaysian

Chan Yi Munn was appointed as the Director of Accounts & Finance on 5 January 2026. She holds a Bachelor of Science (Honours) Degree in Applied Accounting from Oxford Brookes University, United Kingdom. She is a Chartered Accountant and a Fellow Member of the Association of Chartered Certified Accountants ("ACCA"), United Kingdom. She is also a member of the Malaysian Institute of Accountants ("MIA").

She brings nearly 18 years of experience in financial accounting and reporting, budgeting and management control, cash flow and treasury management, corporate finance, auditing, and taxation. She has extensive exposure across various industries, having served in professional accounting firm, public listed companies, multinational corporations and private enterprise.

She began her career with PricewaterhouseCoopers as an external auditor, specialising in the property development industry. Over the years, she has held various senior finance roles across different industries, including more than 10 years of experience in the property development sector within public listed companies. Her experience in this sector includes the roles of Senior Manager at S P Setia Berhad and Financial Controller at i-Berhad. Her diverse professional background has equipped her with strong strategic and financial leadership capabilities.

She is currently responsible for overseeing the finance, accounting and taxation functions of the Group.

Key Senior Management's Profiles

Doris Lee Ching Ching

General Manager of
Secretarial & Corporate Affairs

AGE	GENDER	NATIONALITY
57	Female	Malaysian

Doris Lee Ching Ching joined LBS in 2002. She is a Fellow member of the Institute of Chartered Secretaries and Administrators in the UK ("FCIS"). She also holds a Certificate in Professional Photography from Han Chiang Academy of Journalism and had obtained the Certificate in Investor Relations ("CIR"), UK in 2010. She was promoted to General Manager of Secretarial and Corporate Affairs on 1 May 2006.

She started her career with an international banking group in 1991. One year later, she left the banking industry and started her practice in chartered secretaryship under the secretarial arm of an international public accounting firm where she gained extensive exposure in various areas including corporate exercises, listings, and other special assignments.

In 1997, she joined Instangreen Corporation Berhad ("ICB") as a Company Secretary overseeing the corporate compliance and public affairs of the Group. Subsequent to the completion of the restructuring of ICB Group under the auspices of the Special Administrators appointed under the Pengurusan Danaharta Nasional Berhad Act, 1998, wherein ICB became a wholly owned subsidiary of LBS, she was transferred to LBS in April 2002.

She is the Company Secretary of the Group and is responsible for the statutory compliances and corporate affairs of the Group.

Wong Kah Yeen

General Manager of
Credit Administration

AGE	GENDER	NATIONALITY
57	Male	Malaysian

Wong Kah Yeen has been with LBS since September 1999. He holds a Third Level Group Diploma in Cost Accounting from the London Chamber of Commerce and Industry, and Business Management from a local Institute Examination Board, awarded by the Associated College of The University of Wales, UK. He was appointed as General Manager of Credit Administration on 1 August 2014.

Prior to joining the Group, he served as Operations Officer with a leading local bank for seven years. He had gained extensive experience including loan review, security and loan documentation, loan disbursement, and customer banking operations.

Throughout the years in the Group, he has accumulated broad experiences in property management, sales and marketing, sales administration, and credit administration. His diverse background has enabled him to establish effective collaborations and communication with law firms and financial institutions.

As Head of Credit Administration, he oversees the credit and sales administration functions of the Group, including development and implementation of internal controls and processes to support the daily credit and collection, as well as sales administration functions.

Additional Information for Directors & Key Senior Management

Save as disclosed, the Directors and Key Senior Management do not hold any directorship in any listed entity and public companies, have no family relationship with any Director and/or Major Shareholder of LBS, have no material conflict of interest or potential conflict of interest with the Group, have not been convicted of any offences within the past five years other than traffic offences and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year 2025

Recognised for Management Excellence and Business Vision

In 2025, LBS once again secured the prestigious

Deloitte Best Managed Companies Awards

for the 4TH **CONSECUTIVE YEAR,** recognising the Group as a **GOLD STANDARD ACHIEVER**. Securing this prestigious corporate accolade four years in a row attests to LBS' continued ascendance and its growing reputation for astute leadership, commitment to good governance and visionary management.





6

Messages from the Leadership

54 Group Executive Chairman's Perspectives
57 Management Discussion and Analysis

Group Executive Chairman's Perspectives



Dear Shareholders,

I am pleased to present an overview of LBS' performance in 2025. It was a challenging year for the property sector, marked by economic uncertainty and shifting market demands.

Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San
GROUP EXECUTIVE CHAIRMAN

Group Executive Chairman's Perspectives

Despite these headwinds, LBS remained resilient, agile, and focused. Our corporate vision and tagline, "Believe. Become. Behold." continued to guide our decisions and reinforce our commitment to creating long-term value for all stakeholders.

In 2025, we introduced our 8 x 8 Strategy, a structured framework designed to deliver RM8 billion in GDV, supported by eight strategic pillars aimed at sharpening our focus and accelerating execution. Each pillar aligns teams across functions, ensuring progress with clarity, purpose and measurable impact.

STRATEGIC PROGRESS AND KEY MILESTONES

Throughout 2025, we navigated a year shaped by both challenges and opportunities. Despite market pressures, our teams delivered projects that were not only commercially viable but also made a meaningful difference to the communities we serve.

Two developments stood out as clear examples. The first being Alam Perdana Industrial Park, responding to the growing demand for high-quality industrial spaces, supporting business growth and job creation in the region. This was followed by Cameron Centrum, in revitalising Brinchang in Cameron Highlands, transforming the town into a vibrant urban hub and tourism draw. Both projects reflect our ability to combine commercial viability with community impact.

We also made strategic moves to secure long-term growth. Our joint venture involving a key land parcel in Klebang, Melaka signals our intention to shape high-impact developments that serve future generations.

Additionally, we were entrusted with the RM8.30 billion GDV Kwasa Damansara project, targeted to commence in 2027. This reflects a strong endorsement of our ability to manage large-scale, complex developments while remaining grounded in our founding values.



LBS Board of Directors and senior management on stage at the Townhall Meeting 2026.

On the financial front, we achieved solid growth in both revenue and earnings. These results underscore market confidence in our offerings and demonstrate the early momentum of our 8 x 8 Strategy in driving disciplined execution and sustained performance.

OUR PEOPLE, OUR STRENGTH

At the heart of LBS are our people. Their dedication, creativity and resilience have been central to our progress. In 2025, we strengthened our investment in leadership training, team collaboration and inclusivity. We believe that a culture of trust and shared purpose drives high performance.

Beyond our business, we expanded our community outreach through the LBS Foundation. This year, we supported a range of initiatives focused on education, welfare and social upliftment. These efforts reflect our broader view of development, not just building structures but creating environments where individuals and families can thrive and grow.

COMMITMENT TO GOVERNANCE AND TRANSPARENCY

Strong governance is key to sustainable success. In 2025, the Board and Management maintained high standards of oversight, transparency and accountability. I am pleased to report that there were zero reported incidents of non-compliance or governance breaches, underscoring the effectiveness of our governance framework. Our decisions continued to balance short-term performance with long-term stakeholder value.

We also remained committed to diversity. Women hold over 30% of Board positions, highlighting our belief that diverse and inclusive leadership strengthens decision-making and drives innovation.

Group Executive Chairman's Perspectives

The **8 x 8 STRATEGY** gives us a **clear path forward**, helping us **navigate an evolving market with confidence**.

LOOKING AHEAD: BUILDING ON STRONG FOUNDATIONS

We are cautiously optimistic in navigating the year ahead. While the Middle East conflict has caused a spike in energy prices, we remain assured that our resilient business model will pull us through again. This is evidenced by our successful track record in emerging stronger from the Asian Financial Crisis in 1997, the Global Financial Crisis in 2008, and more recently the Covid-19 pandemic.

Moreover, our 8 x 8 Strategy charts a clear path forward, helping us navigate economic uncertainties with confidence and agility. To that end, we will continue to focus on lifestyle-driven projects, sustainable development and strategic diversification.

In 2026, we plan to launch a wide range of projects in key markets, including Klang Valley, Johor and Pahang. The Kwasa Damansara project, which is slated to launch in 2027, will bring long-term visibility, while our first 43 MWp solar farm in Senawang marks a significant step in our environmental efforts. Our push for sustainability supports our broader goal of balancing economic returns with environmental and social impact.

Internationally, we will build on our presence in Saudi Arabia through our majority-owned listed subsidiary, MGB Berhad, and explore other opportunities that align with our strengths and growth strategy.

As we celebrate our 65th anniversary in 2026, we reflect on a journey that began in 1961 with a small sand and stone transportation business founded by the late Dato' Seri Lim Bock Seng. Since then, LBS has grown into a listed, award-winning developer, shaped by vision and a commitment to responsible growth.

Our renewed brand promise, "Building Tomorrow Together", is not just a statement; it defines how we operate. We are delivering on this promise by launching developments that meet real community needs, investing in renewable energy like our 43 MWp solar farm in Senawang, and pursuing urban regeneration projects such as Cameron Centrum. Through our 8 x 8 Strategy, we are enhancing speed to market, strengthening supply chain integration, and embedding ESG practices into every stage of development.

Each of these actions reflects a clear plan: to build for the future with our stakeholders, not just for them. This is how we turn our brand promise into measurable outcomes.

CONCLUDING REMARKS

As we move forward, we remain guided by our values and a clear sense of purpose. We are committed to delivering developments that meet real market needs while continuing to strengthen our capabilities as an organisation.

With a strong foundation in place, we will continue to innovate, improve and build with discipline, creating long-term value for our stakeholders and contributing to the communities we serve.

I would like to thank our employees for their passion and dedication. I also extend my appreciation to the Board for its guidance and to the Management team for driving our performance. Externally, I thank our shareholders, partners, regulators, financiers, government agencies, and media for their trust and support.

Moving forward, we will continue to "Build Tomorrow Together", riding on the momentum of 2025 and reaching greater heights in 2026.

Our renewed **brand promise**, **"BUILDING TOMORROW TOGETHER"**, is not just a statement; it defines **how we operate**.

Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San
GROUP EXECUTIVE CHAIRMAN



Senior managements of LBS and Kwasa Land Sdn Bhd at the signing ceremony of the development rights agreement in July 2025.

Management Discussion and Analysis



An aerial view of KITA Sejati.

OPERATING ENVIRONMENT REVIEW

EXTERNAL ENVIRONMENT

Despite global economic uncertainty, the Malaysian property market remained resilient in 2025, recording growth of 5.2%, supported by strong domestic demand and favourable external conditions. Housing incentives introduced under Budget 2025, together with the reduction of the Overnight Policy Rate ("OPR") to 2.75%, served to stimulate demand and support growth in the real estate sector.

According to the Property Market Report 2025 by the National Property Information Centre ("NAPIC"), transaction values continued to expand despite a slight contraction in transaction volume. A total of 416,413 property transactions were recorded, representing a slight decline of 1%, while the total transaction value increased by 4.1% to RM241.87 billion compared to 2024.

The residential sub-sector sustained its expansion and strengthened its position as the largest contributor to the market activity. This reflects changes in the composition of transactions by price range, supported by government initiatives outlined in Budget 2025, further boosting confidence in the property market.

The commercial segment showed a modest growth of 1.4% driven by sustained nationwide demand, registering a lower transaction volume of 11.2% but accounting for 24.3% higher share of transaction value compared to the previous year.

GROUP PERFORMANCE

FY2025 (financial year ended 31 December 2025) marks the first year of the Group's 8 x 8 Strategy, an innovative and ambitious three-year corporate roadmap targeting RM8 billion in project GDV. The strategy focuses on eight pillars, namely Residential, Industrial and Commercial, Landbank Optimisation, Pursuit of Excellence, Employee Empowerment, Customer Experience, Sustainability Advancement, and Community Wellbeing.

Recognised by stakeholders as one of Malaysia's top property brands, LBS has key strengths that support the successful execution of its business strategies, enabling operational agility and strategic advantage. These advantages include quicker project launches, effective control of costs and timelines, minimised waste and enhanced environmental and social outcomes.

LBS consistently delivers high build quality and demonstrates a strong capability to execute large-scale affordable housing projects on time and within budget. The Group leverages its strong market presence in established locations, supported by robust demand.

At the same time, LBS extended its focus to other demographic groups, including homeowners seeking to upgrade and buyers interested in properties located not just within the Klang Valley but also in various other regions. This approach aligns with the ongoing improvements in socio-economic conditions across the country.

Management Discussion and Analysis

Furthermore, industrial properties have become a major focus for the Group, in response to increasing demand for such developments in key locations nationwide.

Although affordable homes continue to be the primary focus of LBS' property launches, the Group is also expanding into emerging and fast-growing niche markets. This diversification strategy has resulted in a varied property portfolio, including residential, commercial and mixed-use developments.

The Group further reinforced its commitment to responsible and sustainable growth by attaining an FTSE4Good ESG Rating of 4.1. This is equivalent to a four-star rating - the highest ESG grading band under the FTSE4Good framework - and thus, validates the Group's robust environmental, social, and governance ("ESG") practices.

OVERVIEW OF FINANCIAL PERFORMANCE

For the FY2025, LBS achieved revenue totaling RM1.55 billion, an increase of 8.3% compared to revenue of RM1.43 billion recorded in FY2024. This performance was underpinned by a series of targeted property launches that effectively addressed market demand nationwide and across multiple segments.

In FY2025, the Group registered total sales of RM1.4 billion, above its FY2024 sales of RM1.3 billion. This was driven mainly by the Group's top contributing Klang Valley projects, such as the bestselling Alam Perdana Industrial Park and Pangsapuri KITA Sejati. Other top contributors to sales included Centrum Iris in Cameron Highlands, Pahang and Pangsapuri Saujana Indah in Johor Bahru, Johor.

The total sales figure also includes the monetisation of a two-acre land parcel in Johor Bahru for RM110.0 million in November 2025, which will strengthen the Group's balance sheet resilience and ability to seize value accretive opportunities. The gain arising from the land monetisation will be recognised in the financial year ending 31 December 2026, aligning with the actual transfer of control, which is expected to take place in 2026.

As at 31 December 2025, LBS recorded cash and bank balances of RM653.2 million, with net assets per share rising to RM1.10 from RM1.05, reflecting a healthy financial position.

In addition, Profit After Tax and Non-controlling Interests ("PATMI") from continuing operations increased by 35.5% year-on-year, rising from RM86.3 million in FY2024 to RM116.9 million in FY2025.

The Group's commendable earnings growth from continuing operations was also attributed to a lower base in the preceding year, which included a one-off foreign exchange loss arising from the settlement of an intra-group loan following the disposal of Lamdeal Investment Limited ("LIL").

KEY FINANCIAL INDICATORS

INDICATOR		2025	2024	VARIANCE (%)
Revenue	(RM'000)	1,553,761	1,434,658 #	8.30
Administrative and operating expenses	(RM'000)	243,826	226,634 #	-8.55
Earnings before interest, taxes, depreciation and amortisation ("EBITDA")	(RM'000)	334,357	293,536 #	13.91
Profit before tax ("PBT")	(RM'000)	216,895	190,880 #	13.63
Profit after tax ("PAT")	(RM'000)	129,697	265,942	-51.23
Profit after tax and non-controlling interests ("PATMI")	(RM'000)	116,929	244,058	-52.09
Finance costs	(RM'000)	63,707	64,913 #	-1.86
Total equity	(RM'000)	2,016,296	2,092,250	-3.63
Total assets	(RM'000)	4,425,425	4,347,055	1.80
Total liabilities	(RM'000)	2,409,129	2,254,805	6.84
Total debts	(RM'000)	1,269,145	956,987	32.62
Cash and cash equivalents	(RM'000)	588,838	511,495	15.12
Debt-to-equity ratio	(times)	0.63	0.46	36.96
Basic earnings per share ("EPS")	(sen)	6.53	14.45	-54.81
Net assets per share	(sen)	1.10	1.05	4.76
Market capitalisation	(RM'000)	583,366	850,186	-31.38
Debt to total assets ratio	(times)	0.29	0.22	31.82
Liquidity ratio	(%)	1.90	1.65	15.15
Dividends per ordinary share	(sen)	3.30	4.70	-29.79
Dividend pay-out ratio to profits	(%)	43	30	43.33

Remarks

The figures excluded discontinued operations

** Comprises:*

(i) First interim single-tier dividend of 1.30 sen per ordinary share that has been declared by the Board of Directors on 25 February 2026 and to be paid on 20 May 2026; and

(ii) Final single-tier dividend of 2.00 sen per ordinary share to be approved by the shareholders at the forthcoming 26th Annual General Meeting.

Management Discussion and Analysis

DELIVERING SHAREHOLDER VALUE

In line with recognising shareholders' continued support and confidence in the Group's growth trajectory, it has formally revised its dividend policy. Effective FY2025, the Group has increased its minimum dividend payout ratio from 30% to 40% of its PATMI. With this, LBS has declared a total dividend of 3.30 sen per ordinary share in FY2025.

Reflecting this commitment to enhance shareholder value, the Group has declared a first interim single-tier dividend of 1.3 sen per ordinary share, payable on 20 May 2026. The Group has also proposed a final single-tier dividend of 2.0 sen per ordinary share, which is subject to shareholders' approval at the 26th Annual General Meeting ("AGM").

Concurrently, the Group has announced the cancellation of 10 million treasury shares, representing 0.6% of the issued ordinary shares, as a strategic effort to optimise its capital structure and enhance shareholders' value. With the reduction in the total issued shares, this initiative is expected to be accretive to the Group's earnings per share, improve dividend per share and reflect LBS' dedication to delivering sustained value to its shareholders.

REVIEW OF PROPERTY DEVELOPMENT

The Property Development segment has continued to be the largest revenue contributor to the Group, accounting for 94% of its total revenue in FY2025. The segment registered revenue of RM1.46 billion, compared to revenue of RM1.37 billion in FY2024.

This performance was driven by the Group's Klang Valley development projects, which remained the primary revenue driver, accounting for more than 82% of total revenue in FY2025.

The Property Development segment has also continued to be the largest PAT contributor to the Group, recording PAT of RM171.9 million in FY2025, compared to PAT of RM175.1 million in FY2024. The decline in PAT was mainly due to higher administrative and operating expenses.

LANDBANK STATUS

As at 31 December 2025, the Group's landbank totalled 3,918 acres. This sizeable pipeline will be progressively activated in line with the Group's planned launches for 2026 and the subsequent development cycle.

Landbank as at 31 December 2025

STATE / REGION	ACRES
Klang Valley	894
Johor	1,136
Negeri Sembilan	1,100
Pahang	411
Perak	371
Sabah	6
TOTAL	**3,918**

PROJECTS LAUNCHES

In FY2025, the Group delivered completed projects with a total Gross Development Value ("GDV") of RM1.5 billion, alongside new launches amounting to RM1.1 billion. Unbilled sales stood at RM1.27 billion (FY2024: RM1.68 billion), underpinning strong revenue and earnings visibility.

Projects Launched in FY2025

PROJECTS	UNITS	GDV (MILLION)
Alam Perdana Detached Lot, Selangor	18	343
Alam Perdana Industrial Terrace, Selangor	71	85
Aulica, D' Island, Selangor	79	84
KITA Avenue Square, KITA @ Cybersouth, Selangor	45	62
Centrum Caspia, Cameron Highland, Pahang	24	81
Centrum Iris, Cameron Highland, Pahang	734	472
TOTAL	**971**	**1,127**

Management Discussion and Analysis

As of 31 December 2025, LBS has 13 projects in progress with a total GDV of RM4.19 billion, as listed below:

PROJECTS	UNITS	GDV (MILLION)
KITA Bestari, KITA @ Cybersouth, Selangor	817	419
KITA Sejati, KITA @ Cybersouth, Selangor	1,054	381
KITA Avenue Square, KITA @ Cybersouth, Selangor	45	62
BSP Sutera, Selangor	421	207
Idaman Cahaya 1, Selangor	568	162
Idaman Cahaya 2, Selangor	872	248
Idaman Sari, Selangor	513	146
Idaman Perdana, Selangor	1,048	285
SkyRia, D' Island, Selangor	608	265
Taman Perindustrian Alam Perdana (Terrace Factory, Semi-detached Factory & Detached Factory), Selangor	332	1,080
Centrum Iris, Cameron Highland, Pahang	734	472
Imperial Garden, Bandar Putera Indah, Batu Pahat, Johor	30	21
Pangsapuri Saujana Indah, Taman Molek, Johor	988	438
TOTAL	8,030	4,186

REVIEW OF NON-PROPERTY SEGMENTS

CONSTRUCTION AND TRADING

The performance of Malaysia's construction segment showed signs of moderation in 2025, reflecting a more cautious development environment. Housing completions continued to register growth, expanding by 21.6% to 99,877 units across 2025, compared to 82,135 units recorded in 2024.

The Construction and Trading segment has achieved revenue and Loss After Tax ("LAT") of RM527.1 million and RM27.5 million respectively in FY2025, compared to revenue and LAT of RM548.4 million and RM1.8 million in FY2024. The decline in revenue and increase in LAT were mainly due to certain projects nearing their completion stage and additional costs incurred by a foreign subsidiary in its growth phase.



MGB senior management and staff as well as contractors at the construction site of a development project.

MGB Berhad ("MGB"), the majority-owned listed subsidiary of LBS, reported that all projects completed during the year achieved the targeted QLASSIC scores, reflecting the overall construction quality of its projects for FY2025.

As at 31 December 2025, MGB has built up its order book valued at RM1.15 billion, with unbilled sales totaling RM0.41 billion. This is a reflection of the company's continued ability to secure new projects and provide sustained revenue visibility for the coming financial periods.

Specific information of MGB's fiscal, business and operational performance, including outlook and prospects are provided in the MGB Berhad Integrated Annual Report 2025.

Management Discussion and Analysis

MANAGEMENT AND INVESTMENT

The Management and Investment segment covers investment holding and management services.

This segment achieved revenue and LAT of RM827.8 million and RM0.7 million respectively in FY2025, compared to revenue of RM499.0 million and LAT of RM60.1 million in FY2024.

The increase in revenue and decline in LAT were mainly due to higher intra-group income from dividends, project management fees, loan interest and a one-off foreign exchange loss recorded in FY2024 following the settlement of an intra-group loan resulting from the disposal of LIL.

OTHERS

The Others segment mainly comprises of hotel and retail mall operations, car park management, provision of treasury management services to the Group, provision of financial services and rental from properties management.

This segment recorded revenue of RM95.8 million and LAT of RM14.0 million in FY2025, compared to revenue of RM79.2 million and LAT of RM4.8 million in FY2024. The increase in revenue was mainly due to higher interest income from treasury management services, while the increase in LAT was driven by higher finance cost and one-off provision of settlement of RM7.0 million for a legal claim under Gerbang Mekar Sdn Bhd, pursuant to the Consent Judgement and after taking into consideration legal advice received.

KEY HIGHLIGHTS OF FY2025

LEVERAGING AUTOMATION AND DIGITALISATION IN CONSTRUCTION

LBS continues to strengthen its leadership position for Industrialised Building Systems ("IBS"), particularly precast based property development,



MGB's IBS facility is located in Nilai, Negeri Sembilan.

via MGB. The use of IBS precast technology enables more consistent form in design and build, thus reducing the possibility of defects, errors, as well as dependence on manual labour. IBS precast also enables faster build times, reduces wastage, and promotes more efficient resource use.

To further address potential construction challenges, MGB has also incorporated Building Information Modelling ("BIM"), which enables early detection of design clashes prior to construction. BIM significantly reduces rework, delays, and site conflicts, reinforcing the Group's commitment to quality and efficiency.

This proactive strategy ensures that potential issues are anticipated and resolved early in the construction process, resulting in smoother project delivery and improved operational efficiency.

EVOLUTION OF OUR BRAND AND MARKET PRESENCE

Since our establishment in the 1960s, LBS has evolved from modest beginnings in transportation into one of Malaysia's leading property developers. This transformation reflects our ability to a dynamic industry landscape and shifting customer needs, ensuring we remain at the forefront of the market.

Our brand identity has undergone several strategic evolutions in line with our growth, with a pivotal rebranding exercise in 2012 to reinforce our position as a premier developer in Malaysia. This effort introduced the corporate tagline "Believe. Become. Behold.", capturing our enduring commitment to creating sustainable, liveable and vibrant environments where communities to thrive.

LBS launched a strategic brand revitalisation in FY2024, targeting a growing younger demographic under the banner "Developing with a Difference." This initiative sharpened the group's consumer focus, emphasising how its core values and mission enhance customer experiences. LBS' holistic approach extends from employee-focused policies and outstanding customer service to sustainable development and community well-being, ensuring a seamless homeownership journey.

The empowerment initiative positions LBS as a preferred choice for Malaysians, fostering engagement and a sense of belonging, while raising standards and improving community quality of life. What sets LBS apart is its unwavering commitment to excellence, progress and innovation, driven by a culture that embraces change and pushes beyond limitations.

Management Discussion and Analysis

This steadfast belief has guided LBS through its journey and remains the cornerstone of the company's evolution. This has enabled LBS to consistently focus on innovation, deliver uncompromising quality and foster a strong sense of community in every endeavor.

BELIEVE

We **BELIEVE** in the life-changing impact of our pursuits. To us, it's a force for wellbeing of society. At LBS, this is our calling.

BECOME

We **BECOME** the trusted champion of our communities. Where every space we create nurtures your spirit and fosters belonging, where sustainable living becomes a way of life.

BEHOLD

We **BEHOLD** the transformative power of communities uplifted, where progress is balanced with care for future generations to flourish. Where we build a better tomorrow, one delightful story at a time.

NUTURING TALENT AND DEVELOPMENT

Building and nurturing social capital continues to be a cornerstone of our strategy for maintaining market leadership, reinforce our position as an employer of choice and strengthening our presence in Malaysia and internationally.

To support organisational growth and long-term sustainability, LBS is committed to attracting, retaining and developing high-caliber talent, as encompassed in the Group's three main priority areas:

Talent Acquisition and Employer Branding

- Improved recruitment to meet manpower needs through targeted sourcing, partnerships and job fair participation
- Strengthened employer branding, reinforced by winning the Malaysia Best Managed Company and Graduates' Choice Award, both for the fourth consecutive year

Employee Development and Growth

- Employee learning is supported through structured development initiatives such as Star Talent II, a programme designed for high-potential employees, complemented by personalised coaching sessions to strengthen their leadership capabilities and foster individual growth
- In addition, employees are provided with diverse learning opportunities across various training categories, including soft skills and technical competencies, to support their professional growth
- Alongside the Annual Training Analysis, Training Needs Discussions was introduced to pinpoint skill gaps from leadership insights and creating a more effective development plan for employees.
- Additionally, expanded access through a robust e-learning platform enables flexible, on-demand training in areas such as safety and compliance

Engagement and Retention

- Promoted inclusivity and fairness by prioritising employee wellbeing and upholding the Human Rights Policy
- Strengthened employee relations through open communication and transparent grievance and whistleblowing channels
- Encouraged professional growth by reimbursing memberships in professional bodies, advancing skills and certifications
- Built camaraderie through activities such as festive events, Sports Day and Movie Day, fostering stronger employee engagement
- Expanded medical benefits to cover both inpatient and outpatient needs, ensuring comprehensive healthcare support for employees

Management Discussion and Analysis

Star Talent II Programme

LBS Group Human Resources ("Group HR") is committed to developing a high-performing workforce through targeted training initiatives. The Star Talent II Programme, launched in FY2024, prepares high-potential employees for senior leadership roles with courses focused on leadership, critical thinking and team collaboration. Complementary small group coaching sessions provide personalised guidance to deepen learning and support employee growth.

Training Needs Discussions

To better identify skill gaps and strengthen our workforce, we introduced Training Needs Discussions with Heads of Departments in FY2025. This initiative provides further support to the Annual Training Analysis by providing leadership insights into critical areas for development, enabling the Learning and Development team to design a more targeted and effective learning plan for employees.

Employee Engagement Survey 2025

Each year, LBS conducts a comprehensive employee engagement survey to assess staff satisfaction across the organisation. The 2025 survey saw a notable increase in participation rate, rising to 97% compared to 93% in 2024. Furthermore, the overall satisfaction score climbed to 81%, up from 79% the previous year. This upward trend highlights the effectiveness of the Group's focused HR initiatives.

These sustained efforts continue to deliver tangible improvements, reinforcing LBS' commitment to cultivating a supportive, high-performing workplace culture.

KEY PRIORITIES AND DIRECTION

Amidst the evolving Middle East conflict, Bank Negara Malaysia has projected the domestic economy to expand between 4% to 5% in 2026, supported by robust domestic demand, moderate inflation, a sound financial sector, and a resilient external position. According to CBRE WTW, a real estate firm, these fundamentals, together with fiscal initiatives under Budget 2026, Rancangan Malaysia Ke-13 (RMK-13) and Visit Malaysia 2026, are expected to underpin demand across key property segments, particularly industrial, commercial and well-located residential developments.

Malaysia's property market is expected to shift from resilience to relevance in 2026, supported by steady economic growth, policy reforms and major infrastructure investments. Demand is set to favour quality, sustainability and long-term value, rather than high-volume launches, with ESG standards now a baseline expectation across key segments.

Given these considerations, LBS, with a strong emphasis on affordability, sustainability and technology, is well-positioned to create value for stakeholders by managing its landbank in line with socio-economic and demographic trends.

The Group's approach supports landbank replenishment in key areas and enables the company to develop sustainable living, working and recreational spaces, including quality homes and energy-efficient industrial properties tailored to market needs. The Group remains committed to advancing its development pipeline in response to robust demand across key markets.

Klang Valley developments remain the anchor of the Group's revenue and earnings, supported by both residential and industrial projects. The Group will undertake the development of one of Klang Valley's prestigious and emerging townships at Kwasa Damansara, with launches slated to begin in 2027. Spanning 192.32 acres with a GDV of approximately RM8.30 billion, this premium residential development will be executed in phases over a 14-year period.

Beyond the Klang Valley, the Group is progressing a joint venture with Oriental Holdings Berhad to develop an integrated mixed-use project in Klebang, Melaka. The project, spanning 54.75 acres of prime commercial land, is planned as a commercial destination with supporting residential components, leveraging its strategic waterfront location and reinforcing Melaka's position as a business and lifestyle hub.

With a focus on disciplined capital management, sustainability principles and sustained market demand, the Group is poised to advance its 8 x 8 Strategy and deliver long-term value to stakeholders.

As LBS moves to commemorates its 65th year, our renewed brand promise, "Building Tomorrow Together", reflects the evolution of our identity. This milestone reaffirms our role as a people-first developer that prioritises people over products, ensuring that growth remains sustainable, grounded in foresight and shared progress.

By fostering deeper partnerships with our communities and stakeholders, we move beyond traditional development to create enduring value, demonstrating our continued relevance in shaping the nation's landscape and building for the future.

Creating Positive Social Impact

LBS Foundation, the non-profit, charitable arm of LBS, continues to make a meaningful and transformative impact on the lives of underprivileged members of local communities.

The Foundation was established to enable a more structured and strategic approach in delivering assistance and to empower a wide range of societal groups through meaningful programmes and initiatives.

For more information on the positive impacts delivered by the Foundation, please refer to *SR2025*.



A blood donation campaign was successfully organised in August 2025.



7

Our Sustained Path to Value Creation

66 Our Business Model
69 Our Value Chain
70 Value Creation Model

Our Business Model and Business Strengths



WHAT WE DO

- Property Development
- Other Business Segments, including Construction, Retail, Hospitality and Trading

OUR DEVELOPMENT FOCUS

- Townships and Standalone Developments
- Commercial and Industrial Projects
- Affordable Housing

WHAT WE CONSIDER

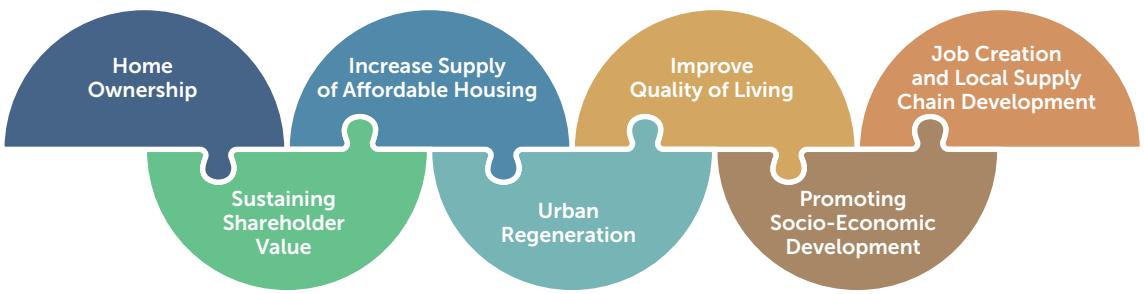
- Market Trends
- Risks and Opportunities
- Financial and Impact Materiality

OUR STRATEGIES

- Landbanking
- Meeting Real Market Demand
- Cost Optimisation and Production Efficiencies
- Design Enhancement and Improvements
- Digitalisation and Automation
- EESG Pivot
- Talent Management

Values created directly and indirectly contribute to the realisation of selected UNSDGs:





Our Business Model and Business Strengths

LBS' property development-based business model is centred on the principles of affordability, connectivity and accessibility. The primary focus is the design and development of affordable, residential properties that cater to the middle-income demographic segment of Malaysia. These typically comprise a wide range of first-time homeowners and some upgraders. LBS' focus on the affordable segment is guided by its vision and mission, rooted in the founding principles of the late Dato' Seri Lim Bock Seng, who established LBS to provide affordable homes for the nation's working-class and middle-income segments.

The Group is committed to developing homes that enable Malaysians of all walks of life to realise their dreams of homeownership. The Group's ability to do so is driven in its ability to manage the entire property development process from ideation to finished product with precision and pace towards ensuring cost effectiveness, efficiency and speed to market.

	2021	2022	2023	2024	2025
No. of properties priced below RM500,000	69%	77%	85%	71%	**47%**

While LBS remains steadfast in fulfilling its founding aspirations of housing the nation, the Group continues to adapt to emerging market trends. In line with evolving demand, LBS has expanded into other property segments, including commercial and industrial developments, as well as higher-value residential offerings such as premium homes.

More recently, the Group has also ventured into higher-end, tourism- and nature-based developments. One example is Cameron Centrum, which has contributed to the urban regeneration of Brinchang in the highlands.



An aerial view of Cameron Centrum, a premier mixed development in Brinchang, Cameron Highlands.

The second is the Rimbawan township development in Genting Highlands, with LBS preserving and leveraging the natural landscape and terrain of the land as part of the unique selling proposition of the 315-acre project.



The grand entrance to Rimbawan, an eco-conscious township in Genting Highlands.

Presently, property development accounts for 94% of Group revenue, of which 76% comes from is residential segment, with 24% from industrial and commercial projects. The Group has also ventured into property investment, owning and operating the M3 Shopping Mall and SCAPES Hotel. The 590,000 sqft mall is located in Selangor while the 176-room, 4-star SCAPES Hotel is located in Genting Highlands, Pahang.

Our Business Model and Business Strengths

The bulk of LBS' operations, and therefore its revenue (excluded inter-segment revenue), is derived from the Group's Malaysia operations comprising its property development, construction and trading, management and investment, and others business segments. The Group also operates a joint venture entity with a local company in Saudi Arabia.

	2023 (RM' mil) #	2024 (RM' mil) #	2025 (RM' mil)
Property Development	1,754.1	1,372.2	**1,457.2**
Construction and Trading	31.0	37.9	**71.2**
Management and Investment	0.8	1.6	**2.0**
Others	20.2	23.0	**23.4**

	2023 (RM' mil) #	2024 (RM' mil) #	2025 (RM' mil)
Malaysia	1,806.1	1,421.2	**1,515.4**
Saudi Arabia	–	13.5	**38.4**

Note:
Refer to Notes to the Financial Statements: Segment Information in the Group's 31 December 2025 financial statements for further details.
The figures excluded discontinued operations.

The Group also undertakes construction activities through MGB. A key strength lies in is MGB's proven expertise and track record in delivering IBS precast-based construction. This capability enables closer and more precise control over project management, particularly across the supply chain and on-site execution, including construction pace, methodology and quality control.

In identifying its SRROs and CRROs, LBS has considered its business model, including capital dependencies, principal stakeholders, and the relationships between them and the Group. This integrated thinking approach has also been applied across the Group's value chain, as well as, where relevant, to its investments in associates and joint ventures, including the activities, resources, and relationships that form part of the value chain.



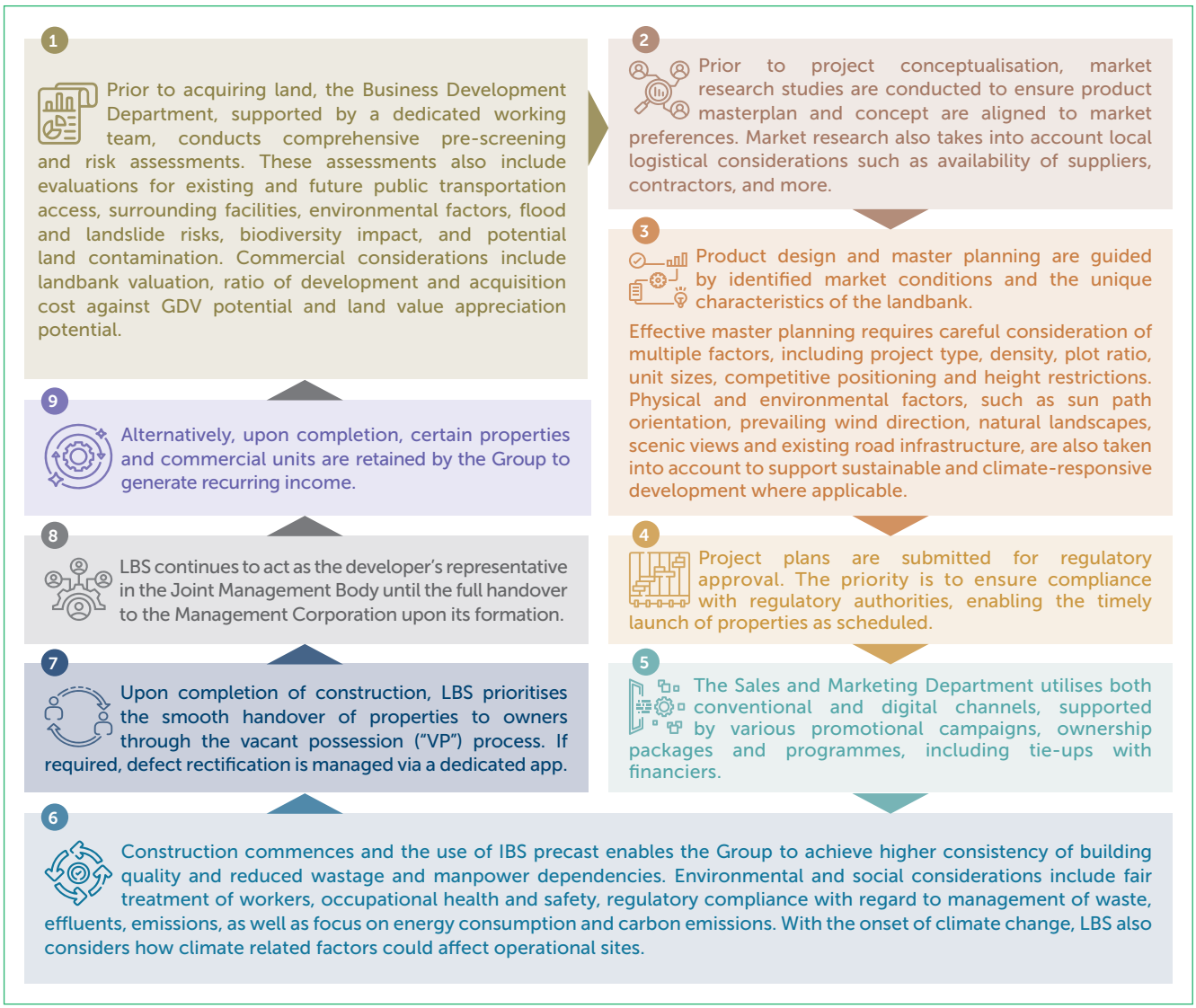
MGB, the construction arm of LBS, is a majority controlled listed subsidiary of the Group.

Our Value Chain

LBS' value chains is diverse and extensive given its property development-based business model. Property development is typically resource intensive, requires a wide range of products and services, including finished and semi-finished goods and engages a large number of suppliers, vendors and business partners. Accordingly, the Group has well-defined and comprehensive upstream and downstream activities and processes supporting its business model.

LBS works closely with its suppliers, vendors, business partners and other stakeholders towards enabling business and cost efficiency, in reducing carbon and environmental footprint and in upholding human and labour rights, as well as occupational safety and health. The Group's approach to its supply chain is also centred on the creation of positive socio-economic multiplier effects by supporting local procurement, transfer of technology and knowledge, local employment and more.

The following is a simplified flowchart that demonstrates how LBS executes its property development business model.



CAPITAL DEPENDENCIES OF THE BUSINESS MODEL AND VALUE CHAINS

LBS utilises a wide range of resources or input in the execution of its business model and the generation of values, reflected in both outputs and outcomes. The Group's value creation model provides a strategic snapshot of capitals utilised or consumed and the results achieved across all six capitals.

Value Creation Model

VALUE CREATION MODEL

CAPITALS	INPUTS
FINANCIAL Paid-up and authorised capital, share equity, assets, retained profits as well as cash and cash equivalents.	• Share capital: **RM922.9 mil** • Retained earnings: **RM896.0 mil** • Cash and cash equivalents: **RM511.5 mil** • Total assets: **RM4.35 bil** • Total liabilities: **RM2.25 bil** • Total debts: **RM957.0 mil** • Unbilled sales: **RM1.68 bill** • Market Capitalisation: **RM850.2 mil**
MANUFACTURED Physical assets owned or leased deployed to execute the business model across the value chain towards the creation of financial and non-financial outputs and outcomes.	• SCAPES Hotel • M3 Shopping Mall • IBS factories and related machinery • Onsite construction machinery
INTELLECTUAL All business and operational strategies, collective knowledge, skills, competencies and experience of the Board and Executive Directors as well as subsidiary and associate companies and the supply chain.	• IBS construction capabilities • Innate market understanding and property knowledge • Established, trusted brand • Township developer and market phaseability capabilities
HUMAN The collective skills, talents, experience and capabilities of the workforce (excluding the Board and Executive Directors) comprising Management, executive and non-executive staff -- responsible for day-to-day operations.	• **480 strong** workforce • **RM351,256.35** spent on employee training • **10,776 training manhours** accorded to employees • **RM63.2 mil** in employee compensation • Continued development of a **high-performance organisational culture**
SOCIAL Comprising the diverse network of relationships and engagements with various stakeholders. The understanding of stakeholders needs, concerns and aspirations and the implementation of appropriate engagement strategies.	• **7 investor NDRs**, **4 financial results** briefings • **275** corporate announcements • **Multiple integrated** marketing and branding campaigns • **Engagements** with regulatory bodies and industry and professional associations • Conducted a **full-scale materiality assessment**
NATURAL The pursuit of resource efficiency in the consumption of natural resources and materials required for the business model.	• **3,918 acres** of landbank • **6,748 MWh** electricity • **316 MWh** of renewable energy generated • **1,029 MWh** fuel and diesel consumption • **77,229 m³** of water consumption

LBS

WHAT WE DO

- Property Development
- Other Business Segments, including Construction, Retail, Hospitality and Trading

WHAT WE CONSIDER

- Market Trends
- Risks and Opportunities
- Financial and Impact Materiality

VALUE CHAIN PROCESSES

- Landbanking
- Feasibility Studies
- Project Management and After Sales Service
- Vacant Possession and Handover

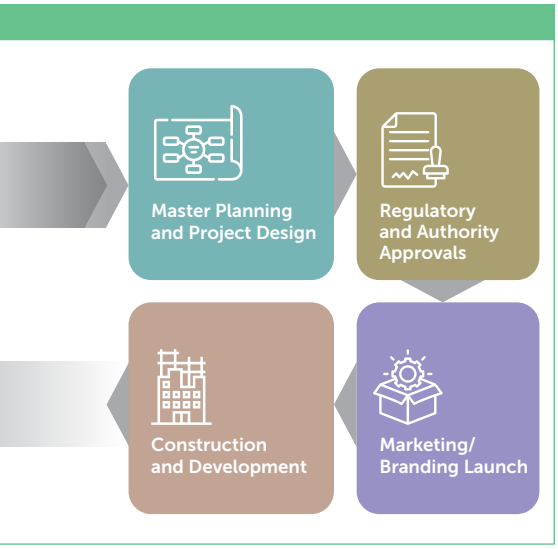
Value Creation Model

OUR DEVELOPMENT FOCUS

- Townships and Standalone Developments
- Commercial and Industrial Projects
- Affordable Housing

OUR STRATEGIES

- Landbanking
- Meeting Real Market Demand
- Cost Optimisation and Production Efficiencies
- Design Enhancement and Improvements
- Digitalisation and Automation
- ESG Pivot
- Talent Management



OUTPUTS	OUTCOMES
• Revenue: **RM1.55 bil** • PAT: **RM129.7 mil** • Cash and cash equivalents: **RM588.84 mil** • Total assets: **RM4.43 bil** • Total liabilities: **RM2.41 bil** • Total debts: **RM1.27 bil**	• Unbilled sales: **RM1.27 bil** • **RM45.6 mil** dividend payout • **RM10.7 mil** paid to Perpetual Sukuk Holders • **RM95.5 mil** paid in taxes • **RM143.2 mil** paid/payable in wages • **RM1.4 mil** paid in community investments • **RM48.9 mil** paid in finance costs • Market capitalisation: **RM583.4 mil** as at end FY2025
• **6 property** launches • Average QLASSIC project score: **77** • M3 Shopping Mall - occupancy rate: **99%** • **52% average** hotel occupancy rate • **Achieved 100%** on time delivery for vacant possession • **91%** of all residential units sold in 2025 are affordable homes • **57,000+** properties delivered to Malaysians up to year 2025	• **3,849 units** VPed with GDV of **RM1.58 bil** • **92%** customer experience index score • Enabling more **middle-income Malaysians to own a home** • More than **57,000 homes** delivered as at end 2025
• **Continued business growth** as reflected in property sales, revenues and earnings performance • **Strengthening** of the risk management and mitigation framework • **Improvements in EESG performance** of the supply chain • **13 policies and frameworks** have been reviewed, enhanced and approved by the Board • **98% response rate** to customer enquiries within 7 working days • **Zero** fatalities or major injuries	• Continued creation of **financial and non-financial values for LBS and its stakeholders** • Achieved **Gold Standard** status with fourth consecutive win at **Malaysia's Best Managed Companies Awards** • **4th consecutive year winner**: Graduates' Choice Award
• **479-strong** workforce • **114** new hires & **24.7%** turnover rate • Average **22.5 training hours** or **3.21 days** per employee per annum • **100%** employees completed four e-learning compliance programmes in 2025 • **4 EESG Brews & Bites** sustainability engagement sessions with employees that received a **4.3/5 approval rating**	• Achieved an **employee satisfaction rate of 81%** with a **strong participation rate of 97%**. • The Group continues to **maintain high talent retention**, while actively developing local talent, creating higher-income employment opportunities, and supporting career advancement. • Remain **committed to the progressive realisation of workforce diversity** and uphold zero tolerance for human rights violations.
• **4 buy calls** from analysts and research houses • **100% supplier compliance** to ABC Policy • **Rebranding exercise** to resonate better with target audience • Received **342 materiality survey responses** from stakeholders • **100%** of new suppliers screened using the environmental and social criteria • Impacted **584,000 external beneficiaries** through **LBS Foundation** since 2015	• **Improved stakeholder relationships** • **Strengthened positive brand perception** among multiple stakeholder groups which contribute to robust sales, positive media publicity and investor interest • **Secured** a wide range of industry, corporate and financial **awards** • **Zero fines** for social / labour non-compliance • **Zero cases** of labour or human rights grievances
• **309 tonnes CO_2e** Scope One Emissions • **4,978 tonnes CO_2e** Scope Two Emissions • **26,962 tonnes CO_2e** Scope Three Emissions • **57.52% of waste recycled** and diverted from **landfills** • **Planted 5,191 trees** at project sites, with **19.3% listed** on the **IUCN Red List** • Issued **first report** aligned with the **TNFD** in 2025 • **Zero** reported fines for environmental non-compliance	• Improved environmental oversight and implementation of practices with **progressive integration of ESG** into the Group's business strategies and its operations • Commitment toward **Net Zero Carbon Emissions by 2050** • **More than RM150,000 savings** from solar generation

People-First Philosophy

Beyond the development of affordable homes, LBS continues to **FOCUS ON PEOPLE** through the cultivation of a **CONDUCIVE WORKPLACE ENVIRONMENT AND ORGANISATIONAL CULTURE, CENTRED ON THE PRINCIPLES OF DIVERSITY, EQUITY, INCLUSION AND UNITY**. Emphasising merit and high performance, with employee wellbeing at the core of its talent management approach, the Group continues to develop its human capital and enhance employee satisfaction.



LBS Sports Day 2025 celebrated unity, diversity, and strength as one team.



8

Approach to Materiality

Materiality Assessment Process
74 Introduction
75 Phase One: Soliciting Stakeholder Views
76 Phase Two: Identifying Material Information
77 Application of Materiality Judgement
77 Preventive Measures, Mitigation Action, and Remediation Plans
78 Summary of PESTLE Analysis

Material Sustainability Related Risks and Opportunities
84 Economic Performance: Timely Project Completion and Revenue Recognition
86 Product Quality And Customer Experience
88 Market Presence And Branding
90 Occupational Safety And Health
92 Talent Management
94 Climate Action

Materiality Assessment Process

INTRODUCTION

As part of its approach to identifying and ascertaining SRROs, LBS conducted a comprehensive materiality assessment ("MA") in 2025. The assessment was undertaken based on two materiality perspectives:

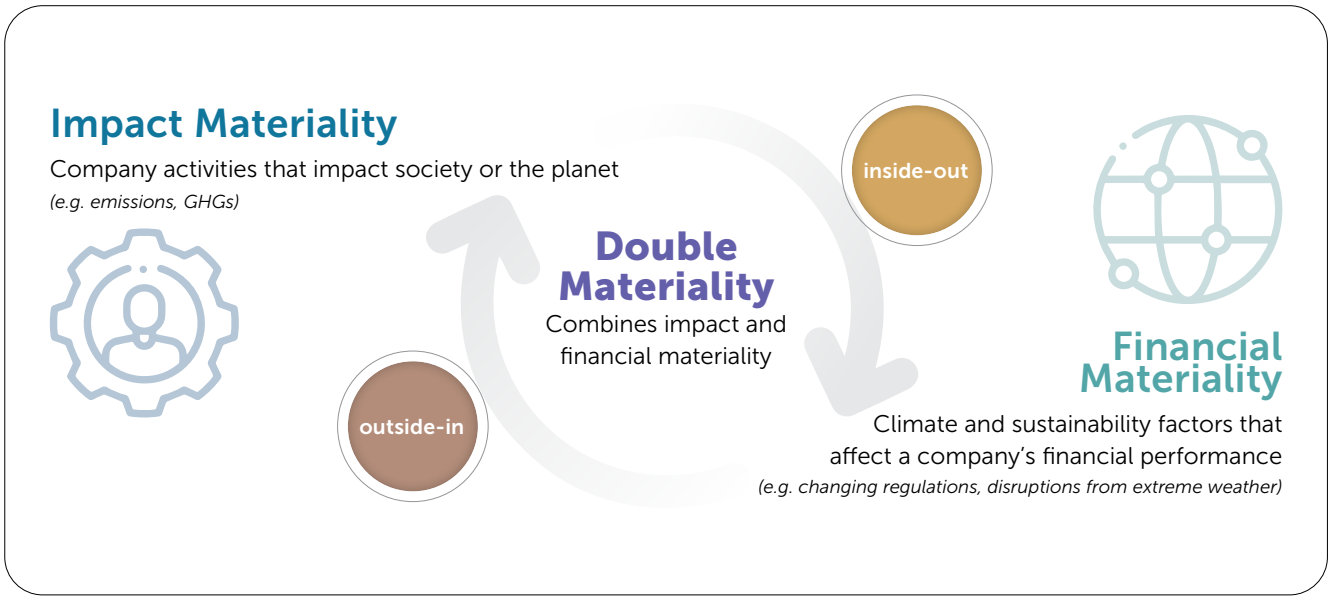
Impact Materiality

Refers to the significance of a topic in terms of its impacts on the environment and society. It considers the extent of these impacts across a wide range of stakeholders, including how an organisation's business model and operations affect the physical landscape and local communities.

Financial Materiality

Refers to the significance of a topic in terms of its impact on financial, business and operational ("FBO") performance. It considers how a topic may affect the Group's financial performance and position, as well as its business model and competitive ability.

The incorporation of the financial materiality perspective was a key driver of the reassessment of materiality in 2025.



In developing a comprehensive list of company relevant material matters, LBS considered the following:

1. Topics from the previous materiality matrix and topics identified in the Group's existing Enterprise Risk Management Framework
2. ISSB Disclosure requirements
3. SASB industry specific standards
4. Referencing industry peers and use of company developed metrics
5. GRI, Bursa, CDSB, FTSE and others
6. Consideration for the Group's business model, business activities

Materiality Assessment Process

The aforementioned criteria served as the starting point or primary consideration for the determination of material topics. LBS also continued to seek the guidance of its independent, external sustainability guidance and advisory firm in providing consultancy in the review and deliberation towards selecting and determining material SRROs. The firm is an IFRS Sustainability Alliance member and an IFRS Licensed Integrated Reporting Trainer and SASB and IFRS Content Consultant Partner.

PHASE ONE: SOLICITING STAKEHOLDER VIEWS

In ensuring a more inclusive approach to materiality assessment, LBS also sought the views of a wide range of stakeholders via a survey as part of its MA. This included internal as well as external stakeholders.

INTERNAL STAKEHOLDERS:

- Board of Directors of LBS
- Management of LBS
- Employees of LBS

EXTERNAL STAKEHOLDERS

- Shareholders & Investors
- Customers
- Tenants
- Suppliers/ Contractors
- Government/ Regulatory Officials
- Bankers & Financial Institutions
- NGO Representatives
- Media
- Local Community Members/General Public

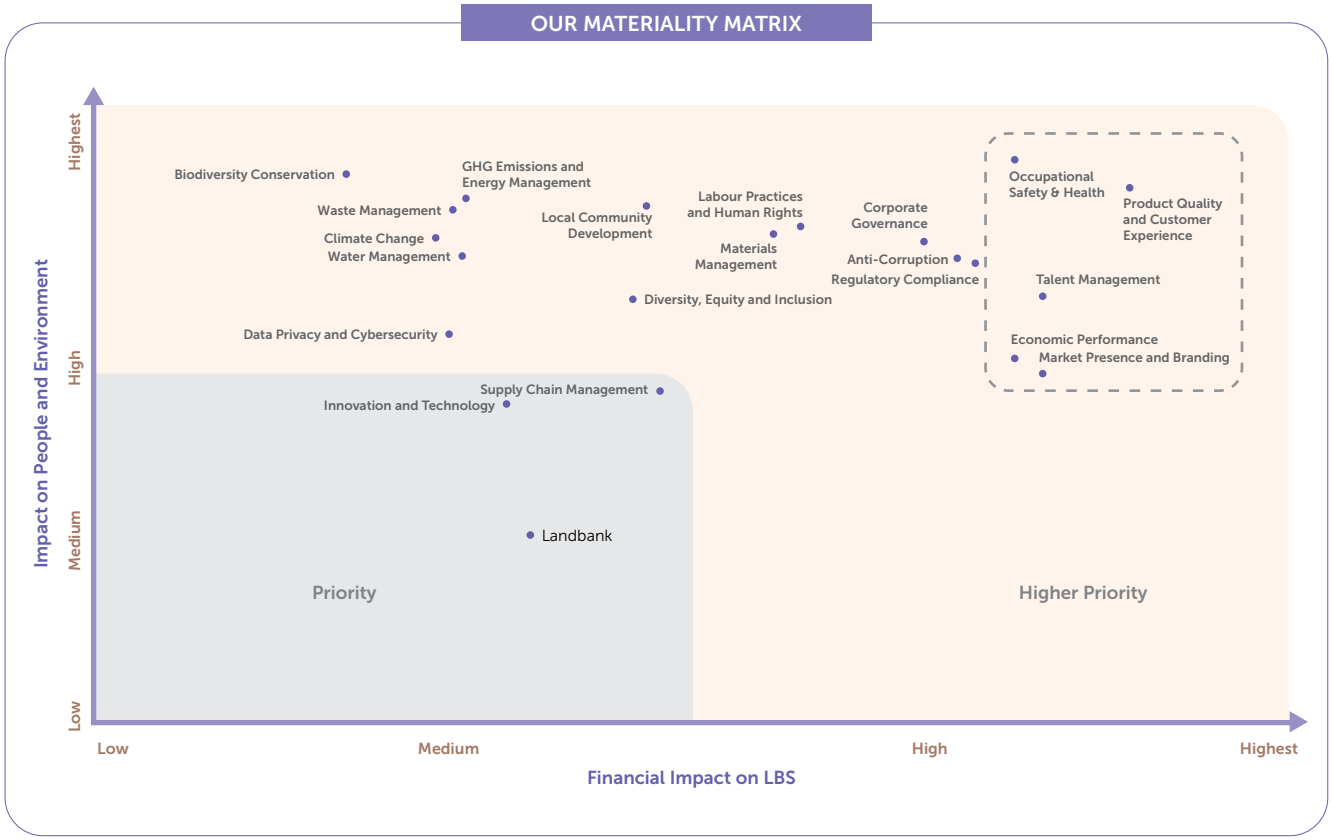
LBS' MA was launched in September 2025 and over a period of 3-4 weeks. The views of 342 stakeholders were collected. The views were analysed and preliminary findings developed for management's and deliberation. Management corroborated findings from the MA or provided additional insights or information, including forward looking information that necessitated adjustments to the positioning of material matters and SRROs on the 2025 materiality matrix.



A rigorous materiality assessment was undertaken by LBS to identify its SRROs.

Materiality Assessment Process

Based on the feedback and strategic views of management, the selection of material matters and SRROs was finalised, and the materiality matrix for 2025 was developed and presented to the Board of Directors for approval. On 28 November 2025, the Board approved the materiality matrix and the list of material matters and SRROs.



PHASE TWO: IDENTIFYING MATERIAL INFORMATION

With material SRROs developed, LBS undertook a secondary assessment to enhance the accuracy and validity of the identified SRROs. Based on the approved materiality matrix, the most material matters were selected for further assessment using LBS' risk severity and likelihood parameters.

This secondary assessment was undertaken via a workshop held on 14 November 2025 which saw cross functional management participation. Attendees included the Deputy Chief Executive Officer, Heads of Department and other key personnel. The workshop was facilitated by LBS' independent, external sustainability guidance and advisory firm.

Drawing from the Integrated Reporting framework, the risk assessment was also driven by other strategic considerations such as external trends and developments identified through PESTLE review and analysis, as well as the Group's business model, the Group's value chain and as well as forward-looking plans such as the 8 x 8 Strategy.

The risk severity caters for both financial and non-financial measurement. SRROs were further assessed based on current and anticipated effects to financial performance and financial position. The latter was determined based on the following time horizons used for strategic decision-making by LBS.

Current anticipated financial effects
(for January-December 2025)

Short-Term
(0 to 24 months)

Medium term
(2-5 years)

Long term
(6-10 years)

Materiality Assessment Process

APPLICATION OF MATERIALITY JUDGEMENT

In developing the risk severity and likelihood criteria for SRROs, Management exercised judgement based on its understanding of the Group's business model, value chain, resource and capital dependencies, as well as current and emerging trends in the external operating environment.

Where available, this was complemented by relevant data and historical information, including past incidents such as prolonged rainfall, the effectiveness of marketing campaigns, customer feedback, and OSH data from operating sites.

This enabled more informed judgment making on SRROs. In addition, estimates have been made where the sustainability information relates to an entity in the value chain, is forward-looking in nature, or involves data limitations.

For this Report, only SRROs deemed to be financially material[1] with higher financial risk severity and likelihood of occurrence have been disclosed. This is based on the material judgment of management based on the risk severity and likelihood scores developed and validated for all identified SRROs.

PREVENTIVE MEASURES, MITIGATION ACTION AND REMEDIATION PLANS

Beyond providing risk severity and likelihood disclosures, LBS' SRROs disclosure also includes preventive and mitigation strategies and remediation measures where relevant.



LBS exercised its judgement in determining the risk severity and likelihood criteria for SRROs.

[1] *Financially material SRROs are those that are reasonably expected to impact the Group's revenue streams, earnings, CAPEX and OPEX, as well as cash flows, access to finance and cost of capital.*

Materiality Assessment Process

SUMMARY OF PESTLE ANALYSIS

Positive and Neutral Trends and Developments

Key External Factors (Trends & Market Developments) in FY2025	How it Impacted the Group's Business Model	Positive/Negative Impacts
Continued retention of incentives for residential property purchases by the Malaysian government	In 2025, the extension granted by the government to continue with a wide range of homeownership incentives (including continued stamp duty exemption) for first-time homebuyers had a stimulatory effect on property demand during the year. The prevalence of incentives underpinned increased market confidence for buyers to transact, as well as for property developers to continue launching in-demand projects nationwide, particularly in key property epicentres such as the Klang Valley, Penang and Johor.	⊕ Positive
Cumulative reduction of the Overnight Policy Rate ("OPR") in 2025	In tandem with rate cuts by the US Federal Reserve, Malaysia's central bank had also lowered its Overnight Policy Rate ("OPR") by 25 basis points, resulting in a lower Base Lending Rate ("BLR") in the second half of 2025. This resulted in lower interest rates for property mortgages. Lower interest rates typically correspond with a more conducive environment for property purchases. In addition, lower interest rates in 2025 also resulted in a reduction of RM2.26 million in finance costs for LBS.	⊕ Positive
Flight to quality and greener property development	While the Malaysian property segment remains primarily price sensitive, especially among the middle-income segment, 2025 saw a steady increase in demand for premium products. Increasingly, customers in certain segments are prioritising not just price but the overall proposition of their property purchase. This includes better build quality and finishing, larger sized homes with premium features and amenities, and more lifestyle-oriented products. This trend presents opportunities for developers to complement their affordable housing offerings with higher-value units that deliver stronger margins.	⊕ Positive
Increased demand for commercial and industrial properties	In tandem with Malaysia's continued robust economic growth, demand for commercial and industrial properties segments were on the rise in 2025.	⊕ Positive

Materiality Assessment Process

Financial | Manufactured | Intellectual | Human | Social | Natural

	LBS' Strategic Response (8 x 8 Strategy)	Capitals
Residential Customer Experiences	LBS actively pursued its 8 x 8 Strategy, reflected in a wide range of market-attuned property launches comprising residential, commercial and industrial projects. In 2025, the Group launched a wide range of projects with a total GDV of RM1.26 billion and recorded sales of RM1.4 billion. Unbilled sales stood at RM1.3 billion. Property launches were supported by facilitating sales and marketing strategies as well as targeted homeownership campaigns that focused on easing the homeownership process for newlyweds, single working adults and young families.	
Residential Commercial Industrial	LBS continued to work closely with end-financiers to facilitate a more seamless process of financing for property buyers. This included combining lower interest rates with lower upfront ownership packages and addressing financial challenges faced by many prospective property owners, notably those buying affordable properties.	
Residential Sustainability Advancement Community Wellbeing Customer Experience	LBS continued to invest in improving its design and ideation processes towards incorporating a greener approach to several of its property projects. The Group has also intensified its focus on quality control and quality assurance towards developing more premium or higher-end products.	
Commercial Industrial	LBS continued to bring to market commercial or industrial projects. Among notable project launched in 2025 were Alam Perdana Industrial Park terrace and detached factories, KITA Avenue Square and Centrum Caspia.	

Materiality Assessment Process

Key External Factors (Trends & Market Developments) in FY2025	How it Impacted the Group's Business Model	Positive/Negative Impacts
Increased proliferation of technology, digitalisation and innovation.	Throughout the property value chain, the role and impact of technology continues to grow in prominence. IBS, Building Information Modelling ("BIM") and other technologies have enabled more consistency in quality, reduction in defects and faster construction times as well as more efficient resource planning. Artificial Intelligence ("AI") has enabled more targeted and personalised relationship-based marketing and customer engagement. Other innovations such as smart home technologies have led to customers having higher expectations, thus leading to increased costs and requirements for fixtures and fittings. This has also led to increased market competitiveness as developers look to implement the latest technological features into their development processes and products.	◯ Neutral
Evolving demographic trends	Rising living costs, combined with evolving lifestyle preferences, aspirations and values continue to drive noticeable changes in the perception of home ownership among younger market demographics. While certain property segments continued to show demand for homeownership, an increasing number of young people are opting out of property purchases due to the long-term and significant financial commitment involved. Similar to more developed markets such as in Europe, there is a growing preference among young people to rent as opposed to buying a home. Alternatively, buyers are looking at smaller units in central locations in urban areas including in Transit-Oriented Developments ("TOD") as opposed to larger dwellings.	◯ Neutral
Competitive marketplace	Malaysia's property market continues to see stiff competition, underpinned by a large number of property developers and with new entrants on an annual basis; competing for limited strategic land in the select few property epicentres in Malaysia. This leads to price wars and aggressive marketing to attract customers who continue to have an abundance of choice of properties and developers to choose from.	◯ Neutral

Materiality Assessment Process



	LBS' Strategic Response (8 x 8 Strategy)	Capitals
Pursuit of Excellence Sustainability Advancement	LBS initiated various strategic partnerships with technology providers towards enabling increased introduction of technology for greater consistency and improvements in product quality, marketing effectiveness, and other aspects of the property value chain. The Group continues to leverage a wide range of digital platforms such as Building Information Management ("BIM") systems, Artificial Intelligence ("AI") and more to improve workflows, increase operational efficiencies and expedite time to market, while enhancing product quality.	
Residential Sustainability Advancement Community Wellbeing	In 2025, LBS collaborated with state governments under the Perumahan Penjawat Awam Malaysia ("PPAM") programme to support home ownership amng civil servants.	
Pursuit of Excellence Customer Experience	LBS' advantage lies in its long-standing brand reputation and proven track record. Its financial strength also enables the Group to better time the market for product launches. The Group leverages its core strengths, including deep market understanding, IBS capabilities, and the ability to design, develop and complete projects efficiently, as well as strong relationships with financiers. These capabilities support a comprehensive end-to-end proposition for buyers. In addition, LBS continues to strengthen its focus on customer service and experience, enhancing engagement and delivering greater value across the customer journey.	

Materiality Assessment Process

Key External Factors (Trends & Market Developments) in FY2025	How it Impacted the Group's Business Model	Positive/Negative Impacts
Continued property overhang of selected units in selected locations	While overhang units have generally been on a declining trend, the still significant volume of unsold properties continues to have a negative impact on the primary property market. A large number of unsold units typically exerts a suppressive effect on new housing supply in the same vicinity.	Neutral

NEGATIVE TRENDS AND DEVELOPMENTS

Key External Factors (Trends & Market Developments) in FY2025	How it Impacted the Group's Business Model	Positive/Negative Impacts
Rising costs	Effective 1 July 2025, the Malaysian government extended the 6% Sales and Service Tax ("SST") to include non-residential construction services, with a two-year exemption for contracts that qualify under the transitional provisions. Beyond the transitional period, the introduction of the SST is expected to raise development costs across the commercial and industrial property segments, while also having a limited effect on certain residential projects. In addition, the cost of building materials continued to rise in 2025. These included the costs of cement, sand, and aggregates. A further cost escalation factor was the rise in minimum wages from to RM1,700 effective 1 February 2025, and mandatory EPF contribution for foreign workers. An additional cost factor was the imposition of higher upfront development costs, particularly stamp duty calculated based on property value.	Negative
Continued Talent Scarcity Focus	Despite continued efforts by the government and the private sector to address the issue of talent scarcity in the construction and property sector, Malaysia's talent pool continues to see a lack of high-calibre, professional construction and property talents to fill various strategic positions across the value chain. The prevalence of the situation exacerbates the challenge faced by companies in recruiting and retaining its workforce.	Negative

Materiality Assessment Process



	LBS' Strategic Response (8 x 8 Strategy)	Capitals
Landbank Optimisation Residential	To continue undertaking detailed feasibility studies of overall market supply and prevailing prices, including unsold properties within any area prior to launching products. Ensure sufficient differentiation or attractive features of properties to establish clear market resonance and contrast from existing market supply.	

	LBS' Strategic Response (8 x 8 Strategy)	Capitals
Pursuit of Excellence	LBS continued to pursue increased cost and production efficiencies across its business model and supply chain towards retaining cost competitiveness.	
Employee Empowerment Sustainability Advancement	LBS launched a wide range of company-wide tactical initiatives, targeted at attracting suitable talents and to retain the existing workforce. These include the "On the Move" Employee Engagement Campaign, Star Talent II, Idea Pitch, employee townhalls, provision of professional development opportunities and more.	

Material Sustainability Related Risks and Opportunities

Legend:

NATURE OF RISK
Acute
Chronic

TIMEFRAME
Short-Term (0-2 years)
Medium-Term (2-5 years)
Long-Term (6-10 years)

LIKELIHOOD
Low
Medium
High

SEVERITY
Minimal
Moderate
Significant
Catastrophic

ECONOMIC PERFORMANCE (TIMELY PROJECT COMPLETION AND REVENUE RECOGNITION)

DESCRIPTION / EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

Revenue recognition is linked to the pace of project completion. Therefore, the timely delivery of projects is crucial for maintaining steady cash flows and revenue recognition.

Projects completed on time also mitigates against exposure to Liquidated Ascertained Damages ("LAD"). Factors which can impact timely project completion include labour shortages, OSH incidents and physical climate risks.

OPPORTUNITY

Continued delivery of excellent product quality reduces rework costs, safeguards brand reputation and instils customer confidence.

Emphasising high product quality also enables the Group to build up a quality value chain of suppliers and contractors, and to progressively develop a strong core of reliability and professionalism within its supply chain.

RISK TYPE

- Operational
- Financial
- Compliance and Legal
- Reputational

NATURE OF RISKS AND TIME FRAME

The risk varies from project to project but given LBS' stringent quality control processes, strong track record of timely project completion over the past 30 years, the exposure is low and well under control through effective project management. The risk is viewed as chronic as there are fixed time periods for the commencement and completion of project works by the relevant authorities.

TIMEFRAME:
NATURE OF RISK:
LIKELIHOOD:
SEVERITY:

EFFECTS ON STRATEGY AND DECISION MAKING

Factors which can impact timely project completion include labour shortages, OSH incidents and physical climate risks. The latter can be potentially attributed to the increased frequency of heavy rains and flash flooding with weather pattern becoming more uncertain and harder to predict. However, the Group's operations has not been significantly impacted by heavy rains and flash flooding. There have been no major past precedents including little to no impacts arising to project completion.

Still, pre-emptive measures are required to ensure effective mitigation with planning and launch of projects to coincide with the Group's ability to undertake construction activities. The latter includes the availability of suitable contractors, the availability of raw materials and various supply chain considerations. The emphasis on ensuring timely project completion stimulates continuous improvements to be made across the construction process. Similar to managing defect rectification, focusing on project completion encourages efficiency, quality and speed across the property value chain. This includes implementing new, more efficient construction methodologies, increased use of IBS and other techniques.

Material Sustainability Related Risks and Opportunities

MITIGATION AND ADAPTATION

LBS since its inception has continued to maintain an excellent track record for timely project completion. LBS' extensive and diverse experience in the development of a wide range of projects enables the Group to accurately determine construction requirements such as timelines, resources, manpower requirements, project management and cost control. The Group's approach includes the following:

- Emphasis on closer co-ordination and planning on the project pipelines; especially in terms of project launches and project under construction. This involves enhancing cross-departmental collaboration and communication, as well as strengthening alignment between the Project, Accounting & Finance and Sales & Marketing departments. Clear and practical timelines have also been established to support the timely completion of projects.
- In ensuring timely completion of on-hand projects, LBS has established a dedicated Business Unit led by the Project team and co-led by Marketing to closely oversee, coordinate, and monitor project timelines as well as ensure brand alignment throughout the development process.
- Fostering closer collaboration and engagement with contractors and other stakeholders across the supply chain to better estimate resource requirements, potential issues, and concerns well in advance for the development and implementation of alternative strategies or approaches. The proactive oversight also extends to vendor management, particularly in terms of the selection of contractors. A key criterion is monitoring of contractors' LAD track record with the Group establishing a preference for contractors with a zero LAD performance.

METRICS AND TARGETS

In 2025, LBS has once again successfully completed and handover all constructed projects on time. Over the past three years, LBS has maintained a 100% timely completion and handover performance.

Metric	2023	2024	2025
Project completion rate and vacant possession handover to buyers (%).	100	100	**100**
No. of Units VPed On Time	N / A	4,424	**3,849**



Material Sustainability Related Risks and Opportunities

PRODUCT QUALITY AND CUSTOMER EXPERIENCE

DESCRIPTION / EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

Defect management, in terms of speed and successful resolution, is directly linked to brand reputation, cost efficiency, regulatory compliance, and customer satisfaction, including driving customer referrals and repeat purchases.

Beyond the speed and completeness of defect rectification, other important considerations include customer service and the overall management of the rectification process (customer experience).

OPPORTUNITY

Focusing on product quality and customer experience enables a comprehensive review of the property value chain, helping to identify opportunities for improvement. These include enhancing cost and production efficiency through process re-engineering and the adoption of new technologies.

Such opportunities also involve understanding how physical climate risks may increase defects or affect product quality, thereby influencing building design and material selection.

RISK TYPE

- Operational
- Financial
- Compliance and Legal
- Reputational

NATURE OF RISKS AND TIME FRAME

Defects remain an ongoing challenge, varying by project. Factors such as climate change and below-par material quality from the supply chain can exacerbate these issues. The level of risk differs across projects but remains under control through effective project management practices.

TIMEFRAME:



NATURE OF RISK:



LIKELIHOOD:



SEVERITY:



EFFECTS ON STRATEGY AND DECISION MAKING

LBS' constant efforts have enabled a continued reduction in defects. However, defects cannot be entirely eliminated, hence making an effective process for timely and complete resolution essential.

LBS is increasingly assessing the potential impact of climate change on both the frequency and severity of defects. This includes evaluating whether higher rectification costs may arise in the future and whether it would be necessary for design changes to mitigate risks.

A strong focus on defect management also presents clear opportunities for the Group. Continuous delivery of excellent product quality reduces rework costs, protects brand reputation, and instils customer confidence. It also supports the development of a reliable network of suppliers and contractors, while strengthening professionalism across the supply chain. In addition, maintaining high standards ensures ongoing regulatory compliance and minimises the risk of penalties.

This approach also promotes a thorough review of the property value chain, from design through to construction, to identify areas for improvement. These include opportunities for cost and production efficiencies through process re-engineering and the adoption of new technologies. It also involves building a deeper understanding of how physical climate risks may contribute to defects.

The Group's IBS precast capabilities is an advantage that LBS can leverage towards achieving consistent build quality. The modular nature of IBS enables uniformity in quality compared to conventional methods, contributing to improved product quality and fewer defects. Leveraging innovative technologies, the Group's construction arm, MGB, has achieved the capacity to deliver over 6,000 houses annually.

Beyond defect management, LBS remains committed to continuous improvement across the entire product quality spectrum.

Material Sustainability Related Risks and Opportunities

CURRENT AND ANTICIPATED FINANCIAL EFFECTS

The cost of defect rectification is expected to increase gradually due to inflation and rising of labour and material costs. The extent to which these increases are driven by climate or other environmental factors, remains to be determined. However, the Group's financial exposure is limited to the defect liability period for completed units, which is typically 24 months. Hence, overall risk exposure is contained within a defined timeframe.

MITIGATION AND ADAPTATION

LBS adopts a no-compromise approach towards build quality, and defect management. The Group adopts a multi-faceted approach to quality, focusing on the structural integrity of its properties, service delivery and overall customer satisfaction. By adhering to the CIDB's Quality Assessment System in Construction ("QLASSIC"), LBS ensures that all completed units meet or exceed stringent industry benchmarks.

In 2025, LBS established an in-house LBS QAQC team to oversee product quality across all projects. The team monitors quality throughout the entire project lifecycle, from contractor selection and construction progress to the vacant possession handover process.

This is supported by a structured QAQC framework, which outlines key workflows, processes, checkpoints, internal controls, and reporting mechanisms. To strengthen oversight, LBS conducts regular defect tracking, including weekly coordination meetings with contractors to monitor rectification progress.

Record-keeping has also been enhanced to enable faster identification and monitoring. A "lessons learnt" approach is applied, where insights from past projects are shared across sites to prevent similar issues from recurring.

In addition, independent maintenance teams are appointed to inspect units a few months before Vacant Possession ("VP"). This allows defects to be identified and rectified early, prior to VP.

MGB operates automated machinery for key IBS precast processes, including bar bending and wire mesh cutting. This enhances consistency in construction, reduces wastage, and improves resource efficiency, supporting overall build quality and cost effectiveness.

LBS provides multiple customer engagement channels, including a Customer Care hotline, to receive grievances and enquiries. This is supported by a helpdesk defined by Service Level Agreement ("SLA") timelines, ensuring customers are attended to promptly. An effective defect management tool, such as a defect tracking dashboard, is also implemented to ensure timely resolution and better management of customer expectations.



In 2025, LBS established an inhouse QAQC team to oversee product quality.

Material Sustainability Related Risks and Opportunities

METRICS AND TARGETS

LBS continues to meet or surpass its targeted QLASSIC benchmark score for projects. The use of QLASSIC not only ensures high-quality build but also reinforces stakeholder confidence and serves to strengthen perceptions of the LBS brand. On the whole, LBS continues to ensure its projects attain high QLASSIC scores, with a minimum score of 70%. The use of IBS for construction promotes improved consistency in quality. LBS is able to leverage on the IBS capabilities of its wholly owned subsidiary, MGB Berhad. The usage of IBS is a cornerstone methodology for LBS' projects.

Metric	2023	2024	2025
Average QLASSIC Scores (%) from all projects	75	72	77
Response Rate for All Customer Enquiries (%)	99	99	98
No. of Employees Managing Defects	18	18	18
Customer Experience Index (%)	81	85	92
No. of homes certified by GreenRE	N / A	2,767	2,225

MARKET PRESENCE AND BRANDING

DESCRIPTION / EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

Amid a highly competitive marketplace with diverse offerings and choices for prospective property buyers, LBS remains a well-recognised and preferred brand in the property sector. This is supported by the Group's strategic decision to further expand its presence and portfolio in the affluent residential segment, as well as in industrial and commercial developments.

OPPORTUNITY

Beyond market recognition and appeal, there are clear opportunities for brand distinction and segmentation which are useful in achieving differentiation amidst a highly competitive marketplace.

Focusing on market presence and branding further enables better understanding of market demographics, of varying customer segments, especially in developing traction with affluent customers. LBS intends to leverage opportunities in new market segments.

RISK TYPE

- Operational
- Financial
- Compliance and Legal
- Reputational

NATURE OF RISKS AND TIME FRAME

LBS has over the years developed a credible brand image for the provision of affordable homes. It has firmly established itself as a leading player in this segment.

The risk is both acute and chronic. Ad hoc incidents, such as customer complaints, can affect market presence and branding. At the same time, the highly competitive marketplace makes this risk persistent, necessitating continuous focus, innovation and investment.

TIMEFRAME: NATURE OF RISK:

LIKELIHOOD: SEVERITY:

Material Sustainability Related Risks and Opportunities

EFFECTS ON STRATEGY AND DECISION MAKING

Branding risk has direct implications for strategy and decision making, particularly in strengthening execution capabilities and operational discipline. Management places emphasis on aligning internal processes, systems and resources to support consistent delivery of the Group's brand proposition.

This includes ongoing reviews of business processes and the value chain to identify areas for improvement, as well as targeted enhancements where required. As the Group expands into more diverse customer segments, greater emphasis is also placed on maintaining market confidence through effective planning, marketing and execution of its project pipeline, including the upcoming Kwasa Damansara, a flagship township development that underscores the Group's expansion into the premium segment.

Brand building strategies including the marketing and advertising mix will require a more segmented approach to cater to diverse market segments. Media and investor relations activities are also expected to be strengthened in 2026 and beyond.



The LBS Move In Ready promotional campaign was designed to drive sales and market appeal.

MITIGATION AND ADAPTATION

Amid a highly competitive marketplace with diverse offerings and choices for prospective property buyers, LBS remains a well-recognised and preferred brand name in the property sector. This is supported by the Group's strategic decision to further expand its presence and portfolio in the affluent residential segment, as well as in industrial and commercial developments.

In 2025, LBS implemented a brand refresh initiative aimed at repositioning the Group in the market while retaining its existing brand equity and recognition. The initiative also sought to expand reach to a broader customer base across Malaysia, bridge perception gaps, and elevate brand positioning through targeted storytelling and industry recognition.

During the year, LBS also launched several targeted sales and marketing campaigns, including the LBS More Green, More "Ong" and the LBS Hassle-Free-Move-In initiatives, to enhance market appeal and drive sales.

Branding was further strengthened through active participation in property expos, community engagements and CSR initiatives, enhancing visibility and building awareness across selected geographical areas and local communities.

Strategic stakeholder engagement also plays a key role in brand building. In 2025, LBS continued to cultivate and expand business partnerships and strategic collaborations with financial institutions, government agencies and industry partners.

In addition, as digital channels continue to shape customer engagement, LBS strengthened its presence across online platforms. Key initiatives in 2025 included the revamp of the corporate website and selected project websites, alongside the introduction of digital features and tools such as virtual tours, loan calculators and AI chatbots.

METRICS AND TARGETS

Metric	2023	2024	2025
Total Sales Achieved (RM' Million)	1,700	1,300	1,410
Unbilled Sales (RM' Million)	1,980	1,680	1,270



LBS successfully organised its LBS More Green, More "Ong" promotional campaign in 2025.

Material Sustainability Related Risks and Opportunities

OCCUPATIONAL SAFETY AND HEALTH

DESCRIPTION / EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

In the context of LBS, construction activities are often undertaken by the Group's subsidiary, MGB. Any significant OSH incident could have disruptive effects on the Group's operations and processes, notably at project sites. However, the risk impact is a direct impact to the Group's operations.

OPPORTUNITY

A continued focus on OSH, incorporating both leading and lagging indicators, has enhanced operational site safety. This translates into improved productivity and employee morale and subsequently enables faster completion time for projects.

RISK TYPE

- Operational
- Financial
- Compliance and Legal
- Reputational

NATURE OF RISKS AND TIME FRAME

LBS maintains a zero-incident track record for major OSH incidents, defined as incidents resulting in significant injuries, disruption to work progress or fatalities. The vigilance in preventing such incidents has reduced the exposure to fines, stop loss orders, reputational loss and higher insurance premiums.

Given LBS' stringent no-compromise, zero tolerance approach to OSH, the risk is viewed as having a lower likelihood of probability through the possibility remains, especially due to exposure from contractors or supply chain partners.

The risk is viewed as acute as OSH incidents can occur at any time due to actions or inactions of contractors, onsite workers and more.

TIMEFRAME:



NATURE OF RISK:



Acute, as OSH incidents can happen across any timeframe.

LIKELIHOOD:



SEVERITY:



Minimal to significant depending on type of incident, location, timing, and affected stakeholders

EFFECTS ON STRATEGY AND DECISION MAKING

LBS invests in maintaining a major incident-free track record. The Group's focus on OSH extends across its supply chain, particularly contractors, recognising that risks may also arise from site activities undertaken and managed by these parties, including its subsidiary, MGB.

Contractors must at times, demonstrate compliance to regulatory requirements as well as LBS' stringent OSH best practices. This includes ensuring all documentation, certifications, permits are valid, in having sufficient and skilled manpower. A prerequisite in tendering for contracts is to demonstrate a zero major incident track record. In selecting contractors, it is important to ascertain the contractor's reliability and past performance.

Other considerations include an increased focus on establishing and monitoring leading indicators, as opposed to lagging indicators. This emphasis on pre-emptive strategies and implementation supports a culture of prevention rather than post-incident mitigation.

Material Sustainability Related Risks and Opportunities

MITIGATION AND ADAPTATION

To mitigate OSH risks, LBS ensures robust oversight across all levels of the organisation, from the Board of Directors and senior and middle management to site-level supervision.

LBS continues to ensure all facets of its operations maintain stringent adherence to the OSH Act as well as requirements stipulated by the Department of Occupational Safety and Health ("DOSH"). This includes adherence to the Occupational Safety and Health Act 1994 as evident across all relevant operational sites. Where necessary, operational sites have been ISO45001 certified. 67% of the Group's project sites are aligned to the best practices standard ISO 45001:2018.

The Group has also implemented its comprehensive Safety and Health in Workplace Guidelines to safeguard employees, contractors and visitors across construction sites. Working with contractors, LBS has jointly established various best practices. These include internal safety policies, toolbox meetings and HIRARC assessments, a permit to work system and others.

In recent years, LBS has invested in the development of competencies pertaining to OSH, providing training and upskilling opportunities for both employees and stakeholders. It has also increased its engagement activities with regulatory authorities such as the Department of Occupational Safety and Health ("DOSH"). These include investments into personal protection equipment and the establishment and training of emergency response teams and drills.

METRICS AND TARGETS

Presently, LBS maintains a zero-incident track record for major OSH incidents, defined as those resulting in significant injuries, disruption to work progress or fatalities. The Group's vigilant management approach has thus reduced LBS' exposure to fines, stop work orders, higher insurance premiums and any negatory effects to brand reputation and corporate reputation.

The Group has set targets over the short, medium, and long term related to its OSH risks. At the Group's Board of Directors, business unit, and project site levels, the Group uses metrics to measure performance against the targets set, as set out below.

Through continued good project management, LBS has continued to ensure timely project completion of all projects. Leveraging on the Group's internal capabilities and experience, LBS is able to allocate sufficient buffer in terms of time, resources, manpower and other requirements to ensure on-time project completion. This includes considering any adaptation measures necessary to manage prepare for inclement weather or rising material, transport, or energy costs.

Metric	2023	2024	2025
No. of Hours Worked (employees)	985,280	993,631	**984,694**
No. of Hours Worked (non-employees)	N/A	N/A	**7,316**
No. of Fatalities	0	0	**0**
No. of Recordable Work Related Injuries	2	4	**6**
Loss Time Incident Rate ("LTIR")	1.22	1.61	**1.42**
Total monetary spend on OSH training per annum	RM22,216.00	RM31,158.40	**RM27,347.20**
Total number of hours lost due to stop work orders	0	0	**0**

Material Sustainability Related Risks and Opportunities

TALENT MANAGEMENT

DESCRIPTION / EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

The Group recognises that competent talent is essential for optimum productivity, effective execution of business strategies, succession planning, seamless technological adoption, and more.

A highly competitive talent market due to talent scarcity, brain drain and other factors has led to an industry-wide challenge to recruit and retain talent.

OPPORTUNITY

Focusing on talent fosters a stronger organisational culture, boosts employee morale and satisfaction, and can lead to lower attrition rates, higher productivity and greater success in attracting and retaining top talent.

RISK TYPE

- Strategic
- Operational
- Financial

NATURE OF RISKS AND TIME FRAME

Talent is considered both acute and chronic as talent needs can be driven by a sudden requirement to replace staff as well as due to the longer, perennial issue of talent scarcity, which continues to erode existing efforts to acquire and retain skilled employees.

TIMEFRAME:



NATURE OF RISK:



LIKELIHOOD:



SEVERITY:



Minimal to Moderate

Depending on the type of talent and specific employment positions, severity ranges from minimal to moderate.

EFFECTS ON STRATEGY AND DECISION MAKING

Talent risk has direct implications for the Group's strategy and decision-making, particularly in sustaining execution capabilities and supporting growth. The availability of skilled and experienced professionals influences the Group's ability to plan, design and deliver projects, as well as to execute market research, feasibility assessments and customer engagement effectively.

Technology savvy talent is also critical to the successful deployment and utilisation of digital tools and platforms, supporting operational efficiency and customer experience.

Despite increasing automation, talent remains a key enabler of scalability and competitiveness. Accordingly, LBS continues to prioritise talent management as a material SRRO.

Focusing on talent not just meets the Group's requirement for human capital, it also enables the development of a stronger organisational culture, higher employee morale and satisfaction. The talent focus is in keeping with LBS' mantra of being a people-first company.

LBS continues to strengthen its Group Human Resources ("GHR") function to drive a sustainable pipeline of high-calibre talent. GHR is positioned as a strategic enabler, alongside core functions such as sales, marketing and business development.

MITIGATION AND ADAPTATION

LBS continues to invest in human capital development through targeted training and professional development programmes. These are guided by a Training Needs Analysis ("TNA") system and aligned with business requirements and objectives.

Training opportunities are provided on an equitable basis and delivered in a structured manner to ensure effective outcomes, including strengthening competencies, supporting career progression and developing technical and leadership capabilities across the Group.

Material Sustainability Related Risks and Opportunities

Technical, soft skills, compliance, safety and health, sustainability, product, and on-the-job training are among the essential learning areas offered to our staff. In addition to ongoing soft skills development, LBS also organises specialised technical programmes, including Debt Collection, Strata Management and AI for Marketing, to address the specific needs of different functions.

In 2025, LBS introduced Training Needs Discussions with Heads of Departments ("HODs"), complementing the existing Training Needs Analysis ("TNA") system. These discussions provide high-level insights into emerging talent needs, operational challenges and capability gaps, enabling more targeted and effective training interventions.

Since 2022, LBS has implemented the Star Talent programme, now in its second iteration, Star Talent II. The programme is designed to identify and develop internal talent for key leadership and strategic roles, supporting a sustainable pipeline of future leaders. In 2025, enhancements were introduced, including coaching sessions to provide more personalised guidance and targeted development for selected employees.

Employee engagement remains a key priority. In 2025, LBS organised various engagement and wellbeing programmes, with a focus on fostering a more participatory culture. Initiatives such as the Group's Idea Pitch platform enabled employees to contribute ideas and drive improvements across the organisation.

The Group also undertook a review of remuneration packages, particularly for employees in critical roles, to ensure continued competitiveness. In addition, LBS continued to conduct its annual employee satisfaction survey to assess overall engagement levels, identify key concerns, and guide improvements where appropriate.

METRICS AND TARGETS

More than **RM351,000** Investment on Training and Development

Average Days per Employee **3.21 days**

8 Compliance Training	**28** On-the-Job Training	**9** Safety Training
21 Soft Skills Training	**98** Technical Training	**2** Sustainability Training

The Group has surpassed its annual target of ensuring 10 learning & development training hours per employee per annum with 2025's figure being 22.50 hours.

Metric	2023	2024	2025
Total Training Hours as a Company	13,337.93	13,130.50	**10,776.50**
Total Training Spent as a Company (RM)	287,893.93	296,406.59	**351,256.35**
Total Training Spent per Division/Business Unit (RM)			
Corporate Office	247,170.41	251,649.05	**310,071.90**
Hotel	18,462.33	22,126.43	**16,438.34**
Mall	22,237.95	21,976.12	**24,709.06**
Energy	23.24	654.99	**37.05**
Total Employees Attended Training			
Male	244	232	**228**
Female	312	307	**295**
Number of learning and development hours per employee per annum	26.78	27.59	**22.50**

Material Sustainability Related Risks and Opportunities

CLIMATE ACTION

DESCRIPTION / EFFECTS ON BUSINESS MODEL AND VALUE CHAIN

The Group had undertaken a Climate Risk Assessment ("CRA") in 2023, which had identified several physical and transition CRROs.

Physical climate risks include exposure to adverse weather conditions such as incessant rainfall due to higher precipitation rates and exposure to higher temperatures. Other risks include potential risks of exposure to flash floods and landslides.

Transition risks are primarily driven by exposure to the imposition of carbon taxes, rising energy prices, as well as risks arising from the Group's transition to Renewable Energy ("RE").

These risks are further influenced by broader global and national decarbonisation efforts, including the Malaysian's transition towards net zero emissions by 2050.

OPPORTUNITY

Opportunities include business diversification into new sectors, such as RE and supply chain decarbonisation.

Reducing dependence on grid sourced energy can lower energy consumption costs while enabling the generation of Renewable Energy Certificates ("RECs").

Additionally, these initiatives contribute to improved business resilience, particularly in defect management and timely project completion.

RISK TYPE

- Strategic
- Operational
- Financial
- Compliance and Legal

NATURE OF RISKS AND TIME FRAME

CRROs may present both acute and chronic risk exposures, depending on their nature and other factors such as geographical locations, physical terrain conditions, project development plans, evolving governmental policies and regulations, as well as the Group's business model and operations.

TIMEFRAME:

NATURE OF RISK:

LIKELIHOOD:

SEVERITY:

A general list of climate related risks and opportunities are provided in LBS' SR2025. The aforementioned CRROs were identified during LBS' inaugural Climate Risk Assessment ("CRA") exercise undertaken in 2023, which utilised the following climate scenarios:

RCP 3.4

NGFS Net Zero 2050

In 2025, the CRA was followed up with a desktop assessment using geomapping tools to assess LBS' operational sites for flash flooding risks based on a criteria of five indicators, including precipitation rates, land elevation, slopes and contours, proximity to water bodies networks and land use.

The combined analysis enabled the development of a climate risk profile for LBS' operational sites, which enabled management to conclude that site specific assessments would be beneficial for selected operational sites. In 2025, the following four sites were selected for further assessment of physical climate risks exposure.

Prestige Residence Seri Kembangan, Selangor	**Astella D' Island Residence** Puchong, Selangor
Emerald Garden 3 Phase 28 Batu Pahat, Johor (completed, DLP stage)	**Centrum Iris** Cameron Highlands, Pahang

Climate-related risks at the four evaluated sites were generally low to moderate. Astella was highlighted for its unique geographic characteristics, with slight elevation near a lake providing natural cooling benefits but requiring flood risk evaluation. The site has a moderate likelihood of heat-related events affecting construction workers' health and safety. Key potential impacts include worker safety risks, productivity effects and cost implications, which can be mitigated through frequent worker rotations, hydration measures, leveraging the lake's cooling effect and the use of heat-insulating construction materials.

Material Sustainability Related Risks and Opportunities

Looking ahead, LBS plans to enhance climate risk preparedness by integrating scenario modelling into future assessments, expanding coverage to additional sites, deploying monitoring devices and supporting climate budgeting for adaptive measures. For further technical details, please refer to the *Site-Specific Climate Risk Assessment and Scenario Analysis* section in SR2025.

EFFECTS ON STRATEGY AND DECISION MAKING

Management considers identified CRROs in shaping financial, business, and operational strategies.

These include landbank selection, supplier and material choices, and enhancements to design and construction methodologies to improve climate resilience.

Additional measures include a greater focus on drainage and irrigation works to mitigate flash floods, as well as increasing the number of green building-certified projects within the Group's portfolio.

Long-term strategic thinking: Consideration of environmental and social impacts beyond design and construction, but throughout the project lifecycle.

Increased focus on how properties shall be used by end users focusing on climate resilience, waste management and energy consumption, given rising energy costs.

Leveraging IBS, GreenRE and other systems and frameworksm specifically focusing on reducing resource and energy use by implementing more sustainable approaches to the design and build phase.

Leveraging passive cooling, building orientation, terrain and contours, increasing use of green materials as well as increased collaboration with consultants.

Focusing on reducing environmental footprint on operational site.

Improving site management to reduce day-to-day impacts, including energy consumption and emissions, waste generation and water usage. This includes, where possible, increasing electrification on sites in place of diesel use.

A notable aspect of the Group's strategy is the focus on decarbonising towards reducing transition-based risk exposure, arising from expected increases in energy costs, namely fossil fuelled derived energy sources.

Strategy	Focus and Business Value	2025 Key Progress
Business strategy integration	Expanded EESG due diligence across land acquisition and suppliers screening	Strengthened internal communication at all levels to align climate action with core functions.
Advanced digitalisation	Adoption of BIM and VaDTech at construction sites.	Optimised construction footprint and protected project integrity against weather-related delays.
Decarbonisation measures	Continued expansion of onsite solar installations.	Enhanced operational sustainability through water and energy efficiency and biodiversity protection.
Value chain engagement	Rolled out M3 Green Lease Campaign and adoption of CSI for better Scope 3 tracking	Engaged suppliers to strengthen reporting and collaborated with tenants on energy-saving and carbon-reduction.

Material Sustainability Related Risks and Opportunities

In 2025, LBS invested approximately RM45,000 for the development of RE energy sources. This is in addition to the RM1.03 million invested in 2024. This clearly demonstrates how quantified and CRROs are being integrated into the Group's CAPEX and financial planning. LBS has also installed RE generating capacity at several operational sites as follows. Operational savings from reduced electricity consumption are expected to offset financial investment over the long term.

The total solar energy consumption in 2025 soared to 316 MWh, representing 4.69% of the Group's. This compares to 56 MWh consumed in the period* from September to December of 2024. The table below provides a breakdown of the installed capacity and energy generated across LBS' operational sites.

	Solar Generation (kWh)	Solar Consumption (kWh)	Financial Saving (RM)
2024	82,643	55,505	34,495
2025	**432,221**	**316,439**	**159,475**

For further details, please refer to the *GHG Emissions and Energy Management* sections in SR2025.

LBS' 43 MWp solar farm project in Senawang, Negeri Sembilan is well on track for completion and achieving its commercial operation date within 2026. With this, the Group would be generating 53.8 million kwh of clean energy per annum contributing to the decarbonisation agenda of the national electricity grid. This solar farm is also anticipated to generate 53,000 Renewable Energy Certificates ("RECs").

In 2024, M3 Shopping Mall invested RM508,725 for the installation of a Dynamic Voltage Controller ("TX") to reduce and promote consumption in energy efficiency.

At SCAPES Hotel, the Building Management System ('BMS") implemented to manage electricity consumption including air conditioning usage has resulted in monthly savings of RM600 (reduction of 1,200kwh of electricity usage per month).

Similarly, the installation of minimum watt of LED light bulbs in all common areas of the Hotel and use of Variable Speed Drive ("VSD") for the air conditioning and water pump system has also rendered savings of RM800 per month (reduction of 1,666kWh per month). Other strategies employed by the Group include focusing on energy efficiency across its operations, establishing energy reduction goals for managed properties and the formulating of the Group's internal carbon pricing at RM20 per tonne CO_2e. All of these are part of the Group's overarching roadmap of fulfilling its net zero carbon aspirations by 2050.

* *The Group commenced solar energy consumption in September 2024.*



LBS is on track to complete its 43 MWp solar farm project in Senawang, Negeri Sembilan.

Material Sustainability Related Risks and Opportunities

MITIGATION AND ADAPTATION

In mitigating risks and leveraging opportunities, LBS continues to implement a strategic plan centred on risk avoidance, risk reduction, and risk mitigation. The goal is to focus on preventive and reduction measures as much as possible. Hence, exposure to rising costs of energy is being mitigated by energy efficiency measures as well as transitioning towards increased RE use.

The goal is to support or underpin more tactical initiatives that are aimed at addressing present needs and concerns, with longer-term, strategic plans that enable more enduring value creation and facilitate greater integration of CRROs into the Group's overall business model and planning. Other notable changes include:

Strategic Shift	Rationale for Change
10-year Medium-Term Timeframe	The medium-term horizon has been extended from a five-year window (2025–2030) to a ten-year outlook (2025 - 2035). This change better reflects the typical lifecycle of large-scale property developments, as strategic planning in real estate often benefits from a long-term perspective that spans a full development cycle.
Gross Floor Area ("GFA") Carbon Intensity	Previously, the Group assessed carbon intensity based on revenue. In the current reporting period, carbon intensity by GFA is employed, with the revenue-based carbon intensity metric discontinued, as GFA better reflects operational scale and resource consumption patterns, whereas revenue-based measurements may be affected by external economic factors.
Medium-Term Focused Area	The medium-term focus has transitioned from "Operational Reduction" to "Business Strategy Integration". This shift embeds sustainability as a core business pillar, moving beyond a standalone compliance focus, as integrating EESG principles into the core business strategy is recognised as a strategic imperative for long-term value creation.

Specific measures undertaken to reduce energy costs are as follows:

- Create employee awareness on energy-saving measures
- Maximising usage of natural lighting
- Installation of LED lights
- Smart metre usage
- Utilisation of Halogen LED light
- Utilisation of scheduled electricity usage and air-conditioning through the Building Management System ("BMS")
- Utilisation of Dynamic Voltage Controller

For more information on LBS' energy-saving initiatives across different sites, please refer to the *Energy-Saving Initiatives* section in SR2025.

Aside from utilising RE, LBS explores how waste recycling will further reduce the emissions profile of the Group and to expand its GHG inventory by including more aspects of Scope 3 emissions, aside from employee commuting and business travel. This includes using the spend based model or the lifecyle analysis method or a hybrid combination of both. For more details, please refer to the *Climate Change* section in SR2025.

This in line with developing a more comprehensive understanding of direct and indirect emissions, which will enable identification of opportunities to truly reduce and manage the carbon footprint. The Group is well aware that the construction and development of properties from land clearing right to consumption of resources and construction of properties and across the lifecyle of the built structure can lead to significant resource consumption and the production of waste products, including emissions.

Hence, LBS continues to focus on using greener materials where feasible, building and project designs that enable reduced resource consumption, waste and energy, water consumption. The use of IBS enables significant reduction in resource and energy consumption and waste production.

Material Sustainability Related Risks and Opportunities

METRICS AND TARGETS

In measuring its GHG emissions, LBS uses methodologies provided by the World Business Council for Sustainable Development ("WBCSD") and the World Resources Institute ("WRI") GHG Protocol. Emission factors for Scope 1 and 2 are based on the Intergovernmental Panel on Climate Change ("IPCC") Sixth Assessment Report (AR6) and the Malaysian Green Technology and Climate Change Corporation ("MGTC").

For Scope 3 emissions, LBS adopted the United Kingdom's Department for Environment, Food & Rural Affairs ("DEFRA") methodology in FY2023. Energy consumption is measured in megawatt-hours ("MWh"), while emissions are reported in metric tonnes of CO_2 equivalent "tCO_2e". GHG intensity is also measured based on CO_2e Tonnes / gross floor area ("GFA"). The following table provides an overview of LBS' Scope 1, 2 and 3 emissions:

Emissions Scope	Definition	Sources
Scope 1: **Direct Emissions**	Emissions generated from sources owned or controlled by LBS.	Data Sources: Fuel purchased records from receipts and invoices for diesel and petrol used in company-owned vehicles.[2]
Scope 2: **Indirect Emissions**	Emissions resulting from the generation of purchased electricity used in LBS' operations.	Data Sources: Utility records from monthly electricity bills. Inclusions: For more details, please refer to the *GHG Emissions and Energy Management* section in SR2025.
Scope 3: **Other Indirect Emissions**	Emissions that occur as a result of LBS' operations but originate from external sources.	**Employee Commuting and Business Travel** Data Sources: Fuel purchased records from receipts and invoices for diesel and petrol used in company-owned vehicles.[2] **Waste Generated in Operations** Data Sources: Waste data calculated and verified by an independent third party based on contractor-provided collection records. Inclusions: For more details, please refer to the *Waste Management* section in SR2025. **Upstream Scope 3 emissions:** Capital goods **Downstream Scope 3 emissions:** • Transportation and Distribution • Processing of Sold Products • Use of Sold Products • End-of-life Treatment of Sold Product Data Sources: Procurement spend and financial records.[2]

Note:

1. *GHG emissions data is prepared based on the operational control approach. Scope 1 and Scope 2 emissions are calculated using activity-based data, while certain Scope 3 emissions are estimated using the spend-based methodology, where applicable, due to data availability constraints.*
2. *2022 - 2025: The data are consolidated at the corporate level, incorporating Office, which covers all Branches and Site Offices, Property Development Division, which includes all project sites, and Property Investment and Management Division, covering Sales Gallery, Discovery Gallery, Retail, which includes M3 Shopping Mall, and Hospitality, which includes SCAPES Hotel.*



Solar panels are installed at the rooftop of LBS HQ.

Material Sustainability Related Risks and Opportunities

	2023	2024	2025
Scope 1 (CO_2e Tonnes)	277	274	**309**
Scope 2 (CO_2e Tonnes)	5,173	5,375	**4,978**
Scope 3 (Co_2e Tonnes)	44,656	34,099	**26,962**
Total Emissions (Scopes 1+2+3) (CO_2e Tonnes)	50,106	39,748	**32,248**
Total Carbon Intensity CO_2e Tonnes/RM' 000	30.18	43.54	**20.77**

Note:
The carbon intensity by revenue has been restated following the revision of Scope 1 and Scope 3 emissions.

In 2025, LBS continues to reduce its carbon footprint. Carbon intensity increased from 18.97 tCO_2e/RM'000 in 2022 to 43.54 tCO_2e/RM'000 in 2024, reflecting an upward trend, while notably improving to 20.77 tCO_2e/RM'000 in 2025. This fluctuation highlights that intensity metrics are influenced by revenue variability rather than absolute emission growth. In fact, total emissions decreased from 39,748 tCO_2e in 2024 to 32,248 tCO_2e in 2025, driven by enhanced operational energy efficiency, expanded renewable energy generation and strategic carbon management.

EMISSIONS AND ENERGY KPIs AND TARGETS

LBS has established the following targets for emissions intensity reduction with performance over a 3-year basis provided as follows:

Target	2025
5% reduction of carbon intensity by GFA by 2025 based on a 2022 baseline year	Carbon Intensity by GFA 6.39 Tonnes CO_2e/sqft (0.39% reduction)
10% reduction in Energy Intensity (Scope 2, by GFA) by 2030	Scope 2 Energy Intensity by GFA - 2022 baseline year 1.34 MWh/sqft (8.31% reduction)

INTERNAL CARBON PRICING

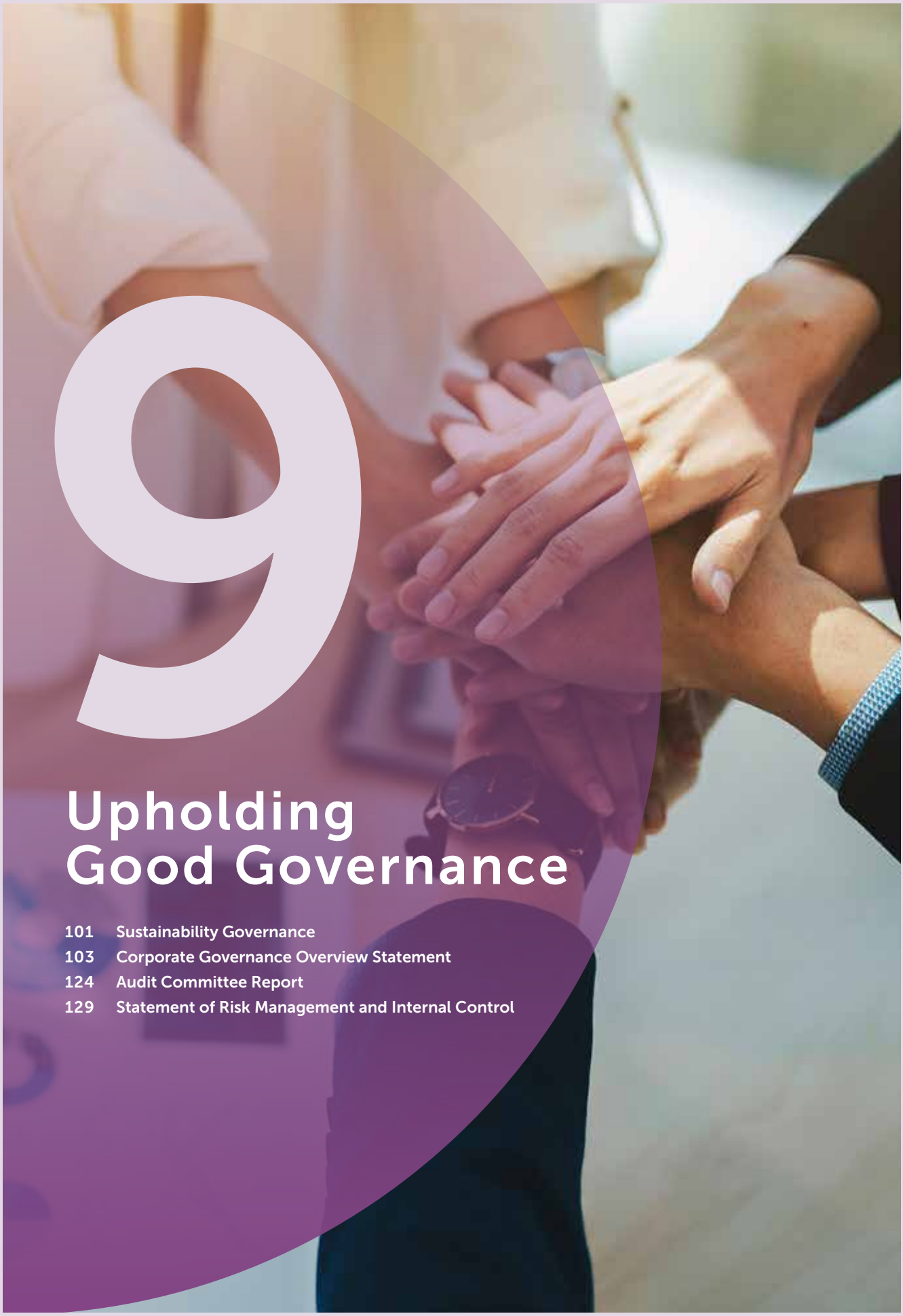
LBS has established an internal carbon pricing of RM20 per tonne of CO_2e for purchased electricity. The use of the pricing is to enable more informed decision making on possible carbon exposure, including consideration of carbon exposure for merger and acquisition targets as well as joint ventures, business operations and business activities.

By setting a price above the forthcoming national level, the Group integrates climate considerations into operational and investment decisions while promoting carbon-conscious practices across all business units. This mechanism positions LBS to manage future carbon costs effectively and supports sustainable energy use, reinforcing its commitment to Malaysia's Net Zero Carbon Emissions by 2050 target.

By assigning a cost to carbon emissions, LBS aims to promote more low carbon considerations in its strategic decision making. The approach aligns with Malaysia's commitment to achieving Net Zero Carbon Emissions by 2050 and the country's efforts to transition towards renewable energy and low-carbon development.

DECARBONISATION ROADMAP AND STRATEGIC PLANS

LBS has established a well-defined and structured decarbonisation roadmap, designed to meet the Group's Net Zero Carbon Emissions by 2050 aspirations. Decarbonisation is driven by the Group's renewable energy ("RE") initiatives and its continued focus on energy efficiency to reduce emissions from direct operations and assets. Further details are provided in SR2025.



9

Upholding Good Governance

101 Sustainability Governance
103 Corporate Governance Overview Statement
124 Audit Committee Report
129 Statement of Risk Management and Internal Control

Sustainability Governance

LBS has established a robust governance structure as part of its management approach to SRROs and CRROs. Governance commences with a tone from the top approach, with the Board of Directors having ultimate oversight and responsibility on sustainability matters. This includes monitoring results and achievements pertaining to sustainability. The Board of Directors closely monitors progress achieved against set KPIs and targets on a periodic basis with comprehensive reports on sustainability performance provided to the Sustainability Committee (SC) and subsequently to the full Board.

The Board actively queries the performance results achieved and findings / outcomes presented by Management. This includes seeking clarification or information on the strategies employed by management, budget expenditures pertaining to sustainability and also when actual results have deviated from set KPIs and targets. The Board in its capacity also provides recommendations on the strategies developed by Management including frameworks, roadmaps such as the Group's decarbonisation towards achieving net zero emissions by 2050. The Board, in particular actively monitors LBS' progress with regard to its FTSE4Good scores and the Group's reporting in compliance with the requirements of Bursa Malaysia and the IFRS Sustainability Disclosure Standard.

The chairperson of the SC, who also serves as an Executive Director on LBS' Board, is responsible for leading the Group's sustainability and climate-related risk management. The SC is tasked with driving the Group's EESG strategies, setting long-term sustainability priorities, and ensuring alignment with regulatory expectations and global climate goals. The SC takes into account the Group's business model, its value chain, and its operating context in identifying material SRROs and CRROs and in developing strategies to mitigate risks and to leverage opportunities accordingly. The SC also is responsible for identifying improvement opportunities and driving management to implement the necessary tactical initiatives to realise desired outputs and outcomes.

Aside from the Board and the Sustainability Management Committee ("SMC") also plays a direct role in ensuring effective governance for all SRROs and CRROs. If the role of the Board is characterised by oversight and advisory, the role of the Management Team is more operations driven. The Management Team is responsible for the implementation of sustainability strategies at all aspects and levels of the Group's operations. This includes defining and monitoring KPIs, implementing sustainability-driven policies, and overseeing the execution of climate-related programmes. Another priority area for Management is with developing action plans that drive energy and emissions reduction consistent with LBS' decarbonisation goals and aspirations.

In essence, day-to-day decision making in relation to SRROs and CRROs comes under the purview of the SMC. This includes establishing necessary systems and processes and also in ensuring robust and timely data collection and regulatory compliance. Compliance refers to all aspects of the Group's operations beyond sustainability reporting such as adherence to best practices in preventing corruption, OSH incidents, in optimising energy consumption and so forth.

Sustainability governance in LBS is further reinforced through the establishment of Groupwide sustainability related policies such as the Anti-Bribery and Corruption Policy, and others. These policies are provided on the Group's corporate website at https://lbs.com.my/sustainability/good-governance/ and https://lbs.com.my/corporate-governance/.

Governance is also reinforced by participation in external organisations. By becoming members of; or participating in the activities of the UNSDG and trade associations, LBS is also aligning with industry standards and best practices. LBS is progressively aligning its climate change policy with the positions of trade associations. As an ongoing effort, LBS has assessed and ensured that the stances of these associations are in line with LBS' climate objectives. These efforts reflect LBS' commitment to adapting to climate challenges and supporting the transition to a low-carbon and sustainable future. Following is the group's Sustainability Governance Framework:

Sustainability Governance

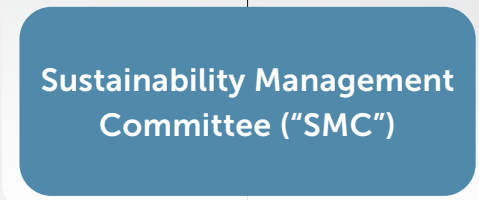
BOARD LEVEL COMMITTEE:

Supports the Board in overseeing the Group's sustainability strategy. The SC reviews key EESG matters, including climate change and supply chain concerns, while providing strategic recommendations and monitoring progress on a quarterly basis.



MANAGEMENT LEVEL COMMITTEE

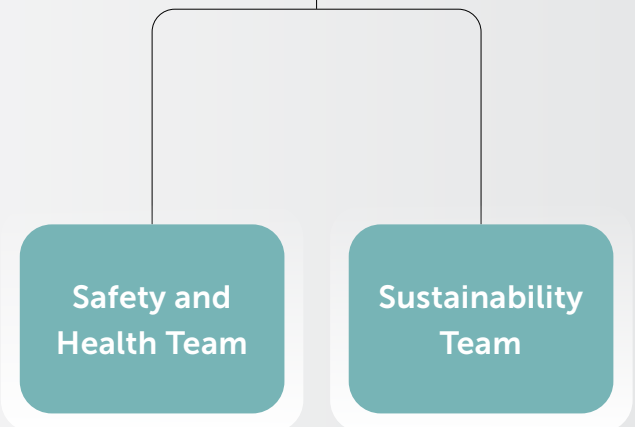
On a weekly basis, the SMC acts as an interactive platform connecting senior leadership with operational teams. By addressing sustainability trends and critical EESG issues, the SMC bridges the efforts of the Safety & Health Team and the Sustainability Team, ensuring alignment across all functional areas, while reinforcing the operational framework through the two key working groups.



EXECUTIVE-LEVEL WORKING GROUP

The SUSTAINABILITY TEAM, comprises a cross functional team of HODs. The team's role is to integrate sustainability based on the Group's framework into their respective portfolios. This team monitors KPIs aligned with sustainability targets, fostering accountability and incentivising progress.

The EESG KPIs set by the company are embedded in the corporate agenda. They guide decision-making, performance evaluation, and strategic planning. The Safety & Health Team focuses on OSH requirements set by the Department of Occupational Safety and Health ("DOSH") to uphold regulatory standards. ensures the safety, health, and well-being of all employees and stakeholders. A key priority is embedding a safety-first mindset throughout the organisation while driving initiatives to enhance workplace safety and reduce risks, particularly in high-risk areas like construction sites.



Corporate Governance Overview Statement

The Board believes that good corporate governance and sustainable business performance are intertwined. The Board is committed to upholding high standards of integrity and transparency in its governance and ensuring comprehensive application of the Principles and Practices set out in the Malaysian Code on Corporate Governance ("MCCG").

Frameworks Applied

1. MCCG
2. Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia")
3. Corporate Governance Guide 4th Edition issued by Bursa Malaysia
4. Companies Act 2016

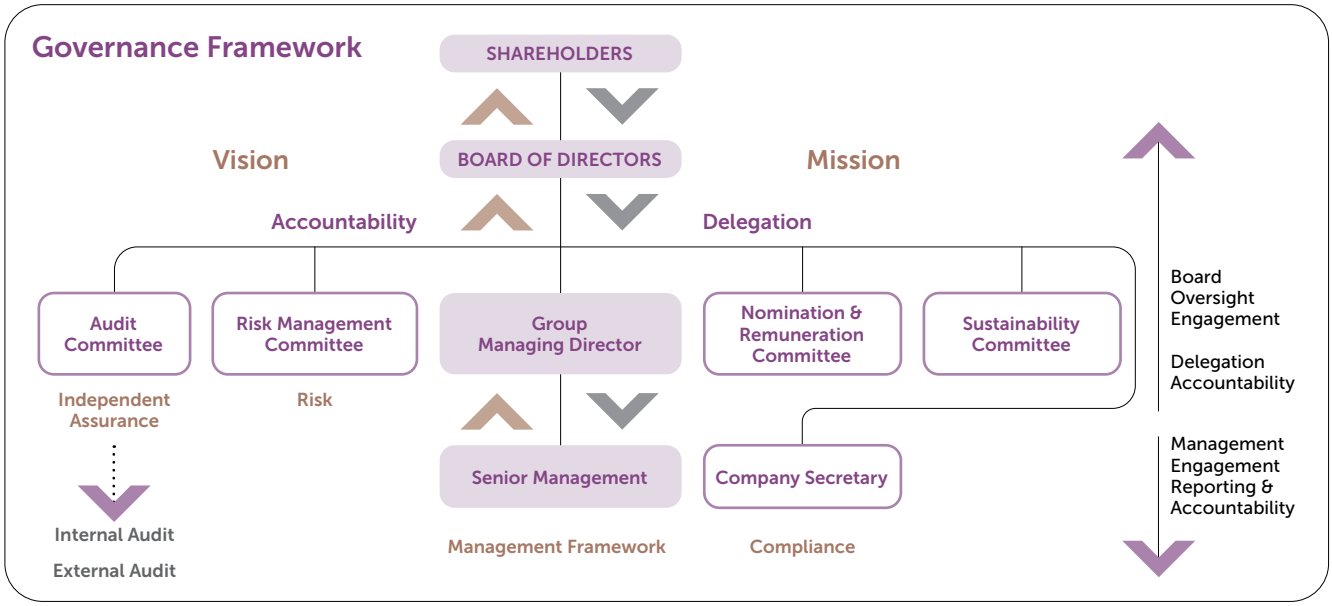
Pursuant to Bursa Malaysia's corporate governance disclosure requirements as per Paragraph 15.25 and Practice Note 9 of the MMLR, the Board is pleased to set out a summary of the Group's corporate governance practices during the financial year ended 31 December 2025 ("FY2025") in this Corporate Governance Overview Statement ("CG Overview Statement"), which provides an overview of how LBS has applied the following three (3) principles as set out in the MCCG:

Principle A:
Board Leadership and Effectiveness

Principle B:
Effective Audit and Risk Management

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

In addition to this, the application of each of the Practices set out in the MCCG is disclosed in our standalone Corporate Governance Report ("CG Report") which is available on the Group's corporate website at www.lbs.com.my and within an announcement made by the Company on the website of Bursa Malaysia at www.bursamalaysia.com. The CG Report provides specific disclosure on how LBS has applied to each corporate governance practice outlined in the MCCG.



Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Responsibilities of the Board

The Group is governed by a Board that provides strategic oversight and stewardship of the Group's business and affairs on behalf of shareholders and other stakeholders. The Board's primary role is to establish the Group's strategic objectives and policies, ensuring the creation and protection of shareholder value while considering the interests of a broader range of stakeholders, including employees, business partners, regulators, local communities and the general public.

The Board takes full responsibility for leading, governing, guiding and monitoring the Group performance as well as enforcing standards of accountability including the process for financial reporting, risk management and compliance.

The Board assumes, amongst others, the following roles and responsibilities:

- To formulate and evaluate the strategic plans and direction of the Group to support long-term value creation, including strategies on economic, environmental and social considerations underpinning sustainability;
- To ensure the necessary resources are in place for the Group to meet its objectives and strategic plans as well as lead and monitor management performance in implementing the strategic plans;
- To oversee the conduct of the Group's businesses and financial and non-financial performance;
- To identify principal risks affecting the Group, set risk appetites and ensure the implementation of appropriate internal controls and mitigation measures;
- To promote good corporate governance culture across senior management with the aim of reinforcing ethical, accountable and professional behaviour;
- To review, challenge and decide on management's proposals for the Group, and monitor its implementation by management;
- To establish and review training programme and succession planning to the Board and all candidates appointed to senior management positions are of sufficient calibre;
- To approve the change of corporate organisation structure plan including new investments or divestments both locally or abroad;
- To oversee the development and implementation of stakeholders communication policy for the Group; and
- To review the adequacy and the integrity of the Group's management information and internal control system.

Separation of Positions of the Chairman and Group Managing Director/Chief Executive Officer

In ensuring a proper balance of power and authority, the positions of the Chairman and Group Managing Director/ Chief Executive Officer ("GMD/CEO") are held by different individuals. The clear division of the roles and responsibilities of Chairman and GMD/CEO as below:

Roles of the Chairman

The Chairman of the Board is mainly responsible for providing leadership to the Board to perform effectively, lead the board to practice high standard of corporate governance, set the corporate cultural tone from the top, chair Board meetings and set Board agendas, and promote effective Board relationships. He is also responsible in determining the strategic direction of the Group for the Board's consideration and approval.

The Chairman acts as the Group's primary official spokesperson and serves as Chair of all shareholders' meetings of the Company.

Roles of the GMD/CEO

The GMD/CEO assumes the overall responsibility for the implementation of the Group's strategy and in carrying out the Board's directions, managing the businesses of the Group and driving performance to achieve strategic goals and commercial objectives. The GMD/CEO leads the management team in carrying out the corporate strategy and vision of the Group, and acts as a liaison between the Management and the Board and ensuring that key developments and/or issues are communicated to the Board accordingly.

Corporate Governance Overview Statement

The specific responsibilities of the GMD/CEO include:-

- Developing strategic direction, including short-term and long-term business plans;
- Ensuring strategies and corporate policies are effectively implemented;
- Ensuring Board decisions are implemented and reflect the environment, social, governance commitments as articulated in the sustainability policy/statement;
- Providing leadership by effectively communicating the vision, management culture, business strategy and sustainability values to the employees;
- Keeping the Board fully informed of all important aspects of the Group's operations and ensuring sufficient information is distributed to Board members; and
- Ensuring the day-to-day business affairs of the Group are effectively managed.

While the Board empowers the GMD/CEO to implement approved certain strategies, it ensures that delegations to Board Committees do not dilute its accountability. The Board remains fully engaged and ultimately responsible for all matters within its remit.

Meeting Materials and Supply of Information

The Key Senior Management team has an obligation to furnish the Board and Board Committees with adequate information in a timely manner, to enable them to make informed decisions. Where more information is required than those voluntarily given by the Key Senior Management team, all Directors are allowed to make further enquiries where necessary. Therefore, the Directors always have independent access to the Company's Key Senior Management for additional information and advice.

The Board is furnished with financial and non-financial information for them to monitor the Company's performance against its strategic objectives. The information provided includes but is not limited to:

- Quarterly financial performance report of the Group;
- Risk assessment reports on major investments and divestments of the Group;
- Major operational and financial report including sales analysis and debtor aging;
- Report on the digitalisation roadmap implementation;
- Updates on the progress of governance on sustainability including implementation of initiatives on environment, economic, social and governance.
- The Group's risk profile;
- Updates on governance matters on integrity including conflict of interest, related party transaction and whistleblowing.
- Updates on corporate exercises and significant compliances; and
- Updates on regulatory and legislation changes.

Presentations on major proposals are made at meetings of the Board and Board Committees in a manner that are clear and adequate information on the subject matter which is delivered. All Directors have the right and duty to make further enquiries where they consider necessary. Members of the Key Senior Management are invited to the meeting to provide insight and to furnish clarification on issues that may be raised by the Board.

To ensure that the Board receives information in a timely manner, the Company Secretary is responsible for ensuring notices of meetings are sent to the Directors at least five clear days in advance. The Company Secretary shall compile all relevant meeting materials and deliver these in an eBook format on the same day that the notices are sent. This provides the Board with sufficient time to go through the meeting eBook and to raise questions or concerns during the meeting.

All Directors, whether as a full Board or individually, have full and unrestricted access to the advice and services of the Key Senior Management, Company Secretary, Internal Auditors and External Auditors in discharging their duties in accordance with the Terms of Reference of the Board Committees.

When necessary, the Board members may seek external professional advice, whether as a full Board or in their individual capacities, to enable them to discharge their duties with adequate knowledge at the expense of the Company. In addition, the Board has unrestricted access to the Company's information and receives regular information updates from the Management. The corporate announcements released to Bursa Malaysia are also emailed to all Directors.

The Company Secretary, who attend each Board Meeting plays an important role in ensuring that Board procedures are always adhered to during the meetings. She advises the Board on matters such as corporate governance requirements and Directors' responsibilities in complying with relevant legislation and regulations. The Board was updated by the Company Secretary on matters pertaining to new regulations or requirements concerning Directors' duties and responsibilities. These updates mainly on the amendments to the MMLR of Bursa Malaysia and the Companies Act 2016.

Corporate Governance Overview Statement

Qualified Company Secretary

The Company Secretary of the Group is a Fellow member of the Malaysian Institute of Chartered Secretaries and Administrators, and is a qualified Chartered Secretary under Section 235(2) of the Companies Act 2016. The Board is also supported with a Joint Company Secretary, Mr. Eugene Chow Jan Liang who is the Director of Deloitte Malaysia and has over 20 years of experience in providing Business Process Solutions which include secretarial services.

The Board members and Board Committees have unlimited access to the services of the Company Secretaries and are kept updated on new regulations, requirements and current developments in the regulatory framework and governance practices relating to their duties and responsibilities.

The roles and responsibilities of the Company Secretaries shall include, but are not limited to the following:-

i. Advising the Board on its roles and responsibilities;
ii. Facilitating the orientation of new Directors and assist in Directors' training and development;
iii. Advising the Directors on corporate disclosures and compliance with Company and securities regulations and listing requirements including:-
    - disclosure of interests in securities;
    - disclosure of any conflict of interest in a transaction involving the Group;
    - prohibition of dealing in securities; and
    - restrictions on disclosure of price-sensitive information.
iv. Managing processes pertaining to the directors,' Board Committees' and shareholders' meeting;
v. Monitoring corporate governance development and assist the Board in applying governance practices; and
vi. Serving as a focal point for stakeholders' communication and engagement on corporate governance issues.

Board Charter

The Board Charter articulates the Board's strategic intent, authority and Terms of Reference, serving as a cornerstone for governance and a reference for induction. It delineates the responsibilities of the Board, its committees and individual Directors, ensuring clarity and alignment with corporate governance best practices. To remain current and relevant, the Charter is reviewed periodically, with the most recent update conducted in 2025. The Board Charter is available on the Company's website at www.lbs.com.my.

The Board Charter comprises, amongst others, the following key areas:

- Board Size and Composition on Size and Mix of Skills, Independence and Board Diversity;
- Roles and Responsibilities of the Board, Chairman, GMD/CEO and Senior Independent Non-Executive Director and Individual Directors;
- Board Committees on Roles of the Board Committees;
- Board Functions on Ethics and Compliance, Risk Management, Policy and Procedures, Sustainability and Stakeholder Communication;
- Board Efficiency on Selection of Candidates, Appointments to the Board, Terms of Appointment, Tenure of Independent Directors, Directors' Remuneration, Directors' Insurance, Board Effectiveness, Board and Management, New Directorships and Time Commitment, Restriction of Directorships and Directors' Training and Development;
- Company Secretary; and
- The Process for Board Meetings, Committee Meetings and Decision-Making.

The followings are some of the key matters reserved for the Board:

- Review, discuss and approval of corporate strategies, plans, targets and programmes proposed by management prior to their implementation and execution;
- Material investments and divestments, mergers and acquisitions, corporate restructuring both locally and abroad;
- Appointment of new Directors, Board Committee members, Managing Director, Chief Executive Officer, Company Secretary and other senior management position based on recommendation of the Nomination and Remuneration Committee ("NRC");
- Annual financial statements and the quarterly financial results prior to releasing to Bursa Malaysia;
- Integrity of the Group including overseeing related party transactions, conflict of interest, governance practices, code of conduct and ethical culture;
- Declaration of dividend and approving dividend policy;
- Appointment of external auditors; and
- Capital funding and operational financing.
- Responsible and oversee sustainability matters of the Group including climate change, Occupational Safety and Health ("OSH"), human rights, etc.

Corporate Governance Overview Statement

Strategic Focus Activities and Accomplishments

At every scheduled Board meeting, the Board receives updates from the Senior Management on financial matters, operational and strategic activities and governance. Table below provides examples of significant matters discussed in FY2025.

Financial and Operational

- Review and approval of quarterly and year-end financial results as well as audit related matters.
- Review and approval of financial and operational performance against internal forecast/target.
- Reviewed cash flow and approved interim dividend, and proposed final dividend.
- Reviewed matters related to recurrent related party transactions and conflict of interest as recommended by the Audit Committee.
- Review of Directors' fees, performance bonus and annual salary increment.
- Review of Group business plan and operational financing.

Strategic Plans and Investments

- Approved the Group's 8 x 8 Strategic plan.
- Approved the new major projects:
  i) Kwasa Land project in Kwasa Damansara, Selangor
  ii) Industrial project in Klebang, Melaka
- Approved the disposal of 2 pieces of land in Johor.
- Review and approval of strategic business priority.
- Review of overall business strategy and the setting and adjustment of broad goals and overall strategic direction.

Governance, risk and integrity

- Received the Group's quarterly updates on whistleblowing cases, declaration of COI and RPT by Directors.
- Received feasibility reports and Risk assessment reports on the divestment of land and acquisition of new projects.
- Ensuring good governance practices in line with the MCCG and MMLR.
- Continuing to stay abreast of current developments in Corporate Governance practices.
- Ensuring continued progress and improvement across the Group in terms of creating a corporate governance oriented mindset and culture.
- Ensuring Board diversity, evaluation and effectiveness.
- Noted Minutes of Board Committee Meetings and received updates from Chairman of respective Board Committees.
- Reviewed and approved the proposed digital and cybersecurity roadmap.
- Reviewed and endorsed the Internal Audit Reports quarterly.

Sustainability

- Matching business goals and objectives with relevant Economic, Environment and Social perspectives to ensure the Group's profitability and growth are consistent with sustainability principles and create positive impact and value for all stakeholders.
- Received quarterly report on OSH of the Group.
- Kept abreast of updates of the Group's Sustainability Reporting Framework.
- Kept abreast of achievement of Material Matters via ESG Key Performance Indicators on a quarterly basis.
- Monitored progress towards achieving the targets set in the Group's Net Zero Roadmap towards Net Zero Carbon Emissions by 2050.
- Monitor performance under the FTSE4Good Bursa Malaysia Index.
- Received updates on Sustainable/Green Financing.

Corporate Governance Overview Statement

Formalised Ethical Standards through Code of Ethics

LBS maintains a zero-tolerance policy towards bribery, corruption, and money laundering across all its operations. The Group is dedicated to adhering strictly to all laws and regulations governing its business activities, ensuring they are conducted with the highest standards of ethical conduct and integrity. This commitment extends to all stakeholders in various business dealings and transactions, and our policies and procedures outline the standards expected of all employees.

LBS is committed to conduct its business ethically and in compliance with all applicable laws and regulations in each country and/or jurisdiction that it conducts its business in, including but not limited to Malaysian Anti-Corruption Commission Act 2009, Malaysian Penal Code (revised 1977) (and its amendments), Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 and the Companies Act 2016 or such other applicable laws in each respective country and/or jurisdiction.

The Code of Ethics for Directors and employees continues to govern the standards of ethics and good conduct expected from Directors and employees.

Directors' Code of Ethics

The Board in discharging its functions, aside from observing the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia, the provisions of Companies Act 2016 and the MCCG, has also adopted its own Directors' Code of Ethics with the twelve (12) principals as follows:

1. To observe high standards of Corporate Governance
2. To devote sufficient time and effort
3. To avoid conflict of interest
4. To avoid misuse of position and information
5. To ensure integrity of records
6. To ensure confidentiality of communication and transactions
7. To ensure compliance with applicable laws
8. To demonstrate openness and timeliness of communication
9. To exercise duties and act honestly in the best interest of the Company
10. To uphold accountability
11. To maintain positive relationship with shareholders, employees, creditors and customers
12. Corporate Social Responsibility

The full version of the Directors' Code of Ethics is available at https://lbs.com.my/wp-content/uploads/2026/03/Directors-Code-of-Conduct.pdf.

Employees are also always expected to maintain the highest standards of professionalism and integrity. The Company has set out various policies and procedures in relation to the ethical business and operational conduct for Directors and employees, such as:

Business Ethics for Directors and Employees

- Insider Trading
- Declaration of Interests
- Group IT Policies
- Standard Operating Procedures and Policies
- Corporate Disclosure Policy
- Code of Business Conduct and Ethics
- Anti-Bribery and Corruption Policy
- Whistleblowing Policy
- Gift, Entertainment and Hospitality Policy
- Donations and Sponsorships Policy
- Conflict of Interest Policy
- Workplace Harassment Policy
- Environmental Policy
- Human Rights Policy
- Occupational Safety and Health Policy
- Privacy Policy
- Group Sustainability Policy
- Group Sustainable Procurement Policy

In May 2025, the Group introduced new core values that set the expected standards of conduct for Directors and employees. These values are embedded within the Group's business principles and the Code of Business Conduct and Ethics ("COBCE"), reinforcing its commitment to ethical and compliant work environment. A mandatory compliance e-learning programme ensures ongoing acknowledgement and adherence to the COBCE.

Corporate Governance Overview Statement

Board Committees

To enhance business and corporate efficiency and effectiveness, the Board delegates specific responsibilities to the respective committees of the Board.

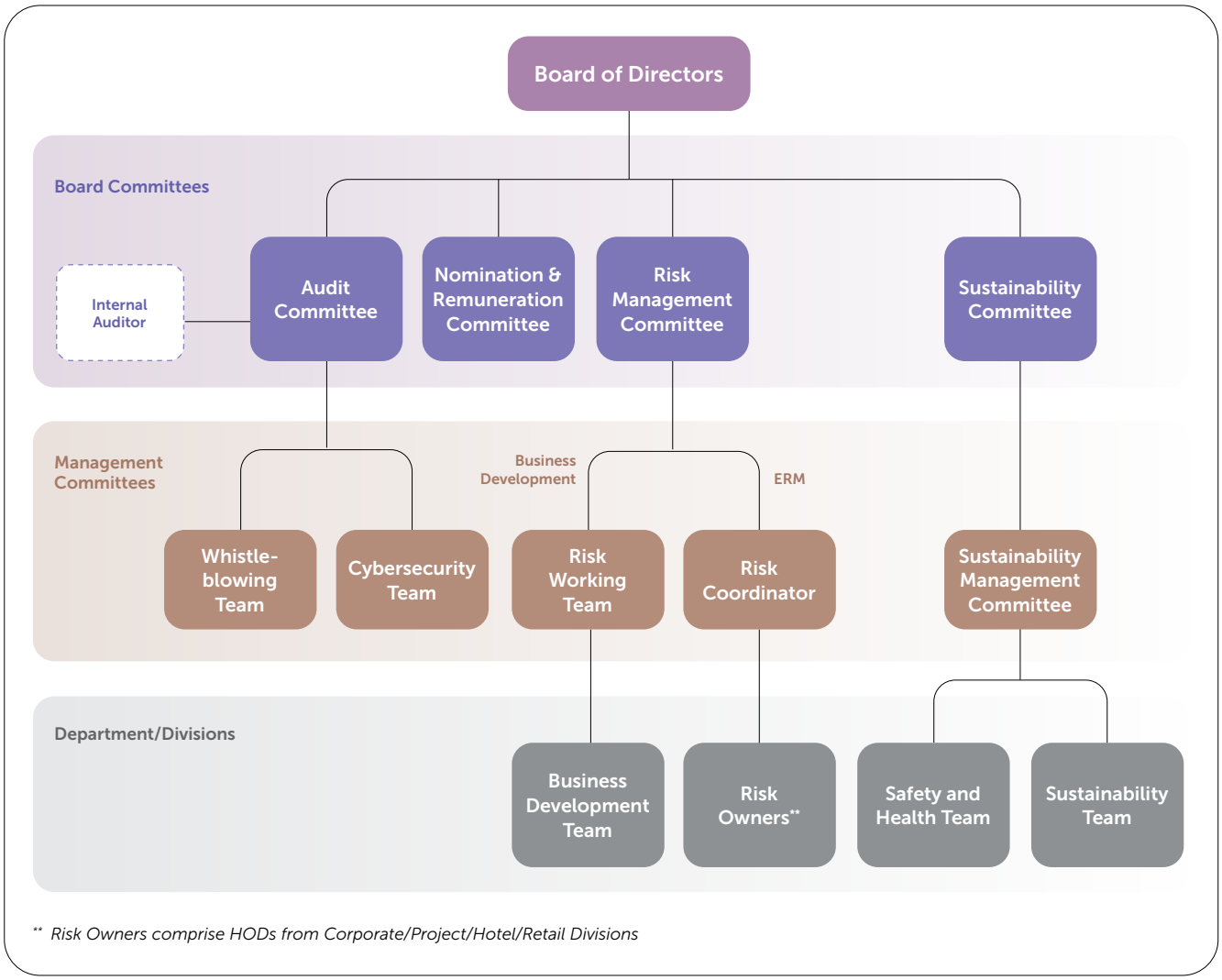
Board Committee	Roles and Responsibilities
Audit Committee ("AC")	- Providing oversight on the Group's financial reporting, disclosure, regulatory compliance and risk management. - Monitoring of internal control processes within the Group. - Reviewing the quarterly results and full year financial statements. - Reviewing the audit reports pertaining to the risk management and internal controls. - Reviewing related party transactions and conflict of interests.
Nomination and Remuneration Committee ("NRC")	- Reviewing the procedures for appointment of Directors and senior management personnel of the Group. - Reviewing the remuneration package of executive directors and senior management personnel. - Annual review of the required mix of skills, knowledge and experience and other qualification of the Board members. - Examine size of the Board with the optimum number of Directors on the Board to ensure its effectiveness.
Risk Management Committee ("RMC")	- Identifying, evaluating, monitoring and reporting of risk areas. - Providing control measures, recommendations and management action plans to mitigate such risks through periodic meetings and updates to the AC in a timely basis. - Ensure that the integrated risk management functions within the Group are effectively discharged.
Sustainability Committee ("SC")	- Providing oversight the sustainability strategy, encompassing economic, environmental, social and governance aspect, including climate change and occupational safety, health and environment matters. - Providing advices and recommendations on sustainability strategies and policies for Board's approval, and monitoring their implementation on quarterly basis. - Chairperson of the Committee who is also the Executive Director of the Company was delegated with responsibility to oversee the health and safety risks of the Group, climate change, human rights and social related matters with the assistance of Group Sustainability Department and Sustainability Team to assist the SC and the Board in discharging their responsibility and duties.

The terms of reference of the Board Committees are available on the Group's website at https://lbs.com.my/corporate-governance/

The Chairman of each Board Committee will provide a briefing to the full Board on the matters discussed during the committee's meetings. Minutes of these meetings will be circulated to all the Board members. All Board Committees operate within their clearly defined Terms of Reference and operating procedures. Reports of their proceedings and deliberations, along with any recommendations are submitted to the Board for consideration. Ultimately, the responsibility for decision making rests with the Board.

Corporate Governance Overview Statement

The following diagram shows a brief overview of the Board Committees of LBS:



** *Risk Owners comprise HODs from Corporate/Project/Hotel/Retail Divisions*

Boardroom Diversity

The Board has in place a Board Diversity Policy which sets out the approaches approved by the Company to achieve diversity of the Board. Under this policy, the Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity within the Board as an essential element in maintaining its competitive advantage and supporting its sustainable development. In determining an optimum composition of the Board, the Company will consider all aspects of diversity and will also consider factors based on its own business model and specific needs from time to time. The Human Resources Department has adopted similar criteria in its selection and appointment process for employees. The Board Diversity Policy is available at: https://lbs.com.my/pdf-viewer/?file=/wp-content/uploads/2025/09/5.-Diversity-Policy-v2.0-21.02.2023.pdf.

The appointment of Board members will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity within the Board. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, ethnicity, age, skills, regional and industry experience and exposure, cultural and educational background, as well as professional experience. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Company does not set any specific target for female Directors or Key Senior Management; however, it will actively work towards having more female members on the Board and the Key Senior Management. The Board recognises that the evolution of Board balance and diversity is a long-term process and will weigh the various factors relevant to Board balance and diversity when vacancies arise.

Corporate Governance Overview Statement

The NRC is responsible for ensuring that diversity principles are adopted in the Board and Senior Management appointments, Board performance evaluation and succession planning processes.

The Succession Planning Policy is available at https://lbs.com.my/pdf-viewer/?file=https://lbs.com.my/wp-content/uploads/2022/03/LBS-Succession-Planning-Policy-20210225-Final-Website-1.pdf

A Board Skills Matrix has been used as reference for the Directors' continuing development and succession planning. The Board consists of individual with a diverse wealth of qualifications, experiences, skills and knowledge in areas ranging from civil engineering, accountancy, banking and finance, to business entrepreneurship, information technology and public service. The composition of the Board is deemed balanced to complement and provide clear and effective leadership to the Group and bring informed and independent judgement to various aspects of the Group's strategies and performance.

A brief profile of each director is presented in the "Directors' Profile" section of this Integrated Annual Report 2025. Further detail of the Board diversity is presented in the Sustainability Report 2025 of the Company.

II. BOARD COMPOSITION

The Board presently has eight (8) members comprising four (4) Independent Non-Executive Directors ("INEDs") and four (4) Non-Independent Executive Directors led by the Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San as the Group Executive Chairman. The INEDs maintained at 50% of the Board, and 37.5% of the Board members are women directors. These figures are in line with the recommended best practice, which suggest that at least half of the Board shall comprise independent directors and at least 30% of the total Board members are women directors.

The Board also recognises the pivotal role of the INEDs in corporate accountability as they provide unbiased and independent views, advice and judgement to issues and decisions and act in the best interests of the Group and its shareholders.

Board Appointment Process

The Board has delegated the responsibility for recommending a potential candidate to fill a Board vacancy to the NRC. The Company has established "Board Appointment Process" with regards to maintaining a formal and transparent process for Board appointments. The NRC assists the Board in ensuring the existence of the right mixture of skills, knowledge, experiences, qualities, gender, personal attributes, among other criteria that are relevant and contribute to the effective functioning of the Board. The NRC will perform initial process of review and selection of candidates identified for appointment to the Board. The ultimate decision on the appointment of a new Director lies with the Board as a whole.

The NRC utilises various resources, including Directors' network, Management's recommendations, independent professional services and industry database to identify potential candidates for directorship. These candidates undergo a thorough assessment to evaluate their skills, competencies, experience, integrity, availability, and other relevant factors to ensure they can effectively fulfil the responsibilities of a director. Only after this assessment are potential candidates recommended to the Board for consideration and approval.

Furthermore, the NRC considers the diversity of the Board's composition including, gender, ethnicity, age, cultural background, among other factors, in the board appointment process. This ensures that the Board reflects a diverse range of perspectives and experiences, which can enhance its effectiveness and decision-making capabilities.

Re-election of Directors

The NRC is responsible for making recommendations to the Board in relation to those Directors who are due for retirement by rotation and are eligible to stand for re-election. The recommendations made are to be in compliance with the MMLR of Bursa Malaysia and in accordance with the Company's Constitution where one-third (1/3) of the Directors, including the Group Managing Director, shall retire from office at least once in every three (3) years and be eligible for re-election by shareholders at the Annual General Meeting ("AGM"). Directors who were appointed during the year are subject to retirement and re-election by the shareholders at the next AGM following their appointment.

The names of the three (3) Directors seeking for re-election at the forthcoming 26th AGM are disclosed in the Notice of AGM. The Board, on the recommendation of the NRC have endorsed the re-election of the retiring Directors.

Corporate Governance Overview Statement

Tenure of Independent Directors

In accordance with the Board Charter, the tenure of service of Independent Directors is capped at the maximum limit of nine (9) years as recommended by the MCCG. Upon completion of a nine-year term, an Independent Director may continue to serve on the Board subject to his re-designation as a Non-Independent Director and subject to shareholders' approval. None of the INEDs tenure have exceeded a cumulative term of nine (9) years in FY2025.

Annual Assessment of Independence

Paragraph 1.01 of the MMLR of Bursa Malaysia provides that an INED is one who is independent of management and free from any business or other relationship that could interfere with the exercise of independent judgement or the ability to act in the best interests of a listed company.

The present composition of the Board is in compliance with Paragraph 15.02(1) of the MMLR of Bursa Malaysia where four (4) out of its total eight (8) Board members are Independent Directors. The Board assess the independence of its INED annually for appropriate proper functioning of the Board and provides effective checks and balances in discharging its responsibilities. No individual or small group of individuals dominates the Board's decision making. For the purposes of determination of independence, the INEDs who are not related to the substantial shareholders of the Company, provide declarations regarding their independence.

When reviewing the independence of the INEDs, the NRC has considered their other directorships, annual declarations regarding their independence, disclosures of interest in transactions in which they have a direct or indirect interest, their ability to avoid any apparent conflicts of interests especially by abstaining from deliberation and voting on such transactions, and their ability to maintain objectivity in their conduct as Directors of the Company.

The Board is satisfied with the assessment of the INEDs especially with the level of independence demonstrated by all the INEDs of the Company and their ability to provide objective judgement to the Board, which mitigates conflicts of interest and undue influence from interested parties.

Annual Evaluation

The NRC was established with defined Terms of Reference to assist the members of the NRC in discharging their duties. The NRC comprises three (3) members who are exclusively INEDs pursuant to Paragraph 15.08A(1) of the MMLR of Bursa Malaysia.

The NRC has assessed the effectiveness of the Board as a whole and the Board Committees through the completion of assessment questionnaires. The assessment parameters included structure, operations, tenure, roles and responsibilities and their effectiveness.

Through an Evaluation Panel comprising the Chairman of the Board, Chairman of the NRC and Chairman of the AC, the NRC has assessed each Director's contribution to the effectiveness of the Board. The assessment parameters include their attendance record, contributions to interaction, the quality of their input, and their understanding of their roles.

The evaluation process is a constructive mechanism for improving board effectiveness, maximising strengths and tackling weaknesses, leading to an immediate improvement of performance throughout the organisation. When assessing the performance of Board members, the assessment forms will be distributed to every member of the Evaluation Panel. Upon completion, the Company Secretary gather the forms, summarise and present the results of the performance assessment to the NRC. The assessment for the Board as a whole and Board Committees will be carried out by the NRC at the meeting. A questionnaire which forms part of the meeting documents will be completed by the NRC after discussion. The findings of all evaluations will later be reported to the Board. The following evaluation forms are used:-

(a) Independent Director's Self-Assessment Checklist;
(b) Director's Performance Evaluation;
(c) Board and Board Committees Performance Evaluation;
(d) AC Evaluation Sheet;
(e) AC Member's Self & Peer Performance Evaluation Sheet; and
(f) Declaration of Fit and Proper Form.

The NRC also reviews remuneration package comprising salaries, bonuses, benefits-in-kind and allowances of Executive Directors annually to ensure that the remuneration packages are fair and reasonable. The determination of the remuneration of the INEDs is a matter for the Board as a whole.

A summary of the activities of the NRC in discharging its duties during the year under review is as follows:

(a) Reviewed the composition of the Board in respect of its structure, size and the required mixture of skills and experience;
(b) Reviewed the re-election of Directors retiring by rotation pursuant to the Company's Constitution at the 25th AGM of the Company;

Corporate Governance Overview Statement

(c) Assessed the independence of INEDs;
(d) Reviewed remuneration package comprising salaries, incentives, bonuses, benefits-in-kind and allowances of Executive Directors. The determination of the remuneration of the INEDs is a matter for the Board as a whole;
(e) Undertook an annual assessment and evaluation of the Board, Board Committees and the individual Directors;
(f) Assisted the Board to identify training needs and facilitate for the training and development to ensure they are adequately updated with the latest development in carrying out their responsibilities as a Director.

The NRC, upon its annual assessment, confirmed that the present size and composition of the Board has the requisite competencies and capacity to effectively oversee the overall businesses and handle all matters pertaining to the Group.

The Board is satisfied that the current function of NRC in respect of nomination and remuneration matters is in accordance with its Terms of Reference.

Time Commitment

None of the members of the Board has more than five (5) directorships in listed companies. This ensures that their commitment, resources and time are more focused which enables them to discharge their duties efficiently. All Directors are obliged to notify the Board before accepting any new directorships in other listed companies. The notification will include an indication of time that will be spent on the new appointments to ensure that the Directors have sufficient time to discharge their duties to the Board and the various committees on which they serve.

The Directors of the Company acknowledge the importance of allocating sufficient time to attend the affairs of the Company and at the same time ensure their full commitment towards the business needs of the Group.

Although there is no specified time commitment required of the Directors in terms of the number of days per year, the Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. Besides attending Board, Board Committees and general meetings, the time spent by Directors also include attending informal meetings and discussions with Management relating to the Group's affairs, corporate events like project launches, project site visits, inhouse professional development and training and all other major corporate events, functions, briefing and dinners organised by the Company.

Board and Committees Meetings Attendance

	NO. OF MEETINGS HELD				
Directors	Board	AC	NRC	RC	SC
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San *(Group Executive Chairman)*	8/8	–	–	–	4/4
Datuk Wira Lim Hock Guan *(GMD/CEO)*	7/8	–	–	–	3/4
Maj (Hon) Dato' Sri Lim Hock Sing *(Executive Director)*	8/8	–	–	2/4	–
Dato' Lim Mooi Pang *(Executive Director)*	8/8	–	–	4/4	4/4
Dato' Lim Han Boon *(Senior Independent Non-Executive Director)*	8/8	5/5	–	4/4	4/4
Dato' Yong Lei Choo *(Independent Non-Executive Director)*	8/8	–	2/2	4/4	4/4
Dato' Aminudin Zaki Bin Hashim *(Independent Non-Executive Director)*	8/8	5/5	2/2	4/4	–
Nuraini Binti Ismail *(Independent Non-Executive Director)*	8/8	5/5	2/2	–	4/4
Total number of meetings held during FY 2025	**8**	**5**	**2**	**4**	**4**

Corporate Governance Overview Statement

A pre-scheduled annual calendar of the Board Meetings is circulated to all the Board members at the beginning of each year to facilitate the Directors to plan their schedules. Board Meetings are usually held a minimum of five (5) times in a year. Additional meetings will be convened as and when there are important and urgent decisions to be made, which require additional time to be spent between the scheduled meetings. Directors are also allowed to participate in Board Meetings via online tele-conference.

Members of Key Senior Management were invited to attend Board meetings to furnish additional details or provide clarification on matters tabled for consideration by the Board.

Directors' Training and Induction

The Company has adopted the Directors' Induction Programme, a formal induction programme for newly appointed Directors. A formal letter detailing the general duties and obligations as a director pursuant to the relevant legislations and regulations will be given to each new Director. The new Director will also be provided with reading materials relating to the roles and responsibilities of a Director, the Group's principal businesses, corporate governance practices, company policies and procedures as well as a Board meeting calendar for the year.

The Company Secretary would lead this comprehensive induction programme which includes meeting with members of Key Senior Management and their teams to allow the new Director to be acquainted with the Management and to facilitate their future independent access to the Management. The programme also includes a briefing by the Company Secretary on the Board processes, internal controls and governance practices and by the Key Senior Management on key areas of the Company's operations.

All Directors are also provided with updates and/or briefings from time to time by professional advisers, consultants, Management and the Company Secretary in areas such as corporate governance practices, relevant legislations and regulations and financial reporting standards. The Company Secretary periodically inform the Directors of the availability of appropriate courses, conferences and seminars, and the Directors are encouraged to attend such training at the Company's expense.

Members of the Board attended training programmes, conferences, seminars, courses and/or workshops during the financial year. A summary of selected in-house education programmes and external training sessions attended by Directors are set out as follows:

No	Date	Seminars/Forum/Conference/Training
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San		
1	21.1.2025	The 1st UNITAR Leadership Series - Collaborative Efforts in Strengthening the Relationship Between China and Malaysia
2	20.2.2025	E-Invoicing
3	29.5.2025	Harnessing AI & Custom Tool for Operational Productivity
4	18.8.2025	Code of Business Conduct & Ethics - From Policy to Practice
5	24.11.2025	Harassment in the Workplace
6	24.11.2025	Human Rights, Whistle Blowing and Grievance Mechanism
7	24.11.2025	Quick Guide to Conflict of Interest in the Workplace
8	24.11.2025	Part 1: Anti-Bribery and Corruption in the Workplace
9	24.11.2025	Part 2: Anti-Bribery and Corruption in the Workplace
10	28.11.2025	Personal Data Protection – A Board Level Imperative

Corporate Governance Overview Statement

No	Date	Seminars/Forum/Conference/Training
Datuk Wira Lim Hock Guan		
1	29.5.2025	Harnessing AI & Custom Tool for Operational Productivity
2	24.11.2025	Harassment in the Workplace
3	24.11.2025	Human Rights, Whistle Blowing and Grievance Mechanism
4	24.11.2025	Quick Guide to Conflict of Interest in the Workplace
5	24.11.2025	Part 1: Anti-Bribery and Corruption in the Workplace
6	24.11.2025	Part 2: Anti-Bribery and Corruption in the Workplace
7	28.11.2025	Personal Data Protection – A Board Level Imperative
Maj (Hon) Dato' Sri Lim Hock Sing		
1	20.2.2025	E-Invoicing
2	29.5.2025	Harnessing AI & Custom Tool for Operational Productivity
3	24.11.2025	Harassment in the Workplace
4	24.11.2025	Human Rights, Whistle Blowing and Grievance Mechanism
5	24.11.2025	Part 1: Anti-Bribery and Corruption in the Workplace
6	24.11.2025	Part 2: Anti-Bribery and Corruption in the Workplace
7	24.11.2025	Quick Guide to Conflict of Interest in the Workplace
8	28.11.2025	Personal Data Protection – A Board Level Imperative
Dato' Lim Mooi Pang		
1	20.2.2025	E-Invoicing
2	6.3.2025	Navigating ISSB Standards: Strategies to Optimise Financial & Accounting Efficiency
3	12.3.2025	Board Leadership in Industry Disruption
4	26.3.2025	Business Chemistry
5	17.4.2025	The Dos and Don'ts of KPIs and Performance Monitoring: From the Board's Lens
6	28.4.2025	Managing Tariffs: Adapting Supply Chains to a Shifting Tariff Landscape
7	28.4.2025	Deloitte Leading in Volatile Times
8	29.5.2025	Harnessing AI & Custom Tool for Operational Productivity
9	20.11.2025	From Operations to Intelligence: Transforming Service Companies with Everyday Data
10	24.11.2025	Harassment in the Workplace
11	24.11.2025	Human Rights, Whistle Blowing and Grievance Mechanism
12	24.11.2025	Part 1: Anti-Bribery and Corruption in the Workplace
13	24.11.2025	Part 2: Anti-Bribery and Corruption in the Workplace
14	24.11.2025	Quick Guide to Conflict of Interest in the Workplace
15	28.11.2025	Personal Data Protection – A Board Level Imperative

Corporate Governance Overview Statement

No	Date	Seminars/Forum/Conference/Training
Dato' Lim Han Boon		
1	13.2.2025	Mega Trends in 2040
2	20.2.2025	E-Invoicing
3	9.5.2025	Growth Opportunities Driven by Megatrends in Asia Pacific, Forecast to 2035
4	13.5.2025	AI Leadership Conference 2025
5	27.5.2025	Stress Management at Workplace
6	29.5.2025	Harnessing AI & Custom Tool for Operational Productivity
7	10.7.2025	Leading for Longevity : The Board's Role in Driving Innovation
8	14.7.2025	Agentic AI Enabling Innovations
9	5.8.2025	Enhancing your productivity with GENAI
10	7.8.2025	Navigating the new SST Landscape
11	22.9.2025	My Mahir workforce strategy by Talent Corp
12	30.10.2025	GBS Summit 2025
13	28.11.2025	Personal Data Protection – A Board Level Imperative
Dato' Yong Lei Choo		
1	9.1.2025	Annual In-House Cyber Security Awareness Talk 2025
2	20.2.2025	E-Invoicing
3	22.2.2025	Ensuring Financial Integrity: Strategies for AMLA, Countering Financial of Tourism, Countering Problematic Financing & Corruption Prevention.
4	27.5.2025	Bursa Advocacy Programme on Future Proofing Governance & Risk: Strategies for a Disruptive Era.
5	29.5.2025	Harnessing AI & Custom Tool for Operational Productivity.
6	12.6.2025	Bursa – Advocacy Programme: Cyber Security Power-Play.
7	28.11.2025	Personal Data Protection – A Board Level Imperative
Dato' Aminudin Zaki Bin Hashim		
1	18.2.2025	Annual In-House Cyber Security Awareness Talk 2025
2	20.2.2025	E-Invoicing
3	29.5.2025	Ensuring Financial Integrity: Strategies for AMLA, Countering Financial of Tourism, Countering Problematic Financing & Corruption Prevention.
4	1 & 2.10.2025	Bursa Advocacy Programme on Future Proofing Governance & Risk: Strategies for a Disruptive Era.
5	28 & 29.10.2025	Harnessing AI & Custom Tool for Operational Productivity.
6	28.11.2025	Personal Data Protection – A Board Level Imperative

Corporate Governance Overview Statement

No	Date	Seminars/Forum/Conference/Training
Puan Nuraini Binti Ismail		
1	3.2.2025	Commvault : Minutes to Meltdown
2	19.2.2025	How Global Events Will Affect The Outlook for the Financial Industry In 2025
3	20.2.2025	E-Invoicing
4	7.4.2025	Fair Treatment On Financial Consumers, Emerging Climate and Nature, Priorities
5	15.4.2025	Engagement with Moody's Chief Economist - Impact of Tariffs
6	16 - 18.4.2025	CMDP Modules
7	29.5.2025	Harnessing AI & Custom Tool for Operational Productivity
8	3 - 5.6.2025	ITC Conference - Insurance Ecosystem
9	3.7.2025	Board Accountability in Action: Navigating MFRS & Financial Reporting Dates
10	29.7.2025	Operational Resilience - E- Invoicing
11	16.8.2025	Personal Data Protection 2025
12	9.9.2025	Bank Islam Group Directors' Conference
13	8.10.2025	Whistle Blowing Oversight: Strengthening Board Accountability and Ethical Governance
14	8.10.2025	Board Accountability in AML Governance; FATF Expectations, Beneficial Ownership and Compliance Culture
15	12.10.2025	E- Learning (BIMB Sec) - Anti Bribery and Anti-Corruption Policy
16	14.11.2025	Social Investment Returns
17	28.11.2025	Personal Data Protection – A Board Level Imperative

With the assistance of the NRC and Company Secretary, the Board will continue to evaluate and determine the training needs of its members to assist them in discharging of their duties as Directors of the Company effectively.

III. REMUNERATION

The Group is committed to achieve better performance and this depends crucially on the individual contributions made by the Board and employees at all levels. Accordingly, the Board believes that an effective remuneration policy plays an essential part in attracting, retaining and motivating talents of the Group.

In reviewing the remuneration for Executive Directors and Senior Management, the NRC, with the assistance of Human Resources Department, consider whether a remuneration package has achieved the following main objectives:

- To ensure a remuneration package is competitive to attract and retain the Executive Director and Senior Management who can meet the Company's goals;
- To reward an Executive Director for achieving corporate and individual performance targets in a fair and equitable way;
- To ensure the remuneration package reflects their duties and responsibilities and contain incentives to motivate them to deliver the Group's performance objectives without encouraging excessive risk taking; and
- The remuneration policy must be sufficiently flexible to take account of changes in the Group's business environment and market practices.

The Remuneration Policy is available at https://lbs.com.my/pdf-viewer/?file=https://lbs.com.my/wp-content/uploads/2025/11/Remuneration-Policy.pdf.

The remuneration packages for Executive Directors comprises a fixed component (in the form of basic salary, contractual bonus and benefits-in-kind) and variable components (which includes short-term variable performance bonus and long-term incentive in the form of cash-base retirement benefits).

Corporate Governance Overview Statement

When reviewing and determining the structure of Directors' remuneration, the NRC considers the following criteria:

- Individual performance;
- Skills, knowledge and exposure;
- Involvement in the Group's affairs effectively;
- Achievement of Group's internal targets and KPI; and
- Performance and profitability of the Group.

The NRC also considers other factors such as salary paid by comparable companies, time commitment, scope of duties and responsibilities. Relevant information on their remuneration from independent consultants or survey data, when available, will also be used as reference by the NRC.

The long-term incentive in the form of cash-base retirement benefits aligns the Management with long-term shareholder value creation. Payment will be made at the end of a retirement period. Being a cash-based benefits, the is not dilutive to current shareholders. There is no claw-back provision in the remuneration of Executive Directors and Senior Management. However, if their employment is terminated due to several circumstances such as conviction of criminal offences involving fraud or dishonesty, they shall not be able to entitle for the long-term incentive.

The Board recommends the proposed fees for the INED with the individual Directors concerned abstaining from decisions in respect of their individual remuneration. When reviewing the structure and level of Directors' fees for the INED, which comprise the base director fee and additional fees for services rendered on Board Committees and fee for the chair of Board Committees, the Board takes into consideration their respective roles and responsibilities on the Board and Board Committees and the changes in the business, corporate governance practices and regulatory rules. The Board also compares the fee structure against industry practices annually. Other factors taken into consideration in the fee revision include the frequency of Board and Committee meetings and the interval since the last fee revision. The Board is mindful that the remuneration for INEDs should not be excessive to compromise or reasonably be perceived to compromise their independence.

The payment of Directors' fees, allowances, benefits in kind to the Directors are subject to the approval of shareholders at the Company's AGM in accordance with the provisions of the Companies Act 2016, and Directors who are also shareholders will abstain from voting at the AGM on this matter.

The details of Directors' remuneration for the FY2025, including a breakdown of each individual Director's remuneration such as fees, salaries and bonus, benefits-in-kind and other emoluments are disclosed under Practice 8.1 in our CG Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The AC assists the Board to oversee the integrity of the Group's financial reporting processes. The processes are aimed at providing assurance that the financial statements and related notes were prepared and drawn up in accordance with the provisions of the Companies Act 2016 and the applicable approved accounting standards in Malaysia for FY2025. The quarterly financial results and audited financial statements were reviewed and recommended by the AC and approved by the Board before being released to Bursa Malaysia.

For further details of the AC's composition and activities during FY2025, please refer to the *AC Report* section in this IAR2025.

Assessment of Suitability and Independence of External Auditors

The AC carries out the assessment procedures annually to determine the suitability and independence of the External Auditors including quality and performance of their audit to ensure the External Auditors are free from any business or other relationships with the Group that could materially interfere with their ability to act with integrity and objectivity. The annual assessment also ensures that the provision of other non-audit services by the External Auditors is not in conflict with their audit function.

The External Auditors provide mainly audit-related services to the Company and also undertake certain non-audit services such as quarterly reviews, regulatory reviews and reporting, and other services as and when requested by the Group. The independence of External Auditors can be impaired by the provision of non-audit services to the Company.

Corporate Governance Overview Statement

During FY2025, the AC met independently at two scheduled meetings with the External Auditors to discuss any matters they wish to raise or concerns they may have without the presence of the management. The AC also undertook review of the independence of UHY Malaysia PLT ("UHY) and gave careful consideration to the Group's relationship with them. In determining the independence of UHY, the AC reviewed various aspects of their relationship with them including the nature and amount of the non-audit services paid to UHY for the FY2025 and the corresponding fees. The review showed that the non-audit fees did not impair or threaten the audit independence of UHY as such an amount is not significant as compared to the total audit fees paid to UHY. Based on the review, the AC is of the opinion that UHY is, and is perceived to be, independent for the purpose of the Group's statutory financial audit. UHY has declared its independence to the Group and its compliance pursuant to Paragraph 290.173 of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

The AC has adopted the External Auditors Policy which outlines the guidelines and procedures for the AC to assess and monitor the External Auditors. It provides that the External Auditors rotate their engaging partner in charge of audit of the Group's financial statements once every five (5) years to maintain their independence from the Group.

In reviewing the nomination of UHY for re-appointment for FY2025, the AC had considered the adequacy of the resources, experience and competence of UHY. Consideration was also given to the experience of the engagement partner and key team members in handling the audit of listed corporation with 81 subsidiaries companies under different business segments. The audit quality, technical competencies, manpower resource sufficiency, size and complexity of the audit of the Group were taken into consideration. The review also took into account the level of cooperation with Management while maintaining integrity and objectivity and to deliver their services professionally and within stipulated timelines.

The AC is satisfied with the competence and independence of the External Auditors and has recommended to the Board the re-appointment of the External Auditors, upon which the shareholders' approval will be sought at the forthcoming 26th AGM.

Statement of Directors' Responsibility in respect of the Financial Statements

The Directors are responsible to ensure the Company's financial statements are drawn up in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016 so as to give a true and fair view of the state of affairs, the results and cash flow of the Group and of the Company during the financial year 2025. The Board is also responsible for ensuring that the financial results are released to Bursa Malaysia within the stipulated time frame.

In preparing the financial statements, the Directors have ensured compliance with the applicable approved accounting standards and applied consistently and made judgements and estimates that are reasonable and prudent. The Directors have also confirmed that the financial statements have been prepared on a going concern basis.

The AC had met with the External Auditors in April and November 2025 to review the scope and adequacy of the audit planning memorandum, the audit findings and the annual financial statement.

The External Auditors have assisted in evaluating the unaudited quarterly results and the financial statements. They were invited to attend the Board's meetings and AGM of the Company and are available to answer enquiries on the conduct of the statutory audit and the preparation and contents of their audit report.

The Directors are responsible for ensuring the Group keeps proper accounting records which disclose with reasonable accuracy the financial position of the Group at any time and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016 and the applicable approved accounting standards. It is the Board's general responsibility for taking reasonable steps to safeguard the assets of the Group and to detect as well as prevent any fraud or other irregularities from occurring.

Relationship with External Auditors

The Board maintains a formal and transparent relationship with its External Auditors in seeking valuable professional advice and in ensuring compliance with the applicable accounting standards. The External Auditors regularly bring up relevant matters that need to be addressed during the AC Meetings and Board Meetings.

The AC has been accorded the power to communicate directly with both the External and Internal Auditors in providing independent assessments on the adequacy, efficiency and effectiveness of the Group's internal control system.

Corporate Governance Overview Statement

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Sound Risk Management Framework

The Board strongly believes in establishing and maintaining a sound system of risk management framework and internal control in the Company and the Group to safeguard shareholders' interest and Group's assets. The Board continuously reviews and examines the effectiveness and efficiency of the risk management framework and internal control system in areas such as financial, operational and compliance risk, and seek alternative ways for improvement should any weakness be detected and identified.

Internal Control

The Board has overall responsibility for maintaining sound internal control systems that cover financial controls, operational and compliance controls, and risk management to ensure shareholders' investments, customers' interests and the Group's assets are safeguarded.

The Company outsourced its entire ERM framework by engaging an external service provider, Deloitte Malaysia SR&T Solutions Sdn Bhd (formerly known as Deloitte Business Advisory Sdn Bhd) ("Deloitte"), to facilitate the risk control self-assessment exercise with various stakeholders. Risk analysis and evaluation were performed to update the existing risk registers. The Risk Management Committee revised the risk treatment plans along with the corresponding target risk level for any key residual risks highlighted.

The systems of internal controls are continuously reviewed to ensure that they are working via the on-going review through the internal audit process. In FY2025, the internal audit function conducted its works based on an Internal Audit Plan which was tabled before and approved by the AC. The Project Management Officers, an internal team of the Company, have also conducted various initiatives on internal operational system enhancement and performed quarterly review thereof.

All Internal Audit Reports are tabled and reviewed by the AC during the meetings of the AC and the Board. Follow-up reviews are subsequently performed to ascertain the extent of implementation of the recommended corrective actions for improvement.

Aside from performing regular operational and compliance audits, the Internal Auditors may conduct investigations and any ad-hoc reviews upon requisition from the AC or the Management.

The engagement of Internal Auditors is one of the many ways of reviewing and assessing the effectiveness of the Group's risk management framework and internal control system. Both the Board and Management will rectify the weaknesses detected by the Internal Auditors through either adopting the recommendations made by the Internal Auditors or via developing their own alternatives to eliminate such weaknesses.

The AC met with the Internal Auditors twice during the financial year, in February and August 2025, in the absence of Management and Executive Directors. During these private sessions, the AC discussed, among others, the independence and objectivity of the Internal Auditors, any difficulties encountered in the course of audits, the adequacy of resources, as well as any significant concerns on internal control and governance matters.

More information on the risk management and internal control is disclosed within the sections entitled "Statement on Risk Management and Internal Control" in this IAR 2025.

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

I. COMMUNICATION WITH SHAREHOLDERS

Corporate Disclosure Policies and Procedures

The Company recognises the importance of effective and timely disclosure of corporate and material information to ensure that shareholders, investors and the public make informed assessments of the Company's business value and prospects.

During the year, the Company has revised its Corporate Disclosure Policy which serves as a guide to ensure broad dissemination of material information in a comprehensive, accurate and timely manner to various stakeholders.

All announcements for release to Bursa Malaysia are subject to approval by Executive Directors. All the executive directors, Head of Investor Relations ("IR") Department, Company Secretary and other officers who privy to the information are obliged to maintain strict confidentiality of the information.

All information made available to Bursa Malaysia is immediately available to shareholders and the public at large on the Investor Relations section of the Company's website.

Corporate Governance Overview Statement

Leverage on Information Technology for Effective Dissemination of Information

The Board acknowledges the importance of clear, transparent and timely communications with shareholders and investors by way of the Group's businesses and corporate developments. The following means of communication are utilised as channels for sharing substantial information with shareholders, investors and members of the public:

a) IR Department

The Company's IR Department is actively involved in conducting regular briefings, dialogue sessions and presentations with institutional investors, fund managers, analysts as well as financial institutions. These activities aim to develop and maintain positive relations with all shareholders and investors through enabling active two-way communications, as well as promoting and demonstrating a high standard of integrity and transparency through timely, accurate and full disclosure. At the same time, these activities serve to enhance shareholders and investors' understanding of the Group, thereby enabling them to make informed decisions when valuing the Company's shares.

The Company takes an active role in investor relations. The Head of the IR Department is responsible for managing the Group's investor relations programmes, including communications with the financial community, research analysts and relevant stakeholders. Meetings with local and foreign fund managers are conducted regularly on a group basis or via one-on-one physical or virtual meetings. In FY2025, the IR team attended 7 NDR and 4 briefing on quarterly results with fund managers, analysts and institutional shareholders.

Currently, the Company is covered by four (4) research houses.

b) Integrated Annual Report

The Company's Integrated Annual Report contains comprehensive and easy to understand details of the business, financial performance, strategic direction, sustainability matters and other activities of the Company. These contents are continually enhanced in order that shareholders and the investing public are provided with clear and accurate information and are suitably briefed on matters that are to be discussed to enable their effective participation during the AGM. An online version of the IAR2025 is also available on the Company's website.

The Board recognises the importance of promoting good business conduct and maintaining a healthy corporate culture and sustainable growth to build greater confidence and trust with our stakeholders through continuous improvement of our disclosure practice.

c) Website

The Company's corporate website www.lbs.com.my also provides an avenue for accessing the latest corporate information and developments of the Company easily and immediately. It houses information on the Group's corporate profile, development products, financial results, press releases, corporate news and Company's e-newsletter – Journey With LBS, among other information. Alternatively, Bursa Malaysia's website www.bursamalaysia.com serves as another source of information to shareholders, investors and the public on the various announcements made by the Company from time to time in addition to the Integrated Annual Report, Sustainability Report, Circular to Shareholders and Annual Audited Accounts submitted to Bursa Malaysia.

d) Online Social Networking

Recognising the benefits of broader communications especially social media, the Company has immersed itself on online social networking platforms such as Facebook, Instagram, TikTok, LinkedIn and YouTube. These alternate channels of communication are enabling better engagement with shareholders, investors and other stakeholders given that all real time updates on the Company are accessible at any point of time.

e) Corporate Communication Department

The primary role of this department is to coordinate all the media interviews including one-on-one meetings with media either through print media or TV coverage at regular intervals to provide wider publicity and improve general understanding of the Group's businesses and operations.

It is also responsible for issuing press releases and uploading corporate news and events onto the Company's website and synchronized across the social media channels to keep the public abreast of the latest information on the Group.

Corporate Governance Overview Statement

f) Senior Independent Non-Executive Director

As there may be instances where investors and shareholders may prefer to express their concern to an Independent Director, the Board has appointed Dato' Lim Han Boon, as the Senior INED of the Company to whom the concerns pertaining to the Group may be directed. He can be contacted via email at limhb@lbs.com.my.

g) Town Hall Meeting

The Company believes that good employee engagement and teamwork are important hallmarks of success. To this end, the Company's Town Hall Meeting serves as an interactive platform for Management to engage with employees, reinforce the Company's corporate culture and values, as well as promote teamwork and collaboration.

During FY2025, the Company conducted Town Hall Meeting in January where the Group Executive Chairman and GMD/CEO shared the Company's objective and direction with staff. Our staff were also given the opportunity to speak, present or provide updates on the latest developments relating to their respective operational units.

II. CONDUCT OF GENERAL MEETINGS

The Company's AGM remains the principal forum for dialogue and interaction with the shareholders. The Board regards the AGM as an important channel of communication, as it serves as a forum for direct two-way interaction between the shareholders, Board and Management on the Company's strategic direction, operations, performance and major developments.

The Company had conducted its 25th AGM held on 26 June 2025. An Independent Scrutineer was appointed by the Company to verify the results of the poll voting.

The Board is to ensure sufficient and relevant information is provided in relation to each agenda item in the Notice of AGM. Each item of special business included in the Notice of AGM is to be accompanied by an explanatory statement for the proposed resolution to facilitate the full understanding and evaluation of issues involved.

Extraordinary General Meetings ('EGMs") are held as and when shareholders' approval is required on specific matters. Relevant Advisors to the Board, lawyers and/or Reporting Accountants engaged in advising the Board on these specific matters are to be present at these EGMs to respond to the questions raised by shareholders.

Shareholders are given the opportunity to participate in the question and answer session during the AGM on the proposed resolutions and the Group's operations. The Chairman of the Meeting is to provide sufficient time for shareholders' questions on matters pertaining to the Group's performance to be tabled and is to respond to shareholders with regards to their concerns and questions raised. Members of the Board, Chairman of Board Committees and Key Senior Management, as well as the External Auditors of the Company are to be present to respond to questions raised at the meeting.

Additional Compliance Information

In compliance with the MMLR of Bursa Malaysia, the following information is provided:

Audit and Non-Audit Fees

(a) The amount of audit fee paid or payable to the External Auditors, UHY Malaysia PLT and their affiliated companies for services rendered to the Group and the Company for the financial year 2025 amounted to RM979,460 and RM130,000 respectively.

(b) The amount of non-audit fee paid or payable to the External Auditors, UHY Malaysia PLT and their affiliated companies for services rendered to the Group and the Company for the financial year 2025 amounted to RM175,850 and RM21,000 respectively.

Material Contracts

There was no material contract (not being contracts entered into the ordinary course of business) entered into by the Company or its subsidiary companies involving the interests of the Directors, Chief Executive who is not a Director or major shareholders, either still subsisting at the end of the financial year end under review or which were entered into since the end of the previous financial year.

Related Party Transactions

The directors recognise that they have to declare their respective interests in transactions with the Company and the Group, and abstain from deliberation and voting on the relevant resolution in respect of such transactions at the Board or at any general meetings convened to consider the matter.

All related party transactions are reviewed as part of the annual internal audit plan, and the AC reviews any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that causes questions of management integrity to arise.

Corporate Governance Overview Statement

General Mandate on Recurrent Related Party Transaction

The Company had obtained shareholders' approval at its 25th AGM held on 26 June 2025 for the Group Company to enter into transactions with the related parties set out in the Company's Circular to Shareholders dated 30 April 2025 ("Circular to Shareholders"), for type of transactions as described in the Circular to Shareholders, provided that such transactions are entered into in accordance with the review procedures set out in the Circular to Shareholders (the "General Mandate"). The General Mandate is subject to annual renewal by the shareholders. Given that such related party transactions are expected to occur with some degree of frequency and may arise at any time, and to allow the Group to undertake such transactions in an expeditious manner, shareholders' approval will be sought at the forthcoming 26th AGM for the renewal of the General Mandate.

The General Mandate has remained appropriate since its renewal at the 25th AGM, with methods or procedures in place to ensure that these transactions are conducted on normal commercial terms and do not prejudice the interests of the Company and its shareholders.

There recurrent related party transaction entered into by the Group during the financial year ended 31 December 2025 under the General Mandate, pursuant to Paragraph 10.09(2)(b) and Paragraph 3.1.5 of Practice Note 12 of the MMLR of Bursa Malaysia are as follows:

No.	Related Party	Nature of Recurrent Transaction	Value of Transaction (RM)	Nature of Relationship between LBS Group and the Related Party
1.	Champion Vast Sdn. Bhd. ("CVSB")	Purchase of property	3,108,000	CVSB is owned by spouse and child of Dato' Sri Lim Hock Seong. Dato' Sri Lim Hock Seong, Deputy Chief Executive Officer of LBS, is also brother of LBS' Group Executive Chairman, GMD/CEO and Executive Directors.
2.	Dato' Lim Mooi Pang	Purchase of property	1,458,000	Dato' Lim Mooi Pang is the Executive Director of LBS.
3.	Luxu Group Sdn. Bhd. ("LGSB")	Purchase of property	2,998,000	LGSB is owned by child of Dato' Sri Lim Hock Seong.
4.	Renca Group Sdn. Bhd. ("RGSB")	Purchase of property	684,000	RGSB is owned by spouse and child of Dato' Sri Lim Hock Seong.

Audit Committee Report

The Audit Committee ("AC" or "Committee") plays a crucial role in assisting the Board of Directors ("Board") in meeting its responsibilities. The authority, duties, and functions of the AC are outlined in the Terms of Reference ("TOR"). The TOR is accessible to the public on the Company's website at https://lbs.com.my/corporate-governance/.

The report of the Audit Committee of LBS for the financial year ended 31 December 2025 ("FY2025") is presented as follows:

A. COMPOSITION AND ATTENDANCE

The Committee comprises three members, all of whom are Independent Non-Executive Directors with strong financial background, corporate governance experience, and industry knowledge, ensuring effective oversight and decision-making. Their profiles are detailed in page 44 to 47 of the IAR2025.

During the financial year, five (5) meetings were held. They were also attended by the Directors, Management representative from business unit (when required) to provide briefing and detailed explanations on their report. The External Auditors and Internal Auditors were invited where matters relating to the external and internal audit were discussed. The Chairman will report and highlights key issues discussed at each Committee meeting to the Board accordingly.

The details of the membership and record of attendance of meetings are as follows:

COMMITTEE MEMBER	ATTENDANCE	
Dato' Lim Han Boon *Chairman/Senior Independent Non-Executive Director*	5/5	100%
Dato' Aminudin Zaki Bin Hashim *Member/Independent Non-Executive Director*	5/5	100%
Nuraini Binti Ismail *Member/Independent Non-Executive Director*	5/5	100%

For good governance, each member must attend at least 50% of the meetings held within the year, failing which Nomination and Remuneration Committee will decide on the member's disqualification.

In addition to the normal scheduled meetings, the Committee also met independently and separately with the External Auditors and Internal Auditors twice respectively without the presence of the Management.

The Committee's effectiveness during the FY2025 was assessed via evaluation questionnaires under the annual assessment and evaluation of Board and Board Committees by the Nomination and Remuneration Committee. The Committee has also assessed through self and peers' evaluation. These assessments serve to review the structure, membership, role and performance of the Committee. Results of the evaluation were tabled to the Board members for deliberation. The Board is satisfied that the Committee has effectively discharged their functions, duties, and responsibilities in accordance with its Terms of Reference.

Full version of the Terms of Reference of the Audit Committee is published on the Company's website at www.lbs.com.my.

Audit Committee Report

B. PRIORITIES AND MAIN ACTIVITIES DURING THE YEAR

1. Financial Reporting:

- Reviewed the quarterly unaudited financial results and the annual audited financial statements of the Group to ensure that the financial reporting and disclosure requirements are in compliance with the reporting and disclosure requirements, with a focus on accounting standards, audit differences, the going concern assumption, changes in accounting policy, as well as significant and unusual events and adherence to accounting standards and legal requirements.

2. External Audit:

- Reviewed the External Auditors' scope of work and annual audit plan of the Company and the Group for the financial year 2025 inclusive of the audit approach, areas of audit emphasis, timeline for reporting and deliverables prior to the commencement of the annual audit.

- Reviewed the extent of assistance rendered by the Management as well as issues and reservations arising from audits with the External Auditors without the presence of the Management and the executive Board members.

- Reviewed and updated the External Auditors Policy to ensure compliance with the latest regulatory requirements and enhance transparency.

- Ensuring the quality of effectiveness of external audit processes continues to be a key priority of the Committee. The assessments of quality and effectiveness are based on a range of considerations with reference to the approved External Auditor Policy. These include the delivery of the approved audit plan, the quality of audit reporting, capabilities, independence, resources, demonstration of appropriate scepticism and challenge on key areas, and feedback obtained through the private meeting with audit partner. Assessment was undertaken by way of a questionnaire completed by key internal stakeholders including members of the Committee and Head of Accounts and Finance. The Committee also evaluated the expertise and adequacy of resources and suitability of the External Auditors for re-appointment as Auditors of the Company.

- The Committee monitors the independence and objectivity of the External Auditors and lead partner on an ongoing basis, with formal review annually. This is a crucial area as it serves to ensure an appropriate professional scepticism in the work of the External Auditors. The assessment was assessed through a range of measures, including annual assessment and private discussions with External Auditors, with written assurance from the External Auditors of their independence including policies and measures used to control their work quality.

Audit partner rotation

The Group's policy is to rotate the audit partner at least every five years. The current lead audit partner is Zac Har, replacing Dato' Koh Chun Kiat.

Non-audit services policy

The External Auditors shall observe and comply with the By-Laws of the Malaysian Institute of Accountants in relation to the provision of non-audit services. The External Auditors Policy represents a key control to ensure that the nature of any non-audit services performed, and the fee for such work compared to the fees for the audit, does not compromise in fact or appearance the auditor's independence, objectivity or integrity. Under the policy, the auditor may be commissioned to provide audit related services and permitted non-audit-related services with the approval/endorsement of the Committee.

Independence declaration

The External Auditor provides an independence confirmation that there has been no contravention of the audit independence requirements of the Malaysia Institution of Accountant By-Laws. This Confirmation is formally reported to, and subject to the review and approval of the Committee.

Audit Committee Report

- Based on the evaluation conducted, the Committee concluded that the quality of the External Auditor's work, and the level of challenge, knowledge and competence of the audit team, had been maintained at an appropriate standard during the year. Accordingly, the Committee recommended and the Board has approved the proposal on the re-appointment of the External Auditors at the forthcoming Annual General Meeting.

3. Internal Audit:

The role of internal audit is to act as an independent and objective assurance function, designed to improve the effectiveness of the governance, risk management and internal controls framework in mitigating the key risks of the Group. Appointed Internal Auditors Deloitte provided internal audit services to the Group during the financial year and attended the meetings to present their audit findings alongside the status of management actions.

The Internal Auditors adopted a risk-based auditing approach approved by the Committee whilst considering the standards set by recognised professional bodies, global best practices and industry standards.

Besides reviewing the findings of the internal control system of the Group, the Internal Auditors also provide recommendations to improve such internal controls. The Internal Audit Reports and relevant follow-up reports, together with the Management's responses, were circulated to all members of the Committee for review and discussion before the Committee Meeting on a quarterly basis. Upon the recommendation of the Committee, the Internal Audit Reports were tabled at the Board Meeting for approval. Overall, no significant control issues were identified although several process and control improvements were proposed, with follow-up audits scheduled where necessary. The total cost incurred for maintaining the internal audit function for financial year 2025 was RM140,000 (2024: RM120,000).

The following is a summary of the Internal Audit works undertaken during FY2025:

i. Performed risk-based audit on the Group's business units or processes in accordance with the approved Internal Audit Plan, which covered the following areas:

   (i) Post Section 17A of MACC Act 2009 Implementation;
   (ii) Treasury Management;
   (iii) Sustainability Reporting;
   (iv) Legal and Regulatory Management;
   (v) Project Procurement and Tender Management;
   (vi) Business Development Management; and
   (vii) Corporate Governance & Related Party Transactions.

ii. Issued internal audit reports to the Audit Committee with weaknesses and issues identified, and made recommendations for improvement on processes where weaknesses and/or non-compliances were identified;

iii. Undertook follow-up on matters or concerns raised by Audit Committee and reported on status periodically; and

iv. Conducted follow-up reviews to determine the adequacy, effectiveness and timeliness of actions taken by the Management on audit recommendation and provided updates on the status to the Audit Committee.

Internal Auditors

The Group emphasis on the independency and objectivity of the Internal Audit. The current lead of internal audit team from Deloitte is Ms. Tan Yu Min, replacing Ms. Seline Goh Sek Lian.

Audit Committee Report

Internal Auditors Evaluation

The evaluation of Internal Auditors on their performance in FY2025 was carried out by the Committee. The evaluation was undertaken by each Committee member through a structured questionnaire, taking into consideration the guiance set out in the Bursa Malaysia Corporate Governance Guide.

In performing the evaluation, the Committee reviewed, among others, the adequacy of the scope, functions, resources and audit coverage areas, as well as Internal Auditors' ability to effectively execute the approved risk-based Internal Audit Plan. The Committee also assessed the internal auditors' understanding of the Group's business and operations, the quality and timeliness of audit reporting, and the effectiveness of communication with the Committee.

Based on the evaluation conducted, the Committee was satisfied that the Internal Auditors function has performed its duties effectively and continues to provide independent and objective assurance in supporting the adequacy and effectiveness of the Group's internal control systems.

4. Risk Management:

A detailed summary of the Group's risk management framework as well as additional information on the Company's system of internal control is set out in the "Statement of Risk Management and Internal Control" on page 129 to 139. The Board has delegated responsibility for overseeing the effectiveness of the Group's risk management and internal control systems to the Committee. The Committee has reviewed the Statement and recommended it to the Board for approval.

The Board confirms that the systems have been in place for the year under review and have been regularly reviewed throughout the year. The Board is satisfied that the internal controls and systems of risk management are effective. The Committee has oversight of the activities of the executive Risk Management Committee, receiving minutes of all Risk Management Committee meetings and discussing any significant matters raised.

5. Related Party Transactions and Conflict of Interest:

- Reviewed the procedures of the proposed renewal of general mandate for recurrent Related Party Transactions ("RPTs") of a revenue or trading nature to ensure the adequacy and appropriateness of the compliance procedures established to monitor the RPTs.

- Reviewed the conflict of interest situation reported to the Committee quarterly to ensure transparency, integrity, and accountability by identifying, disclosing, and managing potential conflicts that may arise in business dealings and decision-making processes.

- Reviewed and assessed the measures and controls in place to ensure compliance with corporate governance requirements and the proper management of RPT. The review also identified gaps in the completeness, accuracy, and reporting of RPTs, which are being addressed to further strengthen internal controls and transparency.

  Following the review, the Group has implemented additional measures to enhance its RPT and Transfer Pricing processes. Key improvements include the enhancement of the SOPP for RPT, the formalisation of the procedures for the preparation of Transfer Pricing documentation, and the progressive digitalisation of certain RPT processes to improve the identification, monitoring, and reporting of RPT and reinforce internal controls, ensure compliance with regulatory requirements.

Audit Committee Report

6. **Whistleblowing:**

The Audit Committee members have been appointed members of the Group's Whistleblowing Investigating Team, and acts as the Investigating Committee to the Group's overall whistleblowing provision. The Group has a defined whistleblowing policy and procedure, which is communicated to the workforce through email and is available online. The whistleblowing provision allows the staff and stakeholders to raise concerns, through various media, including a confidential e-mail and forms.

The Head of Human Resources Department and Head of Legal Department are the Administrators who will review all whistleblowing reports, conducting investigations where necessary, and provides detailed reporting to the Investigating Committee on all reports received. Report on the whistleblowing cases would be brought forward to the Committee on a quarterly basis for review.

The Group is committed to transparency and accountability, we are pleased to disclose that no reported incidences of misconduct through the dedicated whistleblowing channel during the year under review.

7. **Anti-Bribery and Corruption ("ABC") Framework:**

During the year under review, a gap analysis on the post implementation of Section 17A of the Malaysia Anti-Corruption Commission Act 2009 was conducted as one of the audit areas.

The review focused on assessing the adequacy and effectiveness of the Group's ABC governance structure, policies and procedures, communication and awareness, as well as the implementation of key control measures, and reporting and investigation. The review also considered the Group's ongoing initiatives in maintain high corporate integrity and promoting awareness of anti-bribery and corruption requirements, including communication and training efforts across the organisation.

Following the outcome of the review, the Group has undertaken further steps to enhance and strengthen its ABC Framework. Key improvement initiatives include enhancing the policies and procedures relating to ABC controls, reinforcing governance through the establishment of an ABC Working Team, headed by Compliance Lead of the Corporate Integrity & Sustainability Department to coordinate and implement the Group's annual ABC programme.

8. **Cybersecurity:**

During the year under review, the Committee reviewed the cybersecurity including Red Teaming Exercise for the Group's security defences, processes, and response capabilities through simulated real-world attack scenarios. The exercise provided insights and the Group's readiness to detect, respond to, and mitigate cyber threats.

The Committee has also reviewed the results of the Vulnerability Assessment and Penetration Testing ("VAPT"). These assessments were aimed at identifying security weaknesses and ensuring appropriate remediation measures are implemented in a timely manner. The Committee noted the management's ongoing efforts to strengthen cybersecurity governance.

9. **Knowledge Enhancement:**

During the year, all the Committee members have attended seminars, training programmes and conferences to enhance their knowledge to enhance their knowledge and keep abreast of developments relevant to their roles. Participation in these programmes enabled the Committee members to strengthen their oversight capabilities, better understand evolving business and regulatory risks, and contribute effectively to the Group's governance, risk management and internal control framework. The list of trainings attended is disclosed on the Corporate Governance Overview Statement at page 116 to 117 of the IAR2025.

Statement on Risk Management and Internal Control

INTRODUCTION

In compliance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements, the Board of Directors ("Board") of listed companies are required to include a statement in the annual report on the state of the Group's risk management and internal control. Furthermore, the Malaysian Code on Corporate Governance 2021 issued by Securities Commission Malaysia, emphasizes the need for the Board to establish a robust risk management framework and internal control system. In line with these requirements, the Board of LBS Bina Group Berhad ("LBS") and its subsidiaries ("LBS Group" or "the Group") are pleased to provide the following statement that is prepared in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers" endorsed by Bursa Securities, which outlines the nature and scope of the risk management and internal control of the Group during the financial year under review.

RESPONSIBILITY OF THE BOARD

The Board acknowledges its overall responsibility in establishing and maintaining a sound system of internal control covering financial and operational controls, compliance and risk management to safeguard shareholders' investments and the Group's assets.

To ensure the adequacy, effectiveness and integrity of the risk management framework and internal control system, the Board conducts an ongoing review process. The Board recognises that there are inherent limitations to any internal control system as it is designed to manage the Group's risk within the acceptable risk appetite, rather than to eliminate risks that may hinder the achievement of the Group's business objectives. Internal controls can only provide reasonable assurance against material misstatement or loss. Therefore, the Board has established an appropriate control structure and process for identifying, evaluating, monitoring, managing and responding to significant risks faced by the Group in pursuit of its business goals and objectives. The control structure and process which have been instituted throughout the Group are reviewed and updated from time to time in response to the changes in the business environment.

RESPONSIBILITY OF THE AUDIT COMMITTEE

The Audit Committee is responsible to:

- Fulfill statutory and fiduciary responsibilities relating to corporate accounting, system of internal controls, management and financial reporting practices;
- Review and approve the risk dashboard and risk-based Internal Audit Plan;
- Review and monitor the internal audit function / external service provider engaged to ensure timely completion of the Internal Audit Plan and effectiveness and implementation of any corrective action plans proposed.
- In addition to the regular scheduled meetings, the Committee meets independently and separately with the Internal Auditors twice a year to address any matters they wish to raise or concerns they may have, excluding the presence of Management.

RESPONSIBILITY OF THE MANAGEMENT

Management is accountable to the Board for risk management and internal control. Processes have been implemented to identify, evaluate, monitor and report risks as well as to design and implement relevant controls in response to the risks. For this, a Risk Management Committee ("RMC") has been established to assist the Board on risk management to oversee the Management's activities in managing significant risk areas, ensure that the risk management framework is in place and functioning effectively. The members of the RMC comprise of three Independent Non-Executive Directors and two Executive Directors.

At the Management level, the RMC is supported by the Risk Working Team ("RWT") and Risk Coordinator to facilitate and manage risk management matters relating to the Group's risk management activities. The RWT is headed by an Executive Director comprises heads of business units or support functions, who are risk owners themselves, as members.

Statement on Risk Management and Internal Control

The Board has delegated the responsibility of reviewing the effectiveness of risk management to the RMC. The roles of the RMC include the following:

- Identifying and evaluating the risks faced by the respective departments, against the business objectives set out by the Group;
- Formulating relevant policies and procedures to manage these risks;
- Designing, implementing and monitoring the effectiveness of the risk management framework and internal control system;
- Implementing the policies approved by the Board; and
- Reporting to the Board and Audit Committee of any changes to the risks and corrective actions taken.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The key processes that the Board has established in reviewing the adequacy and effectiveness of the risk management and internal control system include the following:

Risk Management Framework

- The Enterprise Risk Management ("ERM") at LBS provides the foundation and process to guide the Group on how risks are managed in the Group.

- The ERM is designed in accordance with the framework and guidance set forth by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") and ISO 31000:2018 – Risk Management Principles and Guidelines.

- The Group engages with an external service provider, Deloitte Malaysia SR&T Solutions Sdn Bhd (formerly known as Deloitte Business Advisory Sdn Bhd) ("Deloitte"), which was appointed on 1 March 2024, to conduct a risk assessment exercise with various stakeholders every 2 years. Deloitte performs a risk analysis and evaluation to update on the existing risk registers. The recent risk assessment covered the Group's Corporate Functions and Project Divisions, incorporating Economic, Environmental, Social and Governance ("EESG") areas. Additionally, internal ERM assessment reviews are conducted every alternate year to identify, assess and manage the risks faced by the Group. The RMC establishes a set of risk treatment plans and responses to risks assisting the Group in making informed business decisions. Both the Audit Committee and the Board play an oversight role in reviewing and deliberating on the Group's top risks as part of their due diligence process.

- The ERM framework is built on three (3) key components - Risk Ambition and Vision, Risk Organisation, and Risk Management Cycle, where it is further broken down into 12 core building blocks that form the foundation of a successful Risk Management Function as follows:

  (i) Risk Governance Bodies – establishing the structure and oversight necessary for effective risk management;

  (ii) Risk Policies – defining the tone and level of risk management applied across the Group;

  (iii) Risk Culture – shaping the values and behaviors that drive risk management within the Group;

  (iv) Risk Appetite – determining the level of risk LBS is willing to accept within established tolerances;

  (v) Risk Resources – allocating the people and time required for risk management, both centrally and within business units;

  (vi) Risk Procedures and Templates – offering guidance and clear direction to ensure consistent risk management across the Group;

  (vii) Risk Supporting Tools – utilizing manual and automated tools to enhance the risk management process;

  (viii) Risk Training – providing the necessary support to embed risk management throughout the business;

Statement on Risk Management and Internal Control

(ix) Risk Identification – identifying risks and opportunities affecting business operations, financials and reputation;

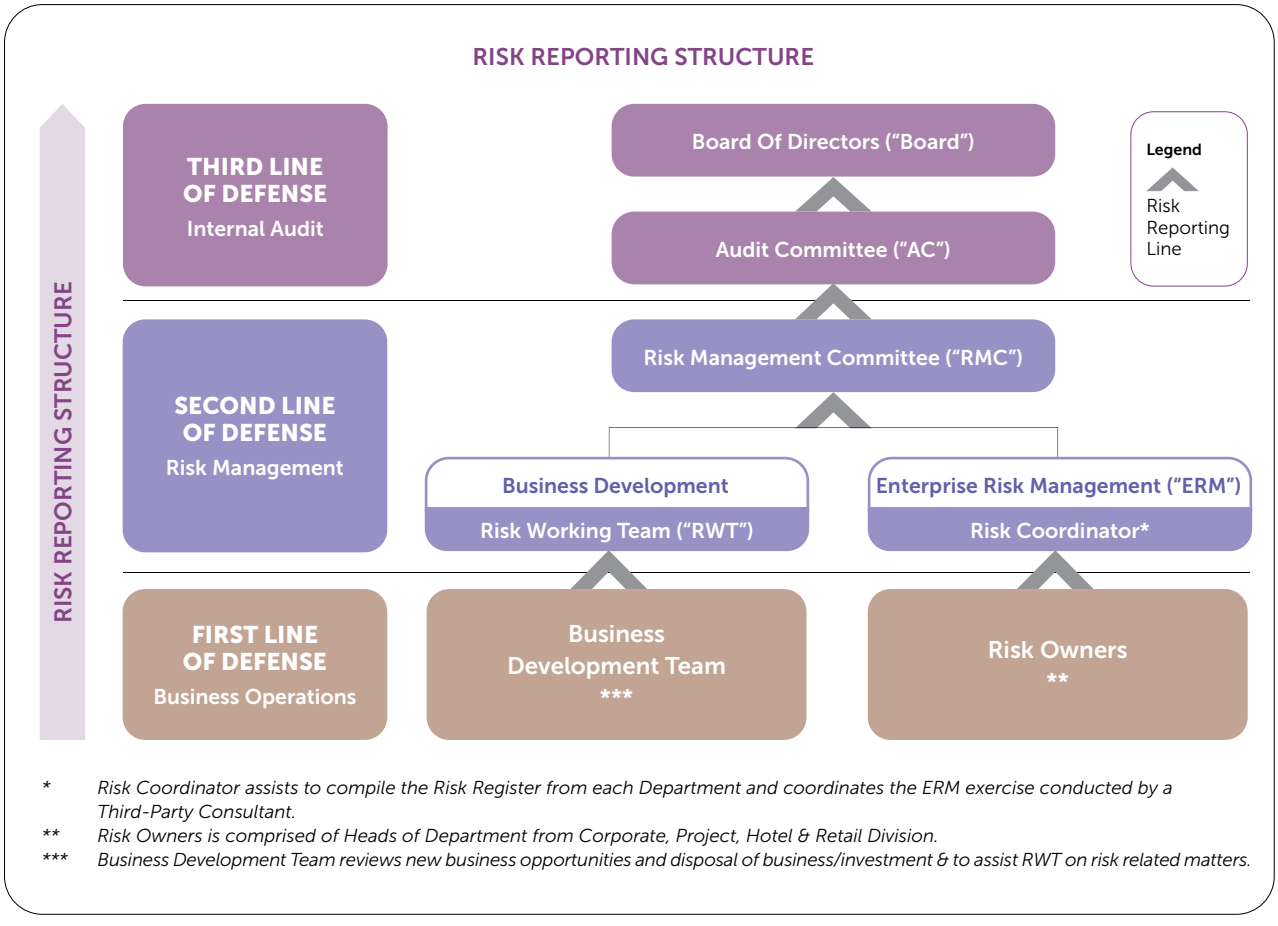
(x) Risk Measurement and Response – evaluating risks on a common scale and implementing appropriate response;

(xi) Risk Management – continuously managing and evaluating risk mitigations, controls, and other responses to risk; and

(xii) Risk Monitoring and Reporting – monitoring key risk indicators to assess the likelihood of risk crystallisation and reporting on the current risk environment.

- The governance model adopted by LBS provides a formalised, transparent and effective governance structure that promotes the active involvement of the Board and Senior Management in the risk management process to ensure a uniform view of risks across the Group. The governance model places accountability and ownership in ensuring an appropriate level of independence and segregation of duties between the three lines of defense. The management of risk broadly takes place at different hierarchical levels and is emphasised through various levels of committees, business lines, control and reporting functions.

- Under the Three Lines Model, Management forms the first line of defense by managing risks and implementing controls in their daily operations. The risk management and compliance functions act as the second line by providing oversight and guidance, while the Internal Audit function serves as the third line by providing independent assurance on the effectiveness of risk management and internal control processes.



* *Risk Coordinator assists to compile the Risk Register from each Department and coordinates the ERM exercise conducted by a Third-Party Consultant.*

** *Risk Owners is comprised of Heads of Department from Corporate, Project, Hotel & Retail Division.*

*** *Business Development Team reviews new business opportunities and disposal of business/investment & to assist RWT on risk related matters.*

- There are policies and procedures in place to ensure compliance with internal control and the prescribed laws and regulations. These policies and procedures are updated from time to time in tandem with changes to the business environment or regulatory guidelines.

Statement on Risk Management and Internal Control

Risk Appetite

The Board acknowledges that effective risk management requires a clear understanding of the level of risk that the Group is willing to accept in pursuing its strategic and business objectives. The Group's risk appetite is guided by its Risk Management Framework, which includes the use of a Risk Heat Map that assesses risks based on the likelihood of occurrence and potential impact.

The Risk Heat Map categorises risks into five levels, namely **Very Low, Low, Moderate, High and Extreme**, enabling Management to prioritise risk mitigation efforts and allocate resources appropriately.

As a general principle, the Group's risk appetite is characterised as follows:

- **Extreme Risk** – Not acceptable. Immediate action is required by Management and escalation to the Risk Management Committee and/or the Board for resolution.
- **High Risk** – Generally the Group willing to expose to more risk and is able to tolerance a degree of loss or failure which is expected when seeking certain types of opportunities, subject to active risk mitigation plans and close monitoring by Management.
- **Moderate Risk** – Acceptable within controlled limits where the potential benefits justify the exposure, subject to appropriate mitigation measures. Tradeoff decisions must be made to optimise meeting organisational objectives against minimising exposure.
- **Low Risk** – Acceptable and managed through routine internal controls.
- **Very Low Risk** – Minimal exposure and managed through existing control processes.

Through this structured risk assessment approach, the Group is able to monitor its risk exposure and ensure that risk levels remain within the Board's acceptable tolerance levels while supporting the achievement of business objectives.

The Group continues to enhance its risk management practices, including the development of a more formalised risk appetite framework to further guide risk management and decision-making across the Group.

Internal Audit

- The Internal Audit function is outsourced to Deloitte with a team composed of professionals with diverse backgrounds and qualifications, bringing extensive experience in financial and operational audits. The Internal Audit Function reports functionally to the Audit Committee and provides independent assurance on the adequacy and effectiveness of the Group's risk management and internal control systems, as well as advisory services to assist the Group in achieving its objectives.

- The services are performed in accordance with the Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors (the "IIA Standards").

- The engagement is conducted without any relationships or conflict of interest, which could compromise its objectivity and independence.

- The areas reviewed by Deloitte during the FY2025 are as follows:

    i Post Section 17A of Malaysian Anti-Corruption Commission ("MACC") Act 2009 Implementation Review

    ii Treasury Management

    iii Sustainability Reporting for Financial Year Ended 31 December 2024

    iv Legal and Regulatory Management

    v Project Procurement and Tender Management

Statement on Risk Management and Internal Control

vi Business Development Management

vii Corporate Governance – Anti-Bribery and Whistleblowing Governance

viii Related Party Transactions

- Deloitte has undertaken a planning process to develop a risk-based Internal Audit Plan based on a risk assessment and review of the risk profile. The Internal Audit focuses on selected key risk areas as appropriate to the objective and scope of the engagement. The internal audit activities are carried out in accordance with the Internal Audit Plan approved by the Audit Committee.

- Deloitte evaluated the adequacy and operating effectiveness of risk and internal control process and subsequently highlighted any findings in respect of any non-compliance with policies and procedures and areas of improvement. Root-cause analysis on audit observation was conducted in developing a recommendation to address the weaknesses noted.

- The resulting reports from the audits undertaken, including the overall internal controls assessment on the auditable areas, are presented to the Audit Committee at its regular meetings.

- Follow-up audits are performed to ensure the Management Action Plans for any observations identified are rectified in a timely manner.

- The Audit Committee meets to review, discuss and direct actions on matters pertaining to reports. The outcomes are then forwarded to the operational management for attention and necessary actions. The operational management is responsible for ensuring recommended corrective actions on reported weaknesses are implemented within the required time frame.

INTEGRATION OF ESG INTO GROUP RISK ASSESSMENT

In March 2024, LBS undertook its ERM exercise, a crucial step in aligning the Group's risk strategy with its evolving business priorities. The objective of this initiative was clear: to update the current Risk Register, identify emerging risks relevant to LBS, and highlight the top key risks for scoping and planning the Internal Audit for 2024 to 2026.

A significant milestone during this review was the integration of Environmental, Social and Governance ("ESG") parameters into the Group's risk assessment framework. By embedding ESG into the Risk Impact criteria, we aim to reflect a more holistic view of risks that affect not only the business but also its wider impact on society and the environment.

- **Revising the Risk Register**

  The Risk Register Review involved detailed discussions with key functions across the organisation to ensure alignment with the Group's risk appetite. One critical update was revising the Financial Losses category and to include ESG parameters. This addition underscores the Group's commitment to sustainability and the need to assess risks through an ESG lens, ensuring a consistent approach across all risk profiles.

  Risk Owners, as custodians of their respective Risk Registers, played a vital role in this process. Their submissions formed the foundation of the risk profiling exercise, ensuring that the Risk Registers accurately reflected the current business environment and evolving challenges faced by the Group.

Statement on Risk Management and Internal Control

- **Categorising Corporate and Project Risks**

  As part of this exercise, risks were categorised into distinct groups to provide clarity and focus:

  i. **Corporate Risk Categories:**
  - **Compliance Risk:** Adherence to regulatory and internal standards.
  - **Strategic Risk:** Risks tied to the execution of business strategies.
  - **Financial Risk:** Implications of market fluctuations, investments or financial mismanagement.
  - **Operational Risk:** Disruptions in daily business operations.

  ii. **Process Risks for Projects:**
  - **Construction Works:** Challenges in project execution and quality assurance.
  - **Project Launch:** Risks associated with timing and market reception.
  - **Regulatory Approval & Project Financing:** Delays or issues in securing necessary approvals and funding.
  - **Vacant Possession:** Risks related to handover processes and customer satisfaction.

- **Strengthening Governance through ESG**

  By integrating ESG into the Group Risk Assessment, LBS continues to build resilience in an increasingly complex business environment. This proactive approach not only enhances risk governance but also ensures that sustainability remains at the forefront of decision-making.

  As we move forward, the alignment of ESG with risk assessment will support the Group's mission to create value for stakeholders while upholding its commitment to sustainable development. This initiative serves as a testament to the Group's dedication to evolving and adapting its practices in line with global standards and expectations.

CONTROL ENVIRONMENT

- **Code of Business Conduct and Ethics**

  In May 2025, the Group introduced new core values that set the expected standards of conduct for Directors and employees. These values are embedded within the Group's business principles and the Code of Business Conduct and Ethics ("COBCE"), reinforcing its commitment to ethical and compliant work environment. A mandatory compliance e-learning programme ensures ongoing acknowledgement and adherence to the COBCE.

  [The Code of Business Conduct and Ethics Policy may be accessed https://lbs.com.my/pdf-viewer/?file=https://lbs.com.my/wp-content/uploads/Code_of_Business_Conduct_and_Ethics.pdf]

- **Integrity, Anti-Bribery and Anti-Corruption**

  The Group has established an Anti-Bribery and Corruption ("ABC") framework to promote a culture of integrity and ethical business conduct across its operations. As part of this framework, the Group has adopted an Anti-Bribery and Corruption Policy, which is available on the Group's corporate website.

  In addition, the Group maintains processes to identify and manage fraud risks, supported by internal policies, whistleblowing mechanisms and periodic internal audit reviews to strengthen the overall control environment.

  To further promote transparency and compliance, the Group has developed and implemented an application to facilitate the declaration of gifts, hospitality and donations exchanged between employees and external parties.

Statement on Risk Management and Internal Control

In March 2025, the Group engaged an external consultant to conduct an assessment of the Group's ABC Framework to evaluate the adequacy of its internal controls. The assessment focused on documentation reviews and the Group's implementation practices. Following the outcome of the review, the Group has continued to enhance and strengthen its ABC Framework. Key improvement initiatives include reinforcing governance through the establishment of an ABC Working Team responsible for developing and implementing an annual ABC programme.

[The Anti-Bribery and Corruption Policy may be accessed https://lbs.com.my/pdf-viewer/?file=/wp-content/uploads/2025/09/1.-ABC-Policy-v3-29.05.2025.pdf]

- **Whistleblowing**

  The Group's Whistleblowing Policy is aligned with the Whistleblower Protection Act 2010 and other written law with the objective to improve and promote an effective whistleblowing system. The policy outlines a structured process in managing whistleblowing cases, ensuring that confidentiality is preserved at all times, providing protection to the whistleblower at the organisational level and investigations are conducted transparently and impartially without comprising the integrity of the whistleblowing management system.

  The Group also has in place a Whistleblowing Policy in the Group's corporate website.

  [The Whistleblowing Policy may be accessed https://lbs.com.my/pdf-viewer/?file=/wp-content/uploads/2025/09/14.-Whistleblowing-Policy-v4.0-17.04.2025.pdf]

- **Related Party Transaction**

  Internal control procedures are established to ensure that Related Party Transactions ("RPT") comply with the Listing Requirements and the Companies Act 2016 and are conducted on normal commercial terms and on an arm's length basis, which are not more favourable than those generally available to third parties. Review of corporate governance practices, including RPTs, forms part of the Company's internal audit plan.

- **Business Continuity Plan**

  As part of the Group's overall risk management framework, the Group formalised its Business Continuity Plan ("BCP") in 2025 to strengthen its ability to effectively manage and recover from disruptive incidents that may impact its operations. The plan complements the Group's risk management processes by identifying potential operational risk areas that may impact on the Group's operations, assets and stakeholders, and establishing appropriate response actions to mitigate such risks and minimise disruption to business operations.

  The BCP includes the identification of critical business functions, a designated crisis management team, action plans, escalation procedures and communication protocols to facilitate timely and coordinated responses across the organisation during emergencies. The BCP is subject to periodic review and enhancement to ensure its continued effectiveness and alignment with the Group's risk management practices and evolving operational environment.

Statement on Risk Management and Internal Control

KEY RISK MITIGATIONS AND OPPORTUNITIES OVERVIEW

The table below presents key risks affecting the Group, together with the associated mitigation strategies and potential opportunities.

Key Risks	Mitigation & Opportunities
Occupational Safety and Health ("OSH")	**Guided by OSH Policy** LBS prioritises the safety, health and wellbeing of its employees, contractors and stakeholders, guided by its OSH Policy and a structured approach to workplace safety across all sites. **Guided by OSH Structure** The Group enforces compliance with safety standards and regulatory requirements, supported by a dedicated Safety & Health Team comprising 4 teams such as the Crisis Management Team, Emergency Response Team, Building Management Team, and Medical Team to ensure preparedness and effective response. Strong governance is maintaining with Board-level oversight, while senior leadership provides strategic direction to reinforce accountability and the effective implementation of OSH practices. *(For more details, please refer to the Social Enrichment section in SR2025)*
Product Quality and Customer Experience	**Adoption of CIDB's QLASSIC Standard & IBS Methods** LBS places strong emphasis on delivering high-quality homes and a positive customer experience, supported by robust governance and the adoption of CIDB's QLASSIC standards, with all assessed projects in 2025 achieving scores above 75%. The Group enhances construction efficiency and sustainability through the Industrialised Building System ("IBS"), enabling consistent quality, reduced waste and improved productivity via its subsidiary, MGB Group. **Enhancement of Customer Engagement and Experience** On the customer front, LBS continues to strengthen engagement through its Property Management and Customer Relations ("PMCR") department, maintaining timely response standards and leveraging digital tools like the LBS HelpDesk, which achieved a 98% response rate, alongside automated systems for efficiency. Physical Customer Relations Centres ("CRC") further enhance accessibility, while the Customer Experience Index enables continuous improvement by capturing feedback across the homeownership journey. *(For more details, please refer to the Economic Prosperity section in SR2025)*
Diversity, Equity, Inclusion and Talent Management	**Promotion of an Inclusive Workplace and Zero-Tolerance for Discrimination** LBS recognises that fostering a diverse, equitable and inclusive workforce, supported by effective talent management, is essential to maintaining strong employee relations, organisational reputation and long-term business sustainability. The Group mitigates risks related to workplace discrimination, talent retention and employee dissatisfaction through a zero-tolerance policy on discrimination, fair and merit-based practices, and accessible grievance and whistleblowing mechanisms. **Enhancement of Employee Wellbeing and Talent Development** LBS further strengthens its position by investing in employee wellbeing, competitive benefits, flexible working arrangements and structured talent development programmes, including targeted training and leadership initiatives. These efforts create opportunities to enhance employee engagement, attract and retain talent, promote innovation through diversity and ultimately reinforce LBS' reputation as a responsible and employer of choice. *(For more details, please refer to the Social Enrichment section in SR2025)*

Statement on Risk Management and Internal Control

Key Risks	Mitigation & Opportunities
Data Privacy and Cybersecurity	**Governed by a Robust Cybersecurity Framework** LBS recognises that data privacy and cybersecurity are critical to maintaining stakeholder trust and safeguarding its operations in an increasingly digital environment. The Group mitigates risks of data breaches, unauthorised access and cyber threats through a robust three-lines-of-defence approach, supported by strict compliance with the PDPA 2010 and aligned with international standards such as ISO/IEC 27001 and the NIST Cybersecurity Framework. This includes continuous enhancements to its cybersecurity framework across preventive, detective, corrective and recovery measures, as well as initiatives such as XDR, MDR, VAPT and phishing simulations. **Strengthening Personal Data Protection Act ("PDPA") Compliance and Data Protection** LBS strengthens its personal data protection and PDPA compliance by implementing robust governance and oversight, including the appointment of a certified Data Protection Officer ("DPO"), mandatory Board-level PDPA training, and structured workforce training for departments handling sensitive information. Risks of data breaches, unauthorised access, and non-compliance are mitigated through a comprehensive Data Breach Notification framework guided by the "Significant Harm" principle, periodic compliance audits, and clear privacy policies aligned with the seven PDPA principles. These efforts not only reduce operational, legal, and reputational risks but also present opportunities to enhance stakeholder trust, reinforce digital accountability, improve operational resilience, and demonstrate leadership in data ethics and privacy. *(For more details, please refer to the Good Governance section in SR2025)*
Corporate Governance	**Strengthened Corporate Governance Framework** LBS upholds strong corporate governance by adhering to the Malaysian Code on Corporate Governance ("MCCG"), Bursa Malaysia Listing Requirements and the Companies Act 2016, recognising that good governance underpins sustainable business performance and stakeholder confidence. The Board provides strategic oversight, ensures accountability, and monitors financial and non-financial performance, supported by a structured governance framework comprising key Board Committees such as the Audit, Risk Management, Nomination & Remuneration and Sustainability Committees. **Risk Mitigation and Value Creation** To mitigate governance-related risks, the Group maintains robust internal controls, clear segregation of duties, regular internal and external audits, and established policies and procedures to ensure compliance, transparency and ethical conduct. At the same time, LBS leverages opportunities to strengthen its governance practices through continuous enhancement of disclosure quality, adoption of best practices and proactive stakeholder engagement, which collectively reinforce trust, support informed decision-making and enhance the Group's reputation and long-term value creation. *(For more details, please refer to the Good Governance section in IAR2025)*

Statement on Risk Management and Internal Control

Key Risks	Mitigation & Opportunities
Supply Chain Management	**Responsible and Resilient Supply Chain Governed by Group Sustainable Procurement Policy** LBS' supply chain and outsourcing strategy prioritises responsible and resilient partnerships across both project-related and operational suppliers, recognising that risks such as compliance gaps, labour issues, environmental impacts, and operational disruptions can arise beyond direct operations. **Risk Mitigation and Value Creation** To mitigate these risks, LBS implements a structured procurement lifecycle with pre-qualification via the Know Your Supplier framework, risk-informed supplier selection, formal contracts embedding EESG and governance standards, continuous performance evaluation, and targeted improvement plans for higher-risk or underperforming partners. Opportunities are realised by engaging local and high-compliance suppliers to strengthen SMEs, enhance supply chain transparency, reduce emissions, foster innovation in sustainability practices, and build long-term resilience across the upstream value chain. *(For more details, please refer to the Economic Prosperity section in SR2025)*
Market Presence and Branding	**Maintaining a Competitive Edge Amid Market Evolution** LBS' market presence and branding are anchored in delivering affordable, quality homes that foster trust among homebuyers, investors, and partners while responding to Malaysia's growing demand for attainable housing. The Group has delivered more than 57,000 properties to date, reflecting its ongoing commitment to meeting the housing needs of Malaysians. In 2025, 91% of residential units sold were affordable homes, reinforcing accessibility to homeownership while supporting a stable and resilient revenue base. The Group manages market and reputational risks through disciplined project delivery, efficient construction methods such as IBS, the adoption of digital tools, and sustainable design features that balance cost, quality, and liveability. Strategic engagement with federal and state authorities further strengthens compliance and alignment with national housing priorities. Opportunities arise from expanding homeownership, fostering inclusive communities, leveraging technology for operational efficiency, and investing in sustainable initiatives such as the 43 MWp solar farm, which collectively reinforce LBS' long term financial resilience, credit worthiness, and reputation as a dependable, innovative developer. *(For more details, please refer to Economic Prosperity section in SR2025)*

MONITORING, REPORTING AND REVIEWING

The Group's risk management and internal control system is subject to continuous monitoring and periodic review to ensure its ongoing effectiveness. This includes structured monitoring of financial and operational performance, key business processes, and the overall risk profile across the Group.

The RMC serves as the primary governance body overseeing the implementation of the Group's risk management framework. The RMC convenes as and when required, particularly in response to significant risk exposures, material control deficiencies, or changes in the Group's operating environment. Its responsibilities include reviewing the Group's risk register, assessing the adequacy of mitigation measures, and directing necessary remedial actions.

Statement on Risk Management and Internal Control

Significant risk matters are escalated to the Audit Committee, which provides an additional layer of oversight prior to reporting to the Board.

The Board, with the support of its committees, reviews the adequacy and effectiveness of the Group's risk management and internal control framework and ensures that appropriate measures are implemented to address identified gaps and strengthen existing controls.

COMMUNICATION AND REPORTING

Reporting to Shareholders/Stakeholders

External stakeholder relations and communication are given high priority in view of the types of risks faced by the Group. An effective external communications strategy is essential to protect the Group's reputation.

The Group has established processes and procedures to ensure that quarterly and annual audited financial statements which cover the Group's performance, are submitted to Bursa Securities for release to shareholders and other stakeholders on a timely basis.

All quarterly financial results are reviewed and approved by the Board prior to announcement.

The Group's annual reports which contain the annual audited financial statements, together with the auditors' and Directors' reports are issued to the Group's shareholders within the stipulated time prescribed under the Main Market Listing Requirements of Bursa Securities.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Securities Main Market Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion of LBS Integrated Annual Report 2025 and have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by the Statement on Risk Management and Internal Control ("SORMIC") Guidelines for Directors of Listed Companies, nor is the Statement factually inaccurate. This Statement was approved by the Board on 15 April 2026. Their limited assurance review performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG3") issued by the Malaysian Institute of Accountants.

AAPG3 does not require the External Auditors to consider whether the Directors' SORMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CONCLUSION

The Board has received assurance from the Group Managing Director/Chief Executive Officer and Executive Director, who are both responsible for the financial affairs of the Group, that the risk management framework and internal control system established are operating adequately and effectively, in all material respects, based on the risk management model adopted by the Group.

Taking into consideration of the information and assurance given by the Group Managing Director/Chief Executive Officer and Executive Director, the Board is satisfied that the system of risk management and internal control systems in place for the year under review and up to the date of approval of this Statement are sound and effective to safeguard the interest of all shareholders, the Group's assets, and other stakeholders.



10

Financial Statements

141 Directors' Report
149 Statement by Directors
149 Statutory Declaration
150 Independent Auditors' Report to the Members
155 Statements of Financial Position
157 Statements of Profit or Loss and Other Comprehensive Income
159 Statements of Changes in Equity
162 Statements of Cash Flows
168 Notes to the Financial Statements

Directors' Report

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities. The principal activities of the Group are divided into three main segments namely, property development, construction and trading, and management and investment. The principal activities and other information relating to its subsidiaries are stated in Note 52 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	129,697	47,835
Attributable to:		
Owners of the parent	116,929	47,835
Non-controlling interests	12,768	-
	129,697	47,835

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

Directors' Report
(Cont'd)

DIVIDENDS

Since the end of the last financial year, the Company paid:

	RM'000
ORDINARY SHARES	
In respect of the financial year ended 31 December 2024:	
Interim single-tier dividend of 1.00 sen per ordinary share on 1,541,696,357 ordinary shares, paid on 10 July 2025	15,417
Final single-tier dividend of 1.10 sen per ordinary share on 1,541,696,357 ordinary shares, paid on 25 September 2025	16,959
REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")	
In respect of the financial year ended 31 December 2025:	
Preferential dividend of 6.60 sen per RCPS on 84,099,035 RCPS, paid on 31 October 2025	5,550
	37,926

On 25 February 2026, the Board of Directors:

(i) Declared first interim single-tier dividend of 1.30 sen per ordinary share in respect of the financial year ended 31 December 2025. The entitled shareholders of the Company will receive the dividend on 20 May 2026; and

(ii) Proposed final single-tier dividend of 2.00 sen per ordinary share in respect of the financial year ended 31 December 2025. The proposed dividend is subject to the approval of the shareholders at the forthcoming 26th Annual General Meeting of the Company.

The financial statements for the current financial year do not reflect the dividends declared/ proposed on 25 February 2026. Such dividends will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2026.

ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares and debentures during the financial year.

TREASURY SHARES

The shareholders of the Company, by a resolution passed in the last Annual General Meeting held on 26 June 2025, renewed their approval for the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

During the financial year, the Company repurchased 10,620,600 of its issued ordinary shares from the open market. The average price paid for the shares repurchased was RM0.40 per share. The total consideration paid for the repurchase including transaction costs was RM4,258,650. The repurchased transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

As at 31 December 2025, the total number of treasury shares held by the Company was 45,072,694 out of the total 1,580,245,151 issued ordinary shares. Further relevant details are disclosed in Note 25 to the financial statements.

Directors' Report
(Cont'd)

OPTIONS GRANTED OVER UNISSUED SHARES

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

REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")

On 8 August 2017, the Company issued renounceable rights issue of 115,448,037 RCPS on the conversion ratio of RCPS at 1 new ordinary share for every 2 RCPS held. The issue price of the RCPS has been fixed at RM1.10 each.

Pursuant to the completion of corporate exercises in relation to share subdivision and bonus issue on 27 February 2018, the conversion ratio of any outstanding RCPS has been adjusted to 11 new ordinary shares for every 10 RCPS.

As at 31 December 2025, the total number of RCPS that remain unexercised were 84,099,035.

The salient terms of the RCPS are disclosed in Note 24 to the financial statements.

Details of RCPS issued to Directors are disclosed in the section of Directors' Interests in Shares in this report.

DIRECTORS

The Directors of the Company in office since the beginning of the financial year to the date of this report are:

Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San, PSM, SSAP, DSSA, JP *
Datuk Wira Lim Hock Guan, DCSM, DMSM, PJK, JP *
Maj (Hon) Dato' Sri Lim Hock Sing, SSAP, DIMP, JP *
Dato' Lim Mooi Pang, DIMP *
Dato' Lim Han Boon, DIMP
Dato' Yong Lei Choo, DIMP
Dato' Aminudin Zaki Bin Hashim
Nuraini Binti Ismail

** Director of the Company and its subsidiaries*

The Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office since the beginning of the financial year to the date of this report are:

Au-Yang Liang Hin
Azhar Bin Mohamad Dahlal
Chang Bar Kuei
Chew Wee Seong
- Alternate Director to Datuk Wira Lim Hock Guan
Datin Sri Rose Aliza Binti Tok Muda Haji Ahmad Baharuddin
Dato' Lam Lip Shyan
Dato' Mohd Abdah Bin Mohd Alif
Dato' Norzaity Binti Othman
Dato' Sri Adnan Bin Wan Mamat
Dato' Sri Lim Hock Seong
Dato' Sri Wong Yong Pek
Datuk Azizulkhir Bin Abdul Wahab
Datuk Dr. Mohamed Rafiq Bin Mohamed Ibrahim
Datuk Lim Lit Chek
Datuk Pang See Pak

Directors' Report
(Cont'd)

DIRECTORS (CONT'D)

The Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office since the beginning of the financial year to the date of this report are: (Cont'd)

Datuk Wira Anuar Bin Ahmed	
Datuk Wira Mohd Anis Hisham Bin Abd Aziz	
Fauziah Binti Tak	
Fu Jianguo	
Lau Chee Tat	
Lim Kim Hoe	
Lim Kim Kiat	
Loh Kam Seng	
Mohamad Najib Bin Saad	
Mohammad Shaffiq Bin Sa'An	
Nadia Binti Mustaffa	
R. Ruslan Bin Raja Sharif	
Wong Jy Shyuan	
Wong Kok Ching	
Wong Tack Leong	
- Alternate Director to Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San	
- Alternate Director to Lim Kim Hoe	
Yeo Chee Chong	
Tan Yok Hong	Resigned on 03.06.2025
Datuk Chew Chun Hoe	Resigned on 31.07.2025
Lam Lip Shyan	Resigned on 31.07.2025

Directors' Report
(Cont'd)

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares, options over the shares and debentures of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at the end of the financial year (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of Ordinary Shares			
	At 1.1.2025	Acquired	Disposed	At 31.12.2025
LBS Bina Group Berhad				
Direct Interests				
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San	42,374,014	2,243,600	-	44,617,614
Datuk Wira Lim Hock Guan	18,130,444	-	-	18,130,444
Maj (Hon) Dato' Sri Lim Hock Sing	571,650	-	-	571,650
Dato' Lim Mooi Pang	5,672,759	-	-	5,672,759
Dato' Lim Han Boon	150,000	-	-	150,000

	Number of ordinary shares			
	At 1.1.2025	Acquired	Disposed	At 31.12.2025
LBS Bina Group Berhad				
Indirect Interests				
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San [2]	571,543,085	9,520,300	-	581,063,385
Datuk Wira Lim Hock Guan [2]	570,900,010	9,520,300	-	580,420,310
Maj (Hon) Dato' Sri Lim Hock Sing [1]	615,280	-	-	615,280

	Number of RCPS			
	At 1.1.2025	Acquired	Converted/ Disposed	At 31.12.2025
LBS Bina Group Berhad				
Indirect Interests				
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San [2]	158,000	-	-	158,000
Maj (Hon) Dato' Sri Lim Hock Sing [1]	38,800	-	-	38,800

Note:

1 Deemed interests pursuant to Section 59(11)(c) of the Companies Act 2016.
2 Deemed interests pursuant to Section 59(11)(c) and Section 8 of the Companies Act 2016.

By virtue of their interests in the shares of the Company, Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San and Datuk Wira Lim Hock Guan are also deemed to have interests in the shares of all the subsidiaries to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

None of the other Directors in office at the end of the financial year had any interest in ordinary shares of the Company or its related corporations during the financial year.

Directors' Report
(Cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of remuneration received or due and receivable by Directors as 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, other than certain Directors who have significant financial interests in the companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 44(b) to the financial statements.

The details of the directors' remuneration for the financial year ended 31 December 2025 are set out below:

	Group RM'000	Company RM'000
Executive Directors		
Salaries and other emoluments	11,877	-
Defined contribution plans	1,782	-
Social security contributions	6	-
Employment insurance scheme	#	-
Retirement benefit obligations	4,766	-
Other benefits	483	-
	18,914	-
Non-Executive Directors		
Fees	333	333
Other benefits	9	9
	342	342
Total	19,256	342

Amount less than RM1,000.

The executive directors' remuneration does not include estimated monetary value of benefits-in-kind amounting to RM556,000.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than those arising from RCPS.

INDEMNITY AND INSURANCE

During the financial year, the total amount of indemnity coverage and insurance premium paid, for the Directors and certain officers of the Group and of the Company, were RM70 million and RM85,000 respectively. No indemnity was given to or insurance effected for auditors of the Group and of the Company.

Directors' Report
(Cont'd)

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

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

(i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

(iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

(d) In the opinion of the Directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;

(ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

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

SUBSIDIARIES

The details of the subsidiaries are disclosed in Note 52 to the financial statements.

Directors' Report
(Cont'd)

SUBSEQUENT EVENTS

The subsequent events are disclosed in Note 48 to the financial statements.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2025 are as follows:

	Group RM'000	Company RM'000
Auditors' remuneration:		
- statutory audit	1,053	130
- others services	71	21
	1,124	151

AUDITORS

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

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 15 April 2026.

TAN SRI DATO' SRI IR. (DR.) LIM HOCK SAN **DATUK WIRA LIM HOCK GUAN**

KUALA LUMPUR

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 15 April 2026.

TAN SRI DATO' SRI IR. (DR.) LIM HOCK SAN **DATUK WIRA LIM HOCK GUAN**

KUALA LUMPUR

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Dato' Lim Mooi Pang, being the Director primarily responsible for the financial management of LBS Bina Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the)
abovenamed at Kuala Lumpur in the)
Federal Territory on 15 April 2026)

DATO' LIM MOOI PANG

Before me,

No. W790
ZAINUL ABIDIN BIN AHMAD

COMMISSIONER FOR OATHS

Independent Auditors' Report

To the Members of LBS Bina Group Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of LBS Bina Group Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies, as set out on pages 155 to 289.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

BASIS FOR OPINION

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

INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities 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 for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS	HOW WE ADDRESSED THE KEY AUDIT MATTERS
1. Revenue recognition for property development activities Property development revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation.	We obtained an understanding of the relevant controls put in place in respect of revenue recognition for property development activities. We assessed the reasonableness of the estimated total property development costs of projects, on a sampling basis, by agreeing to supporting documents such as approved budgets, letter of awards, contracts, quotations, correspondences, and variation orders with contractors and considered the historical accuracy of management's estimates in prior years.

Independent Auditors' Report
To the Members of LBS Bina Group Berhad (Cont'd)

KEY AUDIT MATTERS (CONT'D)

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 for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. (Cont'd)

KEY AUDIT MATTERS	HOW WE ADDRESSED THE KEY AUDIT MATTERS
1. Revenue recognition for property development activities (Cont'd)	
This requires the estimation of selling prices, sales rates and costs to complete, determined on a project by project basis. These factors drive the gross margin for each project and hence the profit recognised at the point of sale. There is a risk that the actual revenue and costs are different to those forecast across the whole projects resulting in material misstatement of property development costs and gross profit recognised.	We verified the property development costs incurred to-date, on a sampling basis, to supporting documents such as contractors' progress claims and invoices from vendors. We recalculated the percentage of completion at the reporting date for mathematical accuracy. We evaluated the project progress to architect certificates, quantity surveyor certificates, contractors' claim certificates and others, on a sampling basis, and discussed with project team and conducted site visitations to corroborate evidences. We verified gross development value and the actual sales of development properties, on a sampling basis, to signed sale and purchase agreements. We have evaluated the management's assessment on the adequacy of foreseeable losses and liquidated ascertained damages ("LAD") of projects, if any, as LAD is considered a variable consideration which will affect the transaction price of the projects. We reviewed the adequacy of disclosures made in the financial statements.
2. Goodwill impairment review	
The Group has significant goodwill allocated to the property development cash-generating units ("CGUs"). Goodwill shall be tested for impairment annually in accordance to MFRS 136 *Impairment of Assets*. The estimation of recoverable amount is complex and significant judgement is required for estimates, specifically cash flows projections and discount rates. Due to the inherent uncertainty involved in forecasting and discounting future cash flows, this is the key judgemental area that our audit was concentrated on.	We assessed the reasonableness and appropriateness of the methodology and key assumptions applied by management in measuring the recoverable amount by comparing against historical performance and past forecasts to assess their reliability. We verified the mathematical accuracy of the discounted cash flows ("DCF"). We performed sensitivity analysis on key assumptions, including the discount rates and budgeted gross margin to assess the robustness of the DCF. We compared the recoverable amount to the carrying amount to determine the outcome of the impairment test. We reviewed the adequacy of disclosures made in the financial statements.

Independent Auditors' Report
To the Members of LBS Bina Group Berhad (Cont'd)

KEY AUDIT MATTERS (CONT'D)

We have determined that there were no key audit matters in the audit of the financial statements of the Company to communicate in our auditors' report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

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

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

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.

Independent Auditors' Report
To the Members of LBS Bina Group Berhad (Cont'd)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Independent Auditors' Report
To the Members of LBS Bina Group Berhad (Cont'd)

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 52 to the financial statements.

OTHER MATTERS

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

UHY Malaysia PLT
202406000040 (LLP0041391-LCA) & AF 1411
Chartered Accountants

HAR HOU WEI
Approved Number: 03665/05/2026 J
Chartered Accountant

KUALA LUMPUR
15 April 2026

Statements of Financial Position

As at 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	98,528	104,017	-	-
Right-of-use assets	5	150,772	170,274	-	-
Capital work-in-progress	6	94,069	11,398	-	-
Inventories	7	1,514,572	1,466,544	-	-
Investment properties	8	183,838	187,087	-	-
Investment in subsidiaries	9	-	-	743,672	748,096
Investment in a joint venture	10	427	-	-	-
Investment in associates	11	2,099	2,270	-	-
Other investments	12	476	476	-	-
Goodwill on consolidation	13	43,068	55,514	-	-
Trade receivables	14	1,040	3,500	-	-
Deferred tax assets	15	95,803	95,669	-	-
Amount due from subsidiaries	16	-	-	-	341,695
Total non-current assets		2,184,692	2,096,749	743,672	1,089,791
Current assets					
Inventories	7	561,611	699,216	-	-
Contract assets	17	364,794	416,670	-	-
Trade receivables	14	269,777	241,582	-	-
Other receivables	18	291,205	264,933	1,933	851
Amount due from subsidiaries	16	-	-	1,188,603	719,467
Amount due from associates	19	11	11	-	-
Other investments	12	5,077	26,422	-	-
Tax recoverable		32,349	29,245	-	266
Fixed deposits with licensed banks	20	153,584	129,123	55,324	5,706
Cash held under Housing Development Accounts	21	267,754	218,356	-	-
Cash and bank balances	22	231,874	220,331	32,102	6,913
		2,178,036	2,245,889	1,277,962	733,203
Assets held-for-sale	23	62,697	4,417	-	-
Total current assets		2,240,733	2,250,306	1,277,962	733,203
Total assets		4,425,425	4,347,055	2,021,634	1,822,994

Statements of Financial Position
As at 31 December 2025 (Cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
EQUITY AND LIABILITIES					
Equity					
Share capital	24	922,887	922,887	922,887	922,887
Treasury shares	25	(19,480)	(15,221)	(19,480)	(15,221)
Other reserves	26	(176,594)	(173,972)	-	-
Retained earnings		956,449	895,978	339,631	340,428
Equity attributable to owners of the parent		1,683,262	1,629,672	1,243,038	1,248,094
Perpetual Sukuk Musharakah ("Perpetual Sukuk")	27	93,000	223,000	93,000	223,000
Non-controlling interests		240,034	239,578	-	-
Total equity		2,016,296	2,092,250	1,336,038	1,471,094
Non-current liabilities					
Trade payables	28	248,308	282,172	-	-
Other payables	29	3,500	-	-	-
Retirement benefit obligations	30	38,530	21,711	-	-
Hire purchase and lease liabilities	31	5,462	12,808	-	-
Bank borrowings	32	332,061	369,028	-	-
Islamic Medium Term Notes	33	596,229	197,283	596,229	197,283
Deferred tax liabilities	15	5,285	5,739	-	-
Total non-current liabilities		1,229,375	888,741	596,229	197,283
Current liabilities					
Contract liabilities	17	28,502	24,735	-	-
Trade payables	28	400,333	491,263	-	-
Other payables	29	395,017	450,400	13,482	5,162
Amount due to subsidiaries	16	-	-	15,218	-
Hire purchase and lease liabilities	31	9,697	12,668	-	-
Bank borrowings	32	326,262	362,988	58,100	149,000
Bank overdrafts	34	-	2,941	-	-
Tax payable		19,943	21,069	2,567	455
Total current liabilities		1,179,754	1,366,064	89,367	154,617
Total liabilities		2,409,129	2,254,805	685,596	351,900
Total equity and liabilities		4,425,425	4,347,055	2,021,634	1,822,994

The accompanying notes form an integral part of the financial statements.

Statements of Profit or Loss and Other Comprehensive Income

As at 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Continuing operations					
Revenue	35	1,553,761	1,434,658	26,069	387,237
Cost of sales	36	(1,068,508)	(948,968)	-	-
Gross profit		485,253	485,690	26,069	387,237
Other income		40,423	37,969	68,266	38,556
Administrative and operating expenses		(243,826)	(266,634)	(9,245)	(5,915)
Changes on impairment of financial instruments and contract assets		(1,198)	(1,556)	-	-
Profit from operations		280,652	255,469	85,090	419,878
Finance costs	37	(63,707)	(64,913)	(31,382)	(19,446)
Share of results of joint venture , net of tax		(119)	-	-	-
Share of results of associates, net of tax		69	324	-	-
Profit before tax	38	216,895	190,880	53,708	400,432
Taxation	39	(87,198)	(82,408)	(5,873)	(2,840)
Profit from continuing operations		129,697	108,472	47,835	397,592
Discontinued operations					
Profit from operations, net of tax	9(e)	-	157,470	-	-
Net profit for the financial year		129,697	265,942	47,835	397,592
Other comprehensive income, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Exchange translation differences for foreign operations		(6,087)	11,547	-	-
Reclassification adjustments of exchange translation reserve upon disposal of subsidiaries		-	23,717	-	-
Remeasurement of defined benefit plans		(7,826)	-	-	-
		(13,913)	35,264	-	-
Total comprehensive income for the financial year		115,784	301,206	47,835	397,592

Statements of Profit or Loss and Other Comprehensive Income

As at 31 December 2025 (Cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Net profit for the financial year attributable to:					
Owners of the parent					
- Continuing operations		116,929	86,251	47,835	397,592
- Discontinued operations		-	157,807	-	-
Non-controlling interests					
- Continuing operations		12,768	22,220	-	-
- Discontinued operations		-	(336)	-	-
		129,697	265,942	47,835	397,592
Total comprehensive income for the financial year attributable to:					
Owners of the parent					
- Continuing operations		103,016	137,549	47,835	397,592
- Discontinued operations		-	142,826	-	-
Non-controlling interests					
- Continuing operations		12,768	22,220	-	-
- Discontinued operations		-	(1,389)	-	-
		115,784	301,206	47,835	397,592
Earnings per share attributable to owners of the parent (sen)					
Basic earnings per share	40(a)				
- Continuing operations		6.53	4.24		
- Discontinued operations		-	10.21		
		6.53	14.45		
Diluted earnings per share	40(b)				
- Continuing operations		6.53	4.24		
- Discontinued operations		-	10.21		
		6.53	14.45		

The accompanying notes form an integral part of the financial statements.

Statements of Changes In Equity

For the Financial Year Ended 31 December 2025

	Note	Attributable to Owners of the Parent								
		Non-Distributable				Distributable				
		Share Capital RM'000	RCPS RM'000	Other Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
Group										
At 1 January 2025		830,378	92,509	(173,972)	(15,221)	895,978	1,629,672	223,000	239,578	2,092,250
Net profit for the financial year		-	-	-	-	116,929	116,929	-	12,768	129,697
Foreign currency translation reserves		-	-	(6,087)	-	-	(6,087)	-	-	(6,087)
Remeasurement of defined benefit plans		-	-	-	-	(7,826)	(7,826)	-	-	(7,826)
Total comprehensive income for the financial year		-	-	(6,087)	-	109,103	103,016	-	12,768	115,784
Transactions with owners:										
Changes in equity interest in subsidiaries	9(b), 9(c)	-	-	3,465	-	-	3,465	-	(4,677)	(1,212)
Dividends paid	42	-	-	-	-	(32,376)	(32,376)	-	-	(32,376)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(7,635)	(7,635)
RCPS preferential dividend paid	42	-	-	-	-	(5,550)	(5,550)	-	-	(5,550)
Distribution to holders of Perpetual Sukuk		-	-	-	-	(10,706)	(10,706)	-	-	(10,706)
Redemption of Perpetual Sukuk	27	-	-	-	-	-	-	(130,000)	-	(130,000)
Shares repurchased	25	-	-	-	(4,259)	-	(4,259)	-	-	(4,259)
		-	-	3,465	(4,259)	(48,632)	(49,426)	(130,000)	(12,312)	(191,738)
At 31 December 2025		830,378	92,509	(176,594)	(19,480)	956,449	1,683,262	93,000	240,034	2,016,296

Statements of Changes In Equity

For the Financial Year Ended 31 December 2025 (Cont'd)

	Note	Attributable to Owners of the Parent						Perpetual Sukuk RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
		Non-Distributable				Distributable				
		Share Capital RM'000	RCPS RM'000	Other Reserves RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000			
Group										
At 1 January 2024		819,378	103,509	(210,083)	(11,917)	754,733	1,455,620	223,000	166,810	1,845,430
Net profit for the financial year		-	-	-	-	244,058	244,058	-	21,884	265,942
Foreign currency translation reserves		-	-	36,317	-	-	36,317	-	(1,053)	35,264
Total comprehensive income for the financial year		-	-	36,317	-	244,058	280,375	-	20,831	301,206
Transactions with owners:										
Capital contribution from non-controlling interests	9(g)	-	-	-	-	-	-	-	840	840
Changes in equity interest in subsidiaries	9(b), 9(c)	-	-	(206)	-	-	(206)	-	5,702	5,496
Disposal of a subsidiary	9(e)	-	-	-	-	-	-	-	49,421	49,421
Dividends paid	42	-	-	-	-	(82,004)	(82,004)	-	-	(82,004)
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(4,026)	(4,026)
RCPS preferential dividend paid	42	-	-	-	-	(5,550)	(5,550)	-	-	(5,550)
Distribution to holders of Perpetual Sukuk		-	-	-	-	(15,259)	(15,259)	-	-	(15,259)
Issuance of ordinary shares through conversion of RCPS	24	11,000	(11,000)	-	-	-	-	-	-	-
Shares repurchased	25	-	-	-	(3,304)	-	(3,304)	-	-	(3,304)
		11,000	(11,000)	(206)	(3,304)	(102,813)	(106,323)	-	51,937	(54,386)
At 31 December 2024		830,378	92,509	(173,972)	(15,221)	895,978	1,629,672	223,000	239,578	2,092,250

Statements of Changes In Equity

For the Financial Year Ended 31 December 2025 (Cont'd)

	Note	Non-Distributable			Distributable			
		Share Capital RM'000	RCPS RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Perpetual Sukuk RM'000	Total Equity RM'000
Company								
At 1 January 2025		830,378	92,509	(15,221)	340,428	1,248,094	223,000	1,471,094
Net profit for the financial year, representing total comprehensive income for the financial year		-	-	-	47,835	47,835	-	47,835
Transactions with owners:								
Dividends paid	42	-	-	-	(32,376)	(32,376)	-	(32,376)
RCPS preferential dividend paid	42	-	-	-	(5,550)	(5,550)	-	(5,550)
Distribution to holders of Perpetual Sukuk		-	-	-	(10,706)	(10,706)	-	(10,706)
Redemption of Perpetual Sukuk	27	-	-	-	-	-	(130,000)	(130,000)
Shares repurchased	25	-	-	(4,259)	-	(4,259)	-	(4,259)
		-	-	(4,259)	(48,632)	(52,891)	(130,000)	(182,891)
At 31 December 2025		830,378	92,509	(19,480)	339,631	1,243,038	93,000	1,336,038
Company								
At 1 January 2024		819,378	103,509	(11,917)	45,649	956,619	223,000	1,179,619
Net profit for the financial year, representing total comprehensive income for the financial year		-	-	-	397,592	397,592	-	397,592
Transactions with owners:								
Dividends paid	42	-	-	-	(82,004)	(82,004)	-	(82,004)
RCPS preferential dividend paid	42	-	-	-	(5,550)	(5,550)	-	(5,550)
Distribution to holders of Perpetual Sukuk		-	-	-	(15,259)	(15,259)	-	(15,259)
Redemption of Perpetual Sukuk	24	11,000	(11,000)	-	-	-	-	-
Shares repurchased	25	-	-	(3,304)	-	(3,304)	-	(3,304)
		11,000	(11,000)	(3,304)	(102,813)	(106,117)	-	(106,117)
At 31 December 2024		830,378	92,509	(15,221)	340,428	1,248,094	223,000	1,471,094

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows

For the Financial Year Ended 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Operating activities					
Profit before tax:					
- Continuing operations		216,895	190,880	53,708	400,432
- Discontinued operations	9(e)	-	163,497	-	-
Adjustments for:					
Allowance for impairment losses on:					
- Goodwill arising on consolidation		12,446	-	-	-
- Right-of-use assets		145	-	-	-
- Trade and other receivables		1,951	2,271	-	-
- Investment in a subsidiary		-	-	5,640	4
Bad debts written off		299	545	-	-
Deposits written off		4	137	-	-
Depreciation of:					
- Investment properties		2,820	2,737	-	-
- Property, plant and equipment		19,729	14,413	-	#
- Right-of-use assets		18,760	24,791	-	-
Fair value adjustment on trade receivables		57	(85)	-	-
Interest expenses		63,707	65,559	31,382	19,446
Loss on strike off of an associate		-	8	-	-
Inventories written down to net realisable value		-	61	-	-
Loss on lease termination		-	31	-	-
Property development costs written down		9,691	-	-	-
Prepayment written off		38	-	-	-
Property, plant and equipment written off	4	43	100	-	1
Property development costs written off		3	-	-	-
Balance carried down		346,588	464,945	90,730	419,883

Amount less than RM1,000.

Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Operating activities (Cont'd)					
Balance brought down		346,588	464,945	90,730	419,883
Provision for settlement		7,000	-	-	-
Provision for retirement benefits		6,575	9,078	-	-
Provision for staff economic compensation		-	38	-	-
Waiver of interest income		145	63	-	-
Unrealised foreign exchange (gain)/loss		(380)	3,106	1	(1)
Bad debts recovered		(2)	(19)	(12,000)	-
Dividend income from financial assets measured at fair value through profit or loss ("FVTPL")		(347)	(227)	-	-
Dividend income		-	-	(26,069)	(387,237)
Fair value gain on financial assets measured at FVTPL		(575)	(196)	-	-
Gain on disposal of:					
- Assets held-for-sale		(1,183)	-	-	-
- Investment properties		(32)	-	-	-
- Equity interest in subsidiaries	9(c),9(e)	-	(163,026)	(133)	(1,264)
- Property, plant and equipment		(1,019)	(4,003)	-	-
- Right-of-use assets		-	(521)	-	-
Grant income		(1,160)	-	-	-
Interest income		(12,748)	(13,663)	(56,117)	(37,286)
Provision for property development costs no longer required		(67,374)	(54,587)	-	-
Reversal of allowance for impairment losses on:					
- Investment in associates		-	#	-	-
- Trade and other receivables		(753)	(715)	-	-
Waiver of late payment interest		(2,611)	-	-	-
Balance carried down		272,124	240,273	(3,588)	(5,905)

Amount less than RM1,000.

Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Operating activities (Cont'd)					
Balance brought down		272,124	240,273	(3,588)	(5,905)
Share of results of joint venture, net of tax	10	119	-	-	-
Share of results of associates, net of tax	11	(69)	(324)	-	-
Operating profit/(loss) before working capital changes		272,174	239,949	(3,588)	(5,905)
Changes in working capital:					
Inventories		17,924	(302,407)	-	-
Contract assets		51,876	40,022	-	-
Contract liabilities		3,767	21,260	-	-
Trade receivables		(27,315)	7,105	-	-
Other receivables		3,175	(11,190)	(1,082)	342
Trade payables		(54,346)	7,334	-	-
Other payables		(6,472)	84,633	3,824	449
Amount due to associates		#	#	-	-
Foreign exchange reserve		(2,861)	20,391	-	-
		(14,252)	(132,852)	2,742	791
Cash generated from/(used in) operations		257,922	107,097	(846)	(5,114)
Dividends received from an associate		240	300	-	-
Dividends received from subsidiaries		-	-	26,069	387,237
Grant received		2,355	-	-	-
Interest paid		(48,882)	(43,524)	(26,886)	(15,240)
Interest received		12,748	13,663	42,198	35,686
Tax paid		(95,450)	(101,085)	(3,760)	(2,896)
Tax refunded		12,489	15	265	247
		(116,500)	(130,631)	37,886	405,034
Net cash from/(used in) operating activities		141,422	(23,534)	37,040	399,920

Amount less than RM1,000.

Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Investing activities					
Additional investment in:					
- A joint venture		(570)	-	-	-
- Subsidiaries	9(c)	#	-	(1,216)	(1,204)
- Financial assets measured at FVTPL		(10,000)	(26,000)	-	-
Capital work-in-progress incurred		(82,824)	(27,704)	-	-
Net cash inflows from disposal of subsidiaries	9(e)	-	71,772	-	-
Net movement of amount due from subsidiaries		-	-	(101,522)	(478,761)
Proceeds from disposal of:					
- Assets held-for-sale		5,600	-	-	-
- Financial assets measured at FVTPL		32,267	-	-	-
- Investment in subsidiaries	9(c)	-	-	133	6,660
- Investment properties		461	-	-	-
- Property, plant and equipment		1,532	4,425	-	-
- Right-of-use-assets		-	610	-	-
Proceeds from acquisition of equity interest by non-controlling interests	9(g)	-	840	-	-
Purchase of:					
- Property, plant and equipment	4	(12,606)	(9,035)	-	-
- Right-of-use assets	5(c)	(759)	(1,839)	-	-
Deposits and consideration paid for the acquisition and joint venture of development lands		(99,534)	(136,873)	-	-
Development cost paid for future development lands		-	(60,532)	-	-
Payment for acquisition of equity interest in prior years		(50)	(50)	-	-
Tax paid on disposal of subsidiaries in prior year		(6,611)	-	-	-
Net cash used in investing activities		(173,094)	(184,386)	(102,605)	(473,305)

Amount less than RM1,000.

Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Cont'd)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Financing activities					
Changes in fixed deposits pledged		(9,193)	27,590	382	(4,284)
Changes in cash and bank balances pledged		(1,807)	(1,145)	73	1,655
Net movement in amount due to a subsidiary		-	-	15,218	(330)
Drawdown of borrowings		440,702	791,123	8,000	80,000
Drawdown of Islamic Medium Term Notes		400,000	270,000	400,000	200,000
Distribution to holders of Perpetual Sukuk		(10,706)	(15,259)	(10,706)	(15,259)
Dividends paid	42	(32,376)	(82,004)	(32,376)	(82,004)
RCPS preferential dividend paid	42	(5,550)	(5,550)	(5,550)	(5,550)
Dividends paid to non-controlling interests		(7,635)	(4,026)	-	-
Share repurchased	25	(4,259)	(3,304)	(4,259)	(3,304)
Net repayment of:					
- Borrowings		(512,901)	(661,047)	(98,900)	(88,097)
- Perpetual Sukuk		(130,000)	-	(130,000)	-
- Islamic Medium Term Notes		(1,054)	(135,685)	(1,054)	(2,717)
- Hire purchase and lease liabilities		(12,882)	(16,544)	-	-
Net cash from financing activities		112,339	164,149	140,828	80,110
Net changes in cash and cash equivalents		80,667	(43,771)	75,263	6,725
Effects of exchange translation differences on cash and cash equivalents		(3,324)	437	(1)	1
Cash and cash equivalents at the beginning of the financial year		511,495	554,829	6,827	101
Cash and cash equivalents at the end of the financial year		588,838	511,495	82,089	6,827

Statements of Cash Flows

For the Financial Year Ended 31 December 2025 (Cont'd)

	Note	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Cash and cash equivalents at the end of the financial year comprises:					
Fixed deposits with licensed banks		153,584	129,123	55,324	5,706
Cash held under Housing Development Accounts		267,754	218,356	-	-
Cash and bank balances		231,874	220,331	32,102	6,913
Bank overdrafts		-	(2,941)	-	-
		653,212	564,869	87,426	12,619
Less: Fixed deposits pledged with licensed banks	20	(54,584)	(45,391)	(5,324)	(5,706)
Cash and bank balances pledged	22	(9,790)	(7,983)	(13)	(86)
		588,838	511,495	82,089	6,827

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

31 December 2025

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company are located at Plaza Seri Setia, Level 1 - 4, No. 1, Jalan SS9/2, 47300 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 52.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, except as otherwise disclosed.

ADOPTION OF AMENDMENTS TO MFRS

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for the current financial year:

Amendments to MFRS 121	Lack of Exchangeability

The adoption of the amendments to MFRS did not have any significant impact on the financial statements of the Group and of the Company.

NEW MFRSs AND AMENDMENTS TO MFRSs IN ISSUE BUT NOT YET EFFECTIVE

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective Dates for Financial Periods Beginning on or After
Annual Improvement MFRS Accounting Standards -Volume 11		1 January 2026
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

Notes to the Financial Statements
31 December 2025 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance (Cont'd)

NEW MFRSs AND AMENDMENTS TO MFRSs IN ISSUE BUT NOT YET EFFECTIVE (CONT'D)

The Group and the Company intend to adopt the above new MFRSs and amendments to MFRSs, if applicable, when they become effective.

The initial application of the above-mentioned new MFRSs and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company except as disclosed below:

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101 *Presentation of Financial Statements*. It preserves the majority requirements of MFRS 101 while introducing additional requirements. In addition, narrow-scope amendments have been made to MFRS 107 *Statement of Cash Flows* and some requirements of MFRS 101 have been moved to MFRS 108 *Basis of Preparation of Financial Statements.*

MFRS 18 additional requirements are as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income

MFRS 18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged. Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

(iv) Management-defined Performance Measures ("MPMs")

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statements of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The potential impact of the new standard on the financial statements of the Group and of the Company have yet to be assessed.

Notes to the Financial Statements
31 December 2025 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(b) 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 ("RM'000") except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

JUDGEMENTS

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

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

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

Classification between investment properties and inventories

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

The Group has temporarily sub-let some completed unsold properties but has decided not to treat these properties as investment properties as it is not the Group's intention to hold these properties in the long-term for capital appreciation or rental income but rather for sale. Accordingly, these properties are classified as inventories. The carrying amounts of these inventories as at 31 December 2025 are RM22,574,000 (2024: RM26,372,000).

Notes to the Financial Statements
31 December 2025 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

JUDGEMENTS (CONT'D)

Determining the lease term of contracts with renewal options - the Group as lessee

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 options. The Group applies judgement in evaluating whether to exercise the option to renew the lease. It considers all relevant factors that create an economic incentive for it to exercise the renewal option. 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.

The Group includes the renewal period as part of the lease term for such leases. The Group typically exercises its option to renew for those leases with renewal option.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

(i) Useful lives of property, plant and equipment, right-of-use ("ROU") assets and investment properties

The Group regularly reviews the estimated useful lives of property, plant and equipment, ROU assets and investment properties based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, ROU assets and investment properties would increase the recorded depreciation and decrease the value of property, plant and equipment, ROU assets and investment properties. The carrying amount at the reporting date for property, plant and equipment, ROU assets and investment properties are disclosed in Notes 4, 5 and 8 respectively.

(ii) Impairment of investment in subsidiaries

The Company reviews its investment in subsidiaries when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amounts at the reporting date for investment in subsidiaries are disclosed in Note 9.

(iii) Impairment of investment in joint venture and associates

The Group reviews its investment in associates when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. The Group evaluates the recoverable amount based on market performance, economic and political situation of the country in which the associates operate.

The carrying amounts at the reporting date for investment in joint venture and associates are disclosed in Notes 10 and 11 respectively.

Notes to the Financial Statements
31 December 2025 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(iv) Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions used to determine the value in use are disclosed in Note 13.

(v) Deferred tax assets

Deferred tax assets are recognised for all unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The details of carrying amount of recognised and unrecognised of deferred tax assets are disclosed in Note 15.

(vi) Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. The details of inventories are disclosed in Note 7.

(vii) Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgement, the Group assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

There is no estimation required in determining the transaction price, as revenue from sale of goods and rendering of services are based on invoiced values. Discounts are not considered as they are only given in rare circumstances.

(viii) Revenue from construction contracts

Construction revenue and costs are recognised over the period of the contract in the profit or loss by reference to the progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of performance obligation is measured based on physical proportion of contract work-to-date certified by professional consultants. Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to-date over the estimated total construction costs. The total estimated construction costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, the Group evaluates based on past experience, the work of specialists and a continuous monitoring mechanism.

Notes to the Financial Statements
31 December 2025 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(viii) Revenue from construction contracts (Cont'd)

The contract assets and contract liabilities of the Group arising from construction contracts are disclosed in Note 17.

(ix) Revenue from property development activities

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the stage of completion of the development activity at the end of the reporting period. The stage of completion is determined based on the proportion that the property development costs incurred to-date bear to the estimated total costs for the property development. Where it is probable that total property development costs of a development phase will exceed total property development revenue of the development phase, the expected loss on the development phase is recognised as an expense immediately.

Significant judgement is required in determining the completeness and accuracy of the total property development costs as estimates of future property development costs are inherently uncertain, which involve management's estimation of future cost to completion of the development. Substantial changes in cost estimates in future periods may affect the profitability of the respective property development projects. In making the estimation, the Group evaluates based on past experiences and by relying on the work of specialists. Where the actual total property development costs are different from the estimated total property development costs, such difference will impact the property development profits or losses recognised.

The carrying amount of assets and liabilities of the Group arising from property development activities are disclosed in Note 17.

(x) Provision for expected credit loss of financial assets at amortised cost

The Group uses a provision matrix to calculate expected credit loss for trade receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future. Information about the expected credit loss on the Group's trade receivables is disclosed in Note 14.

Notes to the Financial Statements
31 December 2025 (Cont'd)

2. BASIS OF PREPARATION (CONT'D)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(xi) Discount rate used in leases

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

(xii) Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting internal and external experts to the Group, for matters in the ordinary course of business.

(xiii) Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made. As at 31 December 2025, the Group has tax recoverable and tax payable of RM32,349,000 and RM19,943,000 (2024: RM29,245,000 and RM21,069,000) respectively. As at 31 December 2025, the Company has tax recoverable and tax payable of RMNil and RM2,567,000 (2024: RM266,000 and RM455,000) respectively.

(xiv) Defined benefit plan

The cost of the defined benefit plan and the present value of the defined benefit obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of salary increases and mortality rates. There is an assumption that there will be no resignation. All assumptions are reviewed at the end of each reporting period.

In determining the appropriate discount rate, the valuation is based on market yield of Malaysian Government Securities, Private Debt Securities with AA ratings above with terms similar to the terms of the liabilities.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed in profit or loss as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments* is measured at fair value with the changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investment in subsidiaries is stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. Refer accounting policy Note 3(m)(i) on impairment of non-financial assets.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(a) Basis of consolidation (Cont'd)

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiaries

If the Group loses control of a subsidiary, the assets and liabilities of the subsidiary, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(iv) Goodwill on consolidation

The excess of the aggregate of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired (i.e. a bargain purchase), the gain is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired. Refer accounting policy Note 3(m)(i) on impairment of non-financial assets.

(b) Foreign currency translation

(i) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(b) Foreign currency translation (Cont'd)

(i) Foreign currency transactions and balances (Cont'd)

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations denominated in functional currencies other than RM are translated to RM at the rate of exchange prevailing at the reporting date and income and expenses, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in associates that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy for the recognition and measurement of impairment is in accordance with Note 3(m)(i) on impairment of non-financial assets.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(c) Property, plant and equipment (Cont'd)

(i) Recognition and measurement (Cont'd)

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

(ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property and accounted for in accordance with Note 3(f) on investment properties.

(iii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iv) Depreciation

Depreciation is recognised in the profit or loss on straight-line basis to write off the cost of each asset to its residual value over its estimated useful life.

Freehold land is not depreciated. Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Freehold buildings	50 years
Motor vehicles	5 years
Office equipment, furniture and fittings	2 to 10 years
Renovations	3 to 10 years
Plant, machinery and equipment	3 to 30 years

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(d) Capital work-in-progress

Capital work-in-progress consists of buildings under construction for intended use. The amount is stated at cost and includes capitalisation of interest incurred on borrowings related to property, plant and equipment under construction until the property, plant and equipment are ready for their intended use.

Capital work-in-progress is stated at cost during the period of construction. No depreciation is provided on capital work-in-progress and upon completion of construction, the cost will be transferred to property, plant and equipment or investment properties.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(e) Inventories

(i) Land held for property development

Land held for property development consists of land held for future development where no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at the lower of cost and net realisable value.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where the development activities can be completed within the normal operating cycle.

(ii) Property development costs

Property development costs are determined based on a specific identification basis. Property development costs comprising cost of land, direct materials, direct labour, other direct costs and related overheads incurred that meet the definition of inventories are recognised as an asset and are stated at the lower of cost and net realisable value. The property development costs are subsequently recognised as an expense in profit or loss when or as the control of the asset is transferred to the customer over time or at a point in time.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Property development costs for which work has been undertaken and development activities are expected to be completed within the normal operating cycle, are classified as current asset.

(iii) Completed properties

Completed properties are stated at the lower of cost and net realisable value. The cost comprises proportionate cost of land and related development and construction expenditure.

(iv) Other inventories

Cost of raw materials, consumable foods, finished goods, spare parts and consumables comprise cost of purchase and other costs incurred in bringing it to their present location and condition are determined on a first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(f) Investment properties

Investment properties, including right-of-use assets held by lessee, are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

Freehold land is not depreciated. Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

Freehold buildings	20 to 50 years
Leasehold land and buildings	Over the remaining period of the lease
Commercial properties	Over the remaining period of the lease

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. Refer accounting policy Note 3(m)(i) on impairment of non-financial assets.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

(g) Financial assets

Recognition and initial measurement

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provision of the financial instrument.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance of the financial instruments. Transaction costs of financial assets carried at fair value through profit or loss ("FVTPL") are expensed in profit or loss.

Financial asset classification and subsequent measurement

The Group and the Company determine the classification of financial assets at initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company change its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (Cont'd)

Financial asset classification and subsequent measurement (Cont'd)

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

The Group and the Company classify their financial assets as follows:

(i) Financial assets measured at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following condition are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Group's and the Company's financial assets at amortised cost include trade and other receivables, amount due from subsidiaries, amount due from associates, deposits and bank and cash balances.

(ii) Financial assets measured at fair value through other comprehensive income ("FVTOCI")

(a) Debt investments

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Equity investments

This category comprises investment in equity investment that is not held for trading. The Group and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represent a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income.

On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

The Group and the Company have not designated any financial assets as FVTOCI.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (Cont'd)

Financial asset classification and subsequent measurement (Cont'd)

The Group and the Company classify their financial assets as follows: (Cont'd)

(iii) Financial assets measured at fair value through profit or loss

All financial assets not classified as measured at amortised cost or FVTOCI, as described above, are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). On initial recognition, the Group and the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income are recognised in the profit or loss.

The Group and the Company have not designated any financial assets at FVTPL.

All financial assets, except for those measured at FVTPL and equity investments measured at FVTOCI, are subject to impairment assessment as disclosed in Note 3(m)(ii) on impairment on financial assets.

Regular way purchase or sale of financial assets

Regular way purchase or sale are purchase or sale of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchase or sale of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to receive cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial assets and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

(h) Financial liabilities

Recognition and initial measurement

Financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

At initial recognition, the Group and the Company measure a financial liability at its fair value less, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance of the financial instrument.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(h) Financial liabilities (Cont'd)

Financial liabilities classification and subsequent measurement

The Group and the Company classify their financial liabilities as follows:

(i) Financial liabilities at fair value through profit or loss

The Group and the Company have not designated any financial liabilities as FVTPL.

(ii) Financial liabilities measured at amortised cost

Financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

The Group's and the Company's financial liabilities designated as amortised cost comprise trade and other payables, amount due to subsidiaries, bank overdrafts, lease liabilities, bank borrowings Islamic Medium Term Notes.

Derecognition

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

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

(j) Offsetting of financial instruments

A financial asset and financial liability are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, fixed deposits and bank overdrafts that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged bank balances and fixed deposits.

(l) Construction contracts

Construction contracts are contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Cost incurred to fulfil the contracts, comprising cost of direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors are recognised as an asset and amortised over to profit or loss systematically to reflect the transfer of the contracted service to the customer.

The Group uses the efforts or inputs to the satisfaction of the performance obligations to determine the appropriate amount to recognise in a given period. This is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the financial year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature. When the carrying amount of the asset exceeds the remaining amount of consideration that the Group expects to receive in exchange of the contracted asset, an impairment loss is recognised in profit or loss.

When the total cost incurred on construction contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is presented as contract assets. When progress billings exceed costs incurred on construction contracts plus recognised profits (less recognised losses), the balance is presented as contract liabilities.

(m) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets, deferred tax assets, assets arising from employee benefits and non-current assets classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating unit. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating unit that are expected to benefit from the synergies of the combination.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(m) Impairment of assets (Cont'd)

(i) Non-financial assets (Cont'd)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss ("FVTPL"). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-months ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

For trade receivables and contract assets, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(m) Impairment of assets (Cont'd)

(ii) Financial assets (Cont'd)

Impairment for other receivables and intercompanies balances of the Group and of the Company are recognised based on the general approach using the forward-looking ECL model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month ECL along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime ECL along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime ECL along with interest income on a net basis are recognised. The Group and the Company define significant increase in credit risk based on past due information, i.e. 365 days after credit term.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

(n) Share capital

(i) Ordinary shares

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity.

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

(ii) Preference shares

Preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity. Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss as accrued.

(iii) Treasury shares

When issued share of the Company are repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity as treasury shares until the shares are cancelled, reissued or disposed of. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of the treasury shares.

When treasury shares are distributed as share dividends, the cost of the treasury shares is deducted against the retained earnings of the Company.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(o) Perpetual Sukuk

Perpetual Sukuk is classified as equity instruments as there is no contractual obligation to redeem the instrument. Perpetual Sukuk holders' entitlement is accounted for as a distribution which is recognised in equity in the period in which it is declared or paid.

(p) Contingencies

Where it is not probable that an inflow or outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

(q) Leases

As lessee

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

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(m)(i) on impairment of non-financial assets.

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold land and buildings	Over the remaining period of the lease
Motor vehicles	5 years, or over the lease term, if shorter
Office equipment, furniture and fittings	2 to 10 years, or over the lease term, if shorter
Renovations	5 to 10 years, or over the lease term, if shorter
Plant, machinery and equipment	5 to 10 years, or over the lease term, if shorter
Motor racing circuit	20 years, or over the lease term, if shorter

The ROU assets are subject to impairment.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective Group entities' incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group is reasonably certain to exercise.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(q) Leases (Cont'd)

As lessee (Cont'd)

Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in profit or loss in the period in which the event or condition that triggers the payment occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group changes its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

As lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

If the lease arrangement contains lease and non-lease components, the Group applies MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract based on the stand-alone selling price.

The Group recognises assets held under a finance lease in its statements of financial position and presents them as a receivable at an amount equal to the net investment in the lease. The Group uses the interest rate implicit in the lease to measure the net investment in the lease.

The Group recognises lease payments under operating leases as income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The lease payment recognised is included as part of "Other income". Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the period in which they are earned.

(r) Revenue and other income

(i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(r) Revenue and other income (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

The Group recognises revenue from the following major sources:

(a) Revenue from property development

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to-date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the level the proportion that the property development costs incurred to date bear to the estimated total costs for the property development.

The Group recognises revenue at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers.

(b) Revenue from construction contracts

The Group recognises revenue from construction contracts over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to-date. Revenue from construction contracts is measured at the transaction price agreed under the construction contracts.

Revenue is recognised over the period of the contract using the output method to measure the progress towards complete satisfaction of the performance obligations under the construction contract, i.e. based on the level of completion of the physical proportion of contract work to-date, certified by professional consultants.

(c) Sale of goods

Revenue from sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue from sale of goods is recognised when the transfer of significant risk and rewards of ownership of the goods to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(d) Rendering of services

Revenue from rendering of services and management fees are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(r) Revenue and other income (Cont'd)

(i) Revenue from contracts with customers (Cont'd)

The Group recognises revenue from the following major sources: (Cont'd)

(e) Hotel room rental and food and beverages revenue

Room rental revenue is accrued on a daily basis on customer-occupied rooms. Revenue from the sale of food and beverage is recognised when the customer received and consumes and the Group has a present right to payment for the food and beverage product. Hotel room rental and food and beverages revenue are recorded based on the published rates, net of discounts.

(ii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(iii) Interest income

Interest income is recognised on accrual basis using the effective interest method.

(iv) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(u) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the statements of profit or loss and other comprehensive income net of any reimbursement.

(v) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period, except for investment properties carried at fair value model. Where investment properties measured using fair value model, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying amounts 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. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(w) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the Group. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the national pension scheme, the Employee Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

(iii) Defined benefit plan

The Group and the Company operate a wholly unfunded non-contributory defined benefit retirement scheme (the "Scheme") for its eligible employees. The Group's and the Company's obligation under the Scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial computations by an independent actuary.

The amount recognised in the statements of financial position represents the present value of the defined benefit obligation at each financial year end less the fair value of plan assets. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that have terms to maturity approximating to the terms of the pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Net interest is recognised in profit or loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

(x) Contract assets and contract liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The Group's contract liability is the excess of the billings to-date over the revenue recognised. Contract liabilities are recognised as revenue when the Group performs its obligation under the contracts.

Notes to the Financial Statements
31 December 2025 (Cont'd)

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

(y) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions associated with the grants.

Grant income is recognised in profit or loss as other income in accordance with the fulfilment of conditions as determined by the government.

(z) Fair value measurement

Fair value of an asset or a liability is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer of the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

Notes to the Financial Statements
31 December 2025 (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land and Buildings RM'000	Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Plant, Machinery and Equipment RM'000	Total RM'000
2025						
Group						
Cost						
At 1 January	730	7,916	45,039	33,475	126,860	214,020
Additions	-	-	1,038	2,671	8,897	12,606
Transfer from capital work-in-progress (Note 6)	-	-	-	517	-	517
Transfer from completed properties	630	-	-	-	-	630
Transfer from right-of-use assets (Note 5)	-	1,367	-	-	11,249	12,616
Transfer to right-of-use assets (Note 5)	-	-	-	-	(245)	(245)
Transfer from property development cost [Note 7(a)]	-	-	-	138	-	138
Disposals	-	(881)	(93)	-	(1,803)	(2,777)
Written off	-	-	(19)	-	(149)	(168)
Exchange differences	-	(64)	(18)	-	(2,875)	(2,957)
At 31 December	1,360	8,338	45,947	36,801	141,934	234,380
Accumulated depreciation						
At 1 January	66	7,228	30,595	24,120	47,988	109,997
Charge for the financial year	18	167	4,479	4,368	10,697	19,729
Transfer from right-of-use assets (Note 5)	-	1,367	-	-	7,340	8,707
Transfer to right-of-use assets (Note 5)	-	-	-	-	(12)	(12)
Disposals	-	(881)	(84)	-	(1,299)	(2,264)
Written off	-	-	(16)	-	(109)	(125)
Exchange differences	-	(17)	(3)	-	(166)	(186)
At 31 December	84	7,864	34,971	28,488	64,439	135,846
Accumulated impairment losses						
At 1 January/31 December	6	-	-	-	-	6
Carrying amount						
At 31 December	1,270	474	10,976	8,313	77,495	98,528

Notes to the Financial Statements
31 December 2025 (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold Land and Buildings RM'000	Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Plant, Machinery and Equipment RM'000	Total RM'000
2024						
Group						
Cost						
At 1 January	730	6,180	49,137	29,860	59,773	145,680
Additions	-	620	2,238	516	7,577	10,951
Transfer from capital work-in-progress (Note 6)	-	-	-	3,093	27,171	30,264
Transfer from right-of-use assets (Note 5)	-	1,937	2,167	6	37,535	41,645
Disposal of subsidiaries [Note 9(e)]	-	-	(7,224)	-	-	(7,224)
Disposals	-	(803)	(399)	-	(4,476)	(5,678)
Written off	-	-	(1,000)	-	(9)	(1,009)
Exchange differences	-	(18)	120	-	(711)	(609)
At 31 December	730	7,916	45,039	33,475	126,860	214,020
Accumulated depreciation						
At 1 January	52	5,915	30,664	20,527	34,695	91,853
Charge for the financial year	14	333	4,913	3,588	5,565	14,413
Transfer from right-of-use assets (Note 5)	-	1,786	1,842	5	11,809	15,442
Disposal of subsidiaries [Note 9(e)]	-	-	(5,625)	-	-	(5,625)
Disposals	-	(803)	(390)	-	(4,063)	(5,256)
Written off	-	-	(900)	-	(9)	(909)
Exchange differences	-	(3)	91	-	(9)	79
At 31 December	66	7,228	30,595	24,120	47,988	109,997
Accumulated impairment losses						
At 1 January/31 December	6	-	-	-	-	6
Carrying amount						
At 31 December	658	688	14,444	9,355	78,872	104,017

Notes to the Financial Statements
31 December 2025 (Cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Company	
	2025	2024
	RM'000	RM'000
Office equipment		
Cost		
At 1 January		4
Written off	-	(4)
At 31 December	-	-
Accumulated depreciation		
At 1 January	-	3
Charge for the financial year	-	#
Written off	-	(3)
At 31 December	-	-
Carrying amount		
At 31 December	-	-

Amount less than RM1,000.

The aggregate additional costs for the property, plant and equipment of the Group during the financial year acquired under contra arrangement and cash payments are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Aggregate costs	12,606	10,951
Less: Offset with other payables	-	(1,916)
Cash payments	12,606	9,035

Notes to the Financial Statements
31 December 2025 (Cont'd)

5. RIGHT-OF-USE ASSETS

	Leasehold Land and Buildings RM'000	Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Plant, Machinery and Equipment RM'000	Total RM'000
2025						
Group						
Cost						
At 1 January	170,256	12,128	898	13,512	51,813	248,607
Additions	228	1,917	33	19	882	3,079
Expiration of lease contracts	-	-	(30)	-	-	(30)
Transfer from property, plant and equipment (Note 4)	-	-	-	-	245	245
Transfer to property, plant and equipment (Note 4)	-	(1,367)	-	-	(11,249)	(12,616)
At 31 December	170,484	12,678	901	13,531	41,691	239,285
Accumulated depreciation						
At 1 January	41,969	5,328	221	8,752	21,318	77,588
Charge for the financial year	6,979	2,343	177	1,308	7,953	18,760
Expiration of lease contracts	-	-	(30)	-	-	(30)
Transfer from property, plant and equipment (Note 4)	-	-	-	-	12	12
Transfer to property, plant and equipment (Note 4)	-	(1,367)	-	-	(7,340)	(8,707)
At 31 December	48,948	6,304	368	10,060	21,943	87,623
Accumulated impairment losses						
At 1 January	745	-	-	-	-	745
Charge for the financial year	145	-	-	-	-	145
At 31 December	890	-	-	-	-	890
Carrying amount						
At 31 December	120,646	6,374	533	3,471	19,748	150,772

Notes to the Financial Statements
31 December 2025 (Cont'd)

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

	Leasehold Land and Buildings RM'000	Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Plant, Machinery and Equipment RM'000	Motor Racing Circuit RM'000	Total RM'000
2024							
Group							
Cost							
At 1 January	489,628	13,918	1,963	25,455	83,601	85,291	699,856
Additions	410	2,786	598	628	5,747	-	10,169
Transfer from capital work-in-progress (Note 6)	2,747	-	-	-	-	-	2,747
Expiration of lease contracts	-	-	(132)	-	-	-	(132)
Early termination of lease contracts	(1,823)	-	(233)	-	-	-	(2,056)
Reclassification	(869)	-	869	-	-	-	-
Transfer to assets held-for-sale (Note 23)	(9,101)	-	-	-	-	-	(9,101)
Transfer to property, plant and equipment (Note 4)	-	(1,937)	(2,167)	(6)	(37,535)	-	(41,645)
Transfer from property development costs [Note 7(a)]	-	-	-	65	-	-	65
Disposals	-	(2,639)	-	-	-	-	(2,639)
Disposal of subsidiaries [Note 9(e)]	(315,962)	-	-	(12,831)	-	(86,719)	(415,512)
Exchange differences	5,226	-	-	201	-	1,428	6,855
At 31 December	170,256	12,128	898	13,512	51,813	-	248,607
Accumulated depreciation							
At 1 January	210,630	7,496	1,486	18,760	23,026	84,469	345,867
Charge for the financial year	10,554	2,168	157	1,675	10,101	136	24,791
Expiration of lease contracts	-	-	(132)	-	-	-	(132)
Early termination of lease contracts	(1,244)	-	(230)	-	-	-	(1,474)
Reclassification	(782)	-	782	-	-	-	-
Transfer to assets held-for-sale (Note 23)	(3,689)	-	-	-	-	-	(3,689)
Transfer to property, plant and equipment (Note 4)	-	(1,786)	(1,842)	(5)	(11,809)	-	(15,442)
Disposals	-	(2,550)	-	-	-	-	(2,550)
Disposal of subsidiaries [Note 9(e)]	(176,340)	-	-	(11,867)	-	(86,018)	(274,225)
Exchange differences	2,840	-	-	189	-	1,413	4,442
At 31 December	41,969	5,328	221	8,752	21,318	-	77,588

Notes to the Financial Statements
31 December 2025 (Cont'd)

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

	Leasehold Land and Buildings RM'000	Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Plant, Machinery and Equipment RM'000	Motor Racing Circuit RM'000	Total RM'000
2024							
Group (Cont'd)							
Accumulated impairment losses							
At 1 January	2,135	-	-	-	-	-	2,135
Transfer to assets held-for-sale (Note 23)	(1,390)	-	-	-	-	-	(1,390)
At 31 December	745	-	-	-	-	-	745
Carrying amount							
At 31 December	127,542	6,800	677	4,760	30,495	-	170,274

(a) Included in the right-of-use assets of the Group are leasehold land and buildings with carrying amount of RM25,724,000 (2024: RM94,168,000) which have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Notes 32(a) and 34(a).

(b) The net carrying amount of right-of-use assets of the Group acquired under lease arrangement are as follows:

	Group	
	2025 RM'000	2024 RM'000
Motor vehicles	6,374	6,801
Office equipment	195	247
Plant, machinery and equipment	19,748	30,495
	26,317	37,543

Leased assets of the Group are pledged as securities for the related financing facilities.

(c) The aggregate additional costs for the right-of-use assets of the Group during the financial year acquired under lease financing and cash payments are as follows:

	Group	
	2025 RM'000	2024 RM'000
Aggregate costs	3,079	10,169
Add: Transfer from property, plant and equipment	245	-
Less: Lease financing	(2,565)	(8,330)
Cash payments	759	1,839

(d) The remaining lease periods of the leasehold land and buildings range from 20 to 92 (2024: 21 to 93) years.

Notes to the Financial Statements
31 December 2025 (Cont'd)

6. CAPITAL WORK-IN-PROGRESS

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	11,398	25,183
Additions	82,824	27,704
Disposal of subsidiaries [Note 9(e)]	-	(10,429)
Transfer to property, plant and equipment (Note 4)	(517)	(30,264)
Transfer to right-of-use assets (Note 5)	-	(2,747)
Transfer from land held for property development and property development costs [Note 7(a)]	-	1,701
Transfer from other receivables	364	-
Exchange differences	-	250
At 31 December	94,069	11,398

Included in the capital work-in-progress are assets or construction costs with carrying amount of RM82,733,000 (2024: RMNil) which have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 32(b).

7. INVENTORIES

		Group	
		2025	2024
	Note	RM'000	RM'000
Non-current			
Land held for property development and property development costs	(a)	1,514,572	1,466,544
Current			
Land held for property development and property development costs	(a)	432,650	600,138
Completed properties	(b)	119,990	92,318
Other inventories	(c)	8,971	6,760
		561,611	699,216
		2,076,183	2,165,760

Notes to the Financial Statements
31 December 2025 (Cont'd)

7. INVENTORIES (CONT'D)

(a) Land held for property development and property development costs

	Group	
	2025 RM'000	2024 RM'000
Non-current		
Freehold land, at cost		
At 1 January	108,438	96,489
Additions	-	3,385
Transfer to current portion	(3,282)	(936)
Transfer to assets held-for-sale (Note 23)	(42,000)	-
Transfer from property development costs	-	9,500
At 31 December	63,156	108,438
Long-term leasehold land, at cost		
At 1 January	415,406	372,400
Additions	80,487	3,811
Transfer from property development costs	54,993	-
Transfer to current portion	(41,521)	(24,805)
Transfer to assets held-for-sale (Note 23)	(14,360)	-
Transfer from other receivables	-	64,000
At 31 December	495,005	415,406
Property development costs		
At 1 January	942,700	832,525
Additions	71,221	155,817
Transfer from/(to) current portion	13,511	(36,634)
Transfer to freehold land held for property development	-	(9,500)
Transfer to leasehold land held for property development	(54,993)	-
Transfer to assets held-for-sale (Note 23)	(6,337)	-
Transfer from other receivables	-	492
Written down	(9,691)	-
At 31 December	956,411	942,700
Total non-current land held for property development and property development costs	1,514,572	1,466,544

Notes to the Financial Statements
31 December 2025 (Cont'd)

7. INVENTORIES (CONT'D)

(a) Land held for property development and property development costs (Cont'd)

	Group	
	2025	2024
	RM'000	RM'000
Current		
Freehold land, at cost		
At 1 January	4,843	5,180
Additions	206	202
Transfer from non-current portion	3,282	936
Portion related to completed projects	(465)	(539)
Transfer to completed properties	(1,171)	(936)
At 31 December	6,695	4,843
Leasehold land, at cost		
At 1 January	154,685	221,295
Additions	20,642	5,619
Written off	(3)	-
Transfer from non-current portion	41,521	24,805
Portion related to completed projects	(37,290)	(96,165)
Transfer to completed properties	(34,279)	(869)
At 31 December	145,276	154,685
Property development costs		
At 1 January	1,535,405	1,597,385
Additions	915,530	1,122,481
Transfer (to)/from non-current portion	(13,511)	36,634
Portion related to completed projects	(572,238)	(1,208,317)
Transfer to right-of-use assets (Note 5)	-	(65)
Transfer to capital work-in-progress (Note 6)	-	(1,701)
Transfer to completed properties	(40,235)	(11,012)
Transfer to property, plant and equipment (Note 4)	(138)	-
At 31 December	1,824,813	1,535,405
Less: Costs recognised in profit or loss		
At 1 January	1,094,795	1,357,093
Recognised during the financial year	1,059,332	1,042,723
Portion related to completed projects	(609,993)	(1,305,021)
At 31 December	1,544,134	1,094,795
Total current land held for property development and property development costs	432,650	600,138

Notes to the Financial Statements
31 December 2025 (Cont'd)

7. INVENTORIES (CONT'D)

(a) Land held for property development and property development costs (Cont'd)

(i) Certain land held for property development and property development costs are pledged as securities for banking facilities and Islamic Medium Term Notes granted to the Group as disclosed in Notes 32(c), 33 and 34(b) respectively.

(ii) Included under property development costs incurred during the financial year are sales commissions of RM25,901,000 (2024: RM58,459,000), and borrowing costs of RM1,505,000 (2024: RM1,501,000) as disclosed in Note 37.

(b) Completed properties

	Group	
	2025	2024
	RM'000	RM'000
At cost	118,674	90,901
At net realisable value	1,316	1,417
	119,990	92,318
Recognised in profit or loss:		
Written down	-	61
Cost of sales	47,383	13,763

The completed properties with carrying amount of RM47,741,000 (2024: RM23,706,000) have been pledged to licensed banks as securities for banking facilities granted to the Company and certain subsidiaries as disclosed in Notes 32(d) and 34(f) respectively.

(c) Other inventories

	Group	
	2025	2024
	RM'000	RM'000
At cost:		
Raw materials	3,078	1,803
Consumable foods	206	176
Finished goods	5,337	4,205
Spare parts and consumables	350	576
	8,971	6,760
Recognised in profit or loss:		
Cost of sales	20,609	37,035

Notes to the Financial Statements
31 December 2025 (Cont'd)

8. INVESTMENT PROPERTIES

	Group	
	2025	2024
	RM'000	RM'000
Cost		
At 1 January	211,604	211,604
Disposals	(519)	-
At 31 December	211,085	211,604
Accumulated depreciation		
At 1 January	23,209	20,472
Charge for the financial year	2,820	2,737
Disposals	(90)	-
At 31 December	25,939	23,209
Accumulated impairment losses		
At 1 January/31 December	1,308	1,308
Carrying amount		
At 31 December	183,838	187,087

Included in the carrying amount are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Leasehold land and buildings	39,021	40,528
Commercial properties	144,817	146,559
	183,838	187,087

The fair value of the Group's investment properties are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Level 2	139,247	134,712
Level 3	115,000	115,000
	254,247	249,712

Notes to the Financial Statements
31 December 2025 (Cont'd)

8. INVESTMENT PROPERTIES (CONT'D)

(a) Investment properties pledged as securities

Investment properties with carrying amount of RM136,364,000 (2024: RM137,762,000) have been pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Notes 32(e), 33 and 34(c) respectively.

(b) Investment properties under leases

Certain investment properties are leasehold properties with remaining lease periods ranging from 64 to 92 (2024: 65 to 93) years.

Investment properties comprise a number of leasehold land and buildings and commercial properties that are leased to third parties. The leases contain cancellable periods ranging from one to three years.

(c) Fair value basis of investment properties

Fair value of investment properties is arrived at either:

(i) by reference to market evidence of transaction prices for similar properties. Therefore, the fair value measurement is categorised as Level 2 in the fair value hierarchy; or

(ii) by using investment method based on the income and expense data relating to the properties being valued through a capitalisation process. The valuation technique used includes inputs that are not based on observable market data. Therefore, the fair value measurement is categorised as Level 3 in the fair value hierarchy.

Fair value is performed by registered external valuers having appropriate recognised professional qualification and experiences in the locations and category of properties being valued.

(d) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2025	2024
	RM'000	RM'000
Rental income	15,089	13,645
Direct operating expenses:		
- Income generating investment properties	9,463	8,688
- Non-income generating investment properties	141	151

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES

(a) Investment in subsidiaries

	Company	
	2025	2024
	RM'000	RM'000
In Malaysia		
Quoted shares, at cost	231,109	229,893
Unquoted shares, at cost	518,204	518,204
	749,313	748,097
Less: Accumulated impairment losses	(5,641)	(1)
	743,672	748,096
Outside Malaysia		
Unquoted shares, at cost	4	4
Less: Accumulated impairment losses	(4)	(4)
	#	#
Total investment in subsidiaries	743,672	748,096

Amount less than RM1,000.

The Group's subsidiaries which have non-controlling interests are not material individually or in aggregate to the financial position, financial performance and cash flows of the Group except as disclosed in Note 9(d).

Certain listed securities have been pledged as securities to partially secure the banking facilities as disclosed in Notes 32(g) and 34(e) respectively.

Details of the subsidiaries are disclosed in Note 52.

The movements in the accumulated impairment losses of investment in subsidiaries are as follows:

	Company	
	2025	2024
	RM'000	RM'000
At 1 January	5	1
Charges for the financial year	5,640	4
At 31 December	5,645	5

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(b) Incorporation of subsidiaries

31 December 2025

(i) On 4 July 2025, LBS Bina Holdings Sdn. Bhd. ("LBS Bina") newly incorporated a LBS Kwasa Damansara Sdn. Bhd. ("LKDSB"), subscribing for 100% of its issued share capital for a total cash consideration of RM10. Consequently, LKDSB became a wholly-owned subsidiary of LBS Bina; and

(ii) On 24 December 2025, LBS Bina newly incorporated LBS Treasury Sdn. Bhd. ("LTSB"), subscribing for 100% of its issued share capital for a total cash consideration of RM100. Consequently, LTSB became a wholly-owned subsidiary of LBS Bina.

31 December 2024

(i) On 15 January 2024, the Company newly incorporated LBS Agro Farm Sdn. Bhd. ("LAFSB"), subscribing for 100% of its issued share capital for a total cash consideration of RM100. Consequently, LAFSB became a wholly-owned subsidiary of the Company;

(ii) On 26 January 2024, Setara Armada Sdn. Bhd. ("SASB") newly incorporated Suria Hijauan Sdn. Bhd. ("SHSB"), subscribing for 51% of its issued share capital for a total consideration of RM51. Consequently, SHSB became a 51% owned subsidiary of SASB;

(iii) On 29 January 2024, LAFSB newly incorporated Sinaran Gerbang Sdn. Bhd. ("SGSB"), subscribing for 100% of its issued share capital for a total cash consideration of RM100. Consequently, SGSB became a wholly-owned subsidiary of LAFSB;

(iv) On 6 September 2024, LBS Bina newly incorporated LBS South Sphere Sdn. Bhd. ("LSSSB"), subscribing for 100% of its issued share capital for a total cash consideration of RM100. Consequently, LSSSB became a wholly-owned subsidiary of LBS Bina;

(v) On 22 October 2024, LBS Bina newly incorporated Alam Central Sdn. Bhd. ("ACSB"), subscribing for 70% of its issued share capital for a total cash consideration of RM70. Consequently, ACSB became a 70% owned subsidiary of LBS Bina; and

(vi) On 24 October 2024, LBS Wellness Holdings Sdn. Bhd. ("LWHSB") newly incorporated LBS Healthcare (AP) Sdn. Bhd. ("LHAPSB"), subscribing for 60% of its issued share capital for a total cash consideration of RM60,000. Consequently, LHAPSB became a 60% owned subsidiary of LWHSB.

(c) Changes in equity interest in subsidiaries

31 December 2025

(i) On 14 March 2025, LBS Bina acquired additional 9% equity interest in Dataran Enigma Sdn. Bhd. ("DESB") for a total cash consideration of RM1. Consequently, DESB became a 70% owned subsidiary of LBS Bina;

(ii) On 1 July 2025, LBS Bina disposed 49% equity interest in Lestari Angkasa Sdn. Bhd. ("LASB") for a total cash consideration of RM4,704. Consequently, LASB became a 51% owned subsidiary of LBS Bina;

(iii) On 23 October 2025, LBS Bina disposed 20% equity interest in Business Park Development Sdn. Bhd. ("BPDSB") for a total cash consideration of RM1. Consequently, BPDSB became a 80% owned subsidiary of LBS Bina; and

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) Changes in equity interest in subsidiaries (Cont'd)

(iv) During the financial year, the Company's equity interest in MGB increased from 57.56% to 57.88% as the result of acquisition of 1,855,100 ordinary shares in MGB for a total cash consideration of RM1,216,211.

31 December 2024

(i) Changes in equity interest in MGB

During the financial year, the Company's equity interest in MGB decreased from 58.65% to 57.56% as the result of the followings:

(a) Disposal of 8,000,000 ordinary shares in MGB for a total cash consideration of RM6,660,000; and

(b) Acquisition of 1,546,400 ordinary shares in MGB for a total cash consideration of RM1,204,047.

The effect of changes in the equity interest that is attributable to the owners of the parent is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Carrying amount of non-controlling interests acquired	4,677	(5,702)
Net consideration paid to non-controlling interests	(1,212)	5,496
Increase/(Decrease) in parent's equity	3,465	(206)

(d) Material partially-owned subsidiaries

The Group's subsidiaries that have material non-controlling interests are as follows:

	Proportion of Ownership Interests and Voting Rights Held by Non-Controlling Interests		Profit/(Loss) Allocated to Non-Controlling Interests		Carrying Amount of Non-Controlling Interests	
	2025	2024	2025	2024	2025	2024
Name of Company	%	%	RM'000	RM'000	RM'000	RM'000
MGB Group *	42.12	42.44	21,304	25,369	265,190	255,626
Casa Inspirasi Sdn. Bhd. ("CISB")	31.00	31.00	(3,573)	(3,213)	(9,246)	(5,672)
Koleksi Sigma Sdn. Bhd. ("KSSB")	15.00	15.00	2,806	3,495	12,186	9,380
Zhuhai International Circuit Limited ("ZIC") #	-	-	-	(216)	-	-
					268,130	259,334
Individually immaterial subsidiaries with non-controlling interests					(28,096)	(19,756)
Total non-controlling interests					240,034	239,578

* MGB Group represents MGB Berhad and its subsidiaries
\# Disposed during the financial year 2024

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(d) Material partially-owned subsidiaries (Cont'd)

The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company elimination.

(i) Summarised Statements of Financial Position

	MGB Group RM'000	CISB RM'000	KSSB RM'000
2025			
Non-current assets	444,656	237,794	70,868
Current assets	717,163	106,405	81,325
Non-current liabilities	(57,098)	(89,801)	-
Current liabilities	(468,924)	(284,221)	(71,951)
Net assets/(liabilities)	635,797	(29,823)	80,242

	MGB Group RM'000	CISB RM'000	KSSB RM'000	ZIC# RM'000
2024				
Non-current assets	440,143	126,920	89,146	-
Current assets	684,414	102,622	83,018	-
Non-current liabilities	(61,840)	(12,935)	-	-
Current liabilities	(457,209)	(234,904)	(109,628)	-
Net assets/(liabilities)	605,508	(18,297)	62,536	-

Disposed during the financial year 2024.

(ii) Summarised Statements of Profit or Loss and Other Comprehensive Income

	MGB Group RM'000	CISB RM'000	KSSB RM'000
2025			
Revenue	917,073	29,202	145
Net profit/(loss) for the financial year	50,666	(11,527)	18,706
Other comprehensive loss for the financial year	(2,172)	-	-
Total comprehensive income/(loss) for the financial year	48,494	(11,527)	18,706
Dividends paid to non-controlling interests	7,635	-	-

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(d) Material partially-owned subsidiaries (Cont'd)

The summarised financial information for each subsidiary that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company elimination. (Cont'd)

(ii) Summarised Statements of Profit or Loss and Other Comprehensive Income (Cont'd)

	MGB Group RM'000	CISB RM'000	KSSB RM'000	ZIC# RM'000
2024				
Revenue	1,031,970	5,374	125,148	10,506
Net profit/(loss) for the financial year	61,912	(10,366)	23,302	(1,429)
Other comprehensive (loss)/income for the financial year	(1,257)	-	-	890
Total comprehensive income/(loss) for the financial year	60,655	(10,366)	23,302	(539)
Dividend paid to non-controlling interests	2,014	-	-	-

(iii) Summarised Statements of Cash Flows

	MGB Group RM'000	CISB RM'000	KSSB RM'000
2025			
Net cash used in operating activities	(38,726)	(102,111)	(15,628)
Net cash used in investing activities	(896)	(1,902)	-
Net cash from financing activities	23,413	105,723	7,416
Net changes in cash and cash equivalents	(16,209)	1,710	(8,212)

	MGB Group RM'000	CISB RM'000	KSSB RM'000	ZIC# RM'000
2024				
Net cash from/(used in) operating activities	106,748	(39,815)	70,310	(1,478)
Net cash used in investing activities	(29,547)	(24,851)	(23,136)	(185)
Net cash (used in)/from financing activities	(25,669)	65,807	(108,110)	-
Net changes in cash and and cash equivalents	51,532	1,141	(60,936)	(1,663)

Disposed during the financial year 2024.

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Disposal of subsidiaries

31 December 2024

On 19 June 2024, Dragon Hill Corporation Limited ("DHCL") entered into an Equity Transfer and Debt Repayment Agreement with Huafa Urban Operation (HK) Limited ("Huafa") for disposal of all the equity interest in Lamdeal Investments Limited, including all its subsidiaries ("LIL group") for a total cash consideration of RMB192,180,968 (approximately RM121,159,001). On 10 July 2024, LIL group ceased to be subsidiaries of DHCL. LIL group was previously reported as part of management and investment segment, racing circuit development and development segment.

Financial information relating to the discontinued operations for the period to the date of disposal is set out below.

In the previous financial year, LIL group's financial performance and cash flows information in the Group are presented below.

	Group 01.01.2024 to 10.07.2024 RM'000
Revenue	10,506
Cost of sales	(1,599)
Gross profit	8,907
Other income	2,566
Administrative and operating expenses	(10,356)
Profit from operations	1,117
Finance costs	(646)
Profit before tax	471
Taxation	879
Profit after tax	1,350
Gain on disposal of subsidiaries, net of tax	156,120
Profit from discontinued operations	157,470
Other comprehensive income, net of tax	
Items that are or may be reclassified subsequently to profit or loss	
Exchange translation differences for foreign operations	(16,033)
Total comprehensive income for the financial year	141,437

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Disposal of subsidiaries (Cont'd)

31 December 2024 (Cont'd)

The profit after tax from discontinued operations of RM1,350,725 is attributable entirely to the owners of the Company.

Cash flows (used in)/from discontinued operations/disposal of subsidiaries

	Group 2024 RM'000
Net cash used in operating activities	(1,366)
Net cash from investing activities	77,041
Net cash used in financing activities	(32)
Effect on cash flows	75,643

Effect of disposal of subsidiaries on the financial position of the Group

	Group 2024 RM'000
Property, plant and equipment	1,599
Right-of-use assets	141,287
Capital work-in-progress	10,429
Inventories	162
Trade and other receivables	3,294
Cash and bank balances	49,657
Non-controlling interests	49,421
Foreign currency translation reserve	8,830
Trade and other payables	(280,444)
Deferred tax liabilities	(29,636)
Contract liabilities	(1,723)
Hire purchase and lease liabilities	(11)
Tax payable	(1)
	(47,136)
Gain on disposal of subsidiaries, before tax	163,026
Consideration received, satisfied in cash	115,890
Foreign exchange	5,539
Cash and cash equivalents	(49,657)
Net cash inflows	71,772

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Disposal of subsidiaries (Cont'd)

31 December 2024 (Cont'd)

The effect of the disposal of subsidiaries on the financial position of the Group at the date of disposal was as follows:

	Group 2024 RM'000
Cash consideration	121,159
Foreign exchange	5,539
Less: Disposal expenses	(5,269)
Less: Cash and cash equivalents	(49,657)
Net cash inflows and cash equivalents in respect of the disposal of subsidiaries	71,772
Cash consideration	121,159
Less:	
Carrying amount of the net liabilities	105,387
Non-controlling interests	(49,421)
Disposal expenses	(5,269)
Realisation of foreign translation reserve upon disposal of subsidiaries	(8,830)
Gain on disposal of subsid(iaries, before tax	163,026
Property, plant and equipment	1,599
Right-of-use assets	141,287
Capital work-in-progress	10,429
Inventories	162
Trade and other receivables	3,294
Cash and bank balances	49,657
Total assets	206,428
Trade and other payables	(280,444)
Deferred tax liabilities	(29,636)
Contract liabilities	(1,723)
Hire purchase and lease liabilities	(11)
Tax payable	(1)
Total liabilities	(311,815)
Carrying amount of the net liabilities	(105,387)

Notes to the Financial Statements
31 December 2025 (Cont'd)

9. INVESTMENT IN SUBSIDIARIES (CONT'D)

(f) Internal re-organisation

31 December 2025

On 23 September 2025, the Company disposed 100% equity interest in LBS Landscape Sdn. Bhd. ("LLSB") to LBS Bina, for a total cash consideration of RM133,116. Consequently, LLSB became a wholly-owned subsidiary of LBS Bina.

31 December 2024

(i) On 10 May 2024, MGB Construction & Engineering Sdn. Bhd. ("MGBCE") disposed 100% equity interest in Prisma Kasturi Sdn. Bhd. ("PKSB") to MGB Land Sdn. Bhd.("MLSB"). Consequently, PKSB became a wholly-owned subsidiary of MLSB; and

(ii) On 18 December 2024, Intellplace Holdings Limited ("IHL") disposed 100% equity interest in DHCL to the Company for a total cash consideration of RM1. Consequently, DHCL became a wholly-owned subsidiary of the Company.

(g) Additional investments

31 December 2024

(i) On 3 May 2024, LBS Bina subscribed additional 349,930 ordinary shares in Central Valley Ventures Sdn. Bhd. ("CVVSB") for a total cash consideration of RM349,930. Consequently, CVVSB remained a 70% subsidiary of LBS Bina;

(ii) On 27 September 2024, SASB subscribed additional 509,949 ordinary shares in SASB for a total cash consideration of RM509,949. Consequently, SHSB remained a 51% owned subsidiary of SASB;

(iii) On 22 October 2024, LWHSB subscribed additional 300,000 ordinary shares in LHSB for a total cash consideration of RM300,000. Consequently, LHSB remained a 60% owned subsidiary of LWHSB;

(iv) On 18 November 2024, MGB Construction Sdn. Bhd. ("MCSB") subscribed additional 950,000 ordinary shares in MGB International for Industry ("MII"), by way of capitalisation of amount due from MII, for a total consideration of SAR9,500,000 (approximately RM11,305,000). Consequently, MII remained a wholly-owned subsidiary of MCSB;

(v) On 17 December 2024, MLSB subscribed additional 975,000 ordinary shares in PKSB for a total cash consideration of RM975,000. Consequently, PKSB remained a wholly-owned subsidiary of MLSB.

(h) There are no significant restrictions on the ability of the subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advance.

(i) Capital Reduction

31 December 2024

On 21 February 2024, Generasi Nostalgia Sdn. Bhd. ("GNSB"), a wholly-owned subsidiary of LBS Bina, had reduced its share capital from RM250,000 comprising 250,000 ordinary shares to RM11,000 comprising 11,000 ordinary shares by cancelling the shares capital of RM239,000 comprising 239,000 ordinary shares.

Notes to the Financial Statements
31 December 2025 (Cont'd)

10. INVESTMENT IN A JOINT VENTURE

	Group 2025 RM'000
At cost	
Unquoted shares in Malaysia	570
Share of current year results	(119)
Foreign exchange	(24)
	427

Details of the joint venture is disclosed in Note 53.

On 23 January 2025, MII incorporated MGB Aameroon Company ("MGBAC") (formerly known as MGB Almeriah Contracting Company), a limited liability company incorporated and domicilied in the Kingdom of Saudi Arabia, subscribing for 50% of its issued share capital for a total cash consideration of SAR500,000 (approximately RM570,000).

MGBAC has not been regarded as a subsidiary company of the Group as management have assessed that the contractual arrangements with the joint venture party have given rise to joint control over this entity in accordance to *MFRS 11 Joint Arrangements*. Consequently, MGBAC became a 50% owned joint venture of MII.

The summarised financial information of the joint venture, not adjusted for the percentage held by the Group is as follows:

	Group 2025 RM'000
Assets and liabilities	
Current assets	1,073
Current liabilities	(219)
Total net assets	854
Financial results	
Revenue	-
Loss before tax	(238)
Taxation	-
Net loss for the financial year	(238)

Notes to the Financial Statements
31 December 2025 (Cont'd)

11. INVESTMENT IN ASSOCIATES

	Group	
	2025	2024
	RM'000	RM'000
At cost		
Unquoted shares in Malaysia	3,265	3,265
Less: Accumulated impairment losses	(76)	(76)
	3,189	3,189
Group's share of post acquisition reserves	(919)	(943)
Share of current year result	69	324
Dividend received	(240)	(300)
	2,099	2,270

Details of the associates are disclosed in Note 54.

The movements in the allowance for impairment losses of investment in associates are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	76	76
Reversal during the financial year	-	#
At 31 December	76	76

Amount less than RM1,000

(a) Strike off of associates

31 December 2024

Warnasari Idaman Sdn. Bhd., an associate of LBS Bina was struck off from the register of the Companies Commission of Malaysia upon publication of the Gazette pursuant to Section 551(3) of the Companies Act 2016 on 10 March 2025.

Notes to the Financial Statements
31 December 2025 (Cont'd)

11. INVESTMENT IN ASSOCIATES (CONT'D)

(b) The summarised financial information of the associates, not adjusted for the percentage held by the Group is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Assets and liabilities		
Non-current assets	352	303
Current assets	2,074	3,082
Total assets	2,426	3,385
Non-current liabilities	-	(31)
Current liabilities	(674)	(992)
Total liabilities	(674)	(1,023)
Total net assets	1,752	2,362
Financial results		
Revenue	2,815	4,429
Profit before tax	271	2,363
Taxation	(81)	(527)
Net profit for the financial year	190	1,836

The unrecognised share of losses of the associates is as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	19	25
Share of losses during the financial year	42	1
Reversal of share of losses on striking off an associate	-	(7)
At 31 December	61	19

(c) The Group's associates are individually immaterial to the financial position, financial performance and cash flows of the Group.

Notes to the Financial Statements
31 December 2025 (Cont'd)

12. OTHER INVESTMENTS

	Group	
	2025	2024
	RM'000	RM'000
Non-current		
At cost		
Transferable corporate club memberships	1,133	1,133
Less: Accumulated impairment losses	(657)	(657)
	476	476
Current		
Financial assets measured at fair value through profit or loss		
Over the counter trust funds measured at fair value on recurring basis and classified as level 1 of the fair value hierarchy	5,077	26,422
Total other investments	5,553	26,898

During the current financial year and previous financial year, no impairment loss was provided for transferable corporate club memberships.

13. GOODWILL ON CONSOLIDATION

	Group	
	2025	2024
	RM'000	RM'000
Cost		
At 1 January/31 December	184,813	184,813
Accumulated impairment losses		
At 1 January	129,299	129,299
Additions	12,446	-
At 31 December	141,745	129,299
Carrying amount		
At 31 December	43,068	55,514

Notes to the Financial Statements
31 December 2025 (Cont'd)

13. GOODWILL ON CONSOLIDATION (CONT'D)

(a) Impairment test for goodwill on consolidation

Goodwill on consolidation has been allocated to Group's cash-generating units ("CGUs") identified according to business segments as follows:

	Group	
	2025	2024
	RM'000	RM'000
Property development	43,068	55,514

(b) Key assumptions used to determine the recoverable amount

The recoverable amount of a CGU is determined based on value in use calculations using cash flow projections based on financial budgets approved by management.

The key assumptions used for value in use calculations are based on future projection of the Group in Malaysia are as follows:

	Property Development	
	2025	2024
	%	%
Budgeted gross margin	30	31
Pre-tax discount rate	8.44	7.68

The key assumptions that the Directors have used in the cash flow projections to undertake impairment testing are as follows:

(i) Budgeted gross margin - The basis used to determine the value assigned to the budgeted gross margins is average gross margins achieved in the year immediately before the budget year.

(ii) Pre-tax discount rate - Rate that reflects specific risks relating to the relevant CGU.

The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external sources and internal sources.

(c) Sensitivity to changes in assumptions

Management's assessment included an impact of changes in key assumptions. Based on sensitivity analysis performed and assuming all other variables remained constant, the effects of movement in the key assumptions to the recoverable amounts were as follows:

(i) If the budgeted gross margin were to decrease 1% and assuming all other variables remained constant, this would result in an additional impairment of RM23,004,000.

(ii) If the discount rate increases 0.50% and assuming all other variables remained constant, this would result in an additional impairment of RM11,372,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

13. GOODWILL ON CONSOLIDATION (CONT'D)

(d) Impairment loss recognised during the financial year

The Group recognised an impairment loss of RM12,446,000 (2024: RMNil) during the financial year in respect of the goodwill arising on consolidation. The goodwill relates to certain subsidiaries that mainly undertake development projects which are expected to complete within the next 3 to 13 years. As a decrease in development activities or other significant cash generating activities is expected from the subsidiaries, the related goodwill has been impaired accordingly. The impairment loss is recorded within administrative expenses in the statements of profit or loss and other comprehensive income.

14. TRADE RECEIVABLES

	Group	
	2025	2024
	RM'000	RM'000
Non-current		
Trade receivables	1,040	3,733
Less: Accumulated impairment losses	-	(233)
	1,040	3,500
Current		
Trade receivables	276,917	247,292
Retention sum receivables	256	91
	277,173	247,383
Less: Accumulated impairment losses	(7,396)	(5,801)
	269,777	241,582
Total trade receivables	270,817	245,082

The Group's normal trade credit terms range from 7 to 180 days (2024: 7 to 180 days) term. Other credit terms are assessed and approved on a case-to-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in trade receivables was an amount of RM92,312,000 (2024: RM113,163,000) retained by stakeholders which are due upon the expiry of retention period as stipulated in the sale and purchase agreements signed with property purchasers. The retention periods range from 8 to 24 months (2024: 8 to 24 months).

Movements in the allowance for impairment losses of trade receivables are as follows:

	Lifetime Allowance RM'000	Credit Impaired RM'000	Loss Allowance RM'000
Group			
2025			
At 1 January	963	5,071	6,034
Charge for the financial year	1,805	146	1,951
Reversal during the financial year	(2)	(587)	(589)
At 31 December	2,766	4,630	7,396

Notes to the Financial Statements
31 December 2025 (Cont'd)

14. TRADE RECEIVABLES (CONT'D)

Movements in the allowance for impairment losses of trade receivables are as follows: (Cont'd)

	Lifetime Allowance RM'000	Credit Impaired RM'000	Loss Allowance RM'000
Group			
2024			
At 1 January	597	3,408	4,005
Charge for the financial year	368	1,863	2,231
Reversal during the financial year	(2)	(174)	(176)
Disposal of subsidiaries	-	(26)	(26)
Exchange differences	-	#	#
At 31 December	963	5,071	6,034

Amount less than RM1,000.

Analysis of the trade receivables ageing are as follows:

	Gross Amount RM'000	Loss Allowance RM'000	Net Amount RM'000
Group			
2025			
Not past due	191,733	(1,023)	190,710
Past due:			
Less than 30 days	40,944	(95)	40,849
31 to 60 days	10,035	-	10,035
More than 60 days	30,871	(1,648)	29,223
	81,850	(1,743)	80,107
Credit impaired:			
Individually impaired	4,630	(4,630)	-
	278,213	(7,396)	270,817
2024			
Not past due	164,939	(19)	164,920
Past due:			
Less than 30 days	38,104	(25)	38,079
31 to 60 days	7,429	(10)	7,419
More than 60 days	35,573	(909)	34,664
	81,106	(944)	80,162
Credit impaired:			
Individually impaired	5,071	(5,071)	-
	251,116	(6,034)	245,082

Notes to the Financial Statements
31 December 2025 (Cont'd)

14. TRADE RECEIVABLES (CONT'D)

Trade receivables that are not past due or past due

(i) Property development

Included in gross trade receivables were an amount of RM243,852,000 (2024: RM215,694,000), mainly related to amount due from property purchasers with end financing facilities from reputable end financiers. In respect of property purchasers with no end financing facilities, the Group retains the legal title to all the properties sold until the purchase consideration is fully settled.

As at 31 December 2025, trade receivables that are individually determined to be impaired were RM2,873,000 (2024: RM3,182,000), mainly related to purchasers whom were in significant financial difficulties or have defaulted on payments. For those trade receivables that are individually impaired, the Group's internal legal department will follow up with enforcement activities.

The Group also assesses credit quality of the trade receivables on a collective basis by using ageing of past due days. As at 31 December 2025, the Group provided lifetime impairment losses of RM88 (2024: RM88) based on customers' historical data as an assumption for possibility of default.

(ii) Construction and trading

Included in gross trade receivables were an amount of RM29,289,000 (2024: RM27,538,000), mainly were creditworthy receivables with good payment record and active corporate clients with healthy business relationship but slower repayment records. The management is of the view that the amount is recoverable based on past payment record.

As at 31 December 2025, trade receivables that are individually assessed to be impaired amounting to RM872,000 (2024: RM1,149,000), related to customers that are in financial difficulties. These balances are expected to be recovered through the debt recovery process.

The Group also assesses credit quality of the trade receivables on a collective basis by using ageing of past due days. As at 31 December 2025, the Group provided lifetime impairment losses of RM504,000 (2024: RM505,000) based on customers' historical data as an assumption for possibility of default.

(iii) Others

Included in gross trade receivables were an amount of RM5,072,000 (2024: RM7,884,000), mainly were creditworthy receivables with good payment record and active corporate clients with healthy business relationship but slower repayment records. The management is of the view that the amount are recoverable based on past payment record.

As at 31 December 2025, trade receivables that are individually assessed to be impaired amounting to RM885,000 (2024: RM740,000), related to customers that are in financial difficulties. These balances are expected to be recovered through the debt recovery process.

The Group also assesses credit quality of the trade receivables on a collective basis by using ageing of past due days. As at 31 December 2025, the Group provided lifetime impairment losses of RM2,262,000 (2024: RM458,000) based on customers' historical data as an assumption for possibility of default.

Concentration of credit risk with respect to trade receivables is limited due to the Group's large number of purchasers, who are widely distributed and cover a broad range of end markets. There is no objective evidence that the remaining trade receivables are not fully recoverable.

Notes to the Financial Statements
31 December 2025 (Cont'd)

15. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2025 RM'000	2024 RM'000
At 1 January	89,930	53,929
Recognised in profit or loss	(1,856)	5,996
Recognised in other comprehensive income	2,444	-
Crystallisation of deferred tax	-	879
Disposal of subsidiaries	-	29,636
Exchange differences	-	(510)
At 31 December	90,518	89,930

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group	
	2025 RM'000	2024 RM'000
Deferred tax assets	95,803	95,669
Deferred tax liabilities	(5,285)	(5,739)
	90,518	89,930

The components and movements of deferred tax assets and liabilities at the end of reporting period prior to offsetting are as follows:

Deferred tax assets of the Group

	Unabsorbed capital allowances RM'000	Unutilised tax losses RM'000	Retirement benefit obligations RM'000	Property development costs RM'000	Others RM'000	Total RM'000
2025						
At 1 January	3,536	7,387	5,172	89,901	3,650	109,646
Recognised in profit or loss	187	(401)	1,526	(17,543)	688	(15,543)
Recognised in other comprehensive income	-	-	2,444	-	-	2,444
(Over)/Underprovision in prior year	#	(667)	-	9,728	2,570	11,631
At 31 December (before offsetting)	3,723	6,319	9,142	82,086	6,908	108,178
Offsetting						(12,375)
At 31 December (after offsetting)						95,803

Amount less than RM1,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

15. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Deferred tax assets of the Group (Cont'd)

	Unabsorbed capital allowances RM'000	Unutilised tax losses RM'000	Retirement benefit obligations RM'000	Property development costs RM'000	Others RM'000	Total RM'000
2024						
At 1 January	3,736	2,503	3,032	86,864	2,960	99,095
Recognised in profit or loss	(3,227)	1,883	2,140	1,474	689	2,959
Underprovision in prior year	3,027	3,001	-	1,563	1	7,592
At 31 December (before offsetting)	3,536	7,387	5,172	89,901	3,650	109,646
Offsetting						(13,977)
At 31 December (after offsetting)						95,669

Deferred tax liabilities of the Group

	Accelerated capital allowances RM'000	Others RM'000	Total RM'000
2025			
At 1 January	(14,891)	(4,825)	(19,716)
Recognised in profit or loss	1,093	696	1,789
Overprovision in prior year	169	98	267
At 31 December (before offsetting)	(13,629)	(4,031)	(17,660)
Offsetting			12,375
At 31 December (after offsetting)			(5,285)
2024			
At 1 January	(42,440)	(2,727)	(45,167)
Recognised in profit or loss	692	(2,125)	(1,433)
(Under)/Overprovision in prior year	(3,149)	27	(3,122)
Crystallisation of deferred tax	879	-	879
Disposal of subsidiaries	29,636	-	29,636
Exchange differences	(509)	-	(509)
At 31 December (before offsetting)	(14,891)	(4,825)	(19,716)
Offsetting			13,977
At 31 December (after offsetting)			(5,739)

Notes to the Financial Statements
31 December 2025 (Cont'd)

15. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2025	2024
	RM'000	RM'000
Unabsorbed capital allowances	25,486	21,844
Unutilised tax losses	161,222	126,307
Deductible temporary differences	184,259	152,522
	370,967	300,673

Deferred tax assets have not been recognised in respect of these items due to uncertainty of their realisation or they have arisen in subsidiaries that have a recent history of losses.

The Group has the above unabsorbed capital allowances and unutilised tax losses carried forward, available to offset against future taxable profits. The said amounts are subject to approval by the tax authorities.

For the Malaysian entities, pursuant to Section 8 of the Finance Act 2021 (Act 833) and the amendment to Section 44(5F) of the Income Tax Act 1967, effective from year of assessment 2019 onwards, the time limit on the carried forward unutilised tax losses has been extended to maximum of ten (10) consecutive years of assessment. Any unutilised tax losses accumulated up to the year of assessment 2018 can be carried forward for another ten (10) consecutive years of assessment (i.e.: from year of assessment 2019 to 2028) under the current tax legislation.

The unutilised tax losses of the Hong Kong ("HK") can be carried forward indefinitely.

The unabsorbed capital allowances are allowed to be carried forward indefinitely.

The unrecognised unutilised tax losses shall be disregarded after the end of the year of assessment as follows:

	Group	
	2025	2024
	RM'000	RM'000
Unutilised tax losses:		
- expiring within five years	68,749	53,951
- expiring more than five years	92,378	72,357
- no expiry period	95	-
	161,222	126,308

Notes to the Financial Statements
31 December 2025 (Cont'd)

16. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	Note	Group 2025 RM'000	Group 2024 RM'000
Non-current asset			
Interest bearing	(a)	-	341,695
Current assets			
Interest bearing	(b)	1,188,539	719,236
Non-interest bearing	(c)	64	231
		1,188,603	719,467
		1,188,603	1,061,162
Current liabilities			
Non-interest bearing	(c)	(15,218)	-

(a) These represent non-trade balances which are unsecured, at the reporting date bear interest of Nil% (2024: 2.89% to 10.00%) per annum and are receivable after twelve months.

(b) These represent non-trade balances which are unsecured, at the reporting date bear interest at rates ranging from 2.78% to 5.00% (2024: 2.89% to 10.00%) per annum and are receivable on demand.

(c) These represent non-trade balances which are unsecured, non-interest bearing advances and are receivable/ repayable on demand.

17. CONTRACT ASSETS/(LIABILITIES)

	Note	Group 2025 RM'000	Group 2024 RM'000
Contract assets			
Construction contracts	(a)	5,213	#
Property development activities	(b)	359,581	416,670
		364,794	416,670
Contract liabilities			
Construction contracts	(a)	(860)	(860)
Property development activities	(b)	(27,613)	(23,673)
Hotel	(c)	(29)	(202)
		(28,502)	(24,735)

Amount less than RM1,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

17. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Construction contracts

	Group	
	2025	2024
	RM'000	RM'000
Contract cost incurred to-date	372,887	366,111
Attributable profits recognised to-date	53,358	53,010
	426,245	419,121
Less: Progress billings	(421,735)	(419,824)
Less: Accumulated impairment losses	(157)	(157)
	4,353	(860)
Presented as:		
Contract assets	5,213	#
Contract liabilities	(860)	(860)
	4,353	(860)

Amount less than RM1,000.

Included in progress billings is retention sum of RM256,000 (2024: RM91,000).

Movements in the allowance for impairment losses of contract assets are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January/31 December	157	157

The contract assets represent the unbilled amount for work completed. This amount will be transferred to trade receivables when the right to bill becomes unconditional.

The contract liabilities consist of advance billings in excess of revenue recognised over time during the construction period.

Notes to the Financial Statements
31 December 2025 (Cont'd)

17. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(b) Property development activities

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	392,997	453,736
Property development revenue recognised during the financial year	1,393,053	1,350,872
Less: Billings during the financial year	(1,454,082)	(1,411,611)
At 31 December	331,968	392,997
Presented as:		
Contract assets	359,581	416,670
Contract liabilities	(27,613)	(23,673)
	331,968	392,997

The contract assets and liabilities balances represent the timing differences in revenue recognition and milestone billings. The milestone billings for property development contract are governed by the relevant regulations.

Contract assets in relation to property development activities represent the excess of revenue recognised in profit or loss over billings to purchasers. This unbilled amount for work completed will be transferred to trade receivables when the right to bill becomes unconditional. Contract liabilities consist of billings in excess of revenue recognised, this amount is expected to be recognised as revenue over a period of 180 days.

(c) Hotel

	Group	
	2025	2024
	RM'000	RM'000
Hotel	29	202
Movement of contract liabilities is as follows:		
At 1 January	202	249
Collection during the financial year	61	390
Revenue recognised during the financial year	(86)	(161)
Expiration during the financial year	(148)	(276)
At 31 December	29	202

The remaining unsatisfied performance obligation are expected to be recognised as revenue within next one year.

Notes to the Financial Statements
31 December 2025 (Cont'd)

17. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(d) Racing circuit development and management

	Group	
	2025 RM'000	2024 RM'000
Motor Racing	-	-
Movement of contract liabilities is as follows:		
At 1 January	-	1,308
Collection during the financial year	-	709
Revenue recognised during the financial year	-	(313)
Disposal of subsidiaries	-	(1,723)
Translation adjustment	-	19
At 31 December	-	-

(e) Contract value yet to be recognised as revenue

The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) at the end of the reporting period are as follows:

	Group	
	2025 RM'000	2024 RM'000
Within 1 year	563,668	925,817
More than 1 year	392,442	450,570
	956,110	1,376,387

(f) Set out below is the amount of revenue recognised from:

	Group	
	2025 RM'000	2024 RM'000
Amount included in contract liabilities at the beginning of the year		
- Property development activities	22,047	2,906

Notes to the Financial Statements
31 December 2025 (Cont'd)

18. OTHER RECEIVABLES

	Group	
	2025	2024
	RM'000	RM'000
Sundry receivables:		
- Third parties	50,878	35,363
- Related parties	356	40
	51,234	35,403
Less: Accumulated impairment losses:		
- Third parties	(177)	(341)
	51,057	35,062
Deposits:		
- Third parties	102,408	66,618
- Related parties	2	2
GST receivables	162	446
VAT receivables	1,901	2,482
Prepayments	135,675	160,323
Total other receivables	291,205	264,933

	Company	
	2025	2024
	RM'000	RM'000
Sundry receivables:		
- Third parties	1,677	392
Deposits	54	55
Prepayments	202	404
Total other receivables	1,933	851

Included in other receivables of the Group mainly comprise of the followings:

(i) Deposits, prepaid purchase consideration and development expenses of RM163,456,000 (2024: RM155,857,000), paid for the acquisition and joint venture of development lands that have not been completed as at 31 December 2025. The balance of purchase consideration is disclosed as capital commitments in Note 49; and

(ii) An amount of RM17,083,000 (2024: RM26,820,000) paid for Certificate of Share Unit Formula (Sijil Formula Unit Syer - SiFUS) fees for strata title subdivision.

Notes to the Financial Statements
31 December 2025 (Cont'd)

18. OTHER RECEIVABLES (CONT'D)

The movements in the allowance for impairment losses (individually assessed) of other receivables are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	341	840
Charge for the financial year	-	40
Reversal during the financial year	(164)	(539)
At 31 December	177	341

Other receivables that are individually determined to be impaired at the reporting date related to debtors that are in significant financial difficulties or have defaulted on payment.

19. AMOUNT DUE FROM ASSOCIATES

This represents trade in nature, unsecured, non-interest bearing and repayable on demand.

20. FIXED DEPOSITS WITH LICENSED BANKS

Included in fixed deposits of the Group and of the Company are amounts of RM54,584,000 and RM5,324,000 (2024: RM45,391,000 and RM5,706,000) respectively, which are pledged to licensed banks as securities for banking facilities granted to the Company and certain subsidiaries as disclosed in Notes 32(h) and 34(d) respectively.

The interest rates and maturities of deposits of the Group at the reporting date range from 1.75% to 3.50% (2024: 1.50% to 3.75%) per annum and 7 to 365 days (2024: 1 to 365 days) respectively. All unpledged deposits have maturity periods of less than three months.

The interest rates and maturities of deposits of the Company at the reporting date range from 1.75% to 3.50% (2024: 2.00% to 3.04%) per annum and 1 to 6 months (2024: 1 to 365 days) respectively.

21. CASH HELD UNDER HOUSING DEVELOPMENT ACCOUNTS

Cash held under Housing Development Accounts which are not freely available for use represents monies received from purchasers of residential properties less payments or withdrawals in accordance with the Housing Development (Control and Licensing) Act, 1966.

The interest rates of cash held under Housing Development Accounts at the reporting date range from 0.25% to 1.80% (2024: 1.00% to 1.50%) per annum.

Notes to the Financial Statements
31 December 2025 (Cont'd)

22. CASH AND BANK BALANCES

Included in cash and bank balances of the Group and of the Company are deposits with licensed banks amounting to RM9,790,000 and RM13,000 (2024: RM7,983,000 and RM86,000) respectively, which have been pledged to licensed banks for banking facilities granted to the Group and to the Company as disclosed in Notes 32(f) and 33 respectively.

23. ASSETS HELD-FOR-SALE

		Group	
		2025	2024
	Note	RM'000	RM'000
Transfer from inventories:			
- Freehold development land	7(a)	42,000	-
- Leasehold development land	7(a)	14,360	-
- Property development costs	7(a)	6,337	-
Leasehold land and building:			
- Transfer from right-of-use assets	5	-	4,022
- Transaction costs		-	395
		62,697	4,417

On 11 November 2025, Sinaran Restu Sdn. Bhd., a wholly-owned subsidiary of LBS Bina, entered into a Sale and Purchase Agreement to dispose of a piece of freehold land and a piece of leasehold land for a total cash consideration of RM110,000,000. The disposal is pending completion as at the date of this report.

On 23 November 2024, MGB Construction Sdn. Bhd., a wholly-owned subsidiary of MGB, entered into a Sale and Purchase Agreement to dispose of a leasehold building for a total cash consideration of RM5,600,000. The disposal was completed during the financial year.

24. SHARE CAPITAL

	Group/Company			
	Number of shares		Amount	
	2025	2024	2025	2024
	Units	Units	RM'000	RM'000
Issued and fully paid with no par value				
Ordinary shares				
At 1 January	1,580,245,151	1,569,245,151	830,378	819,378
Issuance of shares:				
- Conversion of RCPS	-	11,000,000	-	11,000
At 31 December	1,580,245,151	1,580,245,151	830,378	830,378
Redeemable Convertible Preference Shares ("RCPS")				
At 1 January	84,099,035	94,099,035	92,509	103,509
Conversion of RCPS	-	(10,000,000)	-	(11,000)
At 31 December	84,099,035	84,099,035	92,509	92,509
Total	1,664,344,186	1,664,344,186	922,887	922,887

Notes to the Financial Statements
31 December 2025 (Cont'd)

24. SHARE CAPITAL (CONT'D)

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

Redeemable Convertible Preference Shares ("RCPS")

On 8 August 2017, the Company issued renounceable rights issue of 115,448,037 RCPS on the conversion ratio of RCPS at 1 new ordinary share for every 2 RCPS held. The issue price of the RCPS has been fixed at RM1.10 each.

The salient terms of the RCPS are as follows:

(a) The Company shall at its discretion and subject to the availability of distributable profits pay out a targeted preferential dividend of 6% in each financial year calculated on the issue price of the RCPS from and including the Issue Date i.e. 8 August 2017 until the date of redemption of the RCPS;

(b) The preferential dividends, if declared, shall be payable annually in arrears, subject to availability of distributable profits. Although annual payments are anticipated as disclosed above, the Company may defer, in part or in whole, such payments depending on availability of distributable profits ("Deferred Dividends"). For avoidance of doubt, the Company is not obliged to pay any dividends or Deferred Dividends, as the case may be, in the event that it has insufficient distributable profits;

(c) The RCPS shall be convertible, at the option of the holder of RCPS, at any time commencing from the Issue Date up to the relevant redemption date of the RCPS, into such number of fully-paid new ordinary shares of the Company, without payment of any consideration, in accordance with the Conversion Ratio;

(d) Subject to the provisions of the Companies Act 2016 and any other applicable legislation, the Company may at any time on or after the 5th anniversary of the Issue Date, at its discretion, redeem all (and not some only) of the outstanding RCPS by giving notice in writing not less than 30 days prior to the redemption date to the holders of RCPS of its intention to do so;

(e) The RCPS holders shall not have the right to vote at any general meeting of the Company except with regard to:

  (i) when the dividend or part of the dividend payable on the RCPS is in arrears for more than six (6) months;

  (ii) on any proposal to reduce the share capital of the Company;

  (iii) on any proposal for the disposal of substantially the whole of the property, business and undertaking of the Company;

  (iv) on any proposal that affects the rights and privileges attached to the RPCS; or

  (v) on any proposal to wind-up the Company or during the winding-up of the Company.

  in which case, the RCPS holders shall be entitled to vote together with the holders of Shares by way of poll and each RCPS holders shall be entitled to one (1) vote for each Share into the RPCS are convertible upon exercise of the Conversion Rights (at the Conversion Ratio) and every Share shall, notwithstanding any other provisions in this Constitution, carry one (1) vote for each such Share; and

(f) The holders of RCPS shall have the right to receive notices, reports and accounts and attend meetings, of which shareholders of ordinary shares are entitled.

Notes to the Financial Statements
31 December 2025 (Cont'd)

24. SHARE CAPITAL (CONT'D)

Pursuant to the completion of corporate exercises in relation to share subdivision and bonus issue on 27 February 2018, the conversion ratio of any outstanding RCPS has been adjusted to 11 new ordinary shares for every 10 RCPS.

As at 31 December 2025, the total number of RCPS that remain unexercised was 84,099,035 (2024: 84,099,035).

25. TREASURY SHARES

	Group/Company			
	Number of shares		Amount	
	2025	2024	2025	2024
	Units	Units	RM'000	RM'000
At 1 January	34,452,094	29,240,994	15,221	11,917
Shares repurchased	10,620,600	5,211,100	4,259	3,304
At 31 December	45,072,694	34,452,094	19,480	15,221

The shareholders of the Company, by a resolution passed in the last Annual General Meeting held on 26 June 2025, renewed the authority in relation to shares repurchased. The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

During the financial year, the Company repurchased 10,620,600 (2024: 5,211,100) of its issued ordinary shares from the open market. The average price paid for the shares repurchased was RM0.40 (2024: RM0.63) per share. The total consideration paid for the repurchase including transaction costs was RM4,258,650 (2024: RM3,304,235). The repurchased transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

The Company has the right to resell these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

26. OTHER RESERVES

		Group	
		2025	2024
	Note	RM'000	RM'000
Non-distributable			
Foreign currency translation reserves	(a)	157,696	163,783
Other reserves	(b)	(334,290)	(337,755)
		(176,594)	(173,972)

(a) Foreign currency translation reserves

The foreign currency translation reserves represent exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) Other reserves

Other reserves represent the difference between the Group's share of net assets before and after the acquisition of equity interest from its non-controlling interests, and any consideration paid.

Notes to the Financial Statements
31 December 2025 (Cont'd)

27. PERPETUAL SUKUK MUSHARAKAH ("PERPETUAL SUKUK")

	Group/Company	
	2025	2024
	RM'000	RM'000
Issuance nominal value	93,000	223,000

The Company established a Perpetual Sukuk Musharakah Programme ("Programme") of up to RM700 million in nominal value based on the Shariah principle of Musharakah.

On 30 March 2020, the Company made its first issuance pursuant to the Programme for the amount of RM130 million at its nominal value that carries a distribution rate of 6.80% per annum.

On 30 July 2021, the Company issued a second series of RM93 million pursuant to the Programme at its nominal value that carries a distribution rate of 6.85% per annum.

The Perpetual Sukuk is established to raise funds as and when required to be utilised for Shariah-compliant purposes which include refinancing of existing financing/borrowings, capital expenditure, asset acquisition, working capital, general corporate purposes and defray fees, costs and expenses in relation to the issuance of the Perpetual Sukuk.

The salient features of the Perpetual Sukuk are as follows:

(a) The Perpetual Sukuk is issued under the Shariah principle of Musharakah;

(b) The expected periodic distribution rates from year 1 to year 5 are ranging from 6.80% to 6.85% per annum payable semi-annually. The first call date for the first issuance and second series is on 28 March 2025 and 30 July 2026 respectively ("First Call Date"). If the Company does not exercise its option to redeem the Perpetual Sukuk on the First Call Date, the periodic distribution rate increases by 2.5% per annum in year 6 and subsequently the periodic distribution rate increases by additional 1% per annum on each anniversary of the First Call Date and subject to a maximum rate of 15% per annum;

(c) No fixed redemption date but the Company has the option to redeem at the end of the fifth year from the date of issue and on each subsequent semi-annual periodic distribution date;

(d) The Company also has the option to redeem the Perpetual Sukuk under the following circumstances:

  (i) Accounting Event - if the Perpetual Sukuk is or will no longer be recorded as equity as a result of changes to accounting standards;

  (ii) Tax Event - if the Company is or will become obliged to pay additional amount of tax due to changes in tax laws or regulations;

  (iii) Change in Control Event - if Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San ceases to be the single largest shareholder (directly or indirectly) of the Company;

  (iv) Leverage Event - if the Net Debts over Equity Ratio of the Company (on a consolidated basis) exceeds 1.25 times;

  (v) Privatisation Event - if the Company fails to maintain the status as a public listed company on Bursa Malaysia Securities Berhad and is delisted; and

  (vi) Shareholder Event - the Company reduces the issued and fully paid ordinary shares.

Notes to the Financial Statements
31 December 2025 (Cont'd)

27. PERPETUAL SUKUK MUSHARAKAH ("PERPETUAL SUKUK") (CONT'D)

The salient features of the Perpetual Sukuk are as follows: (Cont'd)

(e) Payment obligations on the Perpetual Sukuk will at all times, rank ahead of the holders of Junior Obligations of the Company and rank pari passu with all other present and future unsecured, unconditional and unsubordinated obligations of the Company.

On 28 March 2025, the Group and the Company redeemed Perpetual Sukuk totaling RM130 million at its nominal value.

28. TRADE PAYABLES

	Group	
	2025	2024
	RM'000	RM'000
Non-current		
Trade payables:		
- Third parties	248,308	252,245
- Related party	-	29,927
	248,308	282,172
Current		
Trade payables:		
- Third parties	279,810	367,377
- Related parties	411	8,713
	280,221	376,090
Retention sum:		
- Third parties	117,268	113,653
- Related parties	2,844	1,520
	120,112	115,173
	400,333	491,263
Total trade payables	648,641	773,435

(a) Non-current trade payables

This mainly represents payables for the acquisition and joint venture of project development lands. Payment will be made as stipulated in the agreements.

(b) Current trade payables

The normal trade credit terms granted to the Group range from cash basis to 60 days (2024: cash basis to 60 days) depending on the terms of the contracts.

Included in trade payables of the Group mainly comprise of an amount of RM72,626,000 (2024: RM95,112,000) for the acquisition and joint venture of project development lands. Payment will be made as stipulated in the agreements.

Notes to the Financial Statements
31 December 2025 (Cont'd)

29. OTHER PAYABLES

	Note	Group 2025 RM'000	Group 2024 RM'000
Non-current			
Provisions	(a)	3,500	-
Current			
Sundry payables:			
- Third parties	(b)	47,280	53,520
- Related parties		-	154
		47,280	53,674
Accruals	(c)	144,210	184,965
Deposits		22,708	16,386
Amount due to a shareholder		10,930	3,335
SST payables		143	4
Provisions	(a)	169,746	192,036
		395,017	450,400
Total other payables		398,517	450,400

	Company 2025 RM'000	Company 2024 RM'000
Sundry payables	481	92
Accruals	13,001	5,070
Total other payables	13,482	5,162

(a) Provisions:

The movement of the provisions are as follows:

	Group 2025 RM'000	Group 2024 RM'000
At 1 January	192,036	223,991
Additions	64,557	55,560
Utilisation	(16,062)	(31,844)
Reversal	(67,285)	(55,237)
Disposal of subsidiaries	-	(440)
Exchange differences	-	6
At 31 December	173,246	192,036

Notes to the Financial Statements
31 December 2025 (Cont'd)

29. OTHER PAYABLES (CONT'D)

(a) Provisions (Cont'd)

Included in provisions is an amount of settlement amounting to RM7,000,000 (2024: RMNil) as disclosed in Notes 38 and 51 respectively.

(b) Included in sundry payables of the Group mainly comprise of:

(i) Equity interest acquisition from non-controlling interests amounting to RM4,848,000 (2024: RM4,898,000); and

(ii) Grant received for the development of affordable homes amounting to RM1,195,000 (2024: RMNil).

(c) Included in accruals consist of accrued project costs of RM89,754,000 (2024: RM135,806,000).

30. RETIREMENT BENEFITS OBLIGATIONS

The unfunded non-contributory scheme is administered by Human Resource Department ("HRD"), with contributions made out of the Company's general revenues as and when members are entitled. Under the Scheme, eligible employees are entitled to a lump sum, upon normal retirement age, calculated based on variable multiplications of the final salary based on year of service.

The amount recognised in the statement of financial position was determined as follows:

	Group	
	2025	2024
	RM'000	RM'000
Present value of unfunded defined benefit obligations	38,530	21,711

(i) The movements in the net defined benefit obligations were as follows:

	Group	
	2025	2024
	RM'000	RM'000
Present value of unfunded defined benefit obligations		
At 1 January	21,711	12,633
Current service cost	2,269	1,773
Interest cost	1,045	798
Past service cost	3,261	6,507
Remeasurements actuarial losses	10,270	-
Foreign exchange	(26)	-
At 31 December	38,530	21,711

Notes to the Financial Statements
31 December 2025 (Cont'd)

30. RETIREMENT BENEFITS OBLIGATIONS (CONT'D)

(ii) Principal actuarial assumptions used for determination of the defined benefits obligation are as follows:

	Group	
	2025	2024
	%	%
Discount rate	3.96 - 5.50	4.22 - 5.02
Salary growth rate	3.00 - 5.00	0.00 - 4.75

The discount rate is determined based on the values of Malaysian Government Securities and Private Debt Securities with AA ratings yield with 10 years weighted average duration.

(iii) The sensitivity analysis below has been derived based on changes to individual assumptions, with all other assumptions held constant:

	Discount Rate	
	Increase By 1%	Decrease By 1%
	RM'000	RM'000
2025		
(Decrease)/Increase in defined benefit obligations	(2,301)	2,542
2024		
(Decrease)/Increase in defined benefit obligations	(624)	901

The sensitivity analysis presented above may not be representative of the actual changes in defined benefit obligations as is unlikely that the change in assumption would occur in isolation to one another as some assumptions may be correlated.

No changes were made to the methods and types of assumptions used in preparing the sensitivity analysis for the current financial year.

Notes to the Financial Statements
31 December 2025 (Cont'd)

31. HIRE PURCHASE AND LEASE LIABILITIES

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	25,476	29,883
Additions	2,565	12,698
Payments	(14,102)	(18,287)
Accretion of interest	1,220	1,743
Disposal of subsidiaries	-	(11)
Early termination of lease contracts	-	(551)
Exchange differences	-	1
At 31 December	15,159	25,476
Presented as:		
Repayable after twelve months		
Hire purchase	5,199	12,412
Lease liabilities	263	396
	5,462	12,808
Repayable within twelve months		
Hire purchase	9,394	12,335
Lease liabilities	303	333
	9,697	12,668
Total hire purchase and lease liabilities	15,159	25,476

The maturity analysis of hire purchase and lease liabilities of the Group at the end of the reporting period are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Within one year	10,214	13,759
Between one and two years	3,428	9,203
Between two and five years	2,294	4,169
	15,936	27,131
Less: Future finance charges	(777)	(1,655)
Present value of hire purchase and lease liabilities	15,159	25,476

Notes to the Financial Statements
31 December 2025 (Cont'd)

31. HIRE PURCHASE AND LEASE LIABILITIES (CONT'D)

The Group leases various land and buildings, office equipment and plant, machinery and equipment. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The weighted average incremental borrowing rate applied to hire purchase and lease liabilities of the Group at the reporting date range from 1.77% to 8.00% (2024: 2.07% to 8.00%) per annum.

32. BANK BORROWINGS

	Group	
	2025 RM'000	2024 RM'000
Secured		
Floating rates:		
Bridging loans	23,948	61,732
Term loans	363,573	363,991
Revolving credits	254,553	310,667
Trade services	21,696	-
	663,770	736,390
Less: Unamortised transaction costs	(5,447)	(4,374)
Total bank borrowings	658,323	732,016
Analysed as:		
Repayable within twelve months		
Floating rates:		
Bridging loans	799	-
Term loans	50,136	53,952
Revolving credits	254,553	310,667
Trade services	21,696	-
	327,184	364,619
Less: Unamortised transaction costs	(922)	(1,631)
	326,262	362,988
Repayable after twelve months		
Floating rates:		
Bridging loans	23,149	61,731
Term loans	313,437	310,040
	336,586	371,771
Less: Unamortised transaction costs	(4,525)	(2,743)
	332,061	369,028
Total bank borrowings	658,323	732,016

Notes to the Financial Statements
31 December 2025 (Cont'd)

32. BANK BORROWINGS (CONT'D)

	Company	
	2025	2024
	RM'000	RM'000
Secured		
Floating rates:		
Term loans	-	10,000
Revolving credits	58,100	139,000
Total bank borrowings	58,100	149,000
Analysed as:		
Repayable within twelve months		
Floating rates:		
Term loans	-	10,000
Revolving credits	58,100	139,000
Total bank borrowings	58,100	149,000

The movement of the unamortised transaction costs are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	4,374	-
Additions	5,073	4,987
Amortisation for the financial year	(3,325)	(613)
Reclass to prepayment	(675)	-
At 31 December	5,447	4,374

The banking facilities of the Group and of the Company obtained from licensed banks are secured by the followings:

(a) fixed charge over certain right-of-use assets as disclosed in Note 5(a);
(b) fixed charge over certain capital work-in-progress as disclosed in Note 6;
(c) fixed charge or specific debenture over certain land held for property development and property development costs as disclosed in Note 7(a)(i);
(d) fixed charge over certain inventories of subsidiaries as disclosed in Note 7(b);
(e) fixed charge over certain investment properties and/or legal assignment of tenancy agreements over certain investment properties as disclosed in Note 8(a);
(f) fixed charge over certain cash at banks as disclosed in Note 22;
(g) certain securities listed on Bursa Malaysia Securities Berhad ("Bursa Securities") as disclosed in Note 9(a);
(h) pledged of fixed deposits as disclosed in Note 20;
(i) legal assignment of cash flows and/or insurance proceeds and/or sale proceeds and/or performance bonds in relation to projects being developed and constructed by subsidiaries; and
(j) corporate guarantees provided by the Company and/or certain subsidiaries.

Notes to the Financial Statements
31 December 2025 (Cont'd)

32. BANK BORROWINGS (CONT'D)

The range of effective interest rates per annum of the Group and of the Company are as follows:

	Group	
	2025	2024
	%	%
Bridging loans	5.19 - 7.07	5.51 - 7.33
Term loans	3.95 - 6.85	4.40 - 10.00
Revolving credits	3.84 - 6.59	5.07 - 7.15
Trade services	4.62 - 7.14	4.60 - 7.39

	Company	
	2025	2024
	%	%
Term loans	-	4.70 - 10.00
Revolving credits	4.93 - 5.00	5.26 - 7.15

33. ISLAMIC MEDIUM TERM NOTES

	Group/Company	
	2025	2024
	RM'000	RM'000
Secured		
Sukuk Wakalah	600,000	200,000
Less: Unamortised transaction costs	(3,771)	(2,717)
Total Islamic Medium Term Notes	596,229	197,283
Repayable after twelve months	600,000	200,000
Less: Unamortised transaction costs	(3,771)	(2,717)
Total Islamic Medium Term Notes	596,229	197,283

The movement of the unamortised transaction costs are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 January	2,717	-
Additions	1,861	3,396
Amortisation for the financial year	(807)	(679)
At 31 December	3,771	2,717

Notes to the Financial Statements
31 December 2025 (Cont'd)

33. ISLAMIC MEDIUM TERM NOTES (CONT'D)

Sukuk Wakalah

On 14 November 2023, the Company had lodged an Islamic Medium Term Notes ("Sukuk Wakalah") programme of up to RM750.0 million in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah Programme") with the Securities Commissions Malaysia ("SC").

The Sukuk Wakalah Programme has been affirmed with its AA-IS rating with a stable outlook by MARC Ratings Berhad on 31 December 2025.

The Sukuk Wakalah Programme provides the flexibility for the Company to issue both Sukuk Wakalah and Sustainability Sukuk Wakalah.

The Sukuk Wakalah Programme has been structured with a perpetual tenure, each Sukuk Wakalah to be issued will have a tenure of more than one year.

On 23 January 2024, the Company made its first issuance of Sustainability Sukuk Wakalah of RM200.0 million in nominal value ("First Tranche"), in the format of ASEAN Social SRI Sukuk Wakalah, under the Sukuk Wakalah Programme and in accordance with LBS's Sustainability Financing Framework. The order book for the First Tranche was approximately RM1.276 billion, representing an oversubscription rate of 6.38 times. The First Tranche is secured and has a tenure of 5 years from the issue date, maturing on 23 January 2029. The First Tranche was priced at a yield of 5.00% with a periodic distribution rate of 5.00% per annum.

On 24 January 2025, the Company made its second issuance of RM400.0 million in nominal value ("Second Tranche"), in the format of ASEAN Social SRI Sukuk Wakalah, under the Sukuk Wakalah Programme and in accordance with LBS's Sustainability Financing Framework. The order book for the Second Tranche was approximately RM2.1 billion, representing an oversubscription rate of 5.27 times. The Second Tranche is unsecured and has a tenor of 7 years from the issue date, maturing on 23 January 2032. The Second Tranche was priced at a yield of 4.81% with a periodic distribution rate of 4.81% per annum.

The proceeds from the issuance of the Sukuk Wakalah shall be utilised by the Company for the following purposes:

(i) finance Shariah-compliant capital expenditure, investment, general corporate purposes, working capital requirements of the Company and/or its subsidiaries;

(ii) refinance any existing financing/borrowings and/or future Shariah-compliant financing of the Company and/or its subsidiaries (including redemption of outstanding any sukuk issued by the Company or its subsidiaries);

(iii) pre-fund the minimum required balance in the applicable finance service reserve account; and/or

(iv) defray any fees, costs and expenses in relation to the establishment of the Sukuk Wakalah Programme and issuance of Sukuk Wakalah under the Sukuk Wakalah Programme.

Sustainability Sukuk Wakalah

The Sukuk Wakalah Programme also provides flexibility for the Company to issue Sustainability Sukuk Wakalah which is in compliance with amongst others, Green/ Social/Sustainability/Sustainable and Responsible Investment ("SRI") Sukuk guidelines, frameworks, standards principles issued by the SC, the ASEAN Capital Markets Forum or the International Capital Market Association ("Sustainability Guidelines/Frameworks").

Notes to the Financial Statements
31 December 2025 (Cont'd)

33. ISLAMIC MEDIUM TERM NOTES (CONT'D)

Sukuk Wakalah (Cont'd)

Sustainability Financing Framework

The Company has also established a Sustainability Financing Framework, which has been assigned a "Gold" Impact Bond Assessment by Malaysian Rating Corporation Berhad. The proceeds raised from the issuance of Sustainability Sukuk Wakalah shall be utilised for eligible projects as outlined in the Company's Sustainability Financing Framework, which is consistent with the applicable Sustainability Guidelines/Frameworks.

The Sukuk Wakalah is secured by the followings:

(i) fixed charge or specific debenture over certain land held for property development and property development costs as disclosed in Note 7(a)(i);

(ii) legal assignment of Finance Service Reserve Account; and

(iii) fixed charge over certain investment properties as disclosed in Note 8(a);

34. BANK OVERDRAFTS

	Group	
	2025	2024
	RM'000	RM'000
Secured		
Repayable within twelve months	-	2,941

The bank overdrafts obtained from licensed banks are secured by the followings:

(a) fixed charge over certain right-of-use assets as disclosed in Note 5(a);
(b) fixed charge or specific debenture over certain land held for property development and property development costs as disclosed in Note 7(a)(i);
(c) fixed charge over certain investment properties as disclosed in Note 8(a);
(d) pledged of fixed deposits as disclosed in Note 20;
(e) certain securities listed on Bursa Securities as disclosed in Notes 9(a);
(f) fixed charge over certain inventories of subsidiaries as disclosed in Note 7(b); and
(g) corporate guarantees provided by the Company and certain subsidiaries.

At the reporting date, the interest rates of the Group were Nil% (2024: ranging from 5.40% to 7.60%) per annum.

Notes to the Financial Statements
31 December 2025 (Cont'd)

35. REVENUE

	Group	
	2025 RM'000	2024 RM'000
Revenue from contracts with customers		
Property development	1,457,233	1,372,150
Construction and trading	71,195	37,954
Management fees from third parties	1,974	1,594
Hotel	10,470	11,271
Rendering of services	2,813	1,819
	1,543,685	1,424,788
Revenue from other sources		
Retail mall	7,804	7,377
Investment properties	2,272	2,493
	10,076	9,870
	1,553,761	1,434,658

	Company	
	2025 RM'000	2024 RM'000
Revenue from other source		
Dividends from subsidiaries	26,069	387,237

	Group	
	2025 RM'000	2024 RM'000
Timing of revenue recognition		
At a point in time	141,161	74,906
Over time	1,402,524	1,349,882
Total revenue from contracts with customers	1,543,685	1,424,788

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Hotel RM'000	Others RM'000	Total RM'000
2025						
Geographical market						
Malaysia	1,457,233	32,787	1,974	10,470	2,813	1,505,277
Saudi	-	38,408	-	-	-	38,408
Total revenue from contracts with customers	1,457,233	71,195	1,974	10,470	2,813	1,543,685

Notes to the Financial Statements
31 December 2025 (Cont'd)

35. REVENUE (CONT'D)

Set out below is the disaggregation of the Group's revenue from contracts with customers: (Cont'd)

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Hotel RM'000	Others RM'000	Total RM'000
2024						
Geographical market						
Malaysia	1,372,150	24,479	1,594	11,271	1,819	1,411,313
Saudi	-	13,475	-	-	-	13,475
Total revenue from contracts with customers	1,372,150	37,954	1,594	11,271	1,819	1,424,788

36. COST OF SALES

	Group	
	2025 RM'000	2024 RM'000
Property development	973,539	890,013
Construction and trading	83,331	44,482
Hotel	3,513	3,715
Investment properties	939	886
Retail mall	5,405	5,016
Rendering of services	461	439
Treasury management services	1,320	4,417
	1,068,508	948,968

37. FINANCE COSTS

	Group	
	2025 RM'000	2024 RM'000
Interest expenses on:		
Term loans	18,101	14,415
Bank overdrafts	290	1,055
Islamic Medium Term Notes	27,975	12,355
Bridging loans	2,841	4,901
Revolving credits	13,110	15,200
Hire purchase and lease liabilities	1,220	1,743
Trade services	393	849
Unwinding interest	2,706	18,381
Others	#	-
Balance carried down	66,636	68,899

Amount less than RM1,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

37. FINANCE COSTS (CONT'D)

	Group	
	2025	2024
	RM'000	RM'000
Interest expenses on: (Cont'd)		
Balance brought down	66,636	68,899
Less: Interest capitalised in:		
- Cost sharing with landowners	(1,424)	(2,485)
- Land held for property development and property development costs [Note 7(a)(ii)]	(1,505)	(1,501)
	63,707	64,913

	Company	
	2025	2024
	RM'000	RM'000
Interest expenses on:		
Term loans	90	3,550
Bank overdrafts	-	49
Revolving credits	3,317	6,450
Islamic Medium Term Notes	27,975	9,397
	31,382	19,446

38. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Allowance for impairment losses on:				
- Goodwill arising on consolidation	12,446	-	-	-
- Right-of-use assets	145	-	-	-
- Trade and other receivables	1,951	2,271	-	-
- Investment in subsidiaries	-	-	5,640	4
Auditors' remuneration				
- Statutory audit	1,053	1,190	130	140
- Others	71	74	21	21
Bad debts written off	299	545	-	-
Deposits written off	4	137	-	-
Depreciation of:				
- Investment properties	2,820	2,737	-	-
- Property, plant and equipment	19,729	14,413	-	#
- Right-of-use assets	18,760	24,791	-	-
Inventories written down to net realisable value	-	61	-	-

Amount less than RM1,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

38. PROFIT BEFORE TAX (CONT'D)

Profit before tax is arrived at after charging/(crediting): (Cont'd)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Provision for settlement	7,000	-	-	-
Provision for retirement benefits	6,575	9,078	-	-
Provision for staff economic compensation	-	38	-	-
Waiver of interest income	145	63	-	-
Loss on strike off of an associate	-	8	-	-
Bad debts recovered	(2)	(19)	(12,000)	-
Dividend income from financial assets measured at FVTPL	(347)	(227)	-	-
Lease expenses relating to short-term leases:				
- Rental of premises	211	135	-	-
- Rental of office equipment	502	322	-	-
- Rental of car park	9	43	-	-
Loss on lease termination	-	31	-	-
Net foreign exchange loss/(gain):				
- Realised	782	35,679	-	-
- Unrealised	(380)	3,106	1	(1)
Non-Executive Directors' remuneration:				
Company's Directors:				
- Fees	333	575	333	575
- Salaries and other emoluments	-	9	-	9
- Other benefits	9	7	9	7
Subsidiaries' Directors fees	473	425	-	-
Prepayment written off	38	-	-	-
Property, plant and equipment written off	43	100	-	1
Property development costs written down	9,691	-	-	-
Property development costs written off	3	-	-	-
Fair value adjustment on trade receivables	57	(85)	-	-
Fair value gain on financial assets measured at FVTPL	(575)	(196)	-	-
Gain on disposal of:				
- Assets held for sale	(1,183)	-	-	-
- Investment properties	(32)	-	-	-
- Property, plant and equipment	(1,019)	(4,003)	-	-
- Right-of-use assets	-	(521)	-	-
- Equity interest in subsidiaries	-	(163,025)	(133)	(1,264)
Grant income	(1,160)	-	-	-
Interest income from:				
- Advances to subsidiaries	-	-	(53,961)	(35,763)
- Licensed banks	(10,512)	(11,382)	(2,139)	(1,498)
- Trade receivables	(169)	(50)	-	-
- Others	(2,067)	(2,231)	(17)	(25)

Notes to the Financial Statements
31 December 2025 (Cont'd)

38. PROFIT BEFORE TAX (CONT'D)

Profit before tax is arrived at after charging/(crediting): (Cont'd)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Provision for property development costs no longer required	(67,374)	(54,587)	-	-
Rental income from:				
- Investment properties	(2,619)	(2,537)	-	-
- Completed properties	(2,213)	(2,117)	-	-
- Others	(1,314)	(1,210)	-	-
Reversal of allowance for impairment losses on:				
- Investment in associates	-	#	-	-
- Trade and other receivables	(753)	(715)	-	-
Wages subsidy	(218)	(15)	-	-
Waiver of late payment interest	(2,611)	-	-	-

Amount less than RM1,000.

39. TAXATION

	Group	
	2025 RM'000	2024 RM'000
Tax expenses recognised in profit or loss		
Malaysian income tax		
Current tax provision	74,878	85,362
Underprovision in prior years	10,071	3,041
	84,949	88,403
Deferred tax		
Relating to origination and reversal of temporary differences	13,754	(1,525)
Overprovision in prior years	(11,898)	(4,470)
	1,856	(5,995)
Capital gain tax		
Current tax provision	3	-
Real property gains tax		
Current tax provision	390	-
	87,198	82,408

Notes to the Financial Statements
31 December 2025 (Cont'd)

39. TAXATION (CONT'D)

	Company	
	2025	2024
	RM'000	RM'000
Tax expenses recognised in profit or loss		
Malaysian income tax		
Current tax provision	5,897	2,840
(Over)/Underprovision in prior years	(27)	#
Capital gain tax	3	-
	5,873	2,840

Amount less than RM1,000.

Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

A reconciliation of income tax expenses applicable to profit before tax at the statutory income tax rate to income tax expenses at the effective income tax rate of the Group and of the Company are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Profit before tax	216,895	190,880
At Malaysian statutory tax rate of 24% (2024: 24%)	52,055	45,811
Subsidiaries domiciled in tax haven country	(83)	8,637
Income not subject to tax	(1,081)	(12,246)
Expenses not deductible for tax purposes	23,439	39,878
Perpetual Sukuk distribution	(2,569)	(3,662)
Deferred tax assets not recognised	17,963	6,531
Utilisation of previously unrecognised deferred tax assets	(1,092)	(1,112)
Underprovision of income tax in prior years	10,071	3,042
Overprovision of deferred tax in prior years	(11,898)	(4,471)
Capital gains tax	3	-
Real property gains tax	390	-
Tax expenses for the financial year	87,198	82,408

Notes to the Financial Statements
31 December 2025 (Cont'd)

39. TAXATION (CONT'D)

	Company	
	2025	2024
	RM'000	RM'000
Profit before tax	53,708	400,432
At Malaysian statutory tax rate of 24% (2024: 24%)	12,890	96,104
Expenses not deductible for tax purposes	1,736	3,638
Perpetual Sukuk distribution	(2,569)	(3,662)
Income not subject to tax	(6,160)	(93,240)
(Over)/Underprovision of income tax in prior years	(27)	#
Capital gain tax	3	-
Tax expenses for the financial year	5,873	2,840

Amount less than RM1,000.

40. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share are calculated based on the consolidated net profit for the financial year attributable to the owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2025	2024
	RM'000	RM'000
Net profit for the financial year attributable to owners of the parent		
- Continuing operations	116,930	86,250
- Discontinued operations	-	157,807
Less:		
- RCPS preferential dividend	(5,550)	(5,550)
- Distribution to holders of Perpetual Sukuk	(10,706)	(15,259)
Net profit for the financial year attributable to ordinary equity holders	100,674	223,248

	Group	
	2025	2024
	Units	Units
Weighted average number of ordinary shares in issue		
- Ordinary shares in issue as at 1 January	1,580,245,151	1,569,245,151
- Effect of treasury shares held	(37,951,132)	(24,131,979)
Weighted average number of ordinary shares as at 31 December	1,542,294,019	1,545,113,172
Basic earnings per share (sen)		
- Continuing operations	6.53	4.24
- Discontinued operations	-	10.21
	6.53	14.45

Notes to the Financial Statements
31 December 2025 (Cont'd)

40. EARNINGS PER SHARE (CONT'D)

(b) Diluted earnings per share

Diluted earnings per share are calculated based on the consolidated net profit for the financial year attributable to the owners of the parent and the adjusted weighted average number of ordinary shares issued and issuable during the financial year have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Group	
	2025	2024
	RM'000	RM'000
Net profit for the financial year attributable to owners of the parent		
- Continuing operations	116,930	86,250
- Discontinued operations	-	157,807
Less:		
- RCPS preferential dividend	(5,550)	(5,550)
- Distribution to holders of Perpetual Sukuk	(10,706)	(15,259)
Net profit for the financial year attributable to ordinary equity holders	100,674	223,248

	Group	
	2025	2024
	Units	Units
Weighted average number of ordinary shares used in the calculation of basic earnings per share	1,542,294,019	1,545,113,172
Effect of potential exercise of RCPS	*	*
Adjusted weighted average number of ordinary shares as at 31 December	1,542,294,019	1,545,113,172
Diluted earnings per share: (sen)		
- Continuing operations	6.53	4.24
- Discontinued operations	-	10.21
	6.53	14.45

* The number of shares under RCPS was not taken into account in the computation of diluted earnings per share as the RCPS do not have any dilutive effect on the weighted average number of ordinary shares.

41. EMPLOYEES BENEFITS EXPENSES

	Group	
	2025	2024
	RM'000	RM'000
Fees	-	730
Salaries, gratuity and other emoluments	113,492	113,154
Defined contribution plans	10,909	10,795
Social security contributions	969	1,383
Employment insurance scheme	51	47
Retirement benefit obligations	6,575	9,054
Other benefits	11,190	8,806
	143,186	143,969

Notes to the Financial Statements
31 December 2025 (Cont'd)

41. EMPLOYEES BENEFITS EXPENSES (CONT'D)

The Group's staff costs do not include the estimated monetary value of benefits-in-kind amounting to RM1,763,000 (2024: RM1,401,000).

	Company	
	2025	2024
	RM'000	RM'000
Other benefits	9	7

Included in staff costs is aggregate amount of remuneration received and receivable by the Executive Directors of the Company and of the subsidiaries during the financial year as below:

	Group	
	2025	2024
	RM'000	RM'000
Executive Directors		
Company's Directors		
Fees	-	730
Salaries, gratuity and other emoluments	11,877	10,380
Defined contribution plans	1,782	1,557
Social security contributions	6	5
Employment insurance scheme	#	#
Retirement benefit obligations	4,766	5,306
Other benefits	483	457
	18,914	18,435

Amount less than RM1,000.

	Group	
	2025	2024
	RM'000	RM'000
Executive Directors		
Subsidiaries' Directors		
Salaries, gratuity and other emoluments	5,905	4,517
Defined contribution plans	888	572
Social security contributions	7	43
Employment insurance scheme	1	#
Retirement benefit obligations	1,487	2,735
Other benefits	445	238
	8,733	8,105

The Group's Executive Directors' remuneration does not include the estimated monetary value of benefits-in-kind amounting to RM842,000 (2024: RM527,000).

Notes to the Financial Statements
31 December 2025 (Cont'd)

42. DIVIDENDS

	Group/Company	
	2025	2024
	RM'000	RM'000
Ordinary Shares		
In respect of the financial year ended 31 December 2023:		
Interim single-tier dividend of 1.35 sen per ordinary share on 1,549,989,157 ordinary shares	-	20,925
Final single-tier dividend of 1.35 sen per ordinary share on 1,547,289,157 ordinary shares	-	20,888
In respect of the financial year ended 31 December 2024:		
Special single-tier dividend of 2.60 sen per ordinary share on 1,547,793,057 ordinary shares	-	40,191
Interim single-tier dividend of 1.00 sen per ordinary share on 1,541,696,357 ordinary shares	15,417	-
Final single-tier dividend of 1.10 sen per ordinary share on 1,541,696,357 ordinary shares	16,959	-
RCPS		
In respect of the financial year ended 31 December 2024:		
Preferential dividend of 6.60 sen per RCPS on 84,099,035 RCPS	-	5,550
In respect of the financial year ended 31 December 2025:		
Preferential dividend of 6.60 sen per RCPS on 84,099,035 RCPS	5,550	-
	37,926	87,554

On 25 February 2026, the Board of Directors:

(i) Declared first interim single-tier dividend of 1.30 sen per ordinary share in respect of the financial year ended 31 December 2025. The entitled shareholders of the Company will receive the dividend on 20 May 2026; and

(ii) Proposed final single-tier dividend of 2.00 sen per ordinary share in respect of the financial year ended 31 December 2025. The proposed dividend is subject to the approval of the shareholders at the forthcoming 26th Annual General Meeting of the Company.

The financial statements for the current financial year do not reflect the dividends declared/ proposed on 25 February 2026. Such dividends will be accounted for in equity as an appropriation of retained earnings for the financial year ending 31 December 2026.

Notes to the Financial Statements
31 December 2025 (Cont'd)

43. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below shows the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

	Note	At 1 January RM'000	Financing cash flows (i) RM'000	New finance leases RM'000	Other changes (ii) RM'000	At 31 December RM'000
Group						
2025						
Hire purchase and lease liabilities	31	25,476	(12,882)	2,565	-	15,159
Bank borrowings	32	732,016	(72,199)	-	(1,494)	658,323
Islamic Medium Term Notes	33	197,283	398,946	-	-	596,229
		954,775	313,865	2,565	(1,494)	1,269,711
2024						
Hire purchase and lease liabilities	31	29,883	(16,544)	12,698	(561)	25,476
Bank borrowings	32	602,359	130,076	-	(419)	732,016
Islamic Medium Term Notes	33	62,968	134,315	-	-	197,283
		695,210	247,847	12,698	(980)	954,775
Company						
2025						
Amount due to subsidiaries	16	-	15,218	-	-	15,218
Bank borrowings	32	149,000	(90,900)	-	-	58,100
Islamic Medium Term Notes	33	197,283	398,946	-	-	596,229
		346,283	323,264	-	-	669,547
2024						
Amount due to subsidiaries	16	330	(330)	-	-	-
Bank borrowings	32	157,097	(8,097)	-	-	149,000
Islamic Medium Term Notes	33	-	197,283	-	-	197,283
		157,427	188,856	-	-	346,283

(i) The financing cash flows include the net amount of proceeds from or repayments of lease liabilities, bank borrowings and Islamic Medium Term Notes in the statements of cash flows.

(ii) Other changes include exchange differences, termination of lease contracts, disposal of subsidiaries and net changes in unamortised transaction costs.

Notes to the Financial Statements
31 December 2025 (Cont'd)

44. RELATED PARTY DISCLOSURES

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and/or the Company if the Group and/or the Company have the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and/or the Company either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

(b) Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Transactions with other related parties:		
Income		
Sale of property development	8,248	-
Cost sharing of landowner	327	-
Dividend received	240	300
Rental income	6	6
Hospitality service	1	-
Expenses		
Contractors' fees	2,712	9,637
Deposit paid	#	-
Donation and corporate social responsibility contribution	800	-
Lease expenses	56	50
Profit sharing with landowner	-	537
Rendering of services	2,058	3,539
Dividends paid	17,376	43,693

Amount less than RM1,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

44. RELATED PARTY DISCLOSURES (CONT'D)

(b) Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows: (Cont'd)

	Company	
	2025	2024
	RM'000	RM'000
Transactions with subsidiaries:		
Income		
Dividend income	26,069	387,237
Equity instrument	133	-
Recovered bad debts	12,000	-
Interest income on advances	53,961	35,763
Expenses		
Management fees expenses	510	793
Equity instrument	-	#
Transactions with other related parties:		
Expense		
Dividends paid	17,354	43,622

Amount less than RM1,000.

The nature and relationship between the Group and the Company with other related parties are as follows:

(i) A company in which a close family member of certain Directors of the Company or its subsidiaries have financial interest;
(ii) A firm or companies in which certain Directors of a subsidiary of the Company have financial interest;
(iii) A person or companies that have financial interest in subsidiaries;
(iv) Directors or key management personnel of the Company or its subsidiaries and their close family members;
(v) An associate of the Company; and
(vi) A substantial shareholder of the Company.

Notes to the Financial Statements
31 December 2025 (Cont'd)

44. RELATED PARTY DISCLOSURES (CONT'D)

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	Group	
	2025 RM'000	2024 RM'000
Fees	806	1,730
Salaries, gratuity and other emoluments	21,574	21,092
Defined contribution plans	3,174	2,933
Social security contributions	23	61
Employment insurance scheme	2	2
Retirement benefit obligations	6,358	8,918
Other benefits	1,012	1,684
	32,949	36,420

	Company	
	2025 RM'000	2024 RM'000
Fees	333	575
Salaries, gratuity and other emoluments	-	9
Other benefits	9	7
	342	591

45. SEGMENT INFORMATION

The Group has four major reporting segments, as described below, which are the Group's strategic business units. Segment information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure. For each of the strategic business units, the Group's managing director reviews internal management reports at least on quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

The main business segments of the Group comprise the followings:

Property development	Development of residential, industrial and commercial properties.
Construction and trading	Design and build, civil engineering, general construction, piling activities, trading of building and construction materials, and manufacturing of building materials and precast products.
Management and investment	Investment holding and provision of management services.
Others	Hotel and retail mall operations, car park management, financial and credit related services, properties investment and management services, wholesale of variety of goods, renewable energy and water related services, turfing and landscaping, hospital development and operations and agricultural activities.

Notes to the Financial Statements
31 December 2025 (Cont'd)

45. SEGMENT INFORMATION (CONT'D)

Others business segment includes hotel operations, retail mall operations, car park management, provision of treasury management services to the Group, provision of financial services, properties investment and management, none of which are of a sufficient size to be reported separately. The accounting policies of the segments are consistent with the accounting policies of the Group.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

The total of segment assets is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group's managing director. Segment total assets are used to measure the return of assets of each segment.

Additions to non-current assets represent property, plant and equipment, right-of-use assets, capital work-in-progress, inventories, investment properties, other investments and trade receivables.

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Group's managing director. Hence no disclosure is made on segment liabilities.

Geographical segments

In determining the Group segment, revenue and non-current assets are based on the geographical location of customers as follows:

	Revenue	
	2025	2024
	RM'000	RM'000
Malaysia	1,515,353	1,421,183
Saudi	38,408	13,475
	1,553,761	1,434,658

	Non-current assets	
	2025	2024
	RM'000	RM'000
Malaysia	2,155,964	2,068,196
Saudi	28,728	28,553
Hong Kong	#	#
	2,184,692	2,096,749

Amount less than RM1,000.

Information about major customers

There is no significant concentration of revenue from any major customers as the major revenue generated by the Group is sale of its development properties to individual purchaser.

Notes to the Financial Statements
31 December 2025 (Cont'd)

45. SEGMENT INFORMATION (CONT'D)

Segment results

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Others RM'000	Total RM'000
2025					
Revenue					
Total revenue	1,457,233	527,131	827,753	95,846	2,907,963
Less: Inter-segment revenue	-	(455,936)	(825,779)	(72,487)	(1,354,202)
Revenue from external customers	1,457,233	71,195	1,974	23,359	1,553,761
Financial results					
Segment results	257,340	8,745	48,722	(5,593)	309,214
Interest income	5,203	757	3,075	3,713	12,748
Finance costs	(13,806)	(4,949)	(37,423)	(7,529)	(63,707)
Depreciation	(7,411)	(23,814)	(5,548)	(4,536)	(41,309)
Share of results of joint venture, net of tax	-	(119)	-	-	(119)
Share of results of associates, net of tax	-	71	-	(2)	69
Profit/(Loss) before tax	241,326	(19,309)	8,826	(13,947)	216,896
Taxation	(69,452)	(8,204)	(9,461)	(81)	(87,198)
Net profit/(loss) for the financial year	171,874	(27,513)	(635)	(14,028)	129,698
Assets					
Investment in a joint venture	-	427	-	-	427
Investment in associates	1,744	355	-	-	2,099
Additions to non-current assets	154,949	10,537	1,828	78,685	245,999
Segment assets	3,272,377	307,413	473,485	372,150	4,425,425

Notes to the Financial Statements
31 December 2025 (Cont'd)

45. SEGMENT INFORMATION (CONT'D)

Segment results (Cont'd)

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Others RM'000	Total RM'000
2025					
Other non-cash expenses					
Allowance for:					
- Goodwill arising on consolidation	12,446	-	-	-	12,446
- Right-of-use assets	-	-	145	-	145
- Trade and other receivables	-	-	-	1,951	1,951
Bad debts written off	299	-	-	-	299
Deposits written off	4	-	-	-	4
Property development cost written off	3	-	-	-	3
Land held for property development cost written down	9,691	-	-	-	9,691
Depreciation of:					
- Investment properties	324	775	215	1,506	2,820
- Property, plant and equipment	2,368	13,085	2,342	1,934	19,729
- Right-of-use assets	4,719	9,954	2,695	1,392	18,760
Fair value adjustment on trade receivables	-	-	-	57	57
Loss on disposal of: investment properties	8	-	-	-	8
Prepayments written off	38	-	-	-	38
Property, plant and equipment written off	-	-	#	43	43
Provision for settlement	-	-	-	7,000	7,000
Provision for retirement benefits	-	1,322	5,253	-	6,575

Amount less than RM1,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

45. SEGMENT INFORMATION (CONT'D)

Segment results (Cont'd)

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Others RM'000	Total RM'000
2025					
Other non-cash expenses (Cont'd)					
Unwinding interest	2,706	-	-	-	2,706
Waiver of interest income	145	-	-	-	145
Other non-cash income					
Dividend income from financial assets measured at FVTPL	-	-	-	(347)	(347)
Fair value gain on financial assets measured at FVTPL	-	-	-	(575)	(575)
Gain on disposal of:					
- Assets held for sale	-	(1,183)	-	-	(1,183)
- Investment properties	-	(40)	-	-	(40)
- Property, plant and equipment	(22)	(801)	(196)	-	(1,019)
Grant income	(1,160)	-	-	-	(1,160)
Provision for property development costs no longer required	(67,374)	-	-	-	(67,374)
Reversal of allowance for impairment losses on:					
- Trade and other receivables	(310)	(443)	-	-	(753)
Waiver of late payment interest	(2,611)	-	-	-	(2,611)
Unrealised foreign exchange gain	-	(266)	(114)	-	(380)

Segment results (Cont'd)

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Others RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Total RM'000
2024							
Revenue							
Total revenue	1,372,150	548,367	499,044	79,193	2,498,754	10,506	2,509,260
Less: Inter-segment revenue	-	(510,413)	(497,450)	(56,233)	(1,064,096)	-	(1,064,096)
Revenue from external customers	1,372,150	37,954	1,594	22,960	1,434,658	10,506	1,445,164
Financial results							
Segment results	261,620	39,048	(20,840)	(22)	279,806	168,084	447,890
Interest income	8,621	883	2,238	1,665	13,407	256	13,663
Finance costs	(27,422)	(5,315)	(30,571)	(1,605)	(64,913)	(646)	(65,559)
Depreciation	(6,527)	(21,213)	(5,597)	(4,407)	(37,744)	(4,197)	(41,941)
Share of profit of associates, net of tax	-	318	-	6	324	-	324
Profit/(Loss) before tax	236,292	13,721	(54,770)	(4,363)	190,880	163,497	354,377
Taxation	(61,190)	(15,492)	(5,335)	(391)	(82,408)	(6,027)	(88,435)
Net profit/(loss) for the financial year	175,102	(1,771)	(60,105)	(4,754)	108,472	157,472	265,942
Assets							
Investment in associates	1,850	420	-	-	2,270	-	2,270
Additions to non-current assets	165,305	43,033	2,746	288	211,372	465	211,837
Segment assets	3,218,500	318,130	410,345	400,080	4,347,055	-	4,347,055

45. SEGMENT INFORMATION (CONT'D)

Segment results (Cont'd)

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Others RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Total RM'000
2024							
Other non-cash expenses							
Allowance for impairment losses on trade and other receivables	1,328	334	-	609	2,271	-	2,271
Bad debts written off	544	-	1	-	545	-	545
Deposits written off	137	-	-	-	137	-	137
Depreciation of:							
- Investment properties	313	780	135	1,509	2,737	-	2,737
- Property, plant and equipment	1,649	8,211	2,538	1,798	14,196	217	14,413
- Right-of-use assets	4,564	12,221	2,924	1,101	20,810	3,981	24,791
Inventories written down to net realisable value	61	-	-	-	61	-	61
Loss on strike off of an associate	-	-	8	-	8	-	8
Loss on lease termination	30	-	1	-	31	-	31
Property, plant and equipment written off	#	1	1	-	2	98	100
Provision for retirement benefits	-	3,155	5,923	-	9,078	-	9,078
Provision for staff economic compensation	-	-	-	-	-	38	38
Unrealised foreign exchange loss	-	1,430	1,691	-	3,121	-	3,121
Unwinding interest	18,381	-	-	-	18,381	-	18,381
Waiver of interest income	63	-	-	-	63	-	63

Amount less than RM1,000.

Segment results (Cont'd)

	Property Development RM'000	Construction and Trading RM'000	Management and Investment RM'000	Others RM'000	Total Continuing Operations RM'000	Discontinued Operations RM'000	Total RM'000
2024							
Other non-cash income							
Dividend income from financial assets measured at FVTPL	-	-	-	(227)	(227)	-	(227)
Fair value adjustment on trade receivables	-	-	-	(85)	(85)	-	(85)
Fair value gain on financial assets measured at FVTPL	-	-	-	(196)	(196)	-	(196)
Gain on disposal of:							
- Property, plant and equipment	(13)	(3,835)	(155)	-	(4,003)	-	(4,003)
- Right-of-use assets	-	(169)	(352)	-	(521)	-	(521)
- Equity interest in a subsidiaries	-	-	-	-	-	(163,025)	(163,025)
Provision for property development costs no longer required	(54,587)	-	-	-	(54,587)	-	(54,587)
Reversal of allowance for impairment losses on:							
- Investment in an associate	-	-	#	-	-	-	#
- Trade and other receivables	(702)	(13)	-	-	(715)	-	(715)
Unrealised foreign exchange gain	-	-	-	-	-	(15)	(15)

Amount less than RM1,000.

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

		Group	
		2025	2024
	Note	RM'000	RM'000
At FVTPL			
Financial assets			
Other investments		5,077	26,422
At amortised cost			
Financial assets			
Trade receivables		270,817	245,082
Other receivables	(i)	153,467	101,682
Amount due from associates		11	11
Fixed deposits with licensed banks		153,584	129,123
Cash held under Housing Development Accounts		267,754	218,356
Cash and bank balances		231,874	220,331
		1,077,507	914,585

		Company	
		2025	2024
	Note	RM'000	RM'000
At amortised cost			
Financial assets			
Other receivables	(i)	1,731	447
Amount due from subsidiaries		1,188,603	1,061,162
Fixed deposits with licensed banks		55,324	5,706
Cash and bank balances		32,102	6,913
		1,277,760	1,074,228

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

		Group	
		2025	2024
	Note	RM'000	RM'000
At amortised cost			
Financial liabilities			
Trade payables		648,641	773,435
Other payables	(ii)	225,128	258,360
Hire purchase and lease liabilities		15,159	25,476
Bank borrowings and overdrafts	(iii)	663,770	736,390
Islamic Medium Term Notes	(iii)	600,000	200,000
		2,152,698	1,993,661

		Company	
		2025	2024
	Note	RM'000	RM'000
At amortised cost			
Financial liabilities			
Other payables		13,482	5,162
Amount due to subsidiaries		15,218	-
Bank borrowings		58,100	149,000
Islamic Medium Term Notes	(iii)	600,000	200,000
		686,800	354,162

(i) Excluding prepayments, GST receivables and VAT receivables.
(ii) Excluding provisions and SST payables.
(iii) Excluding unamortised transaction costs.

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing its credit, liquidity, foreign currency, interest rate and market price risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

The Group and the Company have exposure to the following risks from its use of financial instruments:

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and to 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 its receivables from customers, amount due from associates and deposits with banks. The Company's exposure to credit risk arises principally from deposits with banks, amount due from subsidiaries and financial guarantees given to banks and non-financial institutions granted to certain subsidiaries.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Receivables are monitored on an ongoing basis via the Group's and the Company's management reporting procedures and action will be taken for long outstanding debts. Majority of the receivables are from property development segment. The credit risk is limited as the property purchasers were using financing from reputable end-financiers, legal title to the properties revert to the Group in the event of default.

The Company provides unsecured loans and advances to subsidiaries. It also provides unsecured financial guarantees to banks for banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

At each reporting date, the Group and the Company assess whether any of the receivables and contract assets are credit impaired.

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

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting period represent the Group's and the Company's maximum exposure to credit risk except for financial guarantees provided to banks and non-financial institutions granted to certain subsidiaries. The Company's maximum exposure in this respect is RM539,383,000 (2024: RM751,080,000), representing the outstanding financial guarantees to the subsidiaries as at the end of the reporting period. There was no indication that any subsidiary would default on repayment as at the end of the reporting period.

The Group has no significant concentration of credit risk as its exposure spread over a large number of customers. The Company has no significant concentration of credit risk, except for loans and advances to its subsidiaries where risks of default have been assessed to be low.

(ii) 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 mismatches of maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risks is managed with the objective of meeting business obligations on a timely basis. The Group and the Company monitor its cash flows and ensure that sufficient funding is in place to meet the obligations as and when they fall due.

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

	Carrying Amount RM'000	Contractual Cash Flows RM'000	On Demand or Within 1 Year RM'000	1 to 2 Years RM'000	2 to 5 Years RM'000	After 5 Years RM'000
Group						
2025						
Non-derivative financial liabilities						
Trade payables	648,641	652,631	400,333	18,000	17,944	216,354
Other payables	225,128	225,128	225,128	-	-	-
Hire purchase and lease liabilities	15,159	15,936	10,214	3,428	2,294	-
Bank borrowings and overdrafts	663,770	755,609	355,035	93,258	148,222	159,094
Islamic Medium Term Notes	600,000	755,440	29,240	29,240	277,720	419,240
Financial guarantees*	-	159,533	159,533	-	-	-
	2,152,698	2,564,277	1,179,483	143,926	446,180	794,688
Group						
2024						
Non-derivative financial liabilities						
Trade payables	773,435	775,671	487,128	37,427	35,944	215,172
Other payables	258,360	258,360	258,360	-	-	-
Hire purchase and lease liabilities	25,476	27,131	13,759	9,203	4,169	-
Bank borrowings and overdrafts	736,390	776,787	386,583	57,736	219,934	112,534
Islamic Medium Term Notes	200,000	250,000	10,000	10,000	230,000	-
Financial guarantees*	-	132,209	132,209	-	-	-
	1,993,661	2,220,158	1,288,039	114,366	490,047	327,706

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. (Cont'd)

	Carrying Amount RM'000	Contractual Cash Flows RM'000	On Demand or Within 1 Year RM'000	1 to 2 Years RM'000	2 to 5 Years RM'000	After 5 Years RM'000
Company						
2025						
Non-derivative financial liabilities						
Other payables	13,482	13,482	13,482	-	-	-
Amount due to subsidiaries	15,218	15,218	15,218	-	-	-
Bank borrowings	58,100	60,970	60,970	-	-	-
Islamic Medium Term Notes	600,000	755,440	29,240	29,240	277,720	419,240
Financial guarantees*	-	539,383	539,383	-	-	-
	686,800	1,384,493	658,293	29,240	277,720	419,240
Company						
2024						
Non-derivative financial liabilities						
Other payables	5,162	5,162	5,162	-	-	-
Bank borrowings	149,000	157,604	157,604	-	-	-
Islamic Medium Term Notes	200,000	250,000	10,000	10,000	230,000	-
Financial guarantees*	-	751,080	751,080	-	-	-
	354,162	1,163,846	923,846	10,000	230,000	-

** Based on the maximum amount that can be called for under the financial guarantee contracts.*

(iii) Market risks

Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Hong Kong Dollar ("HKD"), EURO ("EUR") and Chinese Renminbi ("RMB").

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by the management.

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Foreign currency risk (Cont'd)

The carrying amounts of the Group's and of the Company's foreign currency denominated monetary assets and monetary liabilities that are exposed to foreign currency risk at the end of the reporting period are as follows:

	USD RM'000	HKD RM'000	EUR RM'000	RMB RM'000	Total RM'000
Group					
2025					
Cash and bank balances	1,854	8	1	364	2,227
Bank borrowings	(23,743)	-	-	-	(23,743)
Net exposure	(21,889)	8	1	364	(21,516)
2024					
Cash and bank balances	656	9	1	275	941
Fixed deposits with licensed banks	-	-	-	24,927	24,927
Other payables	-	(362)	-	(1,755)	(2,117)
Bank borrowings	(20,237)	-	-	-	(20,237)
Net exposure	(19,581)	(353)	1	23,447	3,514

	HKD RM'000	Total RM'000
Company		
2025		
Cash and bank balances	6	6
2024		
Cash and bank balances	7	7

Foreign currency risk sensitivity

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Foreign currency risk sensitivity (Cont'd)

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD, HKD, EUR and RMB exchange rates against RM, with all other variables held constant.

	2025		2024	
Group	Changes in currency rate	Effect on profit before tax RM'000	Changes in currency rate	Effect on profit before tax RM'000
USD	Strengthened 10%	(2,189)	Strengthened 10%	(1,958)
	Weakened 10%	2,189	Weakened 10%	1,958
HKD	Strengthened 10%	1	Strengthened 10%	(35)
	Weakened 10%	(1)	Weakened 10%	35
EUR	Strengthened 10%	#	Strengthened 10%	-
	Weakened 10%	#	Weakened 10%	-
RMB	Strengthened 10%	36	Strengthened 10%	2,345
	Weakened 10%	(36)	Weakened 10%	(2,345)
Company				
HKD	Strengthened 10%	1	Strengthened 10%	1
	Weakened 10%	(1)	Weakened 10%	(1)

Amount less than RM1,000.

Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Interest rate risk (Cont'd)

The Group manages the interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes. The carrying amounts of the Group's and of the Company's financial instruments that are exposed to interest rate risk at the end of the reporting period are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Fixed Rate Instruments		
Financial Asset		
Fixed deposits with licensed banks	153,584	129,123
Financial Liability		
Hire purchase and lease liabilities	(15,159)	(25,476)
	138,425	103,647
Floating Rate Instruments		
Financial Assets		
Cash held under Housing Development Accounts	267,754	218,356
Financial Liabilities		
Borrowings and bank overdrafts	(663,770)	(736,390)
Islamic Medium Term Notes	(600,000)	(200,000)
	(1,263,770)	(936,390)
	(996,016)	(718,034)

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

Interest rate risk (Cont'd)

	Company	
	2025	2024
	RM'000	RM'000
Fixed Rate Instrument		
Financial Asset		
Fixed deposits with licensed banks	55,324	5,706
Floating Rate Instruments		
Financial Liabilities		
Islamic Medium Term Notes	(600,000)	(200,000)
Bank borrowings	(58,100)	(149,000)
	(658,100)	(349,000)

Interest rate risk sensitivity

The Group and the Company do 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.

A change in 1% interest rate at the end of the reporting period would have increased or decreased the Group's profit before tax by RM9,960,000 (2024: RM7,180,000), arising mainly as a result of lower or higher interest expense on floating rate financial assets and financial liabilities. A change in 1% interest rate at the end of the reporting period would have increased or decreased the Company's profit before tax by RM6,581,000 (2024: RM3,490,000), arising mainly as a result of higher or lower interest income on floating rate financial assets and financial liabilities. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted instruments. This investment is listed on Bursa Securities and is classified as financial asset measured at fair value through profit or loss or financial assets measured at fair value through other comprehensive income.

Management of the Group monitors investment in quoted instruments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by Risk Management Committee of the Group.

Notes to the Financial Statements
31 December 2025 (Cont'd)

46. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair value of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term loans and borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The carrying amount of long-term floating rate loans approximate their fair value as the loans will be re-priced to market interest rate on or near reporting date.

It was not practical to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	Fair value of Financial Instruments Carried at Fair Value				Total Fair Value	Carrying Amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
2025						
Group						
Financial asset						
Other investments	5,077	-	-	5,077	5,077	5,077
2024						
Group						
Financial asset						
Other investments	26,422	-	-	26,422	26,422	26,422

47. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares, buy back issued shares or sell assets to reduce debt.

The Group and the Company monitors capital using gearing ratio, which is the net debts divided by total equity. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at the end of the reporting period are as follows:

Notes to the Financial Statements
31 December 2025 (Cont'd)

47. CAPITAL MANAGEMENT (CONT'D)

	Group	
	2025 RM'000	2024 RM'000
Debts		
Hire purchase	14,593	24,747
Bank borrowings and overdrafts	658,323	734,957
Islamic Medium Term Notes	596,229	197,283
Total debts	1,269,145	956,987
Deposits, cash and bank balances		
Fixed deposits with licensed banks	153,584	129,123
Cash held under Housing Development Accounts	267,754	218,356
Cash and bank balances	231,874	220,331
Total deposits, cash and bank balances	653,212	567,810
Net debts	615,933	389,177
Total equity	2,016,296	2,092,250
Gross gearing ratio (times)	0.63	0.46
Net gearing ratio (times)	0.31	0.19

	Company	
	2025 RM'000	2024 RM'000
Debts		
Bank borrowings and overdrafts	58,100	149,000
Islamic Medium Term Notes	596,229	197,283
Total debts	654,329	346,283
Deposits, cash and bank balances		
Fixed deposits with licensed banks	55,324	5,706
Cash and bank balances	32,102	6,913
Total deposits, cash and bank balances	87,426	12,619
Net debts	566,903	333,664
Total equity	1,336,038	1,471,094
Gross gearing ratio (times)	0.49	0.24
Net gearing ratio (times)	0.42	0.23

Notes to the Financial Statements
31 December 2025 (Cont'd)

47. CAPITAL MANAGEMENT (CONT'D)

At the end of the reporting period, the Group and the Company have complied with all the covenants from financial institutions.

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

48. SUBSEQUENT EVENTS

(a) On 25 February 2026, the Board of Directors of the Company has announced the revision of its dividend policy. The revised Dividend Policy seeks to increase the distribution from 30% to 40% of the Group's profit after tax and non-controlling interests commencing from the financial year ended 31 December 2025, subject to availability of distributable reserves as well as the Company's future cash flow requirements and market conditions. Dividends will be paid only if approved by the Board of Directors of the Company or shareholders, as the case may be.

Concurrently, the Board of Directors has announced the cancellation of 10 million treasury shares, representing 0.6% of the issued ordinary shares, as a strategic effort to optimise its capital structure and enhance shareholders' value.

As a result, on 25 February 2026, 10 million treasury shares had been cancelled.

(b) On 19 February 2026, Suria Hijauan Sdn. Bhd. ("SHSB"), a 51%-owned subsidiary of Setara Armada Sdn. Bhd. ("SASB"), increased its paid-up share capital from 1,000,000 to 5,190,000 ordinary shares and SASB had subscribed for 2,136,900 ordinary shares for a total cash consideration of RM2,136,900. Consequently, SHSB remained as a 51% owned subsidiary of SASB.

(c) On 27 February 2026, Dragon Hill Corporation Limited ("DHCL"), a wholly-owned subsidiary of the Company, had reduced its share capital from HKD50,000,000 comprising 50,000,000 ordinary shares to HKD18,690,000 comprising 18,690,000 ordinary shares by cancelling the shares capital of HKD31,310,000 comprising 31,310,000 ordinary shares.

(d) On 3 March 2026, LBS Bina newly incorporated LBS Northern Development Sdn. Bhd. ("LNDSB"), subscribing for 55% of its issued share capital for a total cash consideration of RM55. Consequently, LNDSB became a 55% owned subsidiary of LBS Bina.

(e) As of the date of this report, the Company's equity interest in MGB has increased from 57.88% to 57.94%, as the result of acquisition of 363,000 ordinary shares in MGB for a total cash consideration of RM153,566 only.

Notes to the Financial Statements
31 December 2025 (Cont'd)

49. CAPITAL COMMITMENTS

	Group	
	2025	2024
	RM'000	RM'000
Approved and contracted for:		
- Property development lands	1,531,333	393,027
- Construction of right-of-use assets	-	31,986
- Acquisition of property, plant and equipment	753	624
	1,532,086	425,637

50. FINANCIAL GUARANTEES

	Group	
	2025	2024
	RM'000	RM'000
Secured:		
Bank guarantees for:		
- Property development	94,861	107,076
- Construction contracts	42,357	-
- Others	315	133
	137,533	107,209
Unsecured:		
Corporate guarantees given to third parties in respect of trade facilities granted to subsidiaries	22,000	25,000

	Company	
	2025	2024
	RM'000	RM'000
Unsecured:		
Corporate guarantees given to:		
- Licensed banks to secure banking facilities granted to subsidiaries	539,383	751,080

Notes to the Financial Statements
31 December 2025 (Cont'd)

51. MATERIAL LITIGATION

Mega Planner Jaya Sdn. Bhd. (In Liquidation) vs Gerbang Mekar Sdn. Bhd. and 5 Others

On 16 July 2024, the liquidator of Mega Planner Jaya Sdn. Bhd. ("Plaintiff") filed a claim against the Company's indirect wholly-owned subsidiary, Gerbang Mekar Sdn. Bhd. ("GMSB"). The Plaintiff alleges that a sum of RM43.03 million, being part of the consideration sum for the purchase of a retail mall and a shop unit with car-parking bays located in Setapak, Kuala Lumpur, has not been fully settled.

The Plaintiff's claims against GMSB, include, amongst others, the following:

(i) The alleged outstanding balance consideration of RM43.03 million;
(ii) Interest at the rate of 5% per annum on the sum of RM43.03 million, calculated from date of breach and/or cause of action until the date of final settlement; and
(iii) Cost.

On 12 August 2024, GMSB filed its memorandum of appearance in response to the Plaintiff's claims. Subsequently, on 23 September 2024, GMSB filed its defence to the Plaintiff's claims. On 14 October 2024, the Plaintiff filed its Reply to the Defence.

On 2 July 2025, GMSB filed an application to strike out the Plaintiff's case on the grounds that:

(i) The Plaintiff's claim is time-barred;
(ii) The Plaintiff's claim is an abuse of the court process; and
(iii) The balance purchase price which the Plaintiff is claiming has been fully settled.

The hearing of GMSB's striking out application, initially scheduled for 13 April 2026 was instead converted into a case management, as parties were negotiating a potential settlement and finalising the draft terms of consent judgement.

In this regard, on 15 April 2026, the Court recorded a Consent Judgement reflecting the parties' settlement in the sum of RM7,000,000, pursuant to which the matter shall be deemed resolved, in accordance with the terms of the Consent Judgement.

Pursuant to the Consent Judgement and after taking into consideration legal advice received, GMSB has recognised a provision of RM7,000,000 in the financial statements in respect of the matter.

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES

	Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Direct holding					
*	Dragon Hill Corporation Limited	Hong Kong	100	100	Investment holding
	Galeri Cekap Sdn. Bhd.	Malaysia	100	100	Investment holding
	Intellplace Holdings Limited	The British Virgin Islands	100	100	Investment holding
	LBS Agro Farm Sdn. Bhd.	Malaysia	100	100	Investment holding
	LBS Bina Holdings Sdn. Bhd.	Malaysia	100	100	Property development, provision of management services and investment holding
^	LBS Landscape Sdn. Bhd.	Malaysia	-	100	Turfing and landscaping
	LBS Wellness Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding
	Kita Sejati Sdn. Bhd.	Malaysia	100	100	Property development
	MGB Berhad	Malaysia	57.88	57.56	Provision of management services and investment holding
	Saujana Tunggal Sdn. Bhd.	Malaysia	100	100	Investment holding
	Setara Armada Sdn. Bhd.	Malaysia	100	100	Development and/or operation of power generation from renewable energy solar and other renewable energy projects
^^	SPJ Construction Sdn. Bhd.	Malaysia	-	60	Dormant

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES (CONT'D)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding				
Subsidiaries of LBS Bina Holdings Sdn. Bhd.:				
Adil Restu Sdn. Bhd.	Malaysia	100	100	Property development
Alam Central Sdn. Bhd.	Malaysia	70	70	Property development
Alunan Prestasi Sdn. Bhd.	Malaysia	100	100	Property development
Angsana Abadi Sdn. Bhd.	Malaysia	100	100	Property development
Astana Modal (M) Sdn. Bhd.	Malaysia	100	100	Property development
Azam Perspektif Sdn. Bhd.	Malaysia	100	100	Property development
Bendera Berlian Sdn. Bhd.	Malaysia	100	100	Property development
Bimbingan Sumber Sdn. Bhd.	Malaysia	60	60	Property development
Business Park Development Sdn. Bhd.	Malaysia	80	100	Construction activities
Casa Inspirasi Sdn. Bhd.	Malaysia	69	69	Investment holding, property development and property investment
Central Valley Ventures Sdn. Bhd.	Malaysia	70	70	Property development
Cergas Asal (M) Sdn. Bhd.	Malaysia	100	100	Property development
Dataran Enigma Sdn. Bhd.	Malaysia	70	61	Property development
Equal Alliance Sdn. Bhd.	Malaysia	100	100	Property development
Equal Sign Sdn. Bhd.	Malaysia	100	100	Property development and hotel operations
Focal Remedy Sdn. Bhd.	Malaysia	100	100	Property development
Fokus Awana Sdn. Bhd.	Malaysia	100	100	Property development
Generasi Nostalgia Sdn. Bhd.	Malaysia	100	100	Property development

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES (CONT'D)

	Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding (Cont'd)					
Subsidiaries of LBS Bina Holdings Sdn. Bhd.: (Cont'd)					
	Generasi Simbolik Sdn. Bhd.	Malaysia	100	100	Property development
	Getstyle Sdn. Bhd.	Malaysia	100	100	Property development
	Green Technology Solar Sdn. Bhd.	Malaysia	100	100	Property development and property investment
	Inderaloka Impian Sdn. Bhd.	Malaysia	100	100	Property development, and provision of financial services to the group
	Intellview Sdn. Bhd.	Malaysia	100	100	Property development
	Iringan Kejora Sdn. Bhd.	Malaysia	70	70	Property development
	Jatidiri Gigih Sdn. Bhd.	Malaysia	100	100	Property development
	Jauhari Unggul Sdn. Bhd.	Malaysia	100	100	Property development
	Johan Anggun Sdn. Bhd.	Malaysia	85	85	Property development
	Kalimah Jaya Sdn. Bhd.	Malaysia	100	100	Investment holding
	Kemudi Ehsan Sdn. Bhd.	Malaysia	100	100	Property development
	Kilatlima Sdn. Bhd.	Malaysia	100	100	Property development and car park management
	Kirana Emas Sdn. Bhd.	Malaysia	51	51	General trading
	Koleksi Sigma Sdn. Bhd.	Malaysia	85	85	Property development
	LBS Borneo Sdn. Bhd.	Malaysia	51	51	Construction of buildings n.e.c.
	LBS Capital Sdn. Bhd.	Malaysia	100	100	Provision of financial services
@	LBS Kwasa Damansara Sdn. Bhd	Malaysia	100	-	Property development
^	LBS Landscape Sdn. Bhd.	Malaysia	100	-	Turfing and landscaping
	LBS South Sphere Sdn. Bhd.	Malaysia	100	100	Property development

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES (CONT'D)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding (Cont'd)				
Subsidiaries of LBS Bina Holdings Sdn. Bhd.: (Cont'd)				
@ LBS Treasury Sdn. Bhd.	Malaysia	100	-	Provision of financial services to the group
Lestari Angkasa Sdn. Bhd.	Malaysia	51	100	Property development
Mayang Jelatek Sdn. Bhd.	Malaysia	51	51	Property development
Misi Aktif Sdn. Bhd.	Malaysia	100	100	Property development
MITC Sdn. Bhd.	Malaysia	100	100	Property development and provision of property management services
Panglima Riang Sdn. Bhd.	Malaysia	51	51	Wholesale of a variety of goods
Pelangi Homes Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Pelangi Kolonel Sdn. Bhd.	Malaysia	100	100	Property development
Pembangunan Primer Sdn. Bhd.	Malaysia	100	100	Property development
Puncak Gama Sdn. Bhd.	Malaysia	100	100	Property development
Saga Megah Sdn. Bhd.	Malaysia	100	100	Trading of building materials
Seloka Sinaran Sdn. Bhd.	Malaysia	100	100	Property development
Sepadan Maju Sdn. Bhd.	Malaysia	100	100	Property development
Seribu Baiduri Sdn. Bhd.	Malaysia	100	100	Property development
Sejuta Bina Sdn. Bhd.	Malaysia	100	100	Property development
Sinaran Restu Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Utuh Aspirasi Sdn. Bhd.	Malaysia	100	100	Property development
Wirama Era Baru Sdn. Bhd.	Malaysia	51	51	Property development

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES (CONT'D)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding (Cont'd)				
Subsidiary of Casa Insipirasi Sdn. Bhd.:				
Seri Aliran Sdn. Bhd.	Malaysia	69	69	Treatment and distribution of water for water supply purposes
Subsidiary of Galeri Cekap Sdn. Bhd.:				
Leaptec Engineering Sdn. Bhd.	Malaysia	70	70	Investment holding
Subsidiary of Kalimah Jaya Sdn. Bhd.:				
Utuh Sejagat Sdn. Bhd.	Malaysia	100	100	Property development
Subsidiary of LBS Agro Farm Sdn. Bhd.:				
Sinaran Gerbang Sdn. Bhd.	Malaysia	100	100	Agriculture activities
Subsidiary of LBS Wellness Holdings Sdn. Bhd.:				
LBS Healthcare Sdn. Bhd.	Malaysia	60	60	Operation of hospital activities
LBS Healthcare (AP) Sdn. Bhd.	Malaysia	60	60	Development and operation of hospital activities
Subsidiary of Leaptec Engineering Sdn. Bhd.:				
Maju Kamabisa Sdn. Bhd.	Malaysia	70	70	Property development
Subsidiaries of Pelangi Homes Sdn. Bhd.:				
Restu Bidara Sdn. Bhd.	Malaysia	100	100	Property development
Biz Bena Development Sdn. Bhd.	Malaysia	51.92	51.92	Property development
Subsidiary of Saujana Tunggal Sdn. Bhd.:				
Gerbang Mekar Sdn. Bhd.	Malaysia	100	100	Letting and management of a retail mall and provision of retail management services
Subsidiary of Setara Armada Sdn. Bhd.:				
Suria Hijauan Sdn. Bhd.	Malaysia	51	51	Development and/or operation of power generation from renewable energy solar and other renewable energy projects

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES (CONT'D)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding (Cont'd)				
Subsidiaries of Sinaran Restu Sdn. Bhd.:				
Juaraplex Sdn. Bhd.	Malaysia	100	100	Property development
Kenderong Sdn. Bhd.	Malaysia	100	100	Property development
Keranji Bina Sdn. Bhd.	Malaysia	100	100	Property development
Lingkaran Semangat Sdn. Bhd.	Malaysia	100	100	Property development
Pacific Grant Sdn. Bhd.	Malaysia	100	100	Property development
Silibin Jaya Sdn. Bhd.	Malaysia	100	100	Property development
Subsidiaries of MGB Berhad :				
Alunan Warta Sdn. Bhd.	Malaysia	29.52	29.36	Other services activities
MGB Construction Sdn. Bhd.	Malaysia	57.88	57.56	Civil engineering, design and build, general construction activities, provision of management services and investment holding and operation of generation facilities that produce electricity energy
MGB Land Sdn. Bhd.	Malaysia	57.88	57.56	Investment holding
MGB Construction & Engineering Sdn. Bhd.	Malaysia	57.88	57.56	Civil engineering, design and build, general construction activities, trading of construction materials, investment holding, management of property, building, land and estates, architectural, technical and engineering consultancy, sales and marketing and credit administration activities
MGB Water Solution Sdn. Bhd.	Malaysia	40.52	40.29	Construction of reservoir and water treatment

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES (CONT'D)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding (Cont'd)				
Subsidiaries of MGB Berhad : (Cont'd)				
Newsteel Building Systems Sdn. Bhd.	Malaysia	46.30	46.05	Manufacture, supply and installation of steel related building materials
Vintage Roofing & Construction Sdn. Bhd.	Malaysia	57.88	57.56	Construction activities
Vintage Tiles Holdings Sdn. Bhd.	Malaysia	57.88	57.56	Investment holding and trading of roof tiles and related roof products
Subsidiary of MGB Construction Sdn. Bhd.:				
* MGB International for Industry	Kingdom of Saudi Arabia	57.88	57.56	Manufacturing of Industrialised Building System precast concrete products and construction of residential buildings
Subsidiaries of MGB Construction & Engineering Sdn. Bhd.:				
MGB SANY (M) IBS Sdn. Bhd.	Malaysia	46.67	46.41	Manufacturing of Industrialised Building System precast products
Top Ace Solutions Sdn. Bhd.	Malaysia	57.88	57.56	Trading of building material and general construction activities
Subsidiaries of MGB Land Sdn. Bhd.:				
Delta Gallery Sdn. Bhd.	Malaysia	57.88	57.56	Property development and operation of generation facilities that produce electric energy
Idaman Aktif Sdn. Bhd.	Malaysia	57.88	57.56	Property development
Idaman Elegan Sdn. Bhd.	Malaysia	57.88	57.56	Property development and operation of generation facilities that produce electric energy
Idaman Kukuh Sdn. Bhd.	Malaysia	57.88	57.56	Property development

Notes to the Financial Statements
31 December 2025 (Cont'd)

52. LIST OF SUBSIDIARIES (CONT'D)

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding (Cont'd)				
Subsidiaries of MGB Land Sdn. Bhd.: (Cont'd)				
MGB International Realty Sdn. Bhd. *(Formerly known as Idaman Rawang Sdn. Bhd)*	Malaysia	57.88	57.56	Real estate agents and brokers for buying, selling and renting of real estate, real estate activities on a fee or contract basic and advertising
Idaman Living Sdn. Bhd.	Malaysia	57.88	57.56	Property development
Multi Court Developers Sdn. Bhd.	Malaysia	57.88	57.56	Property development
MGB Development Sdn. Bhd.	Malaysia	57.88	57.56	Property development and operation of generation facilities that produce electric energy
Prisma Kasturi Sdn. Bhd.	Malaysia	57.88	57.56	Property development
Retro Court Sdn. Bhd.	Malaysia	57.88	57.56	Property development
Sinaran Kencana Sdn. Bhd.	Malaysia	57.88	57.56	Property development

* Subsidiaries not audited by UHY Malaysia PLT.
@ Became subsidiary during the financial year
^ Changes in holding company due to internal restructuring
^^ In liquidation during the financial year 2024 and dissolved during the financial year 2025

Notes to the Financial Statements
31 December 2025 (Cont'd)

53. LIST OF JOINT VENTURE

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding				
Subsidiary of MGB International For Industry:				
# MGB Alameriah Contracting Company *(Formerly known as MGB Aameroon Company)*	Kingdom of Saudi Arab	28.94	-	Construction of all types of residential buildings

Joint venture not audited by UHY Malaysia PLT.

54. LIST OF ASSOCIATES

Name of Company	Place of Business/ Country of Incorporation	Effective Interest 2025 %	Effective Interest 2024 %	Principal Activities
Indirect holding				
Associates of LBS Bina Holdings Sdn. Bhd.:				
Tarikan Puncak Sdn. Bhd.	Malaysia	20	20	Property development
* Usaha Semarak Sdn. Bhd.	Malaysia	35	35	Property development
Associate of MGB Construction & Engineering Sdn. Bhd.:				
MGB JPC Consultancy Sdn. Bhd.	Malaysia	17.36	17.26	Engineering consultancy services

* Associate not audited by UHY Malaysia PLT.

55. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 15 April 2026.

Financial Data for Shariah Screening Disclosure

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) GROUP TOTAL INCOME AND TOTAL ASSETS

	Group	
Total Income	2025 RM'000	2024 RM'000
Revenue	1,553,761	1,434,658
Other income	27,675	24,562
Interest income	12,748	13,407
Share of result of associates	69	324
Total	**1,594,253**	**1,472,951**
Total Assets	**4,425,425**	**4,347,055**

(B) BUSINESS ACTIVITIES

	Group	
Shariah Non-Compliant Activities	2025 RM'000	2024 RM'000
Conventional banking & finance and related services	245	307
Dividend income received from conventional shares and instruments	2	1
Interest income	5,441	4,204
Rental income received from tenant involved in Shariah non-compliant activities	2,602	3,230
Total	**8,290**	**7,742**

(C) COMPONENT OF FINANCIAL POSITION

(I) CASH COMPONENT

	Group	
Islamic Account/Instruments	2025 RM'000	2024 RM'000
Cash at bank (exclude cash in hand)	69,816	94,431
Cash in hand	275	342
Cash held under Islamic Housing Development Accounts	254,819	205,340
Deposits with licensed bank	22,797	60,724
Money market instruments	-	20,226
Total	**347,707**	**381,063**

Financial Data for Shariah Screening Disclosure
(Cont'd)

(C) COMPONENT OF FINANCIAL POSITION (CONT'D)

(I) CASH COMPONENT (CONT'D)

	Group	
Conventional Account/Instruments	2025 RM'000	2024 RM'000
Cash at bank (exclude cash in hand)	161,783	125,557
Cash held under Conventional Housing Development Accounts	12,935	13,016
Deposits with licensed bank	130,787	68,399
Money market instruments	5,077	6,196
Total	**310,582**	**213,168**

(II) DEBT COMPONENT

	Group	
Islamic Financing	2025 RM'000	2024 RM'000
Current		
Revolving credit and financing	90,100	80,700
Term financing	486	9,466
Non-Current		
Bridging financing	13,899	51,415
Islamic medium-term notes	596,229	197,283
Term financing	13,741	31,393
Total	**714,455**	**370,257**

	Group	
Conventional Borrowing	2025 RM'000	2024 RM'000
Current		
Bank overdrafts	-	2,941
Bridging loans	525	-
Hire purchase payables	9,394	12,335
Revolving credit and loans	164,453	228,767
Term loans	49,002	44,055
Trade financing	21,696	-
Non-Current		
Bridging loans	9,157	14,751
Hire purchase payables	5,199	12,412
Term loans	295,264	271,469
Total	**554,690**	**586,730**

List of Material Properties

owned by the group as at 31 December 2025

Location	Description	Tenure	Net Book Value RM'000	Land Area (Acres)	Date of Acquisition
Lot 62607, 77380, 77381, 78557-78596 & 83809 Mukim Tanjong Duabelas Daerah Kuala Langat Selangor Darul Ehsan	Land under development and held for development	Leasehold (expiring on 05.02.2094 & 22.11.2116)	262,785	52.01	31.10.2012
Lot 13961, Mukim Dengkil Daerah Sepang Selangor Darul Ehsan	Land under development and held for development	Leasehold (expiring on 06.10.2108 & 20.12.2121)	179,073	64.63	09.10.2009
Lot 15311, 15315, 15621, 15673, 15674 & PT 3905 Mukim Tanah Rata Cameron Highlands Pahang Darul Makmur	Land under development and held for development	Leasehold (expiring on 03.03.2115)	133,624	72.11	30.11.2016
PT 24507 & 24508 Mukim Bentong Pahang Darul Makmur	Land under development and held for development	Leasehold (expiring on 12.03.2119)	133,312	309.95	07.08.2023 / 17.01.2025
Lot 4295, 48463, 44927 & 44928 Mukim Ijok Daerah Kuala Selangor Selangor Darul Ehsan	Land under development and held for development	Leasehold (expiring on 15.02.2111)	126,461	160.82	12.02.2018 / 19.09.2024 / 26.11.2024
Mukim Linau Daerah Batu Pahat Johor Darul Takzim	Land under development and held for development	Freehold	122,738	451.18	27.07.2007 / 27.01.2022
Lot 22823 & 22824 Mukim Ulu Sungai Johor Kota Tinggi Johor Darul Takzim	Land held for development	Leasehold (expiring on 12.01.2103)	89,975	341.85	19.04.2016
PT 147855 to 147950 Mukim Klang Selangor Darul Ehsan	Land held for development	Leasehold (expiring on 24.02.2107)	87,853	60.92	19.10.2015
Gombak Kuala Lumpur	Retail mall known as M3 Mall (age: 9 years)	Leasehold (expiring on 01.11.2111)	81,722	3.24	08.03.2018
Lot 104065 Mukim Petaling Wilayah Persekutuan Kuala Lumpur	Land held for development	Leasehold (expiring on 12.02.2118)	78,264	5.97	23.05.2023

Analysis of Ordinary Shareholdings

as at 31 March 2026

ORDINARY SHARE CAPITAL

Types of Shares	:	Ordinary Shares
Issued Shares Capital	:	1,531,545,157 ordinary shares (excluding treasury shares of 38,699,994)
No. of Shareholders	:	11,879
Voting Rights	:	One (1) vote per ordinary share on a poll, in the meeting of shareholders.

DISTRIBUTION OF ORDINARY SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
1-99	908	7.643	38,541	0.002
100-1,000	1,831	15.413	721,430	0.047
1,001-10,000	4,023	33.866	21,963,181	1.434
10,001-100,000	4,117	34.657	139,673,094	9.119
100,001-77,153,631 (*)	995	8.376	762,839,020	49.808
77,153,631 and Above (**)	5	0.042	606,309,891	39.588
Total	**11,879**	**100.000**	**1,531,545,157**	**100.000**

Remark: * - Less than 5% of issued shared
** - 5% and above of issued shared

SUBSTANTIAL SHAREHOLDERS

	Shareholdings			
Name of Shareholders	Direct No. of Share	%	Indirect No. of Share	%
Gaterich Sdn Bhd	577,793,450	37.73	–	–
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San	48,555,114	3.17	577,793,450 (1)	37.73
Datuk Wira Lim Hock Guan	18,130,444	1.18	577,793,450 (1)	37.73
Kumpulan Wang Persaraan (Diperbadankan)	113,947,326	7.44	1,499,959 (2)	0.10

DIRECTORS' INTEREST IN SHARES

	Shareholdings			
NAME OF DIRECTORS	Direct No. of Share	%	Indirect No. of Share	%
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San	48,555,114	3.17	581,063,385 (3)	37.94
Datuk Wira Lim Hock Guan	18,130,444	1.18	580,420,310 (3)	37.90
Maj (Hon) Dato' Sri Lim Hock Sing	571,650	0.04	615,280 (4)	0.04
Dato' Lim Mooi Pang	5,672,759	0.37	–	–
Dato' Lim Han Boon	150,000	0.01	–	–

Notes:
(1) *Indirect interest by virtue of his substantial shareholdings in Gaterich Sdn Bhd pursuant to Section 8 of the Companies Act 2016 ("the Act").*
(2) *Indirect interest by virtue of shares held by Fund Managers of Kumpulan Wang Persaraan (Diperbadankan).*
(3) *Indirect interest by virtue of his substantial shareholdings in Gaterich Sdn Bhd pursuant to Section 8 of the Act and deemed interest by virtue of Section 59(11)(c) of the Act.*
(4) *Deemed interest by virtue of Section 59(11)(c) of the Act.*

Analysis of Ordinary Shareholdings

as at 31 March 2026 (Cont'd)

LIST OF THE THIRTY (30) LARGEST SHAREHOLDERS

(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Holder Name	Shares Held	%
1	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GATERICH SDN BHD	168,092,518	10.975
2	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GATERICH SDN BHD	141,314,100	9.226
3	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	113,633,324	7.419
4	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR GATERICH SDN.BHD. (SMART)	105,060,000	6.859
5	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GATERICH SDN BHD (8120976)	78,209,949	5.106
6	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GATERICH SDN BHD	44,886,040	2.930
7	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM HOCK SAN (MY2970)	35,074,778	2.290
8	CCIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR GATERICH SDN BHD (PB)	26,123,000	1.705
9	CCIMSEC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 19)	21,691,000	1.416
10	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (CIMB PRIN)	20,000,034	1.305
11	LIM HOCK GUAN	18,130,444	1.183
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM HOCK SAN (3000664)	13,480,336	0.880
13	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LEEF)	13,034,500	0.851
14	IFAST NOMINEES (TEMPATAN) SDN BHD GLOBAL SUCCESS NETWORK SDN BHD	12,000,000	0.783
15	GATERICH SDN BHD	11,020,300	0.719

Analysis of Ordinary Shareholdings

as at 31 March 2026 (Cont'd)

No.	Holder Name	Shares Held	%
16	TMF TRUSTEES MALAYSIA BERHAD LBS BINA GROUP BERHAD	10,577,140	0.690
17	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	10,374,593	0.677
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (LIFE PAR)	9,799,400	0.639
19	CHEONG SOK YIN	8,900,100	0.581
20	LIM SIN KHONG	8,786,504	0.573
21	LIM HOCK SEONG	7,742,695	0.505
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (LIFE NON PAR)	6,314,408	0.412
23	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TERENCE WONG @ HUANG THAR-REARN (PB)	6,000,000	0.391
24	RHB NOMINEES (TEMPATAN) SDN BHD TERENCE WONG @ HUANG THAR-REARN	5,672,759	0.391
25	LIM MOOI PANG	5,672,759	0.370
26	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	5,029,617	0.328
27	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM TONG LEE	4,863,100	0.317
28	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR YEOH YIH SEAN (PB)	4,800,000	0.313
29	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKETS CORE EQUITY 2 PORTFOLIO OF DFA IN-VESTMENT DIMENSIONS GROUP INC.	4,604,989	0.300
30	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD(UOBESGSCEQ)	4,545,100	0.296
	Total	925,760,728	60.446

Analysis of Preference Shareholdings

as at 31 March 2026

PREFERENCE SHARE CAPITAL

Types of Shares	:	Redeemable Convertible Preference Shares ("RCPS")
Issued RCPS Capital	:	84,099,035 RCPS
No. of Shareholders	:	832
Voting Rights	:	Ten (10) RCPS for eleven (11) votes

DISTRIBUTION OF PREFERENCE SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of RCPS	%
1-99	23	2.764	1,041	0.001
100-1,000	291	34.975	192,642	0.229
1,001-10,000	332	39.903	1,264,854	1.504
10,001-100,000	117	14.062	4,179,121	4.969
100,001-4,204,950 (*)	67	8.052	36,159,457	42.996
4,204,950 AND ABOVE (**)	2	0.240	42,301,920	50.300
Total	**832**	**100.000**	**84,099,035**	**100.000**

Remark: * - Less than 5% of issued RCPS
** - 5% and above of issued RCPS

DIRECTORS' INTEREST IN RCPS

	RCPS Shareholdings			
Name of Directors	Direct No. of RCPS	%	Indirect No. of RCPS	%
Tan Sri Dato' Sri Ir. (Dr.) Lim Hock San	–	–	158,000 [1]	0.10
Maj (Hon) Dato' Sri Lim Hock Sing	–	–	38,800 [1]	0.05

Note:

[1] *Deemed interest by virtue of Section 59(11)(c) of the Act.*

Analysis of Preference Shareholdings

as at 31 March 2026 (Cont'd)

LIST OF THIRTY (30) LARGEST RCPS SHAREHOLDERS

(Without aggregating securities from different securities accounts belonging to the same registered holder)

NO.	HOLDER NAME	SHARES HELD	%
1	AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD	31,528,800	37.490
2	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	10,773,120	12.810
3	HO CHU CHAI	3,800,000	4.518
4	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA GROWTH FUND	2,732,120	3.248
5	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (CIMB PRIN)	2,490,000	2.960
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (KENANGA)	2,116,120	2.516
7	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (PRINCIPAL EQITS)	1,600,000	1.902
8	NG HO FATT	1,106,500	1.315
9	POH SIEW KUAN	1,035,806	1.231
10	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM BUN HWA	1,000,000	1.189
11	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (P)	964,260	1.146
12	YAP KON LIAN	873,600	1.038
13	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LPF)	826,300	0.982
14	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD CIMB ISLAMIC TRUSTEE BERHAD - KENANGA SYARIAH GROWTH FUND	817,580	0.972
15	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR GOH HOCK HUN	732,000	0.870

Analysis of Preference Shareholdings

As at 31 March 2026 (Cont'd)

NO.	HOLDER NAME	SHARES HELD	%
16	IFAST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR WEBULL SECURITIES SDN. BHD.	710,800	0.845
17	LEN CHUI PHIN	686,000	0.815
18	LIM SOO YONG	680,000	0.808
19	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR FOONG YOKE TOEN	666,900	0.792
20	YEOH WAN CHIN	605,000	0.719
21	NG JEE CHUNG	576,000	0.684
22	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	568,320	0.675
23	PUA SOON	500,000	0.594
24	LIM KHUAN ENG	470,000	0.558
25	YEIK NAI SOON	458,000	0.544
26	TEO YIN ZHI	450,000	0.535
27	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN SIN SANG (KUCHAI LAMA-CL)	429,900	0.511
28	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (ULIFE2)	413,360	0.491
29	DIONG CHONG ME	399,700	0.475
30	TEO TIN LUN	394,500	0.469
	Total	**70,404,686**	**83.716**

Notice of Twenty-Sixth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-Sixth Annual General Meeting ("AGM") of LBS Bina Group Berhad ("LBS" or "Company") will be held at Function Room, Level 5, Plaza Seri Setia, No. 1, Jalan SS9/2, 47300 Petaling Jaya, Selangor Darul Ehsan on Friday, 19 June 2026 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 1 of the Explanatory Notes on Ordinary Business)**

2. To approve the payment of a Final Single-Tier Dividend of 2.0 sen per ordinary share for the financial year ended 31 December 2025. **Resolution 1**

3. To approve the payment of Directors' Fees to the Independent Non-Executive Directors for the 12 months period from 1 July 2026 to 30 June 2027 as below: **Resolution 2**

	Annual Director's Fee (RM)	
Description	Chairman	Member
Board of Directors	-	80,000
Audit Committee	8,000	3,000
Nomination and Remuneration Committee	5,000	3,000
Sustainability Committee	5,000	3,000
Risk Management Committee	5,000	3,000

4. To approve the payment of allowances and benefits to the Directors of the Company up to an amount of RM1.50 million, for the period from 20 June 2026 to the next AGM of the Company to be held in year 2027. **Resolution 3**

5. To re-elect the following Directors who retire in accordance with Clause 100 of the Company's Constitution:-

   (i) Tan Sri' Dato' Sri Ir. (Dr.) Lim Hock San, JP **Resolution 4**

   (ii) Dato' Aminudin Zaki Bin Hashim **Resolution 5**

   (iii) Nuraini Binti Ismail **Resolution 6**

6. To re-appoint Messrs. UHY Malaysia PLT as Auditors and to authorise the Directors to fix their remuneration. **Resolution 7**

7. As Special Business:
   To consider and, if thought fit, to pass with or without any modifications, the following resolutions:-

Notice of Twenty-Sixth Annual General Meeting
(Cont'd)

(a) ORDINARY RESOLUTION **Resolution 8**

AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 & 76 OF THE COMPANIES ACT 2016 ("THE ACT")

"THAT, subject always to the Act, the Constitution of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 & 76 of the Act, to issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being.

THAT pursuant to Section 85 of the Act to be read together with Article 56 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act.

AND THAT the Directors be also empowered to obtain the approval for the listing and quotation of the additional shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Malaysia") AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

(b) ORDINARY RESOLUTION **Resolution 9**

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE INVOLVING LBS AND ITS SUBSIDIARIES ("THE GROUP") AND DIRECTORS AND MAJOR SHAREHOLDERS OF THE GROUP AND PERSONS CONNECTED WITH THEM

"THAT approval be and is hereby given pursuant to Chapter 10.09 of the Main Market Listing Requirements of Bursa Malaysia for the Company, its subsidiaries or any one of them to enter into the specified recurrent transactions of a revenue or trading nature with the related parties stated in Part A of Section 2.3 of the Circular to Shareholders dated 30 April 2026 which is necessary for its day-to-day operations, in its ordinary course of business, made on an arm's length basis and on normal commercial terms of the Group and on such terms which are no more favourable to the related party than those generally available to the public and which are not detrimental to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:-

(i) the conclusion of the next Annual General Meeting of the Company at which time it will lapse, unless by ordinary resolution passed at the meeting, the authority is renewed;

(ii) the expiration of the period within the next Annual General Meeting after this date it is required to be held pursuant to Section 340(2) of the Act, but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier.

Notice of Twenty-Sixth Annual General Meeting
(Cont'd)

THAT the aggregate value of the transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year of the Company be disclosed in the Integrated Annual Report by providing a breakdown of the aggregate value of the transaction, amongst others, based on the following information:-

(i) the type of transactions made; and

(ii) the names of the related parties involved in each type of transactions made and their relationship with the Company and its subsidiaries.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required or approved or permitted by the relevant authorities) as they may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Shareholders' Mandate described in the Circular to Shareholders dated 30 April 2026 and/or this resolution."

Resolution 10

(c) ORDINARY RESOLUTION

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"THAT, subject always to the provisions under the Act, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia and the approvals of all relevant authorities (if any), the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("LBS Shares") as may be determined by the Directors of the Company from time to time through Bursa Malaysia upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase ("Proposed Renewal of Shares Buy-Back Authority").

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company.

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any LBS Shares so purchased ("Purchased Shares") by the Company in the following manners:-

(i) to cancel the Purchased Shares;

(ii) to retain the Purchased Shares as treasury shares held by the Company;

(iii) to distribute the treasury shares as dividend to shareholders;

(iv) to resell the treasury shares on Bursa Malaysia in accordance with the relevant rules of Bursa Malaysia;

(v) to transfer the treasury shares for the purposes of or under an employees' share scheme and/or as purchase consideration; and/or

(vi) in such manner as may be permitted pursuant to Section 127 of the Act, the provision of the Main Market Listing Requirements and any other relevant authorities for the time being in force.

Notice of Twenty-Sixth Annual General Meeting
(Cont'd)

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution until:-

(i) the conclusion of the next Annual General Meeting of the Company, at which time the said authority will lapse unless by an ordinary resolution passed at a general meeting of the Company, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next Annual General Meeting after that date is required to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

AND THAT the Directors of the Company be and are hereby authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

8. To consider any other business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN that, subject to the approval of the shareholders at the 26th AGM, a Final Single-Tier Dividend of 2.0 sen per ordinary share in respect of the financial year ended 31 December 2025 will be paid on 17 September 2026 to depositors registered in the Record of Depositors on 28 August 2026.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

(a) shares transferred into the Depositor's Securities Account before 4.30 p.m. on 28 August 2026 in respect of transfers; and

(b) shares bought on Bursa Malaysia on a cum entitlement basis according to the Rules of Bursa Malaysia.

By Order of the Board

LEE CHING CHING
EUGENE CHOW JAN LIANG
Company Secretaries

Petaling Jaya, Selangor
30 April 2026

Notice of Twenty-Sixth Annual General Meeting
(Cont'd)

Notes:

(1) A member of the Company who is entitled to attend, participate, speak and vote at the 26th AGM, may appoint a proxy or proxies to attend and vote in his/her stead. A proxy may but need not be a member.

(2) If a member has appointed a proxy to attend a meeting and subsequently he/she attends such meeting, the appointment of such proxy shall be null and void, and his/her proxy shall not be entitled to attend the 26th AGM.

(3) In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hand of a duly authorised officer or attorney.

(4) Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.

(5) Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly. Any alteration to the instrument appointing a proxy must be counter-signed next to the alteration.

(6) The instrument appointing of a proxy may be made in a hard copy form or electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 26th AGM or adjourned 26th AGM at which the person named in the appointment proposes to vote:

(i) In hard copy form

a. In the case of an appointment made in hard copy form (by hand/post), the proxy form shall be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

b. By email to is.enquiry@vistra.com

(ii) By electronic form

The proxy form can be electronically lodged with the Share Registrar of the Company via Vistra Share Registry and IPO (MY) portal at http://srmy.vistra.com and steps to submit are summarised in the Administrative Guide for the 26th AGM.

(7) For a corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please deposit the ORIGINAL certificate appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. Alternatively, please bring the ORIGINAL certificate of appointment of authorised representative if it has not been deposited with the Share Registrar.

(8) The certificate of appointment of authorised representative should be executed in the following manner:

(i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.

(ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:

(a) at least two (2) authorised officers, of whom one shall be a director; or

(b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

(9) Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(10) The date of Record of Depository for the purpose of determining members' entitlement to attend, vote and speak at the meeting is Wednesday, 10 June 2026.

(11) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia, all resolutions set out in this Notice of 26th AGM will be put to vote by way of poll.

Explanatory Notes on Ordinary Business

(1) Item 1 of the Agenda

This item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

(2) Ordinary Resolution 2

Pursuant to Section 230(1) of the Act stipulates that the fees of Directors and any benefits payable to Directors shall be subject to shareholders' approval at a general meeting.

Notice of Twenty-Sixth Annual General Meeting
(Cont'd)

Based on the annual review, the Board had proposed fees payable to Independent Non-Executive Directors ("INED") under Resolution 2 for the 12 months from 1 July 2026 to 30 June 2027. This resolution, if passed, will give approval to the Company to continue paying the INEDs' fees in arrears on a quarterly basis for their services on the Board and Board Committees. The Board opined that it is just and equitable for the INEDs to be paid such payment on such basis upon them discharging their responsibilities and rendering their services to the Company.

INEDs who are members of the Company will abstain from voting on this Resolution concerning their own remuneration at the 26th AGM.

(3) *Ordinary Resolution 3*

The Company is seeking shareholders' approval pursuant to Section 230(1) of the Companies Act 2016 for the payment of Directors' benefits to be incurred from the date of the 26th AGM until the next annual general meeting of the Company to be held in the year 2027.

In determining the estimated total amount payable, the Board considered various factors including the Directors' involvement and responsibilities in the Group. Payment of the allowances and benefits will be made in arrears on a monthly basis and/or as and when incurred, if the Ordinary Resolution 3 has been passed. The Board is of the view that it is just and equitable for the Directors to be paid such allowances and benefits on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Group throughout the period from the conclusion of the 26th AGM to the next AGM to be held in year 2027. The payment of remuneration and benefits for the period from last AGM to 26th AGM does not exceed the approved limit of RM1.50 million.

Directors who are members of the Company will abstain from voting on this Resolution 3 concerning their own remuneration at the 26th AGM.

(4) *Ordinary Resolutions 4 to 6*

Tan Sri' Dato' Sri Ir. (Dr.) Lim Hock San, JP, Dato' Aminudin Zaki Bin Hashim and Nuraini Binti Ismail are standing for re-election as Directors in accordance with Clause 100 of the Constitution of the Company and being eligible, have offered themselves for re-election at the 26th AGM. They had undergone the performance evaluation and had individually made declaration of their fitness and propriety to continue acting as Directors of the Company in accordance with the Fit and Proper Policy of the Group.

Based on the assessment of the Nomination and Remuneration Committee ("NRC"), the NRC is satisfied that the retiring Directors had demonstrated their commitment and continues to be diligence and competent in the role as Directors and the Board had endorsed the NRC's recommendations. The retiring Directors had abstained from deliberations and decisions on their re-election at the Board's meeting.

The profiles of Tan Sri' Dato' Sri Ir. (Dr.) Lim Hock San, JP, Dato' Aminudin Zaki Bin Hashim and Nuraini Binti Ismail are set out in the Board of Directors' Profiles section and details of their interests in the securities of the Company are set out in the Analysis of Shareholdings section of the Company's Integrated Annual Report 2025.

(5) *Ordinary Resolution 7*

The Board has through the Audit Committee ("AC"), considered the re-appointment of Messrs. UHY Malaysia PLT as the Auditors of the Company. The factors considered by the AC in making the recommendation to the Board to table their re-appointment at the 26th AGM are disclosed in the Corporate Governance Overview Statement of the Company's Integrated Annual Report 2025.

Explanatory Notes on Special Business

(1) *Ordinary Resolution 8*

The Ordinary Resolution 8 proposed for the renewal of general mandate in relation to the authorisation for issuance of shares by the Directors, if passed, will enable the Directors to issue up to ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority unless revoked or varied at a general meeting will expire at the next AGM.

As at the date of this Notice, no new share of the Company was issued pursuant to the mandate granted to the Directors at the 25th AGM held on 26 June 2025.

The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment, working capital and/or acquisition.

(2) *Ordinary Resolution 9*

Ordinary Resolution 9, if passed, will allow the Group to enter into the Recurrent Related Party Transactions in its ordinary course of business and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Related Party Transactions occur would not arise. This will reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group. The shareholders' mandate is subject to renewal on an annual basis.

Further information on the Recurrent Related Party Transactions is set out in the Part A of Circular to Shareholders dated 30 April 2026 of the Company.

(3) *Ordinary Resolution 10*

Ordinary Resolution 10, if passed, will give authority to the Company to purchase its own shares up to ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM.

Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the Part B of Circular to Shareholders dated 30 April 2026 of the Company.

Privacy Notice

Dear Sirs/Madams,

This privacy notice for personal data ("**Privacy Notice**") is issued to all shareholders of LBS (details of which can be found at https://lbs.com.my/privacy/) ("**Company**", "**we**", "**us**" or "**our**"), pursuant to the statutory requirements of the Personal Data Protection Act 2010 and its amendments ("**PDPA**").

During your course of dealings with us, we will collect and process your personal data for purposes, including, to communicate with you, provide administrative assistance to you in the course of you being our shareholder, respond to your enquiries or input, invite you to meetings and events, provide you with notices, documents, information and/or updates relating to us and any matters relating to your involvement in the Board of Directors, for publication and dissemination of your personal data in any circulars, reports, minutes, websites, newsletters, bulletins, brochures, pamphlets or any other materials which may be published and circulated internally or to the general public, to comply with our legal and regulatory obligations and other purposes required to operate and maintain our business as set out in our Privacy Policy (collectively referred to as "**Purposes**").

We will not disclose any of your personal data to any third party without your consent except to LBS, our professional advisers, consultants, lawyers, auditors, vendors, suppliers, agents, contractors, service providers, business partners, insurance companies, banks and financial institutions, any governmental agencies, regulatory authorities and/or statutory bodies, within or outside Malaysia, where necessary, for the Purposes mentioned above, to any party who undertakes to keep your personal data confidential, to any person as set out in our Privacy Policy, or to whom we are compelled or required under the law to disclose to. A copy of our Privacy Policy is available on our website at http://www.lbs.com.my/

It is necessary for us to collect and process your personal data. If you do not provide us with your personal data, or do not consent to this Privacy Notice, we will not be able to effectively provide products and/or services to you in connection with or incidental to your role as our shareholder or process your personal data for any of the Purposes, if at all.

We are committed to ensuring that your personal data is stored securely. Your personal data will be retained for as long as necessary to fulfil the purposes for which it was collected or to comply with legal, regulatory, and internal requirements. You have the right to request for access to, a copy of and to update or correct your personal data held by us. You also have the right, at any time, to request us to limit the processing and use of your personal data, subject to our right to rely on any statutory exemptions and/or exceptions to collect, use and disclose your personal data.

Your written requests or queries should be addressed to:

COMPLIANCE

Address : Plaza Seri Setia, Level 1-4, No. 1, Jalan SS9/2, 47300 Petaling Jaya, Selangor Darul Ehsan
Contact No. : 03-7877 7333
Fax No. : 03-7861 6099
Email Address : pdpa@lbs.com.my

If we do not hear from you within the next fourteen (14) days from the date of issuance of this Privacy Notice, we will take it that you have consented to us continuing to process your personal data in accordance with this Privacy Notice, and we will also take it that all personal data provided by you is accurate, up to date, and complete. You will promptly update us in the event of any change to your personal data. You shall also procure the consent of your proxy appointed to attend any general meetings of the Company on your behalf whose personal data is provided to us by you for any purpose relating to the general meetings.

To the extent that you have provided (or will provide) personal data about your family members, spouse and/or other dependents/individuals, you confirm that you have explained to them that their personal data will be provided to, and processed by, us for the purposed described in this Privacy Notice. You also represent and warrant that you have obtained their consent for such processing (including cross-border disclosure and transfer) of their personal data in accordance with this Privacy Notice.

In respect of minors (i.e. individuals under 18 years of age) or individuals not legally competent to give consent, you confirm that you are the parent, legal guardian or a court appointed representative appointed to manage their affairs or authorized to act on their behalf to consent on their behalf. By providing their data, you hereby provide consent on their behalf to the processing including disclosure and transfer of their personal data in accordance with this Privacy Notice. You agree to indemnify us against any claims arising from the lack of valid authorization to provide such consent.

We reserve the right to update and amend this Privacy Notice or our Privacy Policy from time to time. Any updates and amendments to our Privacy Policy will be posted on our website as above, and you are advised to check the Privacy Policy from time to time. If we amend this Privacy Notice or our Privacy Policy, the amendment(s) will apply retrospectively to all personal data collected.

In accordance with Section 7(3) of the PDPA, this Privacy Notice is issued in both English and Bahasa Malaysia. In the event of any inconsistencies or discrepancies between the English version and the Bahasa Malaysia version, the English version shall prevail.

Privacy Notice (Cont'd)

Kepada tuan-tuan dan puan-puan,

Notis privasi untuk data peribadi ini ("**Notis Privasi**") diberikan kepada semua pemegang saham LBS (butirannya boleh didapati di https://lbs.com.my/privacy/) ("**Syarikat**", "**kita**" atau "**kami**"), selaras dengan obligasi statutori di bawah Akta Perlindungan Data Peribadi 2010 dan pindaannya ("**PDPA**").

Sepanjang masa urusan anda dengan kami, kami akan mengumpul dan memproses data peribadi anda bagi tujuan-tujuan termasuk untuk berkomunikasi dengan anda, memberi bantuan pentadbiran sepanjang anda menjadi pemegang saham kami, memberi maklum balas terhadap pertanyaan atau input anda, menjemput anda ke mesyuarat dan acara kami, memberikan notis, dokumen, maklumat dan/atau isu-isu terkini berkaitan penglibatan anda di Lembaga Pengarah, untuk penerbitan dan penyebaran data peribadi anda dalam mana-mana pekeliling, laporan, minit, laman web, surat berita, buletin, brosur, risalah atau media lain yang mungkin diterbitkan dan diedarkan di dalam organisasi kami atau kepada orang awam, untuk memenuhi kewajipan kami dalam mematuhi undang-undang dan peraturan-peraturan, serta tujuan-tujuan lain yang kami perlukan untuk mengendalikan dan mengekalkan perniagaan kami sepertimana yang dinyatakan dalam Polisi Privasi kami (secara kolektifnya dirujuk sebagai "**Tujuan-Tujuan**").

Kami tidak akan mendedahkan apa-apa data peribadi anda kepada mana-mana pihak ketiga tanpa kebenaran anda kecuali kepada syarikat-syarikat LBS, penasihat profesional, perunding, peguam, juruaudit, ejen, vendor, pembekal, kontraktor, pembekal perkhidmatan, rakan kongsi perniagaan, syarikat insurans, bank dan institusi kewangan, agensi kerajaan, pihak berkuasa dan/atau badan berkanun, di dalam atau di luar Malaysia, jikalau perlu, bagi Tujuan-Tujuan yang disebut di atas, kepada mana-mana pihak yang berjanji untuk menyimpan data peribadi anda secara sulit, kepada mana-mana pihak sepertimana yang tertera dalam Polisi Privasi kami, atau sekiranya diperlukan di bawah undang-undang. Sesalinan Polisi Privasi kami boleh didapati di laman web kami di http://www.lbs.com.my/

Kami perlu mengumpul dan menyimpan data peribadi anda. Sekiranya anda tidak memberikan data peribadi anda kepada kami, atau tidak bersetuju dengan Notis Privasi ini, kami mungkin tidak dapat memberikan produk dan/atau perkhidmatan secara efektif kepada anda berkaitan atau bersampingan dengan peranan anda sebagai pemegang saham kami atau memproses data peribadi anda bagi Tujuan-Tujuan yang disebut di atas.

Kami akan memastikan data peribadi anda disimpan dengan selamat. Data peribadi anda akan dikekalkan selama tempoh yang diperlukan untuk memenuhi tujuan-tujuan ia dikumpulkan atau untuk mematuhi keperluan undang-undang dan kawal selia dalaman. Anda mempunyai hak untuk meminta akses kepada, mendapat salinan, mengemaskini atau memperbetulkan data peribadi anda yang disimpan oleh kami. Anda juga mempunyai hak untuk meminta kami menghadkan pemprosesan dan penggunaan data peribadi anda pada bila-bila masa. Walaubagaimanapun, kami mempunyai hak untuk bergantung kepada mana-mana pengecualian berkanun dalam mengumpul, mengguna dan mendedah data peribadi anda.

Permintaan atau pertanyaan bertulis anda perlu disampaikan ke alamat di bawah:

JABATAN PEMATUHAN

Alamat : Plaza Seri Setia, Level 1-4, No. 1, Jalan SS9/2, 47300 Petaling Jaya, Selangor Darul Ehsan
No Telefon : 03-7877 7333
No Faks : 03-7861 6099
Alamat E-mel : pdpa@lbs.com.my

Jika kami tidak menerima maklumbalas daripada anda berkenaan dengan perkara di atas dalam tempoh empat belas (14) hari dari tarikh Notis Privasi ini dikeluarkan, kami akan menganggap bahawa anda telah memberi kebenaran kepada kami untuk terus memproses data peribadi anda sepertimana yang tertera dalam Notis Privasi ini, dan kami akan menganggap bahawa semua data peribadi yang diberikan oleh anda adalah betul, terkini, dan lengkap.dikemaskinikan. Anda mesti, dengan segera, mengemaskini data peribadi anda sekiranya terdapat apa-apa perubahan kepada data peribadi yang anda beri kepada kami. Anda juga harus mendapatkan persetujuan proksi anda yang dilantik untuk menghadiri apa-apa mesyuarat agung Syarikat bagi pihak anda, sekiranya data peribadi mereka dibekalkan oleh anda kepada kami untuk apa-apa tujuan yang berkaitan dengan mesyuarat agung.

Setakat mana yang anda telah memberikan (atau akan memberikan) data peribadi tentang ahli keluarga, pasangan, tanggungan anda dan/atau individu lain, anda mengesahkan bahawa anda telah menjelaskan kepada mereka bahawa data peribadi mereka akan diberikan kepada, dan diproses oleh kami bagi tujuan yang dinyatakan dalam Notis Privasi ini. Anda juga menyatakan dan menjamin bahawa anda telah memperolehi persetujuan mereka berkenaan dengan pemprosesan (termasuk pendedahan dan pemindahan rentas sempadan) data peribadi mereka selaras dengan Notis Privasi ini.

Berkenaan dengan individu bawah umur (iaitu individu di bawah umur 18 tahun) atau individu yang tidak kompeten dari segi undang-undang untuk memberikan persetujuan, anda mengesahkan bahawa anda ialah ibu bapa atau penjaga sah atau wakil yang dilantik oleh mahkamah untuk menguruskan urusan mereka atau diberikan kuasa untuk mewakili mereka untuk memberi persetujuan bagi pihak mereka. Dengan memberikan data mereka, anda dengan ini memberikan persetujuan bagi pihak mereka berkenaan dengan pemprosesan termasuk pendedahan dan pemindahan) data peribadi mereka selaras dengan Notis Privasi ini. Anda bersetuju untuk menanggung rugi kami terhadap sebarang tuntutan yang timbul daripada ketiadaan kebenaran sah untuk memberikan persetujuan tersebut.

Kami berhak untuk mengemaskini dan meminda Notis Privasi ini atau Polisi Privasi kami dari semasa ke semasa. Sebarang perubahan atau pemindahan kepada Notis Privasi ini atau Polisi Privasi kami akan dimaklumkan di laman web kami seperti di atas, dan anda dinasihatkan untuk menyemak Polisi Privasi dari semasa ke semasa. Jika kami meminda Notis Privasi ini atau Polisi Privasi kami, pindaan itu akan berkuat-kuasa secara retrospektif kepada semua data peribadi yang dikumpul.

Mengikut Seksyen 7(3) PDPA, Notis Privasi ini diterbitkan dalam Bahasa Inggeris dan Bahasa Malaysia. Sekiranya terdapat sebarang ketidakseragaman atau percanggahan di antara versi Bahasa Inggeris dan Bahasa Malaysia, versi Bahasa Inggeris akan digunapakai.

Form of Proxy

I/We _____ NRIC No. / Company No. _____

of _____

being a member/members of **LBS BINA GROUP BERHAD**, hereby appoint:-

Full Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or

Full Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Sixth Annual General Meeting ("26th AGM") of the Company to be held at Function Room, Level 5, Plaza Seri Setia, No. 1, Jalan SS9/2, 47300 Petaling Jaya, Selangor Darul Ehsan on Friday, 19 June 2026 at 10.00 a.m. or at any adjournment thereof.

RESOLUTIONS	FOR	AGAINST
Ordinary Resolution 1		
Ordinary Resolution 2		
Ordinary Resolution 3		
Ordinary Resolution 4		
Ordinary Resolution 5		
Ordinary Resolution 6		
Ordinary Resolution 7		
Ordinary Resolution 8		
Ordinary Resolution 9		
Ordinary Resolution 10		

Please indicate with (X) how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.

Dated this _____ day of _____ 2026

Total No. of Shares Held	
CDS Account No.	

_____

Signature/ Common Seal of Shareholder(s)

NOTES:

(1) *A member of the Company who is entitled to attend, participate, speak and vote at the 26th AGM, may appoint a proxy or proxies to attend and vote in his/her stead. A proxy may but need not be a member.*

(2) *If a member has appointed a proxy to attend a meeting and subsequently he/she attends such meeting, the appointment of such proxy shall be null and void, and his/her proxy shall not be entitled to attend the 26th AGM.*

(3) *In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hand of a duly authorised officer or attorney.*

(4) *Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.*

(5) *Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly. Any alteration to the instrument appointing a proxy must be counter-signed next to the alteration.*

(6) *The instrument appointing of a proxy may be made in a hard copy form or electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 26th AGM or adjourned 26th AGM at which the person named in the appointment proposes to vote:*

(i) *In hard copy form*

(a) *In the case of an appointment made in hard copy form (by hand/post), the proxy form shall be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or its drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.*

(b) *By email to is.enquiry@vistra.com*

(ii) *By electronic form*

The proxy form can be electronically lodged with the Share Registrar of the Company via Vistra Share Registry and IPO (MY) portal at http://srmy.vistra.com and steps to submit are summarised in the Administrative Guide for the 26th AGM.

For a corporate member who has appointed an authorised representative instead of a proxy to attend this meeting, please deposit the ORIGINAL certificate appointment of authorised representative with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd. of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. Alternatively, please bring the ORIGINAL certificate of appointment of authorised representative if it has not been deposited with the Share Registrar.

(7) *The certificate of appointment of authorised representative should be executed in the following manner:*

(i) *If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.*

(ii) *If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:*

(a) *at least two (2) authorised officers, of whom one shall be a director; or*

(b) *any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.*

(8) *Where a member of the Company is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

(9) *The date of Record of Depository for the purpose of determining members' entitlement to attend, vote and speak at the meeting is Wednesday, 10 June 2026.*

(10) *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia, all resolutions set out in this Notice of 26th AGM will be put to vote by way of poll.*

FOLD HERE

STAMP

The Share Registrar

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
(197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur.

FOLD HERE

www.lbs.com.my

LBS
BELIEVE • BECOME • BEHOLD

LBS BINA GROUP BERHAD
[REGISTRATION NO. 200001015875 (518482-H)
Plaza Seri Setia, Level 1-4,
No. 1, Jalan SS9/2,
47300 Petaling Jaya,
Selangor, Malaysia

T +603 7877 7333
F +603 7877 7111