



EcoBuilt Holdings Bhd

Registration No. 200301033338 (635759-U)



ANNUAL REPORT 2024



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Noordin Bin Sulaiman
Chairman/Independent Non-Executive Director

Ng Choon Keith
Executive Director/Chief Executive Officer

Dato Mohd Ibrahim bin Nor
Executive Director

Datuk Ng Seing Liong PJN, JP
Non-Independent Non-Executive Director

Dato Indera Tun Putera Matin Ahmad Shah Bin Munir
Independent Non-Executive Director

Loh Poh Im
Independent Non-Executive Director

AUDIT COMMITTEE

Loh Poh Im
Chairperson/Independent Non-Executive Director

Dato Indera Tun Putera Matin Ahmad Shah Bin Munir
Independent Non-Executive Director

Datuk Ng Seing Liong PJN, JP
Non-Independent Non-Executive Director

NOMINATION COMMITTEE

Dato Indera Tun Putera Matin Ahmad Shah Bin Munir
Chairman/Independent Non-Executive Director

Loh Poh Im
Independent Non-Executive Director

Datuk Ng Seing Liong PJN, JP
Non-Independent Non-Executive Director

REMUNERATION COMMITTEE

Loh Poh Im
Chairperson/Independent Non-Executive Director

Dato Indera Tun Putera Matin Ahmad Shah Bin Munir
Independent Non-Executive

Director Datuk Ng Seing Liong PJN, JP
Non-Independent Non-Executive Director

COMPANY SECRETARIES

Wong Youn Kim
 [SSM PC No. 201908000410 (MAICSA 7018778)]

REGISTERED OFFICE

Unit No. EL-11-01, Amcorp Business Suite
 Menara Melawangi, Pusat Perdagangan Amcorp
 No. 18, Jalan Persiaran Barat
 46050 Petaling Jaya
 Selangor, Malaysia
 Tel : 017-6229303

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
 [Company 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
 Tel : 03-2783 9299
 Fax : 03-2783 9222
 Email : is.enquiry@my.tricorglobal.com

PRINCIPAL BANKER

Public Bank Berhad
 CIMB Bank Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad (MAIN Market)
 Stock Name : ECOHLDS
 Stock Code : 0059

AUDITOR

HLB Ler Lum Chew PLT (201906002362 & AF0276)
 A-23-1, Level 23, Hampshire Place Office
 157 Hampshire, No. 1, Jalan Mayang Sari
 Off Jalan Tun Razak
 50450 Kuala Lumpur, Malaysia
 Tel : 03-7890 5588

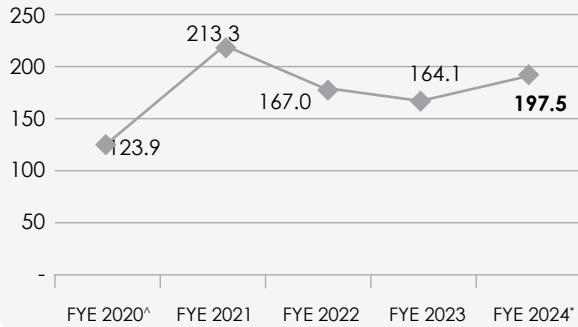
CORPORATE WEBSITE

www.eco-built.com.my

FINANCIAL HIGHLIGHTS

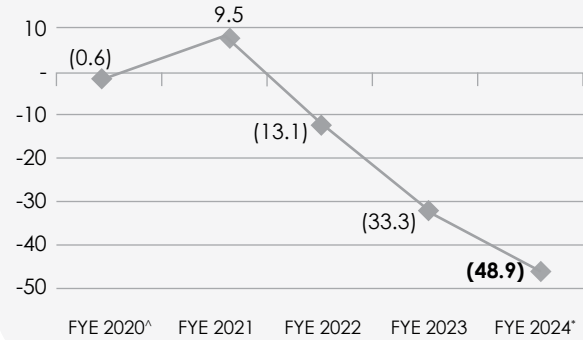
REVENUE

(RM'mil)



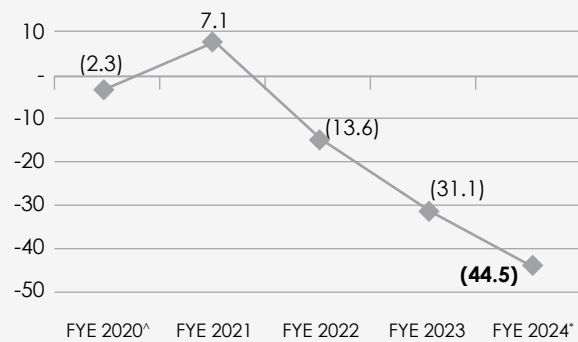
PROFIT/(LOSS) FROM OPERATIONS

(RM'mil)



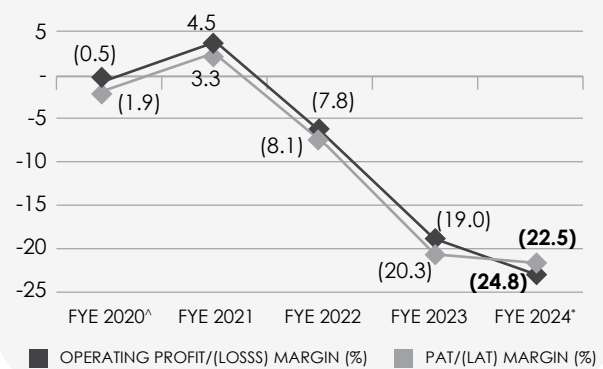
PROFIT/(LOSS) AFTER TAX ("PAT/(LAT)")

(RM'mil)



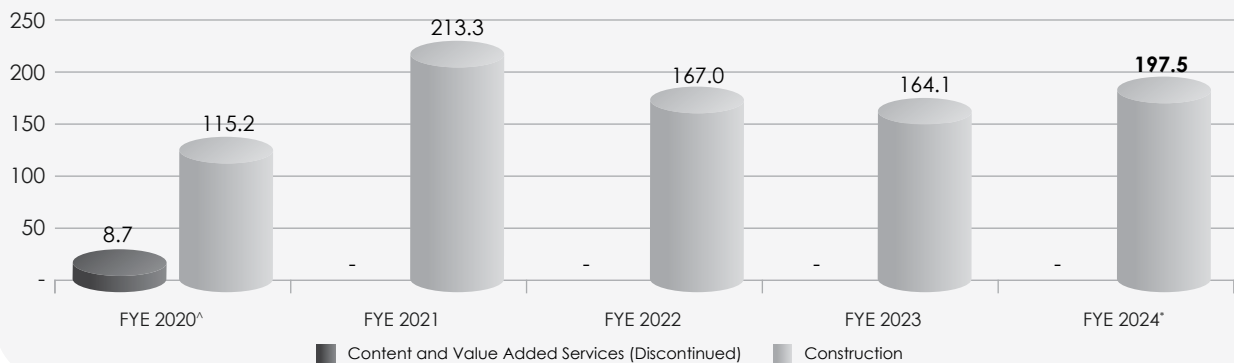
OPERATING & PAT/(LAT) MARGIN

(RM'mil)



REVENUE BY SEGMENTS

(RM'mil)



Note:

* The Group has changed its financial year end from 31 May to 31 August during this financial period, resulting in a 15-month period reported from 1 June 2023 to 31 August 2024 ("FYE 2024")

^ Financial highlights for financial year ended 31 May 2020 ("FYE 2020") includes revenue from our discontinued digital contents and value-added services segment.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW TO THE GROUP'S BUSINESS

Ecobuilt Holdings Berhad ("Ecobuilt" or "the Company") is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

Both of our subsidiaries, namely Eko Bina Sdn Bhd and Rexallent Construction Sdn Bhd ("Rexallent"), are registered as Grade 7 ("G7") Contractors with the Construction Industry Development Board of Malaysia ("CIDB"). Such certification enables Ecobuilt and its subsidiaries (collectively known as "Ecobuilt Group" or "the Group") to undertake building construction projects with unlimited value in Malaysia. In addition, the Group is also registered under Sijil Perolehan Kontrak Kerajaan ("SPKK") to take part in Malaysian Government awarded contracts.

Ecobuilt Group is well-known as a leading engineering group with businesses in civil engineering, building contracting and construction. The Group has established a good track record over the years and aims to provide the highest standard of design, construction and services in the business.

On 10 September 2024, Rexallent accepted Letter of Award ("LoA") with contract sum of RM190.0 million for the construction of a 50 floors service apartment, comprising a total of 752 units and recreational facilities on a 13-storey podium. The contract is expected to be completed within thirty-six (36) months i.e by September 2027. This project is expecting to contribute positively to the Group's financial performance for the next two (2) to three (3) financial years.

FINANCIAL PERFORMANCE REVIEW

	FPE 2024 (15 months)	FYE 2023 (12 months)	VARIANCE	
	RM '000	RM '000	RM '000	%
Revenue	197,548	164,057	33,491	20.4
Gross Loss	(26,596)	(16,934)	(9,662)	57.1
Loss before tax	(49,663)	(34,063)	(15,600)	45.8
Loss after tax	(44,476)	(31,096)	(13,380)	43.0

The Group has changed its financial year end from 31 May to 31 August during this financial period, resulting in a 15-month period reported from 1 June 2023 to 31 August 2024 ("FPE 2024"). Consequently, there is no direct comparative financial information available for the financial year ended 31 May 2023 ("FYE 2023").

The Group recorded a total revenue of RM197.5 million for FPE 31 August 2024. The revenue was primarily contributed by the progression of ongoing contracts, including the completion of six projects during the financial period.

The Group recorded a gross loss of RM26.6 million, largely attributable to the provision for liquidated ascertained damages ("LAD") of RM15.8 million and elevating construction cost including the cost of cement and sand. According to the Department of Statistics Malaysia ("DOSM"), the average price of sand and cement in August 2024 has increased by 6% respectively as compared to the price in May 2023.

The loss before tax of RM49.7 million mainly impacted by the recognition of net provision of expected credit loss allowance on trade and other receivables, depreciation of property, plant and equipment and bad debt written-off of RM17.5 million, RM5.8 million and RM3.5 million respectively during FPE 2024.

Despite the operational challenges faced during the financial period, the Group remains committed to contract delivery. The Group also remains proactive in seeking new projects as demonstrated by securing of a LOA, with contract sum of RM190.0 million, for the construction of a 50 floors service apartment, comprising a total of 752 units and recreational facilities on a 13-storey podium on 10 September 2024.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL PERFORMANCE REVIEW (CONTINUED)

Statement of Financial Position

	FPE 2024 (15 months)	FYE 2023 (12 months)	VARIANCE	
	RM '000	RM '000	RM '000	%
Non-current assets	59,732	63,192	(3,460)	(5.5)
Current Assets	118,833	119,143	(310)	(0.3)
Total Assets	178,565	182,336	(3,771)	(2.1)
Non-current liabilities	2,718	4,236	(1,518)	(35.8)
Current liabilities	138,139	96,315	41,824	43.4
Total liabilities	140,857	100,551	40,306	40.1
Net assets ("NA")	37,708	81,785	(44,077)	(53.9)
NA per share (sen)	8.96	19.44	(10.48)	(53.9)
Current ratio (times)	0.86	1.24	(0.38)	(30.6)
Gearing ratio (times)	0.19	0.11	0.08	72.7
Trade receivables turnover (days) (1)	227	188	39.0	20.7
Trade payables turnover (days) (2)	193	162	32.0	19.8

Notes: -

- (1) Computed based on trade receivables as at year end over revenue (prorated to 365 days) for the financial period / year multiplied by 365 days.
- (2) Computed based on trade payables as at year end over cost of sales (prorated to 365 days) for the financial period / year multiplied by 365 days.

As at 31 August 2024, the Group's total assets decreased marginally by 2.1% to RM178.6 million as compared to RM182.3 million as at 31 May 2023. This decline was primarily attributed to a RM3.5 million reduction in non-current assets due to the disposal of a commercial office property and cranes during the financial period. Meanwhile, current assets remain constant at RM118.8 million as at 31 August 2024, as the increase in trade receivables of RM8.2 million was largely offset by the decrease of RM6.7 million in contract assets.

The Group recorded an increase in total liabilities by RM40.3 million or 40.1% to RM140.9 million as at 31 August 2024, mainly attributable to higher trade and other payables. The increase in trade payables aligns with the significant progress made on completed and ongoing projects, many of which faced delays during the Covid-19 pandemic. Nonetheless, provision of LAD amounting to RM15.8 million for these affected projects was another main contributing factor to the increase in total liabilities.

Overall, the Group recorded a net assets position of RM37.7 million and NA per share of 8.96 sen as at 31 August 2024. Despite the Group reporting a financial loss in FPE 2024 and a current ratio of 0.86 as at 31 August 2024, the Group's financial position remains manageable with a low gearing ratio of 0.19 times. During the financial period, the Group's trade receivables turnover increased from 188 days to 227 days mainly due to pending finalising accounts for completed projects. Nevertheless, the Group is continually committed to manage its liquidity effectively and closely monitoring its trade receivables.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL PERFORMANCE REVIEW (CONTINUED)

Statement of Cash Flows

	FPE 2024	FYE 2023	VARIANCE	
	RM '000	RM '000	RM '000	%
Net cash used in operating activities	(1,052)	(4,564)	3,512	77.0
Net cash generated from/(used in) investing activities	4,276	40	4,236	>100.0
Net cash (used in)/generated from financing activities	(4,164)	(4,804)	640	13.3
Cash and cash equivalents as at 31 Aug / 31 May	(2,984)	(2,044)	(940)	46.0

Even though the Group recorded higher loss after tax in FPE 2024, the net cash used in operating activities for FPE 2024 reduced to RM1.1 million as compared to RM4.6 million in FYE 2023. This was mainly due to the Group maintaining proper costs control for both project costs and operating costs, and the higher loss after tax were mainly contributed by non-cash items, such as provision for LAD, and expected credit loss allowances.

The Group has recorded a net cash generated from investing activities amounting to RM4.3 million in FPE 2024 as compared RM0.04 million in FYE 2023. This was mainly attributed by the proceeds from the disposals of property, plant and equipment of RM2.4 million and other investments of RM2.0 million.

Net cash used in financing activities of RM4.2 million was mainly arising from the repayment of lease liabilities and bank facilities of RM3.3 million and RM0.1 million respectively. The Group also paid RM0.8 million in interest expenses in relation to the lease liabilities and bank facilities.

CAPITAL STRUCTURE, RESOURCES AND EXPENDITURE

The Group finances its daily working capital requirements with cash and bank balances as well as credit extended by trade payables and/or banks. As of 31 August 2024, the Group's bank facilities consist of term loans, bank overdrafts and finance lease.

RISK RELATING TO OUR BUSINESS

In the pursuit of business sustainability, we are committed to recognise, address and monitor various anticipated or known risks that have the potential to influence our operations, performance, financial state and liquidity. Here in Ecobuilt, the Group is guided by the risk management framework, which encompasses policies and procedures to effectively manage and address risks while supporting the Group's continuous business growth.

Labour Shortage Risk

Malaysia's construction activities are labour intensive and therefore labour adequacy is one of the keys to ensure smooth operations. As the construction sector continues to recover after the Covid-19 pandemic, the value of work done in the Construction sector amounted to RM38.9 billion in the second quarter of 2024, which accelerated further by 20.2 per cent following a 14.2 per cent increase in the previous quarter, as per the Construction Statistics released by DOSM. Consequently, there is a surge in labour demand, especially for foreign workers.

The shortage of manpower may cause the costs of labour to increase, and thus, increasing the overall project costs. It may also lead to interruptions and/or delays in the progress of projects which may result in additional construction overhead cost and legal uncertainties such as imposition of LAD claims from clients.

To this end, we have adopted Industrialised Building System ("IBS") and formworks to reduce the dependency of foreign workers while enhancing the project quality and reduce waste towards higher productivity. In addition, we also promote the employment and training of local workers to reduce the dependency on foreign workers.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

RISK RELATING TO OUR BUSINESS (CONTINUED)

Availability of Construction Materials and Fluctuation in Materials Cost

Even more than a year after the World Health Organisation declared Covid-19 no longer a global public health emergency, the construction industry continues to be affected by its lingering effects. The aftermath is evident in ongoing supply chain disruptions and rising construction material prices. As at 31 August 2024, key construction materials such as cement and sand have seen a rise in price by 6% as compared to 31 May 2023. This may result in the project costs overruns, which in turn will negatively impact the Group's profitability.

The Group remains vigilant in monitoring these challenges and implementing necessary measures to mitigate their impact on operations and financial performance. The Group establishes and maintains good business relationships with the suppliers to ensure a stable supply of construction materials for our projects. The Group is also continuously monitoring and taking necessary steps to ensure effective construction materials usage so as to minimise any unnecessary material wastage.

Economic, Political and Regulatory Risk

Along with other construction players, the Group's business and financial prospects may be significantly affected by the development in local and international economy, politics and regulations such as global economic downturns and political leadership changes.

While these changes are mostly beyond the Group's control, we will continue to review and assess our business development strategies regularly, or as and when necessary, in order to respond timely to these changes. We also maintain proactive and regular communication with relevant authorities to stay abreast with the latest government policies, rules and regulations, thereby ensuring continuous legal compliance.

Competition and Business Risk

In view of the nature of the construction industry, contracts are generally awarded on a project-to-project basis and hence there is no assurance of the continuity from a project to the next project. As such, the likelihood of securing new contracts hinges on competitive bidding processes. With the increasing player in the construction industry, the Group has to compete with other existing and new entrants within the industry, in terms of pricing, innovation as well as service offerings.

As part of our efforts to stay competitive, we strive to leverage on our established track record, vast experience as well as technical expertise. The Group has also implemented prudent cost measures to monitor the operational efficiency with the goal of achieving sustainable business growth. In addition, the Group is also exerting its efforts to tender for more projects so as to replenish our order book continuously, whenever viable.

Litigation Risk

Similar to business risk, litigation risk is an inherent aspect that permeates virtually in every business. In particular, construction industry is commonly susceptible to litigation risks, which may potentially arise from contract disputes, project delays, project quality and safety etc.

In order to manage this risk, the Group is committed to address any conflict with the main contractor or sub-contractors diligently. We are also committed to ensure legal compliance at all times. We diligently adhere to all applicable laws and regulations, including but not limited to Occupational Safety and Health Act 1994, Malaysia Construction Industry Development Board Act 1994 and etc.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FUTURE PROSPECT AND OUTLOOK

According to DOSM, Malaysia's Gross Domestic Product ("GDP") for the second quarter of 2024 has expanded by 5.9%, with the construction sector recording the strongest growth in the quarter by 17.3%.

The Ministry of Finance ("MOF") Malaysia projected Malaysia's economy to grow between 4.8% to 5.3% in 2024 and between 4.5% and 5.5% in 2025.

The Construction Statistics for Malaysia for second quarter of 2024 issued by DOSM reported that the value of work done in the Construction sector amounted to RM38.9 billion in the second quarter of 2024, which accelerated further by 20.2 per cent following a 14.2 per cent increase in the previous quarter. In second quarter of 2024, the value of work done for residential buildings and non-residential buildings recorded year-on-year increase of 19.7% and 7.2% respectively.

In addition, other Malaysian Government's initiatives, including Skim Jaminan Kredit Perumahan ("SJKP") and i-Miliki are in placed to encourage home ownership in order spur the demand for residential buildings.

Reflecting on how we have weathered another challenging year, the Group remains cautiously optimistic about the Group's long-term prospects despite the on-going challenges such as acute labour shortage and construction material price spike. Nevertheless, with the support by recent private placement, the Group is committed to continue deliver quality projects so as to preserve the long-term values to our shareholders.

DIVIDEND

No dividends were paid or declared in FPE 2024 as the Group is currently prioritising on strengthening its business and operations in order to ensure a long-term growth. At present, the Company does not have any formal dividend policy in place. Any recommendation or declaration of dividends is at the discretion of our Board and subject to various factors, including but not limited to, financial performance, working capital requirements and cash flow management.

BOARD OF DIRECTORS

DATO' NOORDIN BIN SULAIMAN

Independent Non-Executive Chairman

Male | 67 | Malaysian

Dato' Noordin Bin Sulaiman, Male, aged 67, Malaysian citizen, is the Independent Non-Executive Chairman of Ecobuilt Holdings Berhad. He was appointed to the Board on 01 November 2018. He graduated with Bachelor Degree (Hons) from University Malaya in 1980. He then obtained his Diploma in Public Management and Diploma in Management Science from Institut Tadbiran Awam Negara (INTAN) in 1981 and 1986 respectively.

He started his career in 1981 as Assistant Director in the Implementation and Coordination Unit, Prime Minister's Department. Throughout his 36 years of service with the Government, he was involved in several roles and various capacities. Prior to his retirement, he held the position of State Financial Officer for Selangor Government from 2012 to 2017.

He has no family relationship with any other Directors and/or substantial shareholders of Ecobuilt. He has no conflict of interest with the Group other than that which has been disclosed to the Board of Directors (if any). He has no convictions for any offences within the past 5 years other than traffic offences or any public sanction or penalty imposed by the regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers.

DATUK NG SEING LIONG PJN, JP

Non-Independent Non-Executive Director

Male | 70 | Malaysian

Datuk Ng Seing Liong PJN, JP, Male, aged 70, a Malaysian citizen, is a Non-Independent Non-Executive Director of Ecobuilt. He was appointed to our Board on 15 November 2019 as Independent Non-Executive Director and re-designated to Non-Independent Non-Executive Director on 28 April 2023.

He has more than 35 years of experience in the fields of audit, tax, business advisory, receivership and liquidation for a wide variety of industry. Currently, he is the Senior Partner of S.L. Ng & Associates. He holds membership of various professional bodies including Malaysian Institute of Accountants (MIA), Association of Chartered Certified Accountants (ACCA), Institute of Chartered Secretaries & Administrators (ICSA), Malaysia Institute of Certified Public Accountants (MICPA), Chartered Tax Institute of Malaysia (CTIM) and Malaysia Institute of Co-operative & Management Auditors (AICMA).

Due to his vast contribution to Societies and Schools, he was awarded with the appointment as the Justice of Peace (JP) of Selangor in 1999 by DYMM Sultan Selangor. On 7 June 2008, he was awarded the title Panglima Jasa Negara (PJN) by the DYMM Yang Di Pertua Agong.

Currently, Datuk Ng serves on the Board of Directors of United Teochew (Malaysia) Berhad and also Independent Non-Executive Director of Enest Group Berhad and Golden Land Berhad.

He is a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is the father of Ng Choon Keith, the Executive Director/Chief Executive Officer of Ecobuilt. He has no conflict of interest with the Group other than that which has been disclosed to the Board of Directors (if any). He has no convictions for any offences within the past 5 years other than traffic offences or any public sanction or penalty imposed by the regulatory bodies during the financial year.

BOARD OF DIRECTORS

(CONTINUED)

DATO INDERA TUN PUTERA MATIN AHMAD SHAH BIN MUNIR

Independent Non-Executive Director

Male | 35 | Malaysian

Dato Indera Tun Putera Matin Ahmad Shah Bin Munir, Male, aged 35, a Malaysian citizen, is an Independent Non-Executive Director of Ecobuilt. He was appointed to our Board on 11 November 2021. He graduated with Bachelor of Arts in International Business Management from Middlesex University London in 2011.

Upon graduation in 2011, he started his career as Management Associate in CIMB Group Berhad under the company's management trainee program. In 2013, he left CIMB Group Berhad after complete of the management trainee program and joined Ipmuda Group Berhad as a Property Development Associate and later promoted to Property Development Manager in 2016. In 2017, he left Ipmuda Group Berhad and joined MS Property Development Sdn Bhd as Executive Director.

Currently, Dato Indera is an Executive Director of Sinaran Makmur Sdn Bhd, MS Property Development Sdn Bhd and Ideen Materials Sdn Bhd. He is also Chairman of Taraf Raya Sdn Bhd.

He is the Chairman of the Nomination Committee and also a member of the Audit Committee and Remuneration Committee of the Company. He has no family relationship with any other Directors and/or substantial shareholders of Ecobuilt. He has no conflict of interest with the Group other than that which has been disclosed to the Board of Directors (if any). He has no convictions for any offences within the past 5 years other than traffic offences or any public sanction or penalty imposed by the regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers.

NG CHOON KEITH

Executive Director and Chief Executive Officer

Male | 40 | Malaysian

Ng Choon Keith, Male, aged 40, a Malaysian citizen, is an Executive Director and Chief Executive Officer of Ecobuilt. He was appointed to our Board on 28 April 2023.

He holds a Bachelor of Construction Management & Economics (Hons) degree with a major in Quantity Surveying from the University of South Australia, Adelaide, SA, which he earned in 2006.

With over 20 years of senior leadership experience in construction and building management, Mr Ng excels in strategic planning, P&L management, and cost control. He is renowned for his ability to secure major tenants, resolve regulatory issues, and optimize revenue streams. He has been an Executive Director at Kota Kelang Group since February 2010, where he oversees multiple companies and construction projects while providing strategic direction and mentorship to his team. Before this, he worked as a Quantity Surveyor and Cost Engineer Controls at Currie and Brown Adelaide, contributing to various high-value projects. He also maintains affiliations with industry organizations.

His professional skills encompass expertise in cost management systems, proficiency in MS Project, and fluency in multiple languages to facilitate effective communication.

He is the son of Datuk Ng Seing Liong PJN, JP, the Non-Independent Non-Executive Director of Ecobuilt. He has no conflict of interest with the Group other than that which has been disclosed to the Board of Directors (if any). He has no convictions for any offences within the past 5 years other than traffic offences or any public sanction or penalty imposed by the regulatory bodies during the financial year. He does not hold any directorship in other public companies and listed issuers.

BOARD OF DIRECTORS
 (CONTINUED)

LOH POH IM

Independent Non-Executive Director
 Female | 59 | Malaysian

Loh Poh Im, Female, aged 59, a Malaysian citizen, is an Independent Non-Executive Director of Ecobuilt. She was appointed to our Board since 28 April 2023.

Ms Loh has a strong background in accounting and finance. She is a Chartered Accountant certified by the Malaysia Institute of Accountancy, holds a Bachelor of Accounting from the University of Malaya and holds a Certificate in Investor Relations from the IR Society UK, among other qualifications.

With over three decades of experience, she is a highly accomplished finance professional who has held leadership roles in various industries. She has expertise in financial operations, compliance, and strategic planning. In addition to her role at Ecobuilt, she currently serves as an Independent Non-Executive Director and Audit & Risk Management Committee Chairman at PeterLabs Holdings Berhad, where she brings her extensive knowledge in financial reporting, risk management, corporate governance, and investor relations to her position.

Throughout her career, Ms Loh has held leadership positions at several public listed companies, where she managed functions such as finance, administration, and internal controls. Her expertise also extends to taxation, banking, equity, and bond funding, making her a valuable asset with a strong network in the financial sector.

She is the Chairman of the Audit Committee and Remuneration Committee and also a member of the Nomination Committee of the Company. She has no family relationship with any other Directors and/or substantial shareholders of Ecobuilt. She has no conflict of interest with the Group other than that which has been disclosed to the Board of Directors (if any). She has no convictions for any offences within the past 5 years other than traffic offences or any public sanction or penalty imposed by the regulatory bodies during the financial year.

DATO MOHD IBRAHIM BIN NOR

Executive Director
 Male | 65 | Malaysian

Dato Mohd Ibrahim bin Nor, aged 65, a Malaysian citizen, is an Executive Director of Ecobuilt. He was appointed to our Board on 9 December 2024. He obtained a Master's Degree in Business Administration from the Drake University in the United States of America (the "USA") in 1983 and a bachelor of arts degree in mathematics from the Knox College in the USA in 1981.

He brings extensive leadership experience across various industries, including manufacturing, distribution, engineering, education, and technology. Throughout his career, he has held various top positions in large corporation in Malaysia, including Chairman of Super Enterprise Holdings Berhad, Managing Director of Padiberas Nasional Berhad, Executive Vice Chairman of Sistem Television Malaysia Berhad and Chief Operating Officer of Malakoff Berhad.

He has no family relationship with any other Directors and/or substantial shareholders of Ecobuilt. He has no conflict of interest with the Group other than that which has been disclosed to the Board of Directors (if any). He has no convictions for any offences within the past 5 years other than traffic offences or any public sanction or penalty imposed by the regulatory bodies during the financial year.

At present, Dato Mohd Ibrahim bin Nor is the Independent Non-Executive Director of Kim Teck Cheong Consolidated Berhad, a company listed on Bursa Malaysia and the Independent Non-Executive Director of Director of S&P International Ltd., a company listed on the Hong Kong Stock Exchange.

AUDIT COMMITTEE REPORT

A. MEMBERS AND MEETING ATTENDANCE

The Audit Committee ("AC") was established by the Board of Directors and comprises three (3) members who are Non-Executive Directors.

Pursuant to the Terms of Reference of the AC, the Committee shall be appointed by the Directors from among themselves and shall not be fewer than three (3) members. All the AC members must be Non-Executive Directors, with a majority of Independent Directors. The Chairman of the AC shall be an Independent Non-Executive Director and shall not be the Chairman of the Board. The Chief Executive Officer and the alternate director shall not be a member of the AC. At least one member of the AC:-

- (i) must be a member of the Malaysian Institute of Accountants; or
- (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and:-
 - (a) must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (b) must be a member of one of the association of accountants specified in Part II of First Schedule of the Accountants Act 1967; or
- (iii) fulfills such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad.

The AC held a total of six (6) meetings during the financial period ended 31 August 2024 and details of the members and their attendance record are as follows:-

Name of Audit Committee Member	Meetings Attended
Loh Poh Im <i>Chairperson/Independent Non-Executive Director</i>	6 / 6
Dato Indera Tun Putera Matin Ahmad Shah Bin Munir <i>Independent Non-Executive Director</i>	6 / 6
Datuk Ng Seing Liong PJN, JP <i>Non-Independent Non-Executive Director</i>	6 / 6

The Committee may invite the External Auditors Internal Auditors, any other Board members and senior management of the Group to be present during meetings to assist in its deliberations. At least once a year, the Committee shall meet with the External Auditors, Internal Auditors and without the presence of Management and the Executive Directors.

B. TERMS OF REFERENCE

The Terms of Reference of the AC is available for viewing at the Company's website at www.eco-built.com.my/corporate-info/. The last review of the Terms of Reference of the AC was on 30 May 2022.

AUDIT COMMITTEE REPORT (CONTINUED)

C. SUMMARY OF ACTIVITIES OF THE AC

During the financial period ended 31 August 2024, the following activities were carried out by the AC:-

(a) Overview of Financial Performance and Reporting

- i. Reviewed the unaudited quarterly financial results and recommend the same to the Board for approval;
- ii. Reviewed the draft audited financial statements of the Company for the financial year ended 31 May 2023 and recommended the same to the Board for approval;
- iii. Reviewed the financial performance of the Company and the Group; and
- iv. Reviewed the Group's compliance with the accounting standards and relevant regulatory requirements.

(b) Oversight of External Audit

- i. Reviewed the Audit Summary Report for the financial year ended 31 May 2023 presented by the External Auditors, entailing the significant audit findings, significant deficiencies in internal control, status of audit, compliance with the ethical requirements on independence, communication with the AC, summary of audit adjustments, summary of unadjusted differences and total audit and non-audit fees;
- ii. Reviewed and evaluated the adequacy and effectiveness of the Group's accounting policies, procedures and system of internal controls;
- iii. Private discussion with the External Auditors without the presence of Management and the Executive Directors; and
- iv. Reviewed the suitability and independence of the External Auditors and upon reviewed and being satisfied with the results of the said assessment, the same has been recommended to the Board for approval.

(c) Oversight of Internal Audit

- i. Reviewed the reports from the Internal Auditors on tender and contract management and expense claim processing, and assessed the Internal Auditors' findings and Management's responses and made the necessary recommendations to the Board for notation;
- ii. Reviewed the existing internal controls and work processes undertaken by the respective departments in the Group under review for relevant areas or businesses and the Group's systems and practices for identification and management of risks;
- iii. Reviewed and recommended improvements to the existing internal controls and risk management system of the Group; and
- iv. Private discussion with the Internal Auditors without the presence of Management and the Executive Directors.

(d) Review of Related Party Transactions

Monitored and reviewed the related party transactions and any conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises the question of Management integrity on a quarterly basis.

(e) Oversight of Internal Control Matters

- i. Reviewed and confirmed the minutes of the AC Meetings; and
- ii. Reviewed the AC Report and Statement on Risk Management and Internal Control for inclusion in the 2023 Annual Report.

AUDIT COMMITTEE REPORT (CONTINUED)

D. INTERNAL AUDIT FUNCTION

The Board has outsourced its internal audit function to an independent professional services firm with suitable experience and capabilities to handle the internal audit functions, who reports directly to the AC, to assist the Committee in discharging its duties and responsibilities.

The scope of internal audit encompasses the examination and evaluation of the adequacy, existence and effectiveness of the Group's governance, system of internal control structure and the quality of performance in carrying out assigned responsibilities to achieve the Group's stated goals and objectives.

The internal auditors also perform ad-hoc appraisals, inspections, investigations, examinations and reviews as may be requested by the Committee or senior management from time to time.

The Statement on Risk Management and Internal Control with an overview of the state of the risk management and internal controls within the Group is found on pages 31 to 33 of this Annual Report.

NOMINATION COMMITTEE REPORT

A. MEMBERS AND MEETING ATTENDANCE

The Nomination Committee ("NC") was established by the Board of Directors and comprises three (3) members who are Non-Executive Directors.

The NC held a total of two (2) meetings during the financial period ended 31 August 2024 and details of the members and their attendance record are as follows:-

Name of Nomination Committee Member	Meetings Attended
Dato Indera Tun Putera Matin Ahmad Shah Bin Munir <i>Chairman/Independent Non-Executive Director</i>	2 / 2
Loh Poh Im <i>Independent Non-Executive Director</i>	2 / 2
Datuk Ng Seing Liong PJN, JP <i>Non-Independent Non-Executive Director</i>	2 / 2

B. TERMS OF REFERENCE

The Terms of Reference of the NC is available for viewing at the Company's website at www.eco-built.com.my/corporate-info/. The last review of the Terms of Reference of the NC was on 30 May 2022.

C. SUMMARY OF ACTIVITIES OF THE NC

During the financial period ended 31 August 2024, the following activities were carried out by the NC:-

(a) Composition of the Board and Board Committees

The Board is mindful of the importance and advantages of having diversity in terms of skills, experience, age, gender, cultural background and ethnicity at leadership and employee level. A range of diversity dimensions may cultivate a broad range of attributes and perspectives to the boardroom and to various levels of Management within the Group.

The Board has adopted a formal written policy on gender diversity, which can be referred from the Company's website at www.eco-built.com.my/corporate-info/.

One of the recommendations of the Malaysian Code on Corporate Governance ("MCCG") states that the Board should comprises at least 30% women directors. Despite the appointment of Ms Loh Poh Im as the Independent Non-Executive Director a year ago, the women representation in the current Board is 16.7%. With the appointment of Ms Loh, the Company has complied with Paragraph 15.02(1)(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR"). However, the current Board has yet to fulfil the recommendations of the MCCG. The Board is aware on the need to promote gender diversity on the Board in an attempt to uphold good corporate governance. As such, the Board will continue to identify suitably qualified women candidates to fulfil at least 30% women representation in the Board.

(b) Annual Performance Assessment

In 2024, The NC has performed an annual review and assessment on the effectiveness and performance of the Board, Board Committees and individual Directors for financial period ended 31 August 2024. The Board has adopted the following approaches for the said assessment:-

- Individual Director Self Evaluation Sheet
- Independent Directors' Self-Assessment Checklist
- Board and Board Committee Evaluation Self-Assessment
- Audit Committee Member's Self and Peer Evaluation

NOMINATION COMMITTEE REPORT

(CONTINUED)

C. SUMMARY OF ACTIVITIES OF THE NC (CONTINUED)

(b) Annual Performance Assessment (continued)

Based on the assessment outcome, the NC is satisfied with the overall Board performance for financial period ended 31 August 2024 where all Directors have discharged their duties and responsibilities in the best interests of the Company. The Board Committees had carried out their duties and discharged their responsibilities effectively in accordance with the MMLR and their respective Terms of Reference.

(c) Annual Performance of Independence

According to the Terms of Reference of the NC, the Committee is also responsible to perform annual assessment on the independence of our Independent Directors. The assessment takes into consideration the Independent Directors' ability to exercise independent judgment and contribute effectively to the Board.

The NC and Board are of the view that all three (3) Independent Non-Executive Directors continue to remain objective and independent in expressing their views and in participating in deliberations and decision-making actions of the Board and the Board Committees, and that no individual or small group of individuals dominates the Board's decision-making process. All evaluations carried on the independence of the Independent Directors were tabled to the Board and are properly documented.

The number of Independent Directors of the Company is in compliance with the MMLR which requires a minimum one third (1/3) of the Board to be Independent.

The Board Charter stipulates that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. As at 31 August 2024, none of the existing Independent Directors have served on the Board beyond nine (9) years. Nevertheless, in the event if the Board wishes to retain an Independent Director upon completion of nine (9) years term, the Board would provide justification and seek for shareholders' approval through a two-tier voting process during Annual General Meeting ("AGM").

(d) Nomination and Appointment

For any appointment of Director, the NC will evaluate the candidate based on the prescribed set of criteria as indicated in the Terms of Reference, including but not limited to skills, knowledge, expertise, experience, professionalism, integrity, time commitment, and in the case of a candidate for the position of Independent Non-Executive Director, the independence. The Board had introduced a Directors' Fit and Proper Policy, covering the scope of character and integrity, experience and competence, as well as time and commitment, to serve as a reference for the NC in determining the appointment and re-election of Directors. The said policy is accessible on the Company's website at <https://www.eco-built.com.my/corporate-info/>.

Generally, the process for the appointment of new Director to the Board is as follows:-

- (i) the NC reviews the Board's composition through annual Board assessment;
- (ii) the NC determines skills matrix;
- (iii) the NC evaluates and matches the criteria of the candidates as set out in the Directors' Fit and Proper Policy, and will consider diversity, including gender, where appropriate;
- (iv) the NC recommends to the Board for appointment; and
- (v) the Board approves the appointment of the candidate(s).

NOMINATION COMMITTEE REPORT (CONTINUED)

C. SUMMARY OF ACTIVITIES OF THE NC (CONTINUED)

(e) Re-election and Re-appointment

Pursuant to the Clause 76(3) of the Company's Constitution, one-third (1/3) of the Directors for the time being, shall at least retire from the office once in a three (3) years period, but shall be eligible for reflection. As such, for the financial period ended 31 August 2024, Dato' Noordin Bin Sulaiman and Dato Indera Tun Putera Matin Ahmad Shah Bin Munir, who retire by rotation and being eligible, have offered themselves for re-election.

Clause 78 of the Company's Constitution also provided that any Director appointed during the financial period, either to fill a casual vacancy or as an addition to the existing Directors, he/she shall hold office only until the next AGM, and shall then be eligible for re-election. In this regard, Dato' Mohd Ibrahim Bin Mohd Nor, who were appointed as an Executive Director, on 9 December 2024, shall retire at the forthcoming AGM and being eligible, he has offered himself for re-election.

The NC has considered the assessment of Dato' Noordin Bin Sulaiman, Dato Indera Tun Putera Matin Ahmad Shah Bin Munir and Dato' Mohd Ibrahim Bin Mohd Nor, the Directors who are standing for re-election and collectively agree that they meet the criteria of character, experience, integrity, competence and time to effectively discharge their respective roles as Directors. The NC had also conducted the fit and proper assessments on Dato' Noordin Bin Sulaiman, Dato Indera Tun Putera Matin Ahmad Shah Bin Munir and Dato' Mohd Ibrahim Bin Mohd Nor, and was satisfied with the outcome of the assessments.

Our shareholders are stayed informed for any appointment or re-appointment of Directors through the Statement Accompanying Notice of AGM which is attached as part of the Annual Report. This shall ensure the shareholders obtain sufficient information to consider for the exercise of their voting rights during AGM. Detailed profiles of each Director can also be found in the Profile of Board of Directors section in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board recognises the significance of maintaining an effective and high standard of corporate governance to drive the Group's long-term growth and success. As such, the Board strives to uphold the highest standard of transparency, accountability, integrity and ethical conduct across the Group. In this regard, the Board is committed to align the Group's corporate governance practices against the best practices outlined in the Malaysian Code on Corporate Governance ("MCCG").

Pursuant to the Paragraph 15.25(1) and Practice Note 9 of the Bursa Securities' Main Market Listing Requirements, the Board is pleased to present this Corporate Governance Overview Statement ("CG Statement") which provides a summary on the Company's corporate governance practices during the financial period ended 31 August 2024 ("FPE 2024") with reference to the following three (3) key corporate governance principles as advocated in the MCCG: -

Principle A Board Leadership and Effectiveness;

Principle B Effective Audit and Risk Management; and

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

Shareholders are encouraged to review this CG Statement together with the Corporate Governance Report ("CG Report"), which provides the detailed disclosures on the application of each practice. Both the CG Statement and CG Report are made available on Bursa Securities' website at <https://www.bursamalaysia.com/>.

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS

PART I BOARD RESPONSIBILITIES

1. Board Stewardship

The Board, under the leadership of the Chairman, Dato' Noordin Bin Sulaiman, is ultimately responsible to set the Group's business strategic directions and ensure appropriate resources allocation within the Group to drive a long-term sustainable growth. In pursuit of this objective, the Board has established the Group's mission and values as the demonstration to our on-going commitment towards sustainable value creation. The Group's mission and values have taken all both the shareholders' and stakeholders' interests into considerations, as follows: -

Mission We aim to provide world class property developments and services to help create a better community for the future generations.

Values We always believe that by using the following five (5) brand values, we will continue to build the right thing together globally using the following five (5) brand values: -

- Hard Work
- Responsibility
- Morality
- Integrity
- Vitality

These are the values that we will continue to adhere as an essential part of what it means to be Ecobuilt as we move towards the future.

In fulfilling its responsibilities, the Board is guided by the Board Charter which outlines its fiduciary roles and responsibilities for the collective oversight and overall management of the Group's business. The key responsibilities of the Board, amongst others, are as follows: -

- Review, adopt and monitor the Group's strategic plan for the Group to ensure that such strategic plan supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- Oversee the conduct of the Group's business to ensure it is properly managed;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART I BOARD RESPONSIBILITIES (CONTINUED)

1. Board Stewardship (continued)

The key responsibilities of the Board, amongst others, are as follows: - (continued)

- Set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risk;
- Identify risks and assume active role in ensuring the implementation of appropriate risk management and internal control systems to manage or mitigate these risks;
- Review the adequacy and integrity of the Group's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines;
- Perform succession planning, including appointing, training, fixing the compensation of the key Managements;
- Ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and senior management;
- Ensure measures are in place to assess and oversee Management's performance;
- Develop and implement investor relations programme or shareholder communications policy for the Group and ensure that the Company has in place procedures to enable effective communication with stakeholder;
- Together with Management, take responsibility for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets. The Board takes into account sustainability considerations when exercising its duties including among others the development and implementation of the Company's strategies, business plans, major plans of action and risk management;
- Ensure that the Company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders;
- Take appropriate action to ensure the Board stays abreast with and understands the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities; and
- Ensure that all its Directors are able to understand financial statements and form a view on the information presented and ensuring that integrity of the Company's financial and non-financial reporting.

To facilitate the discharge of the Board's functions, it has assigned specific functions and authorities to three (3) Board Committees, namely Audit Committee ("AC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). Each of these Board Committees operates in accordance with its respective Terms of Reference, which are annexed as part of the Appendix within the Board Charter on Company's website at <https://www.eco-built.com.my/corporate-info/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART I BOARD RESPONSIBILITIES (CONTINUED)

1. Board Stewardship (continued)

To achieve a balance of power, control and authority between governance and management, the Company is currently having two (2) different individuals to hold the positions of Board Chairman and Chief Executive Officer ("CEO"). Dato' Noordin Bin Sulaiman, being the Chairman of the Board, assumes the role of stewardship over the Board. His primary responsibilities include ensuring the overall effectiveness of the Board and promoting sound corporate governance practices among its members. On the other hand, the Executive Director cum CEO, Ng Choon Keith, assumes the executive responsibility for the daily management of the Group's operations and the implementation of the policies and strategies approved by the Board. The Board believes that this segregation of powers and authorities promotes accountability and such that no individual has unfettered powers of decision making, thereby protecting the shareholders' and other stakeholders' interests. The clear line of duties and responsibilities of both the Board Chairman and CEO are outlined in the Board Charter, which is accessible on the Company's website at <https://www.eco-built.com.my/corporate-info/>.

As at 31 August 2024, the Board Chairman did not hold any Board Committee position in all AC, NC and RC in line with the best practices as advocated by the Practice 1.4 of the MCCG. This shall ensure that independence and objectivity are upheld during the deliberations in Board meetings and Board Committee meetings.

In accordance to the Paragraph 15.05(3)(c) of the MMLR, all Directors are obligated to achieve a minimum attendance rate of 50% in Board meetings as held during the financial year. In FPE 2024, all Directors have committed their best endeavours and met the said requirements by recording the meetings attendance as follows: -

Directors	Board	AC	NC	RC
Dato' Noordin Bin Sulaiman	5 / 6	-	-	-
Datuk Ong Chee Koen (Resigned on 9 December 2024)	5 / 6	-	-	-
Datuk Ng Seing Liong, PJN, JP	6 / 6	6 / 6	2 / 2	2 / 2
Dato Indera Tun Putera Matin Ahmad Shah Bin Munir	6 / 6	6 / 6	2 / 2	2 / 2
Ms Loh Poh Im	6 / 6	6 / 6	2 / 2	2 / 2
Mr Ng Choon Keith	6 / 6	-	-	-
Dato' Mohd Ibrahim Bin Mohd Nor (Appointed on 9 December 2024)*	-	-	-	-

* No meeting was attended during FPE 2024 as he was newly appointed to the Board of Directors on 9 December 2024.

All Board and Board Committee meetings are scheduled in advance to ensure that all Directors have sufficient time to make necessary arrangements and reserve their availability for Company. As guided by the Board Charter, notice of meetings together with the relevant meeting materials, such as Board papers and agenda items, are circulated at least five (5) business days before the meeting to ensure sufficient time for the Directors to peruse and consider on matters to be discussed and if necessary, to obtain further information in order to facilitate their decision-making process during the meeting. However, in the event of urgent and confidential matters, the relevant meeting materials will only be distributed during the meetings.

To ensure an effective discharge of function, the Board has unrestricted access to all information pertaining to the Group's operations and business affairs, as well as access to the Management, the services of the Company Secretaries, and both Internal and External Auditors at the Company's cost to support their decision-making process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART I BOARD RESPONSIBILITIES (CONTINUED)

1. Board Stewardship (continued)

During FPE 2024, the Board is supported by the Company Secretaries who possess the requisite qualifications to serve as Company Secretaries in compliance with Section 235(2)(a) of the Companies Act 2016.

In attendance at all meetings, the Company Secretary play a pivotal role to facilitate the meeting proceedings and record the Board's deliberations, including the issues discussed and decisions made. The Company Secretary also provide advice, updates and guidance to the Board on regulatory and company secretarial matters. Upon the conclusion of each meeting, the meeting minutes are circulated to all Directors for their review on a timely basis. The minutes will then be presented for confirmation in the subsequent meeting and properly documented thereafter. The full roles and responsibilities of the Company Secretary are set out in the Board Charter, which is made available on the Company's website at <https://www.eco-built.com.my/corporate-info/>.

The Company Secretary are committed to stay updated on the latest regulatory changes and development through continuous training and industry updates. For the FPE 2024, the Board expresses its satisfaction with the performance and services provided by the Company Secretary in supporting the Board's effective discharge of its responsibilities.

2. Board Charter

The Company has in place a Board Charter that provides a comprehensive framework detailing the roles and duties of the Board, Board Committees, Chairman, CEO, Independent Non-Executive Directors and Company Secretaries. The Board Charter also specifies the matters that are exclusively reserved for the Board's deliberation.

To ensure its relevance and suitability with the latest business environment, the Board Charter is subjected to review periodically or as and when necessary. It is made available for public's access on the Company's website at <https://www.eco-built.com.my/corporate-info/>.

3. Business Ethics and Integrity

The Board is committed to uphold the highest standards of business ethics and comply with applicable laws, rules and regulations. In this regard, the Board has adopted the Code of Ethics ("the Code") that serves as a guideline for all Directors and employees to uphold the highest standard of integrity, accountability and professionalism within the Group's daily business conducts. The Code covers the following areas: -

- (i) Conflicts of interest;
- (ii) Corporate opportunities;
- (iii) Protection of confidential information;
- (iv) Protection and proper use of Company's assets;
- (v) Compliance with laws, rules and regulations;
- (vi) Trading on inside information; and
- (vii) Compliance with the Code and reporting of any illegal or unethical behaviour.

In compliance with the enforcement of Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009, the Board has also formalised an Anti-Bribery & Corruption Policy ("ABC Policy"). In line with Ecobuilt's zero-tolerance stance against all forms of bribery and/or corruption, this ABC Policy outlines the key guiding principles and control measures pertaining to anti-bribery and corruption matters and was developed with reference to the Guidelines on Adequate Procedures issued under Section 17A of the MACC Act 2009.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART I BOARD RESPONSIBILITIES (CONTINUED)

3. Business Ethics and Integrity (continued)

To support the implementation of the Code and ABC Policy, the Board has also adopted a Whistle Blowing Policy to provide guidance to all employees for reporting any improper conduct within the Group. If an employee reasonably believes that an employee has engaged in any action that violates any applicable laws or regulations, including those related to accounting and auditing, or constitute fraudulent practices, the employee, hereinafter referred as the whistleblower, is expected to promptly report such information to the Chairman of the Board. If the whistleblower feels uncomfortable reporting such information to the Chairman of the Board, he/she is expected to report the information to other Independent Non-Executive Directors.

All reports made will be addressed and investigated appropriately, timely, independently and confidentially. In compliance with the Whistleblower Protection Act 2010, the Whistle Blowing Policy is also designed to protect whistleblowers who report in good faith, by safeguarding them against any adverse and detrimental actions. Upon investigation, disciplinary actions will be taken against wrongdoers shall there be the need to do so.

All the Code, ABC Policy and Whistle Blowing Policy are accessible on the Company's website at <https://www.eco-built.com.my/corporate-info/>. In FPE 2024, the Board is pleased to report that no reports were made by any whistleblower, indicating the effectiveness of these policies and the ethical culture within the organisation.

4. Sustainability Management

In today's business environment, sustainability is one of the key aspects to drive long-term value creation. In Ecobuilt, the Board is ultimately responsible to set the Group's sustainability strategies, priorities and targets. On 28 April 2023, the Board has approved a Sustainability Framework, covering the Group's sustainability commitment, governance structure, materiality matrix, scorecard as well as stakeholders' communications and engagements.

Based on the Sustainability Framework, the Board is supported by Management Committee who is responsible to provide strategic oversight and guidance over the Group's sustainability management. Meanwhile, at the Board level, the Board is assisted by the AC to oversee any sustainability-related audit or assurance activities. The Management Committee is then supported by the Group Sustainability Team, Business Division Sustainability Team as well as Business Division Sustainability Working Team for the implementation and execution of sustainability strategies in daily operations.

The Board has divided the Group's sustainability agenda into four (4) pillars, namely Economic, Environmental, Social and Governance ("EESG"). On an annual basis, the Board has also conducted materiality assessment to revisit, identify, evaluate and prioritise the sustainability issues that are the most relevant to the Group and its stakeholders. This assessment enables the Board to develop a series of appropriate and relevant sustainability strategies for implementation across the Group. These strategies are then formulated with reference to the seventeen (17) Sustainable Development Goals ("SDGs") introduced by the United Nation's Department of Economic and Social Affairs in 2015.

Shareholders and stakeholders are communicated with the Group's sustainability principles, strategies, targets and other relevant matters in the Sustainability Statement within this Annual Report. The Board understands that sustainability trends are constantly evolving in line with the changing business environment, and thus, the Directors have kept themselves updated on the latest sustainability trends by attending relevant training programs during FPE 2024.

Whilst the Board recognises the importance of tracking the Board's and Management's performance pertaining to sustainability management, the NC has yet to include sustainability management as part of the performance evaluation criteria for FPE 2024. Nevertheless, the Board and the NC will consider to include such aspect into the annual performance evaluation moving forward, if necessary.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II BOARD COMPOSITION

5. DIVERSE AND EFFECTIVE BOARD

The current Board consists of six (6) members, comprising two (2) Executive Director, which one (1) is holding the concurrent position as CEO, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. In other words, the current Board records a Board composition with 50% Independent Non-Executive Directors, which is in compliance with Paragraph 15.02 of the MMLR and Practice 5.2 of MCCG as shown as follows: -

Name	Directorship
Dato' Noordin Bin Sulaiman	Independent Non-Executive Director
Datuk Ong Chee Koen <i>(Resigned on 9 December 2024)</i>	Non-Independent Non Executive Director
Datuk Ng Seing Liong PJN, JP	Non-Independent Non-Executive Director
Dato Indera Tun Putera Matin Ahmad Shah Bin Munir	Independent Non-Executive Director
Ms Loh Poh Im	Independent Non-Executive Director
Mr Ng Choon Keith	Executive Director / Chief Executive Officer
Dato' Mohd Ibrahim Bin Mohd Nor <i>(Appointed on 9 December 2024)</i>	Executive Director

Whilst the current Board composition fulfils the aforementioned requirement, it has yet to meet the best practice of having at least 30% women directors on the Board. In this context, the Board has established a formal written gender diversity policy. Presently, there is only one (1) woman Director sitting on the Board, indicating a 16.7% women Board representation. Nevertheless, the Board is actively identifying suitable female candidates who possess the necessary skills, expertise and value to contribute as Board members and Senior Management.

In an effort to further enhance the Board independence, the Board Charter requires Independent Directors to serve a cumulative term limit of nine (9) years, as recommended by Practice 5.3 of MCCG. In the event if the Board wishes to retain an Independent Director beyond this limit, justification and annual shareholders' approval through a two-tier voting process are required. As at 31 August 2024, none of Independent Directors have served the Company for more than nine (9) years.

The NC is responsible to review the structure, size and composition of the Board regularly so as to make necessary recommendations to the Board to improve Board effectiveness and ensure regulatory compliance. Details of the composition of NC, its Terms of Reference and the summary of activities of NC during the FPE 2024 are stipulated in the NC Report within this Annual Report.

6. Overall Board Effectiveness

To assess the overall effectiveness of the Board, the performance of Board Committees, and the contribution of each Director, an internally facilitated Board assessment was conducted. Facilitated by the Company Secretary, the evaluation was conducted in both self-evaluation and peers' evaluation approaches. Further details of the annual performance evaluation have been outlined in the CG Report.

Based on the assessment result, both the Board and the NC are satisfied with the current size and composition of the Board and Board Committees which are deemed to be well balanced, comprising individuals who possess high-calibre attributes, the requisite skills, qualifications, experience and credibility.

As an on-going effort, all Directors are provided with opportunities and are actively encouraged to participate in relevant training programs, seminars, and conferences. These initiatives are aimed at keeping Directors informed about new legislations, best practices, financial reporting requirements, and other relevant courses that can enhance their skills and knowledge, ultimately enabling them to fulfil their responsibilities more effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II BOARD COMPOSITION (CONTINUED)

6. Overall Board Effectiveness (continued)

The NC is responsible to evaluate the annual training requirements of all Directors so as to identify their specific training needs. Directors are then enrolled in the appropriate training programmes to meet these needs. It is recommended that each Director attends at least one (1) workshop or seminar during the financial year.

During FPE 2024, the Directors have attended the following training programmes: -

Director	Training Programmes/Seminars/Conferences Attended	Date
Dato' Noordin Bin Sulaiman	<ul style="list-style-type: none"> Internal Seminar on Audit, Governance & Integrity Workshop on Accountability and Governance in the State Link Company 	16 – 17 Dec 23 14 Mar 24
Datuk Ng Seing Liong PJN, JP	<ul style="list-style-type: none"> National Tax Conference 2023 Conference: Industrial Development 2023 Community Mediation Course, Asian Institute of Alternative Dispute Resolution (AIADR) 2024 Budget seminar IFRS S1 and S2: The Essentials Practical MPERS for Basic Financial Instruments Effects of Climate-Related Matters on Financial Statements CEO Series 2023 "Economy & Business Forum" Strata Management Conference 2024 "Most Influential STRATA Event in Malaysia for Property Developers" Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) Regional Housing Conference 2024 Program Jaringan kerjasama JPPM Negeri Selangor bersama Bank Negara Malaysia (BNM) dan Suruhanjaya Pencegahan Rasuah Malaysia (SPRM): Pencegahan Risiko pengubahan wang haram serta pembiayaan keganasan dan Pengurusan Dana Awam National Tax Conference (NTC) 2024 	1 – 2 Aug 23 20 – 21 Sep 23 18 – 21 Oct 23 25 Oct 23 10 Nov 23 24 Nov 23 29 Nov 23 7 Dec 23 11 Jan 24 23 – 24 Jan 24 14 May 24 10 Jul 24 22 – 23 Jul 24
Dato Indera Tun Putera Matin Ahmad Shah Bin Munir	<ul style="list-style-type: none"> Advocacy Session on Corporate Disclosure 	25 Oct 24
Ms Loh Poh Im	<ul style="list-style-type: none"> Principal's SME & Corporate Seminar Delivering Outcomes 	7 Mar 24 26 Jun 24
Mr Ng Choon Keith	<ul style="list-style-type: none"> Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) 	25 – 26 Sep 24
Dato' Mohd Ibrahim Bin Mohd Nor	<ul style="list-style-type: none"> Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) 	9 – 12 Dec 24

The Board is also briefed by the Company Secretary of any significant changes in laws and regulations that are relevant. The Directors continue to undergo other relevant training programs that can further enhance their knowledge in the latest development relevant to the Group, especially in areas of corporate governance and regulatory development, to carry out their responsibilities effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART III REMUNERATION

7. Remuneration Framework

The Board has established the RC to support and facilitate the remuneration affairs in the Company and the Group. The RC is empowered to design and propose remuneration packages for both Directors and Senior Management that aligns with the Group's business strategies and objectives.

The current composition of the RC is as follows: -

Position	Name	Directorship
Chairman	Ms Loh Poh Im	Independent Non-Executive Director
Member	Datuk Ng Seing Liong PJN, JP	Non-Independent Non-Executive Director
Member	Dato Indera Tun Putera Matin Ahmad Shah Bin Munir	Independent Non-Executive Director

To ensure that motivative and appropriate level of remuneration packages are recommended, the RC is guided by the Company's Remuneration Policy that illustrates the remuneration structure for both Executive and Non-Executive Directors as well as Senior Management, summarised as follows: -

Executive Directors & Senior Management	Non-Executive Directors
<ul style="list-style-type: none"> • Base salary • Performance bonus • Other benefits • Other incentives as may be determined from time to time 	<ul style="list-style-type: none"> • Director's fees • Meeting allowance • Directors and officers' liability insurance • Other incentives as may be determined from time to time

The remuneration packages for Executive Directors and Senior Management are reviewed by the RC, and subsequently proposed for Board's approval. On the other hand, the remuneration packages for Non-Executive Directors are determined by the Board and should be sought for shareholders' approval during AGM. Directors should abstain themselves from discussing their own remuneration. The Remuneration Policy is accessible on the Company's website at <https://www.eco-built.com.my/corporate-info/>.

8. Remuneration of Directors and Senior Management

The total remuneration paid or payable to all our Directors for FPE 2024 is as follows: -

Director	Company		Group			
	Fees (RM)	Allowance (RM)	Fees (RM)	Salary (RM)	Bonus (RM)	Other Emoluments (RM)
Dato' Noordin Bin Sulaiman	49,200	1,500	49,200	-	-	1,500
Datuk Ong Chee Koen	60,000	1,500	60,000	-	-	1,500
Datuk Ng Seing Liong PJN, JP	60,000	1,500	60,000	-	-	1,500
Dato Indera Tun Putera Matin Ahmad Shah Bin Munir	49,200	1,500	49,200	-	-	1,500
Ms Loh Poh Im	49,200	1,500	49,200	-	-	1,500
Mr Ng Choon Keith	-	-	385,000	-	-	625
Dato' Mohd Ibrahim Bin Mohd Nor*	-	-	-	-	-	-

* No remuneration was paid during FPE 2024 as he was newly appointed to the Board of Directors on 9 December 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART III REMUNERATION (CONTINUED)

8. Remuneration of Directors and Senior Management (continued)

Regarding the disclosure of Senior Management's remuneration, the Company has opted for an alternative approach to disclose the remuneration package in the band of RM250,000 due to the confidentiality concern in a competitive industry. This approach is deemed to strike a balance between transparency and confidentiality while ensuring compliance with the MCCG.

The total remuneration received by Senior Management of the Group, including salary, bonus, benefits-in-kind, and other emoluments within the RM250,000 bands for FPE 2024, is presented as follows: -

Range of Remuneration	Number of Senior Management
Below RM250,000	1
RM250,000 to RM500,000	-
RM500,000 to RM750,000	-
RM750,000 to RM1,000,000	-

9. Effectiveness and Independence of Audit Committee

The Board has established an Audit Committee which comprises of three (3) Directors: -

Position	Name	Directorship
Chairman	Ms Loh Poh Im	Independent Non-Executive Director
Member	Datuk Ng Seing Liong PJN, JP	Non-Independent Non-Executive Director
Member	Dato Indera Tun Putera Matin Ahmad Shah Bin Munir	Independent Non-Executive Director

To uphold integrity and objectivity, the Chairman of the Board and AC are held by separate individuals. The AC is chaired by Ms Loh Poh Im, who is a Chartered Accountant of Malaysian Institute of Accountants ("MIA"). She has previously worked as Chief Financial Officer and Executive Director of a few public listed companies on the Bursa Securities. She has more than thirty (30) years of experiences in corporate finance, financial and management accounting and administration especially in the manufacturing, construction, property development as well as leisure and hospitality sectors.

Another AC member, Datuk Ng Seing Liong PJN, JP, also holds membership of various professional bodies including MIA, Association of Chartered Certified Accountants ("ACCA"), Institute of Chartered Secretaries & Administrators ("ICSA"), Malaysia Institute of Certified Public Accountants ("MICPA"), Chartered Tax Institute of Malaysia ("CTIM") and Malaysia Institute of Co-operative & Management Auditors ("AICMA").

While only two-third (2/3) of the AC holds professional accounting qualification, the entire AC is considered as financially literate and competent as they possess with the necessary skills and knowledge to understand the Group's business and oversee financial reporting and auditing matters. During FPE 2024, all AC members have also undergone continuous professional development through training programmes and received updates provided by the Management and External Auditors to stay informed with the latest developments in accounting and auditing standards, practices and regulations.

In accordance with the AC's Terms of Reference, a former key audit partner is required to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. This measure is in place to prevent conflicts of interest and preserve the independence of the audit when discharging his/her duties as an AC member. Currently, none of the AC member is a former key audit partner.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART III REMUNERATION (CONTINUED)

9. Effectiveness and Independence of Audit Committee (continued)

Furthermore, the AC is also responsible to assess and review the suitability, objectivity and independence of the External Auditors in accordance with the Company's External Auditors Assessment Policy which taking the following elements into consideration: -

- calibre of external audit firm;
- quality processes/performance;
- sufficiency of resources provided by the External Auditors;
- audit scope and planning;
- ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated;
- audit fees and non-audit fees taking into consideration the nature of the non-audit services provided and the fees paid for such services;
- the independence and objectivity;
- the communication and interaction with External Auditors, Management and the AC; and
- whether there are safeguards in place to ensure there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors.

For the FPE 2024, the AC is satisfied with the suitability, competence and independence of the External Auditors in providing their services to Ecobuilt. The External Auditors have also provided a written confirmation, affirming their adherence to ethical requirements concerning the Group's audit and confirming their independence throughout the audit engagement in compliance with the relevant professional and regulatory standards.

The total amount of audit and non-audit fees paid or payable to the External Auditors or a firm affiliated with the External Auditors by the Company and the Group for FPE 2024 are tabled as follows: -

	FPE 2024 (RM)	Group FYE 2023 (RM)	Company FYE 2024 (RM)	FYE 2023 (RM)
Audit Services				
- Current year	122,254	91,996	58,500	36,000

The NC is satisfied with the manner in which the AC has fulfilled its functions, duties and responsibilities. They have effectively assisted the Board in maintaining the Group's regulatory compliance and financial integrity. Further information on the composition and summary of activities of the AC during FPE 2024 can be referred to the AC Report in this Annual Report.

PART II RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

10. Effective Risk Management and Internal Control

The Boards acknowledges that the Group's objectives and sustainable success can only be achieved with a proper risk management and internal control framework. As such, the Board has implemented an on-going process for the identification, assessment, monitoring and management of significant risks across the Group. However, given that no risk management and internal control system can completely eliminate all the risks, the Group's system is designed to mitigate and manage these risks in line with the Group's business objectives instead. Hence, the risk management and internal control system can only offer reasonable but not absolute assurance against potential material misstatements or losses.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONTINUED)

10. Effective Risk Management and Internal Control (continued)

The Board, supported by the AC, is responsible to review and assess the adequacy and effectiveness of the Group's risk management and internal control systems regularly. Any significant risks that could impact the Group's strategic and business plans shall be promptly escalated to the Board's attention during the scheduled Board meetings.

Detailed information regarding the features of the Group's risk management and internal control framework, as well as an assessment of their adequacy and effectiveness, are set out in the Statement on Risk Management and Internal Control within this Annual Report.

11. Internal Audit and Governance Control

During FPE 2024, the Group has outsourced its internal audit function to an independent service provider, IBDC (Malaysia) Sdn. Bhd., which is led by Napoleon Poh, Consultant, Consultant, Bachelor of Accounting and Finance (Hons), and supported by 3 staff in Ecobuilt IA. The Internal Auditors are well-qualified, experienced and able to operate with a high degree of independence to fulfil their duties with professional due care. They are free from any relationships or conflicts of interest that could compromise their ability to provide unbiased assessments.

All internal audit reviews are conducted in accordance with the International Professional Practice Framework ("IPPF"). To ensure the smooth execution of internal audits, the AC has full and unrestricted access to all information and resources in the Group to ensure that the Internal Auditor obtains sufficient information to conduct the internal audit engagement appropriately.

The Internal Auditors report directly to the AC. Following each internal audit review, the Internal Auditors present their findings, together with root-cause analyses, potential implications and risks, and recommended improvements during the scheduled AC meetings. The AC and Management will subsequently acknowledge these weaknesses and implement the recommended corrective actions within stipulated timeframes. A follow-up review will then be conducted by the Internal Auditors to confirm that corrective actions and necessary controls have been effectively implemented to address the previously highlighted weaknesses, thereby solidifying the Group's internal control system.

For further information regarding the Group's internal audit function, please refer to the Statement on Risk Management and Internal Control within this Annual Report.

12. Continuous Communication with Stakeholders

The Board recognises the significance of regularly engaging with stakeholders to support the Group's sustainability and prospective growth. In this regard, the Board is committed to disseminate timely, accurate and complete information to shareholders and the public via the following communication means: -

- Company's website at <https://www.eco-built.com.my/>;
- Announcement made to Bursa Securities at <https://www.bursamalaysia.com/>;
- Quarterly financial reports and Annual Report; and
- AGM for dialogues with shareholders.

13. Meaningful General Meetings

AGM serves as a platform for dialogue with shareholders. Shareholders are invited to have face-to-face communication with the Board and Senior Management. This shall promote effective communication, transparency and a sense of ownership and engagement among shareholders.

To facilitate informed decision-making, notices of general meetings are sent out to shareholders at least twenty-eight (28) days prior to the scheduled AGM. This allows shareholders to have sufficient time to make necessary arrangements and peruse the meeting materials, including the agenda, resolutions, financial reports and any other relevant information.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

PART II RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONTINUED)

13. Meaningful General Meetings (continued)

In line with the upliftment of Covid-19 restriction measures, the Company's Nineteenth (19th) AGM was convened physically. All Directors, as well as the External Auditors and the Company Secretary, had showed their commitments by physically attending the said AGM. During the AGM, shareholders were then provided with sufficient opportunity to voice out their questions and concerns during the Question and Answers ("Q&A") sessions throughout the AGM. All questions raised by the shareholders were then appropriately addressed by the Directors.

For the 19th AGM, Tricor Investor & Issuing House Services Sdn Bhd was appointed as the Poll Administrator to conduct the poll, while Asia Securities Sdn Bhd was appointed as the independent scrutineer to verify the poll result thereafter. All service providers have executed their role and responsibility to maintain the security and protection of the attendants' personal data during the AGM.

Upon conclusion of the 19th AGM, the Company as supported by the former Company Secretaries, have uploaded the relevant meeting minutes on the Company's website at <https://www.eco-built.com.my/financial-report/> within thirty (30) business days.

COMPLIANCE STATEMENT

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

This Corporate Governance Statement was officially approved by the Board on 31 December 2024.

ADDITIONAL COMPLIANCE INFORMATION

1. Variation in Results

There were no deviation of 10% or more between the profit after taxation stated in the unaudited fourth quarter ended 31 August 2024 announced on 30 August 2024 and the audited financial statements of the Group for the financial period ended 31 August 2024.

2. Profit Forecast / Profit Guarantee

During the year under review, the Company did not provide any profit forecast / guarantee in any public documents.

3. Material Contract

There was no material contract entered into by the Company and its subsidiaries involving Directors and major shareholders' interest which was still subsisting at the end of the financial period ended 31 August 2024.

4. Recurrent Related Party Transactions ("RRPT")

There was no recurrent related party transactions of a revenue or trading of the Group for the financial period ended 31 August 2024.

5. Utilisation of Proceeds

There was no issuance, cancellation, resale and repayment of debt and equity securities for the financial period ended 31 August 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("the Board") of Ecobuilt Holdings Berhad ("Ecobuilt") is pleased to provide the Statement on Risk Management and Internal Control of the Group for the financial period ended 31 August 2024, which has been prepared, taken into consideration the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines") and made in accordance with the recommendations of the Malaysian Code of Corporate Governance.

BOARD RESPONSIBILITIES

The Board undertakes responsibilities for maintaining a sound system of internal control that supports the achievement of the corporate policies, aims and objectives of Ecobuilt Group of Companies by continuous improvement on internal control and risk management.

The system of risk management and internal control is designed to safeguard shareholders' investment and the Group's assets, and for reviewing its adequacy and integrity. In view of the limitations underlying any system of the internal controls which covers financial, operational, compliance controls and risk management procedures, the system is designated to provide reasonable but not absolute assurance of its effectiveness and is designated to manage rather than eliminate the risk of failure to achieve the corporate aims and objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss.

The Group has in place an on-going process to identify, evaluate, monitor and manage any significant risks through the internal controls set out in order to attain reasonable assurance that business objectives have been met. The processes which have been instituted throughout the Group. These controls are regularly reviewed by the Board and subject to continuous improvement. The Board, through its Audit Committee, regularly reviews the results of this process which has been in place for the year under review and up to the date of issuance of the Annual Report and financial statements.

The Board is of the view that the risk management and internal control system is in place for the year under review and up to the date of issuance of the annual report is adequate and effective to safeguard the shareholders' investment, the interests of customers, regulators, employees and the Group's assets.

RISK MANAGEMENT SYSTEM

Towards formalising the risk management functions within the Group, the Board has engaged an independent professional firm with suitable experience and capabilities to handle the internal audit functions, and to assist the Board and the Audit Committee in providing independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system.

Key management personnel and Heads of Department are responsible for assisting the Board to implement policies and procedures on risk management and internal control. Significant risk affecting the Group's strategic and business plans are escalated to the Board at their scheduled meetings.

During the financial year, the Group had identified major risk areas of concern and mitigating actions were taken. The major risks are outlined below:

(1) Competition and business diversification risks

The Group faces direct competition from both emerging players and established companies within the construction industry. The Group seeks to be competitive in the construction industry by being cost efficient through effective project management and cost control policies. Additionally, the Group committed to deliver high quality products at competitive pricing as well as actively seeking new opportunities, including sustainable and green construction initiatives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

RISK MANAGEMENT SYSTEM (CONTINUED)

(2) Dependency on key management personnel

The Group's participation in the construction industry relies heavily on the abilities, skills, experience, and competence of its key management personnel. The potential departure of any of these key individuals, without a suitable and timely replacement, could have a detrimental impact on the Group's operation. The Group acknowledges this risk and is committed to retaining its key personnel through attractive remuneration packages and project-based incentives.

(3) Economic, political and regulatory risks

Any adverse developments in political, economic, market, interest rate, taxation, regulatory and social conditions may materially affect the Group's involvement in the construction industry. These include changes which are beyond the Group's control. The Group intends to mitigate such risks by continuously reviewing our business development strategies to respond to changes in such factors and conditions.

INTERNAL CONTROL SYSTEM

Key internal controls in place for the Group are as follows: -

- (1) Well-defined organisational structure with clear lines of accountability and responsibilities provides a sound framework within the organisation in facilitating check and balance for proper decision making at the appropriate authority levels of management including matters that require the Board's approval.
- (2) The Board and Audit Committee meet at least once on a quarterly basis to review and deliberate on financial reports, annual financial statements or internal audit reports. Discussions with management are held to deliberate on the actions that are required to be taken to address internal control issues identified. The Board also plays an active role in discussing and reviewing the business plans, strategies, performance, and risks faced by the Group.
- (3) Internal policies and procedures had been established for key business units within the Group.
- (4) Proper delegation of authorities that sets out decision that needs to be taken and the appropriate levels of management involved including matters that require the Board's approval.
- (5) Scheduled operational and management meetings are held to discuss and review the business plans, budgets, financial and operational performances of the Group.
- (6) Management accounts containing key financial results, operational performances and comparison of actual performance against budgets are presented to the management team for monitoring and review. The quarterly financial statements are presented to the Audit Committee and Board for their review and approval.

INTERNAL AUDIT FUNCTION

During the financial period ended 31 August 2024, the Board has engaged an independent professional firm to provide independent assurance on the existence, adequacy, operating effectiveness and efficiency of internal control systems in operation of the Group. The Internal Auditors report directly to the Audit Committee and is guided by an approved Internal Audit Charter.

The internal audit is guided by the International Professional Practices Framework issued by the Institute of Internal Auditors which contains the international standards for internal auditing. The Internal Auditors, performed review on key processes within the Group according to the Internal Audit Plan which have been approved by the Audit Committee and assessed the effectiveness of the internal control system, based on their procedures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

INTERNAL AUDIT FUNCTION (CONTINUED)

The internal audit report which highlights material non-compliance or internal control weaknesses, associated risks and implications, and management responses are tabled during the Audit Committee Meetings. The Management is responsible for ensuring that corrective actions are taken within the stipulated time frame. Subsequent review on the implementation of corrective actions taken for previous audit findings will also be performed by the Internal Auditors and reported to the Audit Committee.

The Internal Audit Plan which is prepared based on areas of higher risk exposure has been approved by the Audit Committee. During the financial period ended 31 August 2024, the Internal Auditors has reviewed the following business processes / functions:

- Tender and contract management; and
- Expense claim processing

The fees incurred for the internal audit function and risk management function for the financial period ended 31 August 2024 was RM10,800.

Based on the report of the appointed Internal Auditors, the Board is satisfied that there is no significant breakdown or weaknesses in the system of internal control of the Group that may have a material impact against the operations of the Group for the financial period ended 31 August 2024.

OTHER RISK AND CONTROL PROCESSES

The Group has set in place standard operating procedures internally covering major and critical facets of the Group's business process. Procedures are primarily geared towards the prevention of wastages, handling loss and major functional aspects of business operations. The procedures are subject to review as processes change or when new business requirements need to be met.

REVIEW BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of Main Market Listing Requirements of Bursa Securities, the External Auditors, HLB Ler Lum Chew PLT, has reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Group for the financial period ended 31 August 2024 in accordance with Audit and Assurance Practice Guide ("AAPG") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants. The external auditors have reported to the Board that based on their review, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

MANAGEMENT'S ASSURANCE

The Chief Executive Officer, representing the management, has given reasonable assurance to the Board that the Group's risk management and internal controls system are adequate and effective, in all material aspects, based on the risk management and internal controls adopted by the Group.

CONCLUSION

The Directors believes that the system of the internal control is considered appropriate to the business operations and that the risk taken is at an acceptable level within the context of the business environment of the Group. It should be noted that such arrangements do not eliminate the possibility of collusion or deliberate circumvention of procedures by employees. Human error and/or other unforeseen circumstances can result in poor judgement. For the financial year under review, there was no significant internal control deficiencies or material weaknesses resulting in material losses, contingencies or uncertainties which would require separate disclosure in this Annual Report.

The statement was approved by the Board on 31 December 2024.

SUSTAINABILITY STATEMENT 2024



ABOUT THIS REPORT

Ecobuilt Holdings Berhad ("Ecobuilt" or "the Company") and together with its subsidiaries, (the "Group"), is pleased to present this Sustainability Statement ("Statement") for the financial period ended 31 August 2024 ("FPE 2024").

Ecobuilt Group is well-known as a leading engineering group with businesses in civil engineering, building contracting and construction. The Group has established a good track record over the years and aims to provide the highest standard of design, construction and services in the business.

Both of our subsidiaries, namely Eko Bina Sdn Bhd and Rexallent Construction Sdn Bhd, are registered as Grade 7 ("G7") Contractors with the Construction Industry Development Board of Malaysia ("CIDB"). Such certification enables Ecobuilt and its subsidiaries to undertake building construction projects with unlimited value in Malaysia. In addition, the Group is also registered under Sijil Perolehan Kontrak Kerajaan ("SPKK") to take part in Malaysian Government awarded contracts.

The Group recognises the importance of adopting sustainable practices and we firmly believe that being environmentally and socially responsible is intergal for the growth and success of our company.

This Statement reflects the Group's performance, as well as the company's strategy and vision for the future. Our commitment to sustainability is rooted in our core values. We strive to minimise our environmental footprint by implementing resource efficiency measures and adopting renewable energy sources wherever possible. Additionally, we prioritise ethical business practices, ensuring fair treatment of our employees and fostering diversity and inclusion within our workforce.

We are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of the Group. Through our steadfast commitment to corporate governance excellence, we strive to build enduring relationships, foster innovation, and deliver sustainable value to our shareholders and stakeholders alike. As we move forward, the Group will continue to innovate and collaborate in pursuit of a more sustainable and resilient future.

SUSTAINABILITY STATEMENT 2024 (CONTINUED)

REPORTING FRAMEWORK

This Statement has been prepared in accordance with the framework and guidelines based on:

- (i) Main Market Listing Requirements, issued by the Bursa Malaysia Securities Berhad ("Bursa Malaysia");
- (ii) Sustainability Reporting Guidelines issued by Bursa Malaysia; and
- (iii) The United Nation's Sustainable Development Goals ("UNSDG").

REPORTING BOUNDARY AND SCOPE

This statement covers the Group's sustainability performance from 1 June 2023 to 31 August 2024. It provides an overview of the Group's sustainability initiatives and performance. Where relevant, we include previous years' data for progress tracking and context. Material issues and topics described in this report have been selected according to their significance within the company boundaries, the sustainability context and the expectations of stakeholders.

The sustainability information contained in this Statement covers the performance of the parent company, Ecobuilt Holdings Berhad and the following companies unless otherwise indicated in the Statement:

- (i) Eko Bina Sdn. Bhd.
- (ii) Rexallent Construction Sdn. Bhd.

ASSURANCE

Independent assurance ensures the accuracy and transparency of the information provided in this Statement.

The performance data presented in this Statement have mainly been extracted from internal information systems and original records to ensure accuracy. During the financial year, we engaged an outsourced Internal Auditor to perform an independent limited assurance review of the accuracy of the data presented in the Sustainability Statement.

Ecobuilt has not sought external assurance for this Statement and may seek full assurance for future sustainability statements as its reporting matures over time.

FEEDBACK

This Statement can be found and downloaded in our official website, under the section of Annual Report. We value your comments and recommendation for improvements over our sustainability performance or reporting framework. As such, we welcome any inquiries and suggestions to be directed to our corporate email, at inquiry@ecobuilt.com.my

SUSTAINABILITY STATEMENT 2024

(CONTINUED)

OUR SUSTAINABILITY COMMITMENTS

As an organisation that is committed to sustained growth and shared value creation, we aim to adopt responsible practices across our organisation. Our sustainability commitments are embodied in our mission and values, illustrated as follows: -



OUR MISSION

We aim to provide world class property developments and services to help create a better community for the future generations.



OUR VALUES

We always believe that by using the following five (5) brand values, we will continue to build the right thing together globally using the following five (5) brand values: -

- Hard Work
- Responsibility
- Morality
- Integrity
- Vitality

These are the values that we will continue to adhere as an essential part of what it means to be Ecobuilt as we move towards the future.

SUSTAINABILITY GOVERNANCE

Strong corporate governance and ethics is a necessary enabler for the Group to navigate and manage key sustainability issues, as well as ensure that the interests of all relevant stakeholders are considered when making business decisions. The Group recognises that a robust sustainability governance structure is crucial for the effective implementation of our sustainability strategy and our sustainability performance in our business operations.



Ecobuilt's highest governance body, the Board of Directors ("the Board"), ensures alignment of the sustainability vision, strategy, and pillars with the Group's business objectives and strategy, and are fully supported across the Group. The Board exercises oversight on the strategic direction of the Group and ensure adequate resources, systems and processes are in place to manage sustainability affairs.

The Board also incorporate sustainability considerations into the Group's risk management framework. To this end, the Board is supported by the Audit Committee comprising members of the Board, to oversee matters in relation to sustainability management and reporting processes.

The execution of sustainability agenda is spearheaded by the Management Committee, where it is primarily responsible to provide strategic oversight and guidance over sustainability management across the Group. Their scope includes formulating sustainability objectives, targets and priorities, review quarterly sustainability progress as well as to approve investment or directions on major sustainability initiatives.

SUSTAINABILITY STATEMENT 2024 (CONTINUED)

SUSTAINABILITY GOVERNANCE (CONTINUED)

The Management Committee is assisted by the Group Sustainability Team to oversee the implementation of the Group's sustainability strategies. The Group Sustainability Team shall consistently communicate with both the Business Division Sustainability Team and Business Division Sustainability Working Team who are tasked for the execution and implementation of sustainability initiatives into daily operations.

STAKEHOLDER ENGAGEMENT

Ecobuilt has a broad range of stakeholder groups that affect, or are affected by the Group's activities. The Group understands that stakeholder engagement is key to sustainable growth, and believes that an open and transparent communication with our stakeholders allows us to further develop and refine our business strategies and respond quickly and effectively to their concerns and needs.

We constantly engage our stakeholders to build strong relationships, with the Group's core values embedded within the team to ensure businesses are conducted with utmost integrity and fairness.

The Group engages its stakeholders through various means of communication. The engagement are conducted on an on-going basis through formal and informal channels, and through these interactions, we identify relevant material issues and provide insights into emerging opportunities and risks whilst responding to their needs effectively. The following table outlines our key stakeholders and the engagement platforms are as listed below.

Key Stakeholders	Why We Engage	Our Engagement Method and Frequency
Shareholders, Investors & Lenders	They provide us with the financial capacity to sustain our growth. We have to ensure that they have a strong understanding of our strategy, performance and business fundamentals.	<ul style="list-style-type: none"> Annual general meetings Annual report Bi-annual analyst briefings Company website
Subcontractors & Suppliers	They support us in many aspects of our business. We encourage them to adhere to high standards of professionalism and collaborate with us to continually improve our operations and deliver mutual benefits.	<ul style="list-style-type: none"> Annual subcontractors / suppliers' health, safety & environment ("HSE") performance evaluation Ad-hoc tender sessions
Employee	They are the backbone of our organisation. We strive to foster a workplace culture built on trust, respect and collaboration. We also ensure they have a clear understanding of the Company's goals, values and mission, empowering them to contribute their best efforts to our collective growth.	<ul style="list-style-type: none"> Annual performance appraisals Annual townhall session Ad-hoc company events raining programmes Company intranet
Government and Regulators	Governments establish regulations that organisations must follow. Engaging with them ensures that we are aware of and comply with existing laws related to environmental, social, and governance issues.	<ul style="list-style-type: none"> Inspections by local authorities Regular updates, disclosures and reporting to regulators Regulatory forums, briefings, meetings and conferences.
NGO's & Community	Collaborating with NGOs and community groups signals a commitment to social responsibility and can enhance our credibility and reputation.	<ul style="list-style-type: none"> Ongoing engagement sessions Press releases Employee volunteerism

SUSTAINABILITY STATEMENT 2024

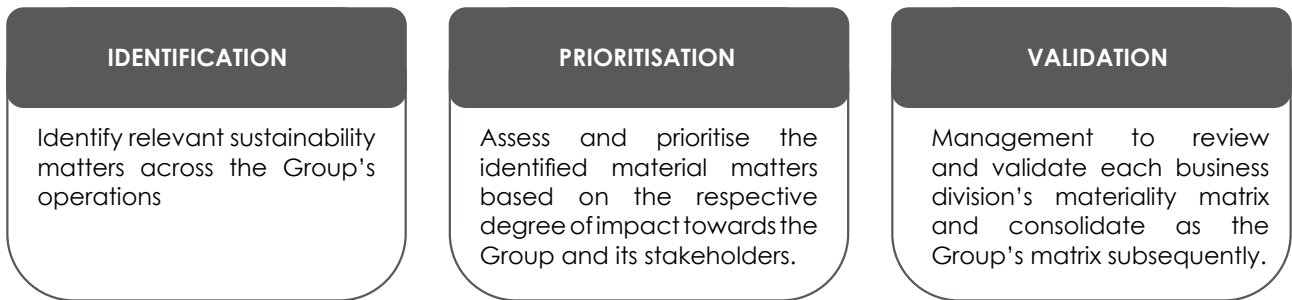
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MATERIALITY ASSESSMENT

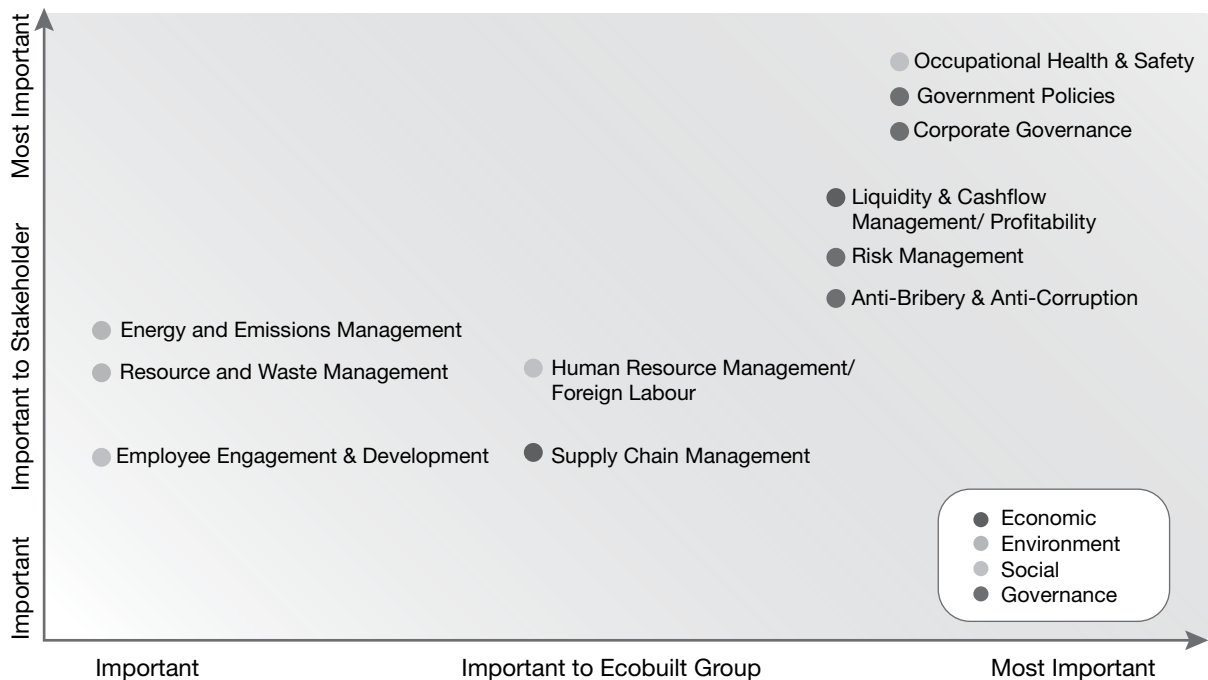
The Group acknowledges that our material issues can directly and indirectly impact on our ability to create long-term value for our stakeholders.

Materiality assessment is essential in that it helps our Group to understand the concerns and interests of both internal and external stakeholders. Conducting regular updates and reassessments allows Ecobuilt to zoom our efforts on focus areas and allocate our resources more efficiently. This process has helped us identify, rate, prioritise, validate, and address the key material ESG factors that are most pertinent to our Group.

The Group has adopted the following three-step materiality assessment process:



In FPE 2024, we have conducted a limited-scale materiality reassessment involving internal and external stakeholder groups. A total of eleven (11) material topics disclosed in FYE 2023 have been reassessed. This reassessment allowed us to pinpoint the areas where our business and operations have significant impacts and create sustainability value. There are four pillars, namely Economic, Environmental, Social and Governance. Based on the outcome of materiality assessment, disclosures on the sustainability performance on these material topics under these pillars are indicated below. Where applicable, future sustainability targets are also indicated.



SUSTAINABILITY STATEMENT 2024
 (CONTINUED)

MATERIALITY ASSESSMENT (CONTINUED)

Economic	Environment	Social	Governance
<ul style="list-style-type: none"> Liquidity and Cashflow Management / Profitability Supply Chain Management 	<ul style="list-style-type: none"> Energy and Emissions Management Resource and Waste Management 	<ul style="list-style-type: none"> Occupational Health and Safety Human Resource Management / Labour Employee Engagement & Development 	<ul style="list-style-type: none"> Government Policies Corporate Governance Risk Management Anti-Bribery and Anti-Corruption

Materiality assessment also helps us to identify sustainability risks and opportunities, which serves as a foundation for our Group to manage them and create long-term value for stakeholders. By integrating these diverse risk categories, we ensure a risk management approach that supports our sustainability objectives and long-term corporate goals.

Material Topic	Risk	Opportunities
Liquidity and Cashflow Management / Profitability	Negative economic performance may impact various stakeholders, including sustainability of operations and retaining or recruiting top talent.	Improved economic performance allows opportunity for better research and development with improved product quality and service, and positive returns to stakeholders.
Supply Chain Management System	Failure to manage supply chain may lead to reputational damage and potential disruptions in the supply chain.	Effective management of supply chain may enhance brand reputation and overall business resilience.
Energy and Emissions Management	Inefficient management of energy may lead to higher operational costs, increased greenhouse gas emissions, and greater reliance on finite resources.	Energy efficiency presents opportunities for cost savings, reduced environmental impact, and improved operational performance.
Resource and Waste Management	Improper resource and waste management can lead to pollution of air, water, and soil, which can have detrimental effects on ecosystems and human health.	Proper waste management presents opportunities for resource recovery through recycling and energy recovery, reducing the demand for raw materials.
Occupational Health and Safety	Lack of management on these may lead to increased incidents of workplace accidents and injuries, leading to potential legal liabilities, decreased employee morale and productivity	Management of occupational health and safety may lead to safer work environment, reduced absenteeism and turnover rates, improving employee satisfaction and engagement, and enhancing the organisation's reputation as responsible employer.
Human Resource Management / Labour	Breaches in labour practices and human rights practices lead to regulatory penalties, damage in reputation, and impact employee retention and culture.	Strong labor practices and human rights practices reinforce reputation as a responsible employer.

SUSTAINABILITY STATEMENT 2024

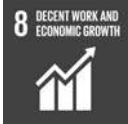


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MATERIALITY ASSESSMENT (CONTINUED)

Material Topic	Risk	Opportunities
Employee Engagement & Development	Inadequate training may result in reduced productivity and performance.	Continued upskilling are key to attracting and keeping employees, which contributes to earnings of the Group.
Government Policies	Companies may require additional investments to comply to government policies. Company may face penalties or legal action for non-compliance with government regulations.	Adherence to government policies can drive the company to adopt more robust risk management frameworks, improving overall resilience. May lead to financial incentives for companies that comply with specific policies.
Corporate Governance	Poor corporate governance practices tarnish reputation, credibility, and image.	Effective corporate governance practices enhance our reputation as a trustworthy group amongst stakeholders.
Risk Management	Inadequate identification of risks can lead to unpreparedness for potential threats, resulting in significant losses.	A robust risk management framework enables better-informed decisions, enhancing strategic planning. This may help the company in prioritising projects and allocate resources effectively.
Anti-Bribery and Anti-Corruption	Failure to address corruption risks can lead to significant reputational damage. This can result in a loss of trust from stakeholders, including customers, investors, and the public.	Compliance with anti-corruption laws will help the company to avoid fines and other legal penalties, while enhancing reputation and trust. Companies that prioritise anti-corruption measures can enhance their reputation as ethical and trustworthy entities.

Sustainability Strategies and SDG Mapping





In line with the latest sustainability trend, Ecobuilt Group is dedicated to contribute to the global sustainability development agenda with reference to the SDG. For each sustainability matter identified earlier, we have developed appropriate sustainability strategies and mapped them to its relevant SDGs which we believe that they are the most applicable to our business, as follows: -

Pillars	Material Matters	Sustainability Strategies	SDGs
Economic	<ul style="list-style-type: none"> Liquidity & Cash Flow Management / Profitability Supply Chain Management 	<ul style="list-style-type: none"> To continuously secure new contracts and explore new business opportunities. To maximise economic value by appropriately managing scarce resources and financial capital. To establish a sustainable supply chain by constantly engage with credible subcontractors and suppliers, implement quality inspection process and acknowledge customers' feedbacks and comments. 	 
Environment	<ul style="list-style-type: none"> Energy and Emissions Management Resource & Waste Management 	<ul style="list-style-type: none"> To preserve the environment by implementing control measures and green initiatives both internally and externally. 	

SUSTAINABILITY STATEMENT 2024
 (CONTINUED)

MATERIALITY ASSESSMENT (CONTINUED)

Sustainability Strategies and SDG Mapping (continued)

Pillars	Material Matters	Sustainability Strategies	SDGs
Social	<ul style="list-style-type: none"> Occupational Health and Safety Human Resource Management / Foreign Labour Employee Engagement & Development 	<ul style="list-style-type: none"> To create a safe, healthy and conducive working environment so as to retain and nurture our talent. 	  
Governance	<ul style="list-style-type: none"> Government Policies Corporate Governance Risk Management Anit-Bribery & Anti-Corruption 	<ul style="list-style-type: none"> To ensure regulatory compliance at all times. To promote business ethics and sound corporate governance by implementing various policies and procedures. 	



ECONOMIC

The overall economic performance and profitability of the Group is one of Ecobuilt's core concerns. Many of our stakeholders, including our shareholders, investors, employees and suppliers, rely on our economic performance. We monitor our economic performance through our budgeting process. The budget is set annually, reviewed throughout the financial year to monitor whether targets are met and what actions can be taken to achieve the same.



Liquidity & Cash Flow Management / Profitability

Ecobuilt is focused on producing long-term benefits for our stakeholders, minimising negative impact on the environment, and maximising positive community contributions.

We believe that by actively pursuing these objectives, we contribute to the well-being of society, improve quality of life, and create a better future for our planet. Our journey towards sustainable value creation is perpetuated by our sound financial policies and upholding ethical business conducts.

The Group's economic performance has a direct impact on our key stakeholders. We therefore aim to deliver economic benefits through effective project management and efficient resource management to bring sustainable growth to our enterprise and ecosystem.



SUSTAINABILITY STATEMENT 2024

(CONTINUED)



ECONOMIC (CONTINUED)



Liquidity & Cash Flow Management / Profitability (continued)

Recently, the Group had secured a RM190 million contract consist of mixed development projects for the execution, performance, construction, completion, and maintenance of the main building work. The project is expected to be completed by 8 September 2027 and would contribute positively to its earnings and net assets for the financial year ending 2025 onwards.

In the financial period ended 2024, the Group reported total revenue of RM213,550,000. For more information on our Group's business and financial performance, please refer to the Financial Statements section of our Annual Report.



Supply Chain Management

The Group recognises the importance of its supply chain which constitutes a critical component of our operations in achieving business successes. We rely on a wide range of products and services to fulfil the Group's operational needs. In construction industry, supply chain is always the core of the business operations, connecting from the origins of building materials to the ultimate satisfaction of clients. Here in Ecobuilt, supply chain management is not just about operational efficiency, but the cornerstone of our sustainability journey.

The Group emphasises trust and integrity as fundamental values in all its relationships with suppliers. Our commitment to ethical business practices extends throughout our supply chain, and we expect our suppliers to adhere to our values and principles in their operations. This approach ensures that our ethical standards are consistently maintained across all business relationships and activities.

We prioritise sourcing products and services from local suppliers whenever feasible. This strategy minimises transportation requirements, reduces emissions, as well as fostering growth opportunities for local suppliers while generating jobs, thus strengthening the local economy.

When choosing suppliers and partners, we place importance on adherence to a range of criteria, encompassing legal compliance, quality standards for materials, components and capacity while ensuring that they meet our requirements in price, quality performance and procurement standards.



	FY2022	FY2023	FPE 2024
Proportion of spending on local suppliers (%)	85.26	91.52	95.47

For FPE 2024, approximately 95% of the Group's direct material spending is attributable to purchases from local suppliers.

By fostering close relationships with local suppliers, we promote transparency and mutual accountability across the supply chain, which in turn would help us in achieving better consistency in terms of quality and reliability.

SUSTAINABILITY STATEMENT 2024
 (CONTINUED)



ECONOMIC (CONTINUED)



Supply Chain Management (continued)

Subcontractor and Supplier Management

The construction industry as a whole is affected by significant price surge in building materials driven by the inflation and change in geopolitical landscape in recent years. Our building materials, such as sand and cement, are price sensitive, hence, securing a smooth supply chain with sufficient raw materials at competitive prices remains a focal point for the Group.

To this end, we strive to enhance our operational efficiencies and embrace digitalisation. We have implemented stringent controls on building material usage while proactively planned for material procurement ahead to avoid unnecessary wastage and delay in receiving materials.

In addition, we maintain strong relationship with our subcontractors and suppliers, aiming to streamline any potential supply chain issue. In alignment with SDG Target 8.1, we source and procure our building materials from local suppliers, thereby encouraging the growth in local businesses and contributing to the long-term development of Malaysia's economy. We are pleased to report that we have continued to engage local subcontractors and suppliers for all our construction works in FPE 2024.

Quality Management

At Ecobuilt, project quality always remained as our top priority as it affects our reputation and strong standing within the competitive construction industry. Our dedication to quality management is aligned with SDG 11 that promotes the creation of inclusive, safe, resilient and sustainable cities and human settlements.



In terms of quality management, we have in place three (3) major quality monitoring procedures as follows: -

- Consistent Quality Inspection During Construction Period;
- Issuance of Non-Conformance Report As and When Necessary; and
- Regular Site Inspection by Project Consultants

Our building construction projects are assessed under Quality Assessment System in Construction ("QLASSIC") by CIDB. QLASSIC is a scoring system to measure and evaluate the workmanship quality of a building construction work based on the Construction Industry Standards (CIS 7:2014).

We are glad that we managed to achieve satisfactory and commendable scoring regularly for our projects in the past. From the QLASSIC report, we also take note on the pinpointed flaws and defects for our continuous improvement.

SUSTAINABILITY STATEMENT 2024

(CONTINUED)



ECONOMIC (CONTINUED)



Supply Chain Management (continued)

Quality Management (continued)

On a separate note, we are pleased to report that there was no incident of non-compliance pertaining to our project quality and safety which have resulted in a regulatory warning, fine or penalty.

	FY2022	FY2023	FPE 2024
Incident of non- compliance pertaining to project quality and safety	Nil	Nil	Nil

Nevertheless, we will continue to maintain and improve our quality control so as to consistently deliver projects with high quality standards to our clients as well as the community.

Customer Satisfaction Management

In the realm of supply chain management, achieving high customer satisfaction stands as the ultimate validation of business sustainability. It represents the end results of a seamless process, spanning from procurement to project delivery. Thus, our commitment to customer satisfaction is not just a business goal but a fundamental principle embedded in our sustainability ethos.

We understand that fostering customer satisfaction begins with listening and understanding. Every piece of customer's comments and feedbacks provide valuable insights for our continuous growth. Regardless of positive or negative, we take feedbacks and comments constructively. All feedbacks, comments, queries and/or complaints shall be addressed by our team promptly and appropriately.

As a construction company, we offer a defect liability period to all customers. During this stipulated timeframe, any defects identified in the projects delivered will be rectified by our Group without additional cost to the customers. Depending on the type of project, the defect liability period generally ranges from 12 to 24 months.

For the FPE 2024, we are pleased to highlight that we have not received any customer complaints nor any defect liability was claimed by any customer for any of our projects.

	FY2022	FY2023	FPE 2024
Defect liability claimed by customer (RM)	Nil	Nil	Nil

SUSTAINABILITY STATEMENT 2024
 (CONTINUED)



ENVIRONMENT



Energy and Emissions Management

Ecobuilt acknowledges that energy consumption and the resultant emissions contribute to climate change and are committed to managing emissions across all operations, which is not just an environmental responsibility but a core aspect of our corporate duty.

The Group encourages and reinforces the importance of practising the 3Rs (i.e., reduce, reuse, and recycle) in our daily operations. We consistently work to lower energy consumption and increase employee awareness, aiming to enhance process efficiencies and productivity through improved operating procedures. We aim to reduce our environmental footprints and establish operational resilience to deliver long-term value to our group, stakeholders and communities around us.

The Group's energy supply comprises of grid electricity consumption.

	FY2022	FY2023	FPE 2024
Total Energy Consumption (MWh)	397.45	395.67	416.33

We are mindful that energy reduction initiatives are an ongoing effort. We will continue to monitor our performance and for FY2025 and beyond and we are planning to tabulate our GHG emissions for next year's reporting.



Resource and Waste Management

Waste and Pollution Control

In view of the industry that we are involving in, we fully recognise the inherent adverse impact on the environment stemming from our construction activities. Our construction activities, including excavation, demolition, carpentry works, hacking and vehicle movement, inevitably generate various forms of pollution, particularly noise and ambient dust.

As such, we are committed to pursue green agenda with a primary focus on minimising waste and pollutants from our construction activities. We have implemented stringent controls and monitoring measures to ensure that our team and our contractors manage the noise levels and ambient dust generated in compliance with the local environmental pollution control regulations. Moreover, all scheduled wastes and non-hazardous solid wastes generated are appropriately disposed at the approved disposal facilities and regulated landfills respectively.



SUSTAINABILITY STATEMENT 2024

(CONTINUED)



ENVIRONMENT (CONTINUED)



Resource and Waste Management (continued)

Resource Management and Conservation

We are committed to implementing environmental sustainability measures at our project sites. In the pursuit of SDG Target 12.5, we advocate the following green initiatives in our offices, aiming to effectively utilise the scarce resources and reduce waste generation: -



- **Save Papers, Save Trees, Save the Planet**

We encourage our employees to adopt paperless transactions whenever possible to reduce paper wastage.



- **Conserve Energy Today for a Brighter Tomorrow**

We perform timely maintenance on our air-conditioners to improve energy efficiency and encourage our employees to practice good habits of switching off air-conditioner and lights whenever not in use so as to reduce unnecessary electricity consumption.



- **Embrace Technology for Sustainability**

We leverage on technology for meetings and communications so as to reduce the need for extensive business travel. This in turn shall minimise our carbon footprint.

We aim to continuously improve our waste recycling practices and look for ways to reduce overall waste where possible. We are in the midst of developing processes to collect data on waste-related data and we aim to report this in the coming financial year.

Water Management

Recognising the vital importance of water as a shared and finite resource, we are dedicated to minimising our water footprint across all operations while supporting global efforts to ensure the sustainable use of water. The Group encourages all employees to develop the habit of conserving water consciously. We educate and encourage employees to use water responsibly in daily tasks and we ensure prompt leak detection and repair to prevent unnecessary water wastage.

For FPE 2024, our water consumption totalled 9.08 megalitres. We will continue to enhance our water conservation efforts to reduce our overall water consumption.

	FY2022	FY2023	FPE 2024
Total Water Consumption (Megalitres)	17.35	10.25	9.08

SUSTAINABILITY STATEMENT 2024
 (CONTINUED)



SOCIAL



Occupational Health and Safety (“OSH”)

Being a construction company, we understand that our employees are exposed to greater inherent risk and hazards. Hence, it is the Group's priority to put in place a robust OSH management that focuses on the safety and health of our employees. It is also our protocol to maintain a zero fatality and accident-free working environment for all our employees.

Our Group maintains a Safety, Health and Environment (“SHE”) Policy in line with SDG Target 8.8. The SHE Policy serves as a guidance for our employees to maintain a safe and healthy workplace across the Group with the following key objectives: -

- Compliance with applicable legal and other requirement, including but not limited to customer requirements;
- Identification of and minimizing any adverse SHE impacts, pollution, injury and ill health; and
- Continuous review and improvement of SHE practices.



To facilitate the execution and implementation of our SHE Policy, we have a dedicated Safety and Health Committee for various projects within Ecobuilt. The composition of our Safety and Health Committee may vary depending on the specific requirements of the respective project. Generally, the Safety and Health Committee comprises a chairman, two (2) secretaries as well as representatives from both the Management and workers. This composition shall ensure a holistic approach to OSH management where inputs from all stakeholders are valued and considered.

We promote a workplace that prioritises the prevention of occupational injuries and illnesses. However, despite our best efforts, we experienced three fatalities during FPE 2024 and have taken the appropriate remedial actions to avoid recurrence in future work.

	FY2022	FY2023	FPE 2024
Number of work-related fatalities	Nil	Nil	3
Lost Time Incident Rate	Nil	Nil	0.21

During FPE 2024, the Group recorded a total 2,924,000 hours worked in FPE 2024.

The Group has continued to emphasise workplace safety and health practices in addition to safe management measures as mandated by the local authorities. Our safety policies are a commitment to the safety of our workers and employees and forms a key pillar in our business strategy to minimise any occurrence of disruptions to our operations.

	FY2022	FY2023	FPE 2024
Total number of employees trained on health and safety standards	Nil	Nil	Nil

The Group has conducted informal training sessions on health and safety standards to support our employees. Although these sessions were valuable in promoting awareness and best practices, they were not formally documented, which limited our ability to track participation and outcomes effectively.

We understand the importance of providing structured and recorded training to ensure that all employees are equipped with the necessary skills to maintain a safe working environment. As we move into FY2025 and beyond, we are committed to implementing comprehensive training programs that will be formally recorded, allowing us to enhance our training efforts and better support our workforce. Our goal is to ensure that all employees receive the essential training needed to promote a safe and compliant workplace.

SUSTAINABILITY STATEMENT 2024

(CONTINUED)



SOCIAL (CONTINUED)



Human Resource Management / Foreign Labour

Dynamic Workplace

To foster a dynamic workforce, we embrace diversity from various cultural backgrounds, skills, experience, gender, age group and religion as we believe that diversity inspires greater creativity and productivity. With SDG Target 10.3 in mind, we strive to create an equal and motivating working environment with mixture of talents to unleash their unlimited potentials, whenever possible.



Employee Diversity

The Group recognises the importance of a diverse and skilled workforce and endeavours to create an inclusive and collaborative workplace culture where everyone can thrive. We are committed to promoting a diverse workforce and maintaining a discrimination-free work environment. The Group is dedicated to providing equal opportunity in all aspects of employment and embraces diversity and inclusivity regardless of race, religion, gender, age, disability, nationality, family status, and marital status.

We focus on retaining talents by providing appropriate and sustainable incentives and learning and development opportunities. We offer skills training and career development for all eligible staff. The Group aims to provide employees with opportunities not only to learn and grow, but also to support them in developing talents and abilities that meet their current and further job needs.

For FPE 2024, there were no instances of discrimination against employees.

Percentage of employees by gender and age group, for each employee category (%)

Age Group (By Employee Category)	FY2022	FY2023	FPE 2024
Management Under 30	Nil	Nil	Nil
Management Between 30-50	16.67	16.67	20.00
Management Above 50	83.33	83.33	80.00
Executive Under 30	15.96	16.95	13.04
Executive Between 30-50	48.94	64.41	80.43
Executive Above 50	35.11	18.64	6.52
Non-executive/Technical Staff Under 30	23.08	33.33	25.00
Non-executive/Technical Staff Between 30-50	30.77	26.67	37.50
Non-executive/Technical Staff Above 50	46.15	40.00	37.50
Gender Group (By Employee Category)	FY2022	FY2023	FPE 2024
Management Male	83.33	83.33	80.00
Management Female	16.67	16.67	20.00
Executive Male	78.72	57.63	63.04
Executive Female	21.28	42.37	36.96
Non-executive/Technical Staff Male	100.00	86.67	81.25
Non-executive/Technical Staff Female	Nil	13.33	18.75

For FPE 2024, the Group's total workforce is 77 employees.

SUSTAINABILITY STATEMENT 2024
 (CONTINUED)



SOCIAL (CONTINUED)



Human Resource Management / Foreign Labour (continued)

Employee Diversity (continued)

Percentage of employees by gender and age group, for each employee category (%) (continued)

Total number of employee turnover by employee category	FY2022	FY2023	FPE 2024
- Management	18	18	15
- Executive	94	59	46
- Non-Executive/Technical Staff	13	15	16
Total number of employee turnover by employee category	FY2022	FY2023	FPE 2024
Percentage of employees that are contractors or temporary staff (%)	0.96	0.96	0.96

Board Diversity

The Board acknowledges the importance of boardroom diversity and is supportive of the recommendation of Malaysian Code on Corporate Governance 2021 ("MCCG") to the establishment of boardroom and workforce gender diversity. The Board's aim is to have a broad range of approaches, backgrounds, skills and experience represented on the Board and to make appointments on merit, and against objective criteria, with due regard given to the benefits of diversity on the Board, including gender, age and ethnicity.

The Board embraces gender diversity as essential combination to strengthen the composition of the Board. However, the Board did not set any target on gender diversity in the boardroom as the Board was of the view that equal opportunity should be given to candidates with merits.

Percentage of directors by gender and age group (%)	FY2022	FY2023	FPE 2024
Gender Group			
Male	100.00	83.33	83.33
Female	-	16.67	16.67
Age Group			
Below 30	-	-	-
Between 30-50	16.67	33.33	33.33
Above 50	83.33	66.67	66.67

Community and Social Investment

We have always been aware that our responsibilities go beyond our duties as a business owner. We believe that how we lead, engage, and respond as a corporate citizen is central to our own success and to the interest of our stakeholders that make up our vibrant, connected ecosystem. While the Group has yet to allocate financial commitment towards community investments, we remain dedicated in identifying and supporting future initiatives that foster social, educational, and economic advantages in local communities.

	FY2022	FY2023	FPE 2024
Total amount invested in the community where the target beneficiaries are external to the listed issuer (MYR)	Nil	Nil	Nil
Total number of beneficiaries of the investment in communities	Nil	Nil	Nil