



ECONPILE HOLDINGS BERHAD
Registration No.: 201201032676(1017164-M)

SPECIALIST **Piling, Substructure** **and Infrastructure Contractor**

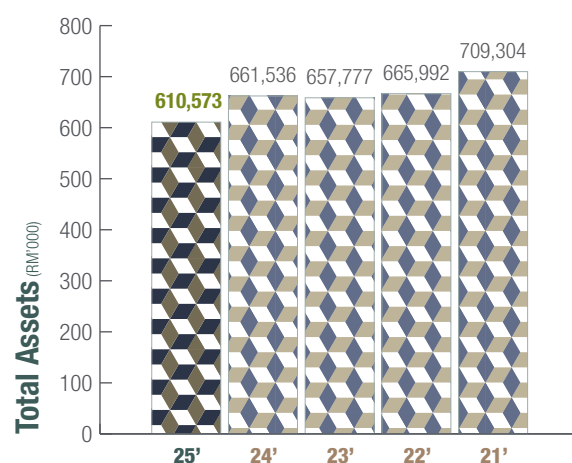
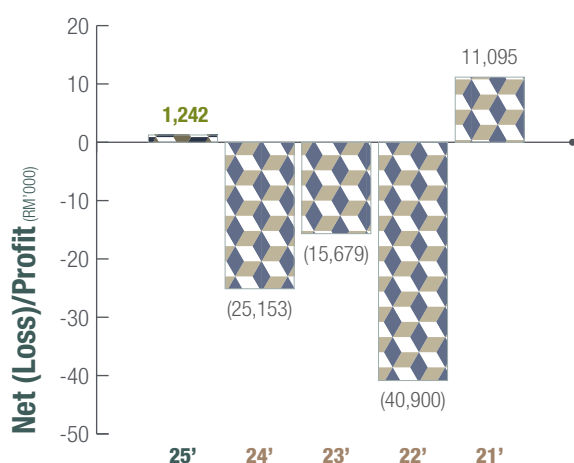
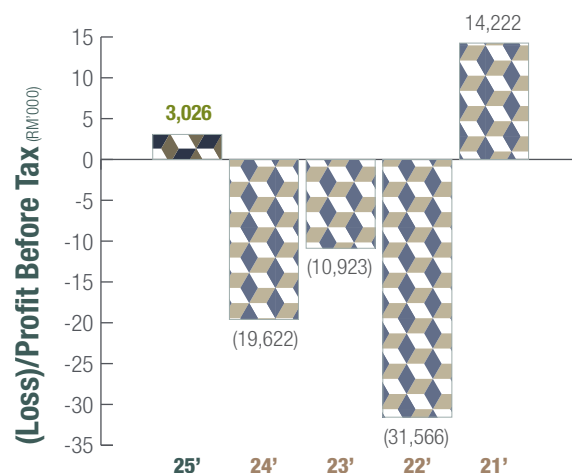
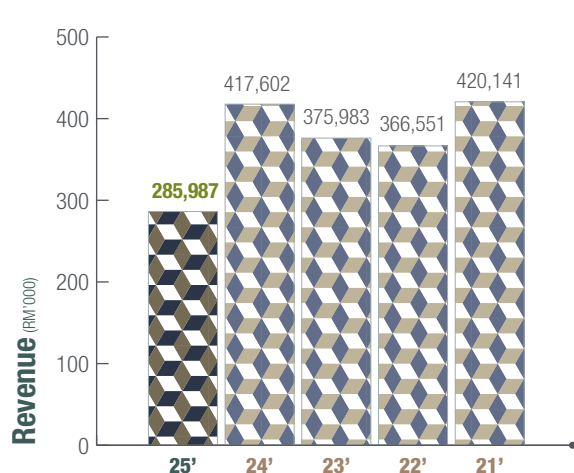


Annual Report **2025**

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Financial Highlights



FINANCIAL YEAR ENDED	2025	2024	2023	2022	2021
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	285,987	417,602	375,983	366,551	420,141
Depreciation	5,236	5,072	8,279	17,370	23,552
Finance costs	6,492	6,425	4,641	3,527	3,053
(Loss)/Profit before tax	3,026	(19,622)	(10,932)	(31,566)	14,222
(Loss)/Profit before interest and tax	9,518	(13,197)	(6,282)	(28,039)	17,275
(Loss)/Profit before interest, tax and depreciation	14,754	(8,125)	1,997	(10,669)	40,827
Net (loss) / profit for the year	1,242	(25,153)	(15,679)	(40,900)	11,095
Total assets	610,573	661,536	657,777	665,992	709,304
Shareholders' equity	359,577	361,180	386,244	401,776	443,153
Total borrowings	108,275	143,707	110,658	112,009	79,424
Share capital	177,206	177,206	177,206	177,206	177,206
Earnings per share (sen)	0.09	(1.77)	(1.11)	(2.89)	0.80
Net assets backing (sen)	25.37	25.48	27.25	28.34	31.26
Gearing ratio (times)	0.30	0.40	0.29	0.28	0.18
Interest cover ratio (times)	1.47	(2.05)	(1.35)	(7.95)	5.66
Return on equity (%)	0.35	(6.96)	(4.06)	(10.18)	2.50

Corporate Information

Board of Directors

Krishnan A/L C K Menon

Non-Independent Non-Executive Chairman

The Cheng Eng

Group Managing Director

Pang Sar

Executive Director/Group Chief Executive Officer

The Kun Ann

Executive Director/Deputy Group Chief Executive Officer

Teh Bee Choo

Independent Non-Executive Director

Law Siew Ngan

Independent Non-Executive Director

Datuk Syed Azmi Bin Syed Othman

Independent Non-Executive Director

Company Secretaries

Foo Pei Koon (MAICSA 7067238) (SSM PC NO. 202108000380)

Te Hock Wee (MAICSA 7054787) (SSM PC NO. 202008002124)

Audit & Risk Management Committee

Teh Bee Choo

Chairperson

Law Siew Ngan

Member

Datuk Syed Azmi Bin Syed Othman

Member

Nomination Committee

Law Siew Ngan

Chairperson

Teh Bee Choo

Member

Datuk Syed Azmi Bin Syed Othman

Member

Remuneration Committee

Law Siew Ngan

Chairperson

Teh Bee Choo

Member

Datuk Syed Azmi Bin Syed Othman

Member

Registered Office

Unit 30-01, Level 30, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Tel : 603-2783 9191

Fax : 603-2783 9111

Email : info@vistra.com

Head Office

Level 8, Tower Block

Plaza Dwtasik

Jalan Sri Permaisuri

Bandar Sri Permaisuri

56000 Kuala Lumpur

Tel : 603-9171 9999

Fax : 603-9173 6666

Website : www.econpile.com

Registrar

Tricor Investor & Issuing House Services Sdn. Bhd.

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Tel : 603-2783 9299

Fax : 603-2783 9222

Email : is.enquiry@vistra.com

Auditors

KPMG PLT (Firm No. LLP0010081-LCA & AF0758)

Level 10, KPMG Tower

8, First Avenue, Bandar Utama

47800 Petaling Jaya

Selangor Darul Ehsan

Tel : 603-7721 3388

Fax : 603-7721 3399

Principal Bankers

Alliance Bank Malaysia Berhad

Ambank (M) Berhad

CIMB Bank Berhad

HSBC Bank Malaysia Berhad

Malayan Banking Berhad

RHB Bank Berhad

United Overseas Bank (Malaysia) Bhd.

Stock Exchange Listing

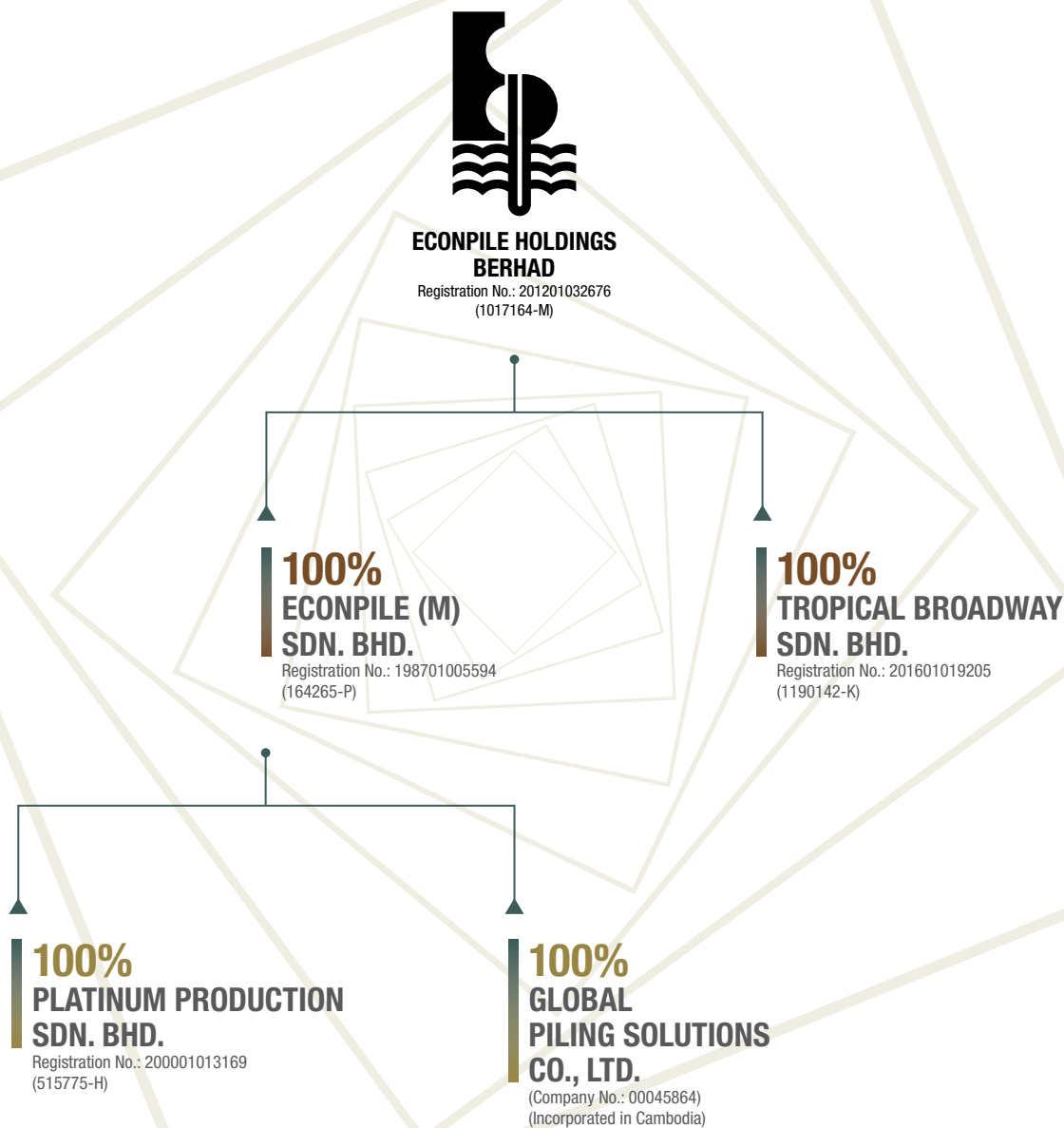
Main Market of Bursa Malaysia Securities Berhad

Construction Sector

Stock Name/Code

ECONBHD/5253

Corporate Structure



Management Discussion & Analysis



Left:
The Cheng Eng
Group Managing Director

Right:
Pang Sar
Executive Director/ Group Chief Executive Officer

MANAGEMENT DISCUSSION & ANALYSIS

In 2024, Malaysia's construction sector recorded a steady recovery, driven by increasing construction projects in private and public sectors, and stabilising building material prices. Reflecting this growth, the total value of construction work done in Malaysia increased by 20.1% to RM158.8 billion in 2024, compared with RM132.2 billion in 2023, according to the Department of Statistics Malaysia ("DOSM").

Going into 2025, public sector tenders are gaining momentum, underpinned by the rollout of large-scale infrastructure projects. The Penang Mutiara Light Rail Transit ("Penang LRT") has commenced construction recently with its first segment contract awarded, while the MRT Circle Line ("MRT 3") has received final approval from the Transport Ministry, with land acquisition to be completed by end-2026. Collectively, these major infrastructure projects will create opportunities for local construction players over the coming years.

At the same time, the private sector is also experiencing strong growth, particularly in residential developments, with developers actively delivering projects aligned with affordable housing initiatives and urban expansion. Meanwhile, rising industrial activity has further boosted demand for warehouses, logistics hubs, and factories. Together, these trends reinforce the sector's growth trajectory.

Benefiting from more stable building material prices and the gradual completion of projects that had previously been impacted by elevated input costs and prolongation expenses, Econpile Holdings Berhad ("Econpile") and its subsidiaries ("the Group") managed to return to modest profitability in the financial year ended 30 June 2025 ("FY2025"), despite lower revenue compared to the preceding year. During the year, the Group continued to strengthen its order book, with projects secured worth RM390.1 million, continuing to sustain the Group's earnings.

On behalf of the Board of Directors of Econpile ("the Board"), we present the Annual Report and Audited Financial Statements for FY2025.

ECONOMIC REVIEW

According to Bank Negara Malaysia ("BNM"), the Malaysian economy recorded solid growth of 5.1% in 2024 (2023: 3.6%), supported by resilient domestic demand, stronger exports, and sustained investment activity. The Gross Domestic Product ("GDP") performance was broadly in line with the International Monetary Fund's ("IMF") estimate of 5.0% for 2024. In tandem with the broader economic momentum, the construction sector emerged as a key growth driver, with the total value of work done rising by 20.1%, following 8.4% growth in 2023.

The first half of 2025 ("1H25") presents a healthy outlook for the Malaysian economy, with GDP growing by 4.4%. The construction sector remains resilient, supported by strong activity across all sub-sectors. According to DOSM, the sector recorded a year-on-year growth of 14.7% in 1H25.

Management Discussion & Analysis (Continued)



BUSINESS AND OPERATIONS

Econpile's core businesses in FY2025 continue to be piling and foundation services, primarily for high-rise property developments and infrastructure projects in Malaysia.

Econpile has two wholly-owned subsidiaries, namely Econpile (M) Sdn. Bhd. and Tropical Broadway Sdn. Bhd.. Econpile (M) Sdn. Bhd. in turn has two wholly-owned subsidiaries – Platinum Production Sdn. Bhd. and Global Piling Solutions Co., Ltd.. Below are the core services provided by the subsidiary companies:

Direct Subsidiary	Principal Activities
Tropical Broadway Sdn. Bhd.	Undertakes property development
Econpile (M) Sdn. Bhd.	Provides piling and foundation services
Indirect Subsidiary	
Platinum Production Sdn. Bhd.	- Undertakes regular maintenance of machinery and related accessories - Engages in property investment
Global Piling Solutions Co., Ltd. (incorporated in Cambodia)	Undertakes piling and foundation projects in Cambodia

As an integrated provider, Econpile offers a full suite of piling and foundation services, which includes construction of bored piles, earth retaining systems and substructures. Notable completed projects since inception include piling works for Klang Valley Mass Rapid Transit ("KVMRT"), Light Rail Transit 3 ("LRT 3"), Rapid Transit System Link ("RTS Link") and deep basement works for Pavilion Damansara Heights, Elite Pavilion, W Hotel and The Residences, and Oxley Towers.

Share Performance (1 July 2024 – 30 September 2025)

Highest Price	RM0.535
Lowest Price	RM0.250
Closing Price as at 30 September 2025	RM0.405
Trading Volume	994.9 million
Market Capitalisation as at 30 September 2025	RM 581.2 million

OPERATIONAL HIGHLIGHTS

New wins in FY2025

Econpile secured RM390.1 million of new wins in FY2025, compared to RM432.2 million of new wins secured in the previous year. The wins secured were primarily private property developments in the Klang Valley, supplemented by infrastructure projects in Pahang and Penang. During the year, the Group announced 9 notable projects, namely: -

Property Development

Project	Announced Date	Amount Awarded (RM'mil)
1. Mont Kiara Aosis @ Mont Kiara, Kuala Lumpur	10 July 2024	26.5
2. The Face 3 @ Jalan Sultan Ismail, Kuala Lumpur	2 September 2024	71.2
3. Armani Residence KL @ Kampung Baru, Kuala Lumpur Armani Prestige @ Jalan Mayang, Kuala Lumpur	2 October 2024	21.3 12.0
4. Aras Residences @ OUG, Kuala Lumpur	16 October 2024	35.1
5. Parkside Residences @ Federal Hill, Kuala Lumpur	7 March 2025	27.2
6. Armani Hallson KLCC @ Jalan Ampang, Kuala Lumpur	18 April 2025	35.8
7. ARRA Residences @ Ara Damansara, Petaling Jaya	3 July 2025	58.0

Infrastructure

8. Penang Mutiara LRT (East Jelutong to Gelugor package)	5 June 2025	42.8
9. Bridge @ Kampung Binjai, Kuala Lipis, Pahang	29 May 2025	40.1



Management Discussion & Analysis (Continued)



• Progress of ongoing and completed projects

Econpile undertook a total of 28 projects in FY2025, comprising both previously secured projects and new wins. During the financial year, we completed 9 projects, including notable developments such as Pavilion Square in Bukit Bintang and the final work package for Pavilion Damansara Heights.

Pavilion Square was one of the most challenging projects in recent years, located in a limestone formation with an erratic soil profile. More than 200 bored piles, ranging from 600mm to 2,800mm in diameter, were installed. To determine the rock stratum more accurately, hundreds of additional rock probes were carried out, which revealed highly irregular ground conditions with uneven bedrock, variable rock quality, boulders, and cavities.

The project was further complicated by a high water table, frequent site flooding, and strict controls due to its proximity to MRT tunnels and reserve lines. Despite these obstacles, the foundation works were successfully completed, reflecting Econpile's capability to deliver complex projects under demanding conditions.

Another key achievement during the financial year was the completion of reinforced concrete works for the Phase 2 above-ground podium structure at Pavilion Damansara Heights. This scope involved the casting of multiple floor slabs with a cumulative area exceeding 100,000m².

With this milestone, Econpile concluded its long-standing role in the Pavilion Damansara Heights development - an engagement that spanned nearly a decade since the first package for Phase 1 piling and basement works was awarded in early 2017. Over the course of this project, the Group successfully delivered 6 major work packages with a combined contract value of more than RM1 billion.

For ongoing projects in FY2025, private developments in the Klang Valley represented most of the Group's activities. Towards the latter part of the financial year, infrastructure works also gained momentum, particularly with projects in Penang and Pahang.

The largest contributor to revenue during the year was the Eden Taman Duta project, a 12-acre development located on steep and uneven terrain. The challenging site conditions demanded close coordination between engineering design, logistics, and resource planning to ensure safe and efficient execution.

Earthworks and piling were completed with the support of multiple retaining systems, including contiguous bored pile walls of varying diameters, reinforced earth walls, soil nailing, Nehemiah walls, and grid beam systems. Temporary measures such as kentledge blocks and sheet piles were also deployed to stabilise the ground and provide safe working platforms.

Given the site constraints, careful sequencing of piling was essential to maintain progress across multiple blocks while preserving access for heavy machinery. Tower cranes were installed in areas where crawler cranes could not safely operate, improving both material handling and site safety.

With piling work completed, construction has advanced to the basement slab stage, with steady progress across the residential blocks, clubhouse facilities and road decks. The completed slabs will shape the core structures and create the platforms for vertical works in the coming months.

On the infrastructure front, the Cameron Highlands road upgrading project has continued to generate steady income since the first half of 2024, while a new bridge project in Kuala Lipis commenced during the financial year.

In Cameron Highlands, works span two key sites: the upgrade of a 1km stretch of Federal Route 59, involving primarily slope stabilisation and road widening works, and the construction of a one-way loop at Kea Farm, where foundation works are being carried out to support bridge structures within the alignment.

Awarded in May 2025, the Kuala Lipis project in Pahang involves building a permanent bridge measuring 395m in length and 11m in width, replacing the existing simple bridge structure. The new structure, supported by abutments and river piers with proper road tie-ins, will strengthen long-term connectivity in the area. Bored piling for the piers and abutments is currently in progress.

Looking ahead, the Group's activities will be increasingly anchored by the Penang LRT, with two packages secured in June and September 2025 that are expected to become the main driver of activities going forward.

As at 30 June 2025, Econpile's order book stood at RM498.4 million, comprising 18 ongoing projects that are expected to provide financial visibility until FY2028. Looking ahead, we remain active in tendering for new projects to expand our order book and improve profit margins.

Management Discussion & Analysis (Continued)

CORPORATE DEVELOPMENT

During the financial year, the Group did not undertake any corporate exercises, such as mergers or acquisitions, nor did it diversify into new businesses. The focus remained on strengthening core operations and improving efficiency, while staying open to future growth opportunities.

With respect to material litigations, the Group remains dedicated to defending its legal position and protecting its interests. We handle all matters carefully, working closely with experienced legal counsel to ensure informed responses and proactive legal approaches. The status updates of various legal proceedings are detailed in the Notes to the Financial Statements.

FINANCIAL REVIEW

STATEMENT OF COMPREHENSIVE INCOME

Econpile recorded a lower revenue of RM286.0 million in FY2025, representing a 31.5% drop compared to RM417.6 million in the previous year, mainly affected by the delays of authority approvals on several ongoing projects.

Piling and foundation works for property development projects remain the main revenue contributor in FY2025, contributing RM264.5 million or 92% of total group revenue. Meanwhile, works for infrastructure and other projects brought in the remaining RM21.5 million or 8%.

Despite lower revenue recognition in FY2025, the Group achieved a gross profit of RM33.3 million, representing a 311% surge from RM8.1 million previously. The sharp improvement was driven by higher gross profit contribution from on-going projects, aided by lower steel prices and other cost efficiencies, and further reinforced by the completion of several projects at below the budgeted cost.

As a result of higher gross profit, Econpile turned into a net profit of RM1.2 million in FY2025, from a net loss of RM25.2 million previously.

No dividend was declared for FY2025, as the Board resolved to preserve a healthy cash flow to sustain operations.

Looking ahead, the Group expects steady project progress to drive revenue recognition. We also expect stable profit margins, supported by new wins and the normalization of key building material prices.



STATEMENT OF FINANCIAL POSITION

As at 30 June 2025, the Group's total assets stood at RM610.6 million, compared to RM661.5 million a year earlier. The decline was mainly due to the lower trade and other receivables, as well as cash and cash equivalents. Trade and other receivables decreased by 7.8% to RM371.2 million in FY2025, from RM402.5 million in the financial year ended 30 June 2024 ("FY2024"), primarily due to the slower progress of several ongoing projects. Meanwhile, cash and cash equivalents and other investments declined by 29.8% to RM55.0 million in FY2025, from RM78.4 million in FY2024, mainly on repayment of loans and borrowings.

The Group did not incur any material capital expenditure during the year under review, in tandem with the lower level of business activity.

Total liabilities stood lower at RM251.0 million as at 30 June 2025, compared to RM300.4 million in the previous year, mainly due to a 24.6% reduction in loans and borrowings to RM108.3 million in FY2025, from RM143.7 million in FY2024. Meanwhile, trade and other payables decreased by 22.1% to RM102.0 million in FY2025, from RM131.0 million in FY2024, in line with slower project progress.

As a result of the net profit recorded in FY2025, the Group's retained earnings increased. However, a higher negative translation reserve was recorded during the year, due to the strengthening of the Malaysian Ringgit in 1H25. Consequently, the Group's shareholders' equity declined slightly to RM359.6 million as at 30 June 2025, compared to RM361.2 million in the previous year. The Group maintained a healthy financial position, with net gearing further reduced to 0.15 times as at 30 June 2025, compared to 0.18 times in the previous year, in line with reduced loans and borrowings.

Management Discussion & Analysis (Continued)



RISKS

Econpile remains vigilant in identifying and mitigating risks that could significantly impact our operations and growth. The key risks identified by the Group include:

• PROJECT DELAY

Several projects progressed at a slower pace than anticipated in the financial year due to factors largely outside the Group's control. These included delays in securing authorities' approvals, such as clearances for public transport reserve areas and protracted land acquisition processes. Any delay in obtaining access to new work areas restricts available work fronts, which in turn disrupts sequencing and causes manpower and machinery to be underutilised, ultimately prolonging project timelines. State-specific constraints in the supply and delivery of construction materials further compounded the situation. In addition, certain challenges stemmed from internal factors in the financial year, including shortages of skilled workers among subcontractors.

Collectively, these issues weighed on the Group's revenue for FY2025, notwithstanding the successful securing of RM390.1 million in new project wins. The slower pace of progress not only heightened the risk of liquidated damages and other contractual claims from clients but also gave rise to liquidity risk. Delays in project execution indirectly constrained cash flow, as reduced billings and slower revenue recognition placed pressure on the Group's ability to meet its financial obligations in a timely manner.

In response, the senior management has adopted a proactive stance. Measures include strengthening time extension applications through more robust documentation and earlier engagement with clients, as well as broadening the Group's labour resources.

• PROJECT COST OVERRUN

Cost overruns are an inherent and recurring risk across the construction industry. As a specialist piling contractor, the Group is exposed to uncertainties that are typical in the sector, including unforeseen ground conditions, design modifications, machinery downtime, and labour inefficiencies. Adverse weather and technical challenges, such as tackling complex or variable soil profiles, further heighten these risks.

While steel and concrete prices have stabilised, the industry remains exposed to sudden spikes from energy costs, supply chain issues, or geopolitical tensions. Contractors are also vulnerable whereby contracts lack price fluctuation clauses, as seen during 2020–2022 when material prices surged.

The Group mitigates these risks through prudent planning, disciplined procurement and careful tender pricing. Strengthened documentation help manage time-related risks, while closer monitoring of subcontractors improves accountability. In addition, the Group is digitalising project monitoring processes to improve control over cost and time variations.

Nonetheless, sharp swings in material costs remain inherent to the industry and could affect project margins despite these ongoing improvements.

FUTURE OUTLOOK

The Group's construction activities are currently concentrated in Malaysia. Meanwhile, tendering activities in Cambodia are being approached more cautiously.

The near-term outlook for Malaysia appears moderate. In July 2025, BNM revised its GDP growth forecast for 2025 to a range of 4.0%–4.8%, down from the earlier projection of 4.5%–5.5%, citing ongoing global trade tensions and geopolitical uncertainties. Meanwhile, the Malaysian economy expanded by 4.4% in the second quarter of 2025, down from 5.9% a year earlier.

While the Malaysian economy continues to face external headwinds, we remain optimistic about domestic demand, underpinned by improving fiscal discipline, strong consumer spending, and a favourable interest rate environment.

The construction sector continues to be a key driver of economic growth and is expected to benefit from national initiatives such as the 13th Malaysia Plan ("13 MP"), and the National Industrial Master Plan 2030 ("NIMP 2030"), which aim to transform Malaysia into a well-connected, high-value economy. Civil engineering activities are bolstered by projects such as Penang LRT, while the NIMP 2030 will enhance non-residential building performance by attracting investments.

Management Discussion & Analysis (Continued)

The residential subsector is also projected to accelerate, supported by the government's efforts to increase affordable housing and new project launches by the private sector.

At the same time, the recent favourable movement in steel prices will create a more conducive cost environment for construction players. Following a peak in mid-2024, steel prices have been trending downwards, and stabilizing within a narrow range of around RM3,500 per tonne in 2025.

In contrast, the near-term outlook in Cambodia appears softer.

In 1H25 for Cambodia, the Ministry of Land Management, Urban Planning, and Construction approved 2,011 construction projects, representing a 22% increase compared to the same period in 2024. However, we expect Cambodia's construction sector to continue growing at a slower pace, following the steep decline experienced during the peak of the COVID-19 pandemic. The recovery will be primarily supported by demand for affordable housing and moderate activity in industrial-related developments.

While the overall outlook in Cambodia remains moderate, the Group will maintain a cautious approach in its bidding activities to safeguard margins and preserve financial stability.

Nevertheless, with the promising outlook in the Malaysian construction sector, the Group is poised to capitalise on emerging opportunities by leveraging its core expertise in bored piling and deep foundation works.

GROWTH STRATEGIES

We have identified two core strategies to drive the Group forward:

- **Continue to tender for property development projects**

With home ownership continuing to be a national priority, tenders for property development projects remain active, and the Group continues to receive invitations to tender for high-rise mixed-development projects in the Klang Valley.

High-rise developments provide significant opportunities for the Group due to the extensive piling and foundation works involved, in which the Group has demonstrated a strong track record. With growing urbanisation and rising demand for residential and commercial towers, Econpile is well-positioned to capitalise on these emerging market opportunities by leveraging its capabilities.

- **Increase participation in infrastructure and industrial development projects**

Demand for industrial properties is rising, driven by multinational corporations looking to establish operations in Malaysia due to its strategic geographic location and favourable policies for foreign direct investment. This trend presents a significant opportunity for the Group to expand the orderbook.



In parallel, we continue to pursue large-scale public infrastructure projects in support of Malaysia's development agenda. The Group has secured two contracts in June and September 2025 to participate in the Penang LRT project. Together, these contracts form part of Civil Works Package 1, which encompasses the elevated LRT alignment stretching from Komtar on Penang Island southwards to the reclamation project Silicon Island. In addition, we have also secured a bridge construction project in Pahang across the Kuala Lipis river. The ongoing delivery of these projects will position us well to capture further opportunities in the infrastructure sector.

The construction of large-diameter, deep depth piles has long been a core strength of the Group, distinguishing us from other contractors. With the demand for these foundation piles expected to remain strong, particularly for upcoming large-scale infrastructure projects, we are committed to further strengthening our leadership position in this area. The expected heavy-load requirements of these developments place us in a strong position to capitalise on the growing market need.

APPRECIATION

We sincerely thank the Board, management, and our dedicated employees for their commitment and hard work in driving the Group's achievements. We also extend our appreciation to our business partners, suppliers, customers and shareholders for their ongoing trust and support.

Sincerely,
The Cheng Eng
Group Managing Director

Pang Sar
Executive Director/ Group Chief Executive Officer

Directors' Profiles



Standing from Left to Right:

THE KUN ANN (f)

Executive Director/ Deputy Group Chief Executive Officer

LAW SIEW NGAN (f)

Independent Non-Executive Director

TEH BEE CHOO (f)

Independent Non-Executive Director

Seated from Left to Right:

Datuk Syed Azmi Bin Syed Othman

Independent Non-Executive Director

PANG SAR

Executive Director/ Group Chief Executive Officer

KRISHNAN A/L C K MENON

Non-Independent Non-Executive Chairman

THE CHENG ENG

Group Managing Director

KRISHNAN A/L C K MENON

Non-Independent Non-Executive Chairman

Krishnan A/L C K Menon (Male), a Malaysian aged 75, is our Non-Independent Non-Executive Chairman. He was appointed to our Board on 20 February 2014. He does not sit on any Board Committees of the Company. He is a Fellow Member of the Institute of Chartered Accountants in England and Wales, a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

He spent 13 years in public practice with Hanafiah, Raslan and Mohamed where he left as a Partner in 1987. Thereafter, he joined Public Bank Berhad where he served for 6 years and left as the Executive Vice-President in 1994. After serving 2 public-listed companies, he joined Putrajaya Holdings Sdn. Bhd. as Chief Operating Officer from 1997 until 2000.

He was a Non-Executive Director of Petroliaam Nasional Berhad from 2010 to 2019. He is presently the Non-Independent Non-Executive Chairman of SCICOM (MSC) Berhad.

Mr Menon has attended all the 5 Board meetings held during the financial year ended 30 June 2025. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

THE CHENG ENG

Group Managing Director

The Cheng Eng (Male), a Malaysian aged 77, is our founder and Group Managing Director. He is also a major shareholder of the Company. He was appointed to our Board on 8 October 2013. As our Group Managing Director and a member of Key Senior Management, he is responsible for oversight of operations as well as directing growth and strategic direction of the Group.

He has over 50 years of extensive experience in the piling and foundation industry. He started his career in Singapore as a Site Supervisor with United Engineers Pte. Ltd., and later as a Senior Site Manager with Caisson Piling Pte. Ltd. He pursued several entrepreneurial ventures in the field of geotechnical engineering before founding Econpile (M) Sdn. Bhd. in 1987. He is currently a trustee of Chong Hwa KL Foundation.

Mr The has attended all the 5 Board meetings held during the financial year ended 30 June 2025. He is the father of Ms The Kun Ann, the Executive Director/Deputy Group Chief Executive Officer of the Group. He has no conflict of interest with the Company except for the related party transaction as disclosed. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

Directors' Profiles (Continued)

PANG SAR

Executive Director/ Group Chief Executive Officer

Pang Sar (Male), a Malaysian aged 67, is our Executive Director and Group Chief Executive Officer. He is also a major shareholder of the Company. He was appointed to our Board on 8 October 2013. As a member of Key Senior Management, he is responsible for managing the day-to-day operations as well as establishing the overall strategic direction for the Group. He graduated with a Bachelor of Science with Honours Degree in Civil Engineering from University of Leeds, United Kingdom. He is a member of the Institution of Engineers, Malaysia, and a Registered Professional Engineer with the Board of Engineers, Malaysia.

Mr Pang has over 35 years of experience in managing on-site and off-site responsibilities in the piling and foundation sector. Prior to joining Econpile (M) Sdn. Bhd. in 1991, he has served in various capacities, including as Resident Engineer and Project Manager, in consultant firm and construction companies.

Mr Pang has attended all the 5 Board meetings held during the financial year ended 30 June 2025. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

THE KUN ANN

Executive Director/Deputy Group Chief Executive Officer

The Kun Ann (Female), a Malaysian aged 45, is our Executive Director and Deputy Group Chief Executive Officer. She was appointed to our Board on 8 October 2013. As a member of Key Senior Management, she assists the Group Managing Director and Group Chief Executive Officer to provide overall leadership in operations and strategic planning. She graduated with a Bachelor of Business and Commerce Degree and a Master of International Business, both from Monash University, Australia.

Prior to joining the Group in 2010, Ms The has 10 years of experience in commercial and non-profit operations. She started her career with an environmental company in charge of business development activities before joining the department of government affairs at the American Malaysian Chamber of Commerce.

Ms The has attended all the 5 Board meetings held during the financial year ended 30 June 2025. She is the daughter of Mr The Cheng Eng, the Group Managing Director and major shareholder of the Company. She has no conflict of interest with the Company. She has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

TEH BEE CHOO

Independent Non-Executive Director

Teh Bee Choo (Female), a Malaysian aged 62, is our Independent Non-Executive Director. She was appointed to the Board on 3 August 2022. She is the Chairperson of the Audit & Risk Management Committee and a member of the Nomination Committee and the Remuneration Committee. She graduated from Swinburne Institute of Technology Australia (now known as Swinburne University of Technology) with a Bachelor of Business in Accounting with Data Processing. She is a Chartered Accountant of the Malaysian Institute of Accountants.

Ms Teh has over 30 years of extensive working experience in accounting and financial management. Her work experience includes holding various senior finance positions in private and public companies as well as running her own company offering corporate management services. In 2008, she joined PESTECH International Berhad as Chief Financial Officer, heading its Accounts and Finance Division until her retirement in June 2025.

Ms Teh has attended all the 5 Board meetings held during the financial year ended 30 June 2025. She has no family relationship with any director and/or major shareholder of the Company. She has no conflict of interest with the Company. She has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

LAW SIEW NGAN

Independent Non-Executive Director

Law Siew Ngan (Female), a Malaysian aged 64, is our Independent Non-Executive Director. She was appointed to the Board on 18 October 2022. She is the Chairperson of the Nomination Committee and Remuneration Committee and a member of the Audit & Risk Management Committee. She is a Chartered Accountant of the Malaysian Institute of Accountants.

Ms Law has over 30 years of extensive experience across financial management, accounting, audit, risk management, human resources and senior level strategic planning. She started her career by serving articleship at Hanafiah, Raslan and Mohamed in 1981 where she left as an audit supervisor in 1989. This is followed by a progressive career in commerce holding various senior positions in finance and corporate in private and public companies from 1990 to 2018.

Ms Law has attended all the 5 Board meetings held during the financial year ended 30 June 2025. She has no family relationship with any director and/or major shareholder of the Company. She has no conflict of interest with the Company. She has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

Directors' Profiles (Continued)

Datuk Syed Azmi Bin Syed Othman

Independent Non-Executive Director (appointed on 29 August 2025)

Datuk Syed Azmi Bin Syed Othman (Male), a Malaysian aged 69, is our Independent Non-Executive Director. He was appointed to the Board on 29 August 2025. He is a member of the Audit & Risk Management Committee, the Nomination Committee, and the Remuneration Committee. Datuk Syed Azmi graduated from Monash University, Australia with a Bachelor of Engineering. He is a member of the Institution of Engineers, Malaysia, and a Registered Professional Engineer with the Board of Engineers, Malaysia.

Datuk Syed Azmi has over 40 years of experience in the construction and engineering industry. He began his career in 1980 as a Trainee Engineer at Pernas Construction Sdn. Bhd., rising to Senior Manager by 1990. He then joined United Engineers (Malaysia) Berhad ("United Engineers") and later became General Manager, Project Division at Projek Lebuhraya Utara-Selatan Berhad. In 1994, he returned to United Engineers as Project Director for the National Sports Complex and Games Village at Bukit Jalil. From 1999 to 2004, he was Managing Director of Kualiti Alam Sdn. Bhd., before taking leadership roles at Denia Development Sdn. Bhd., Metro Ikram Sdn. Bhd., and Maxcorp Development Sdn. Bhd. He went on to serve as Chief Executive Officer of Straits Consulting Engineers Sdn. Bhd. (2010–2016), and later as Managing Director/Chief Executive Officer, then Chief Commercial Officer of Tadmax Indah Power Sdn. Bhd. (now known as Pulau Indah Power Plant Sdn. Bhd.) until his retirement in 2021.

He is presently the Independent Non-Executive Director of Prolintas Managers Sdn Bhd (PMSB). PMSB acts as the Trustee-Manager of Prolintas Infra Business Trust, listed on the Main Market of Bursa Malaysia Securities Berhad.

Datuk Syed Azmi did not attend any Board meetings during the financial year ended 30 June 2025 as his appointment took place subsequent to the financial year, in August 2025. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

HASSAN BIN RAMADI

Independent Non-Executive Director (resigned on 31 May 2025)

Mr Hassan Bin Ramadi (Male), a Malaysian aged 59, was our Independent Non-Executive Director. He was appointed to the Board on 29 November 2023. He has subsequently resigned from the Board on 31 May 2025 and ceased to be members of Audit & Risk Management Committee, Remuneration Committee and Nomination Committee on the same date. He graduated with a Bachelor of Building from the University of New South Wales, Australia.

He has over 30 years of professional experience in the fields of project management and property development. In particular, he underwent several advancements progressively assuming diverse operational and strategic responsibilities at Putrajaya Holdings Sdn Bhd ("PJH") over the course of 26 years since 1996. He left PJH in 2022 as a Senior General Manager, Development and Operation but rejoined PJH 3 years later in 2025.

Mr Hassan has attended all the 5 Board meetings held during the financial year ended 30 June 2025. He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

Key Senior Management Profiles

Apart from the Group Managing Director, the Executive Director/Group Chief Executive Officer and the Executive Director/Deputy Group Chief Executive Officer, the Key Senior Management also comprises the following personnel.

Ng Heng Heem (Male), a Malaysian aged 69, is our Senior General Manager (Contracts). He was appointed to this position on 1 July 2014. He is responsible for the management, execution and monitoring of tender and contract functions of the Group. He graduated with a Bachelor of Quantity Surveying (Honours) from University of Technology Malaysia in 1979. He is a member of the Royal Institution of Surveyors Malaysia and a professional member of the Royal Institution of Chartered Surveyors. He is also a registered Quantity Surveyor registered with Lembaga Juruukur Bahan Malaysia. He possesses over 40 years of experience in contract administration and quantity surveying in the construction sector.

He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

Amrick Singh A/L Atar Singh (Male), a Malaysian aged 56, is our Chief Operating Officer. He was promoted from Deputy Senior General Manager (Projects) to the current position on 1 June 2023. He is responsible for monitoring project performance and management of site operational matters for all construction projects in Malaysia. He graduated with a Bachelor of Civil Engineering with Honours Degree from Universiti Teknologi Malaysia in 1992. He passed the Safety and Health Officer Examination conducted by National Institute of Occupational Safety and Health in 1999.

He has over 30 years of technical experience in the piling sector involving the foundation construction of infrastructure and commercial developments.

He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

Choo King Hwa (Male), a Malaysian aged 64, is our Senior General Manager (Projects). He was appointed to this position on 1 July 2014. He was repatriated from Cambodia during the financial year upon the completion of the projects in that market. He now provides technical oversight for selected major and technically challenging projects in Malaysia. He graduated with a Bachelor of Civil Engineering with Honours Degree from Monash University, Australia in 1985. He has over 35 years of experience in a variety of technical and managerial roles locally and internationally, involving in tendering, design and all the way through to completion of construction of projects.

He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

Leong Wai Ming (Male), a Malaysian aged 56, is our Senior General Manager (Finance). He was appointed to this position on 15 April 2024. He is responsible for directing the financial and accounting operations of the Group. He graduated with a Bachelor of Economics Degree from the University of Adelaide, Australia in 1990. He is a member of the Malaysian Institute of Accountants. He has over 30 years of working experience in the areas of financial management, corporate function, restructuring, merger and acquisition. Prior to joining the Group, he has served in various positions in 6 other public listed companies and 2 international accounting firms.

He has no family relationship with any director and/or major shareholder of the Company. He has no conflict of interest with the Company. He has not been convicted of any offences within the past 5 years (other than traffic offences, if any) nor has been imposed of any public sanctions or penalties by any relevant regulatory bodies during the financial year ended 30 June 2025.

Note:

1. Save as disclosed, the Directors and Key Senior Management do not hold any directorship in public companies and listed issuers.

Sustainability Statement

A. INTRODUCTION

Econpile Holdings Berhad (“Econpile” or “the Company”) is pleased to present this Sustainability Statement (the “Statement”), which sets out the sustainability targets and performance of Econpile and its subsidiaries (collectively referred to as “the Group”) for the financial year ended 30 June 2025 (“FY2025”). Econpile views sustainability an integrated commitment that balances business growth, environmental stewardship, social responsibility and sound governance to ensure long-term value creation for stakeholders.

B. REPORTING SCOPE AND BOUNDARIES

This Statement provides an overview of our activities during the period from 1 July 2024 to 30 June 2025. Where applicable, we have included three financial years of historical data to highlight annual trends in our sustainability performance.

Our disclosures encompass data for all our business operations, including subsidiaries located in Malaysia and Cambodia:

Investment Holding Company

- Econpile Holdings Berhad

Subsidiaries

- Econpile (M) Sdn. Bhd. (Malaysia) (“EMS”)B
- Global Piling Solutions Co., Ltd (Cambodia) (“GPSCL”)

This Statement primarily focuses on the sustainability activities and performance of EMSB. Our operations in Cambodia, undertaken through GPSCL, accounted for less than 1% of the Group’s total revenue in FY2025, and consequently, the extent of sustainability activities there was much more minimal, consistent with the limited scale of business activities.

C. BASIS OF PREPARATION

This Statement is prepared based on Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Main Market Listing Requirements (“MMLR”), Bursa Malaysia’s Sustainability Reporting Guide (3rd edition) and the Illustrative Reporting Guidelines. We were also guided by the Global Reporting Initiatives (“GRI”) Standards and the United Nation Sustainable Development Goals (“UNSDGs”).

This Statement has not been subjected to internal audit review or external assurance. Nevertheless, the key sustainability data has been internally verified by the Group’s management personnel.

D. ACCREDITATIONS AND CERTIFICATIONS

In FY2025, EMSB, the Group’s principal revenue-generating entity, successfully renewed its ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System), and ISO 45001:2018 (Occupational Health and Safety Management System) certifications, which remain valid until 26 August 2027, 9 September 2027 and 9 September 2027 respectively. These recertifications reaffirm our commitment to sustainability by strengthening environmental stewardship and workplace safety while maintaining compliance with globally recognised standards.

E. CONTRIBUTION TO THE UNITED NATION SUSTAINABLE DEVELOPMENT GOALS

The UNSDGs are a set of 17 global objectives designed to address pressing challenges such as poverty, inequality, and climate change by 2030. These goals aim to create a better and more sustainable future for all by promoting social, economic, and environmental well-being worldwide. Currently, we have adopted the five goals most resonant with our values and where our actions yield the most meaningful impact.

Sustainability Statement (Continued)

E. CONTRIBUTION TO THE UNITED NATION SUSTAINABLE DEVELOPMENT GOALS (Continued)

UNSDGs	Target Alignment	Our Contribution
	Target 8.8: Protect labour rights and promote safe and secure working environments for all workers	- Maintained certification under Safety and Health Management System ISO 45001 2 projects achieved 5-star ratings in the SHASSIC conducted by Construction Industry Development Board ("CIDB") - Provided ongoing safety training and awareness programmes
	Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure	- Maintained certification under Quality Management System ISO 9001:2015 - Carried out client satisfaction surveys on project quality - Supported local communities by engaging local contractors, contributing to resilient local supply chains
	Target 12.5: Reduce waste generation through prevention, reduction, recycling and reuse	- Maintained maximum wastage rate targets for our main materials, namely concrete and steel reinforced bars - Bored piling works: 25% maximum concrete wastage rate 8% maximum steel reinforcement bar wastage rate - Reinforced concrete structure works: 8% maximum concrete wastage rate 7% maximum steel reinforcement bar wastage rate - Maintained Reduce, Reuse, Recycle efforts at project sites
	Target 13.1: Strengthen resilience and adaptation to climate-related hazards	- Maintained certification under Environmental Management System ISO 14001:2015 - Adhered to Best Management Practices to mitigate the risks of erosion and sedimentation
	Target 16.5: Substantially reduce corruption and bribery	- Provided anti-bribery and anti-corruption training to employees - Enforced established policies, including Anti-Bribery and Anti-Corruption policy and the Whistleblowing Policy & Guidelines

F. SUSTAINABILITY TARGETS AND PERFORMANCE SCORECARD

Key Performance Indicators ("KPIs") are crucial for tracking the Group's progress towards strategic goals. They offer insights into our performance, support informed decision-making, and facilitate continuous improvement, serving as benchmarks for our progress over time. In total, 17 KPIs have been identified in FY2024 to provide insights into our sustainability performance and guide improvement efforts. For the year under review, we continue to report against these established KPIs to ensure comparability and accountability in measuring progress.

While most targets were achieved, the occurrence of a worker fatality during the year represented the most significant missed KPI, underscoring the need for reinforcement of safety practices across all project sites.

Material Matters	KPIs	FY2024	FY2025
SUSTAINABLE ECONOMIC GROWTH			
Products and Services	To maintain a client satisfaction score of 70%	Achieved	Achieved
Supply Chain Management	To maintain that 90% of subcontractors and suppliers at each project site are locally sourced	Achieved	Achieved
STRENGTHENING INTEGRITY AND GOOD GOVERNANCE			
Regulatory Compliance	Zero non-compliance to water quality discharge at project sites	Achieved	Achieved
	To reduce the number of regulatory non-compliance notifications received from the Department of Occupational Safety and Health ("DOSH") by 10%	Achieved	Achieved
Corporate Governance and Anti-Corruption	To ensure that 100% of employees at the managerial level and above complete anti-corruption awareness training	Achieved	Achieved
Data Privacy and Security	Zero confirmed incidents of breach of customer privacy and losses of customer data	Achieved	Achieved

Sustainability Statement (Continued)

F. SUSTAINABILITY TARGETS AND PERFORMANCE SCORECARD (Continued)

Material Matters	KPIs	FY2024	FY2025
MINIMISING OUR ENVIRONMENTAL FOOTPRINT			
Energy, Emissions and Climate Resilience	To reduce Scope 1 and 2 GHG emissions by 2% by year 2027	In progress	In progress
	To reduce energy intensity (energy/revenue) by 2% by 2027	In progress	In progress
Material Consumption	≤25% of concrete wastage for bored piling works	Achieved	Achieved
	≤8% of steel bar wastage for piling works	Not achieved	Not achieved
	≤8% of concrete wastage for reinforced concrete structure works ("RC Works")	Achieved	Achieved
	≤7% of steel bar wastage for RC Works	Achieved	Achieved
FULFILLING OUR SOCIAL RESPONSIBILITY			
Health and Safety	Zero fatality case	Achieved	Not achieved
	Zero Lost Time Injury (non-fatal)	Achieved	Achieved
	To maintain SHASSIC score of 4 stars and above	Achieved	Achieved
Diversity and Talent Management	To maintain at least 20% women's participation in managerial positions (including middle management and above)	Achieved	Achieved
	To provide an average of 3 training hours per employee at the executive level and above each year (including health, safety and environment-related training)	Achieved	Achieved

G. GOVERNANCE FRAMEWORK

Econpile has established a sustainability governance framework to guide oversight, alignment, and implementation across the Group. While still in the early stages of maturity, the framework lays the foundation for structured management of sustainability matters. It adopts a three-tier structure led by the Board of Directors of the Company ("the Board"), supported by the Sustainability Steering Committee ("SSC") and the Sustainability Working Committee ("SWC"). The Board provides strategic direction, while the SSC and SWC coordinate initiatives and monitor progress to ensure sustainability is progressively embedded into the Group's operations.



Roles	Responsibilities
Board of Directors	- Strategic Oversight: Ensures the Group's sustainability efforts comply with laws and regulations - Risk Management: Integrates ESG risks and opportunities into the Group's strategy - Policy Approval: Approves major sustainability policies and the annual report - Sustainability Leadership: Promotes a sustainability culture within the Group
Sustainability Steering Committee	- Strategy and Policy: Develops sustainability policies, strategies, and targets - Performance Oversight: Tracks key sustainability metrics and progress - Risk and Opportunity: Manages ESG and climate-related risks and opportunities - Resource Allocation: Secures resources and budget for sustainability - Reporting: Reports progress to the Board regularly
Sustainability Working Committee	- Implementation: Executes approved sustainability policies and initiatives - Data Analysis: Collects and analyses data to track progress and inform decisions - Coordination: Aligns department activities with sustainability goals - Stakeholder Engagement: Collaborates with clients, suppliers, and communities on sustainability efforts - Continuous Improvement: Suggests better sustainability practices for adoption

Sustainability Statement (Continued)

H. STAKEHOLDERS ENGAGEMENT

The six stakeholder groups identified remain unchanged from the previous year, consistent with the Group's business operations and operating environment. Econpile views engagement as integral to its sustainability commitments, enabling the Group to understand stakeholder interests and concerns, strengthen relationships, and create shared value. Our established channels facilitate transparent communication of key policies and information, while supporting the early resolution of gaps or conflicts.

Frequency

① Annually	② Quarterly	③ Monthly	④ Weekly	⑤ As required
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Internal Stakeholder

Shareholders and Investors



Our Relationship

Shareholders and investors have a financial interest in the Company's profitability and growth, have voting rights on key decisions, and are exposed to risks if the Company underperforms.

Key Interests and Concerns	Engagement Mode	Strategic Response
- Group financial and operational performance - Economic, Environmental and Social Risk and Opportunity - Strategy and Risk Management - Corporate Governance	⑤ Announcements to Bursa Malaysia ① Annual report ① General Meeting ⑤ Small group meetings and conference calls	- Engagement meetings - Regulatory compliances - Corporate information updates

Employees

Our Relationship

Employees contribute to the Company's performance through their work, and have a vested interest in its success, as it directly affects their career and well-being.



Key Interests and Concerns	Engagement Mode	Strategic Response
- Health and safety - Training and career development opportunities - Job security	③ Departmental meeting	- Open door policy - Strict occupational safety and health procedures - Provide relevant upskilling and development opportunities

External Stakeholder

Regulators and Authorities



Our Relationship

Regulators and authorities enforce laws, standards and regulations that the Company must comply with. Compliance is crucial for the Company to operate without legal or operational disruptions.

Key Interests and Concerns	Engagement Mode	Strategic Response
- Compliance with laws and regulations - Licenses to sustain operation	⑤ Statutory reporting ⑤ One-to-one and small group meeting	- Regulatory compliance - Engagement meetings

Customers

Our Relationship

Customers rely on the Company to deliver projects that meet their expectations. Their feedback and ongoing engagement directly impact the Company's reputation and profitability.



Key Interests and Concerns	Engagement Mode	Strategic Response
- Price competitiveness - Project delivery schedule - Quality execution of work - Regulatory compliance	⑤ One-to-one meeting ⑤ Dedicated project chat groups on messaging platform	- Regular meetings - Business resilience and innovation

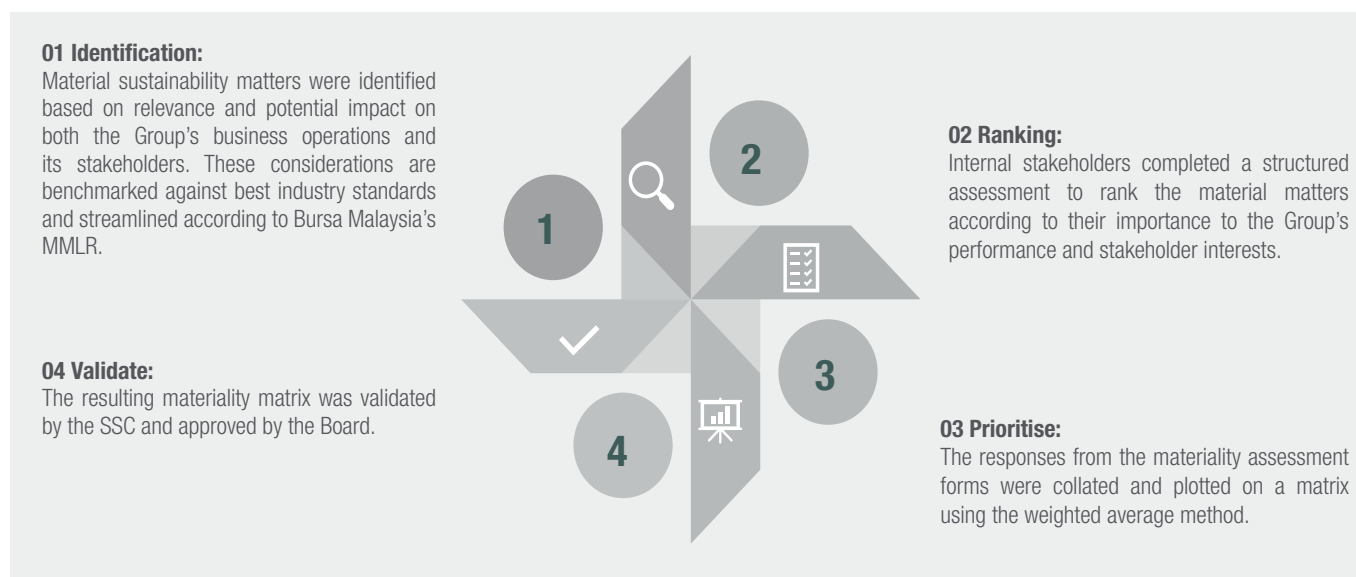
Sustainability Statement (Continued)

H. STAKEHOLDERS ENGAGEMENT (Continued)

Suppliers and Subcontractors		
	Our Relationship Supplier's and subcontractor's materials and services are crucial for project success, and their business depends on the Company's stability and performance.	
Key Interests and Concerns	Engagement Mode	Strategic Response
- Product and service quality - Delivery schedule - Price competitiveness - Health and safety practice	⑤ Routine business review with key suppliers and subcontractor ⑤ One-to-one meeting	- Quality, price, delivery and service - Compliance with laws and regulations - Supplier sustainability management
Local Community		
Our Relationship Construction projects can affect the environmental, infrastructure and overall well-being of local community. They can also provide economic benefits through job creation and improved facilities.		
Key Interests and Concerns	Engagement Mode	Strategic Response
- Environmental and social impacts - Economic benefits	⑤ Daily informal interactions ⑤ Individual and small group meetings ⑤ Providing donations	- Formal and informal engagement meetings - Financial support for community engagement programmes

I. MATERIALITY ASSESSMENT

Following a detailed materiality assessment in FY2024 and a review in FY2025, the Group reconfirmed that its material matters remain relevant and unchanged, as there were **no new business activities** and **no significant changes in the macroeconomic or regulatory environment** affecting the industry the Group operates in. Going forward, the Group will continue to **reassess its material matters periodically** to reflect evolving stakeholder expectations and industry development. Econpile's materiality assessment process is as illustrated as follows:



The materiality matrix below illustrates the Group's key sustainability matters. Those positioned in the upper-right quadrant represent topics most material to both the business and its stakeholders. Consistent with FY2024, the top five material sustainability matters are Products and Services, Regulatory Compliance, Health and Safety, Labour Practices and Standards, and Supply Chain Management. These matters continue to reflect the Group's strategic focus areas in FY2025.

Sustainability Statement (Continued)

I. MATERIALITY ASSESSMENT (Continued)



Sustainable Economic Growth	Strengthening Integrity and Good Governance	Minimising Our Environmental Footprint	Fulfilling Our Social Responsibility
01 Products and Services	02 Regulatory Compliance	07 Material Consumption	03 Health and Safety
05 Supply Chain Management	06 Corporate Governance and Anti-Corruption	09 Energy, Emissions and Climate Resilience	04 Labour Practices and Standards
	13 Data Privacy and Security	10 Waste and Effluent Management	08 Diversity and Talent Management
		11 Air and Noise Pollution Management	14 Community Engagement
		12 Water Management	

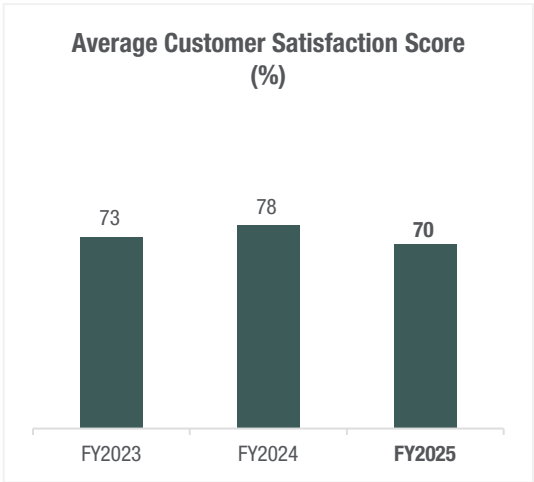
J. SUSTAINABLE ECONOMIC GROWTH

Product and Services

Econpile recognises the quality of our product and services is crucial to building strong customer relationships and encouraging repeat business. We maintain a quality management system, certified to ISO 9001:2015 across our core project activities. We conduct customer survey for every project. This survey is essential for gathering feedback and driving continual improvement in the quality of our operations and services.

In FY2025, the Group's average customer satisfaction score stood at 70%, achieving the minimum internal target for the year. This reflects a decline of 8 percentage points from FY2024 (78%), but remains close to the 73% recorded in FY2023. Over the three-year period, the results highlight some volatility, with FY2024 showing strong improvement before moderating in FY2025.

The customer satisfaction survey is conducted only for projects completed within the year under review, and therefore does not capture feedback from ongoing projects. As such, the results may not fully represent the overall client experience across all active projects, but rather provide a snapshot of those reaching handover within the reporting year.



Sustainability Statement (Continued)

J. SUSTAINABLE ECONOMIC GROWTH (Continued)

Product and Services (Continued)

The decline in FY2025 was largely influenced by two completed projects that experienced delays and difficulties in adhering to agreed work programmes. These challenges, which affected delivery schedules and client expectations, were cited as the main reasons behind the fall in satisfaction scores.

In response, the Group is strengthening its project execution and monitoring processes. Efforts include enhancing the management of subcontractor labour resources to reduce bottlenecks, as well as digitalising project monitoring and reporting to improve visibility, coordination, and timely decision-making.

Supply Chain Management

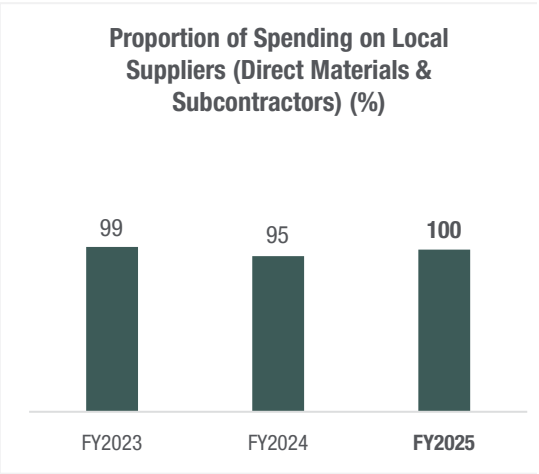
Supplier assessments are conducted in accordance with our ISO 9001:2015 Standard Operating Procedure External Provider Control process which focuses on areas such as product quality and timely delivery.

Within the contracts department, responsibilities covered both the engagement and management of subcontractors as well as the procurement to ensure a steady supply of materials for our operations.

The construction industry is inherently local in nature, characterised by its reliance on contractors and suppliers that are based in, or operate within, the immediate project locations. This localisation stems from the need for timely access to labour, materials, and specialised services, all of which are most effectively sourced from the surrounding communities. As such, local participation is integral not only to the efficiency and cost-effectiveness of project delivery, but also to supporting the socio-economic development of the areas in which projects are undertaken.

For FY2025, our goal was to source at least 90% of our direct materials (such as steel bar, concrete and fuel) as well as our subcontractors from local suppliers. For the past three years, more than 90% of the Group's procurement spending on direct materials and subcontractors was directed towards local suppliers.

Local procurement increased by 4.83% compared to the previous year, reaching almost 100% (99.94%) in FY2025. This was mainly attributable to the reduced reliance on foreign subcontractors in our Cambodia operations following conclusion of projects. For reporting purposes, "local" refers to such contractors and suppliers engaged directly within the respective project locations.



K. STRENGTHENING INTEGRITY AND GOOD GOVERNANCE

Regulatory Compliance

Regulatory compliance remains a critical pillar of governance and operational integrity for Econpile. The Group is committed to upholding all applicable laws, regulations, and standards, including those prescribed under the Bursa Malaysia's MMLR, which emphasise sound corporate governance, accountability, and transparency.

Compliance with occupational health and safety regulations, particularly those issued by DOSH, is of utmost importance given the inherent risks and safety sensitivities of the construction sector. Adhering to these requirements not only safeguards the well-being of our workforce but also protects the Group from potential regulatory actions, project interruptions, and reputational risks.

In FY2025, we recorded a significant improvement, with non-compliance notifications from DOSH reduced from 10 in the previous year to 4 in FY2025.

	FY2023	FY2024	FY2025
Number of regulatory non-compliance notifications from DOSH	28	10	4

Sustainability Statement (Continued)

K. STRENGTHENING INTEGRITY AND GOOD GOVERNANCE (Continued)

Corporate Governance and Anti-Corruption

Corporate Governance

In line with the principles of the Malaysian Code on Corporate Governance, Econpile prioritises corporate governance to maintain accountability, transparency and ethical business conduct across all our operations.

The Audit & Risk Management Committee (“the ARMC”) overseen by the Board, is responsible for establishing a formal risk management framework to improve decision making, performance, accountability and outcomes.

Anti-Corruption and Anti-Bribery

Econpile implements its anti-bribery and anti-corruption controls by providing anti-bribery and anti-corruption training to employees as well as by enforcing established policies, including the Anti-bribery and Anti-corruption policy, the Whistleblowing Policy and Guidelines, the Code of Ethics and the Code of Conducts. In FY2025, we conducted anti-corruption-related training for employees across all levels of our operations.). The conducted training focused on reinforcing awareness of bribery risks, integrity in business conduct, as well as compliance with the Malaysian Anti-Corruption Commission Act 2009 (“MACC Act”).

Employee Category	Percentage of employees trained on anti-corruption
Senior Management	100%
Management	100%
Executive	100%
Non-Executive	100%

We have maintained zero substantiated cases of corruption and whistleblowing cases for the past three financial years.

Corruption risk assessment workshops were conducted during the reporting year across all key departments and business units, supported by the submission of updated risk registers. Each session began with an awareness briefing on the MACC Act and Section 17A Corporate Liability provisions to reinforce understanding of compliance obligations and accountability.

The assessment identified potential corruption risks across core operations, focusing on governance weaknesses, disguised financial transactions, high-risk business activities, third-party relationships, and non-compliance by external representatives. The identified corruption risk were rated using a structured risk matrix that combines likelihood and impact levels, enabling the Group to prioritise risk responses.

The results indicate that corruption exposure remains concentrated in procurement, subcontractor management, and approval processes, where frequent interactions with external parties present inherent risks. Continuous monitoring, enhanced due diligence, and periodic reassessment of these areas will help sustain compliance and reinforce the Group’s overall anti-corruption framework.

	FY2023	FY2024	FY2025
Percentage of operations assessed for corruption risk (%)	0	0	100
Number of substantiated incidents of corruption	0	0	0
Number of whistleblowing incidents	0	0	0

Sustainability Statement (Continued)

K. STRENGTHENING INTEGRITY AND GOOD GOVERNANCE (Continued)

Corporate Governance and Anti-Corruption (Continued)

Board Diversity

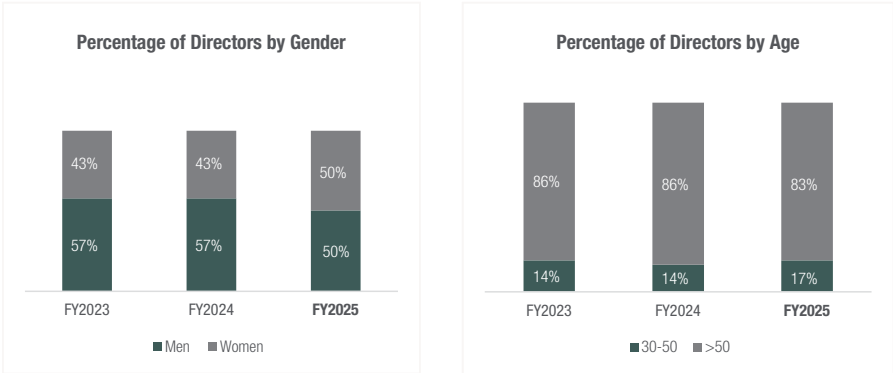
The Company has established a Board Diversity Policy to ensure that the Board comprises individuals with a broad range of perspectives, experience, competencies and skills that are relevant to the Group’s strategic direction and oversight responsibilities.

In line with Bursa Malaysia’s Corporate Governance requirements, the Board recognises that diversity encompasses multiple dimensions, including but not limited to gender, age, ethnicity, nationality, professional background and tenure. The Board believes that a diverse Board composition contributes to more effective decision-making and robust governance.

Diversity includes, but is not limited to, gender, age and ethnicity. The Board is committed to maintain at least 30% women director on Board, whilst ensuring that diversity in age and ethnicity remains a feature of the Board.

For most of the financial year, women represented 43% of the Board. As at 30 June 2025, female representation temporarily increased to 50% following the resignation of one director, which reduced the overall Board size. The ratio reverted to 43% on 29 August 2025 when a new director was appointed, bringing the Board back to seven members.

In terms of age diversity, the proportion of directors aged below 50 stood at 14% for most of the year, rose to 17% as at 30 June 2025 due to the smaller Board size, and subsequently returned to 14% after the Board expansion.



Data Privacy and Security

The Company recognises that data privacy and information security are critical to maintaining stakeholder trust and ensuring compliance with applicable data protection laws and regulations, including the Personal Data Protection Act 2010 (“PDPA”).

We are committed to upholding the highest standards of data governance, with robust policies, systems and controls in place to safeguard the confidentiality, integrity and availability of all personal and sensitive information under our care. This includes employee, customer, supplier and business partner data.

During the reporting period for FY2025 and for the past three years, the Company recorded zero substantiated complaints related to breaches of customer privacy or loss of customer data.

Moving forward, we remain committed to maintaining our strong track record on data privacy and security, and to enhancing our internal governance to minimise legal, reputational and financial risks related to data breaches.

	FY2023	FY2024	FY2025
No. of substantiated complaints concerning breaches in customer privacy or data loss	0	0	0

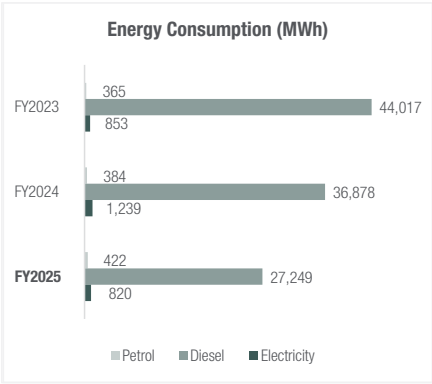
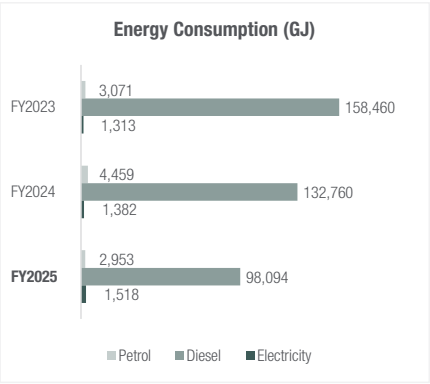
L. MINIMISING OUR ENVIRONMENTAL FOOTPRINT

Energy, Emissions and Climate Resilience

Energy and GHG emissions are crucial for Econpile as they impact operational efficiency and our environmental footprint in construction projects. Effective energy and GHG management ensure that Econpile meets regulatory standards and demonstrates our commitment to environmental stewardship and climate change mitigation.

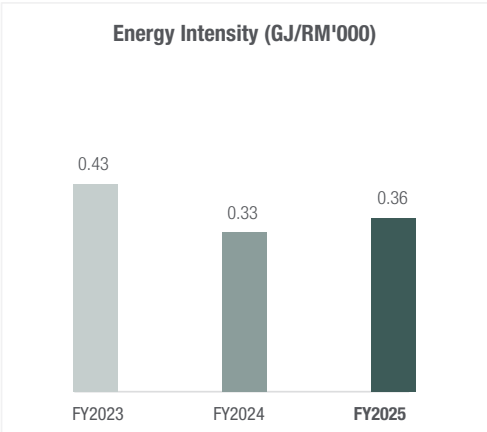
Energy

From FY2023 to FY2025, the Group's total energy consumption declined from 162,844 GJ to 102,565 GJ, representing a reduction of about 37%. Diesel remained the dominant source of energy throughout the period, accounting for more than 95% of total consumption, though its share fell slightly from 97.3% in FY2023 to 95.6% in FY2025. Overall, the trend reflects lower project activity levels, with a continuing reliance on diesel as the primary energy source.



This reliance is largely attributable to the nature of our core operations, particularly piling works, which are highly machinery-intensive and require heavy machinery such as drilling rigs and crawler cranes. Globally, such machinery is predominantly powered by diesel due to its torque efficiency, reliability, and established fuel infrastructure on construction sites. While electricity and petrol contribute marginally to our overall energy mix, their impact remains limited relative to diesel. While electrification and alternative fuels are gradually emerging, their adoption in the construction sector remains extremely limited due to technological, cost, and infrastructure constraints.

Over the past three years, the Group has recorded a consistent improvement in energy efficiency. Energy intensity reduced from 0.43 GJ/RM'000 in FY2023 to 0.33 GJ/RM'000 in FY2024, reflecting efficiency gains relative to revenue. In FY2025, energy intensity rose slightly to 0.36 GJ/RM'000 despite a substantial decline in revenue, as fixed energy usage for site operations, equipment standby and essential utilities remained necessary regardless of revenue levels.



Overall, the three-year trend shows a 16% reduction in energy intensity since FY2023. Going forward, intensity is expected to improve in line with the increase in project activities, as higher revenue will better absorb baseline energy requirements.

Total GHG Emissions

In FY2025, the Group recorded 7,641 tCO₂e of combined Scope 1 and Scope 2 GHG emissions, with Scope 1 accounting for 92%. This marks a reduction from 10,192 tCO₂e in FY2024, largely attributable to the decline in revenue and the corresponding slowdown in project activities. With fewer active sites and lower demand for heavy machinery such as piling rigs and crawler cranes, diesel consumption fell significantly. As diesel constitutes over 95% of the Group's energy mix, this reduction directly translated into lower Scope 1 emissions and an overall decrease in the Group's carbon footprint for the year.

Sustainability Statement (Continued)

L. MINIMISING OUR ENVIRONMENTAL FOOTPRINT (Continued)

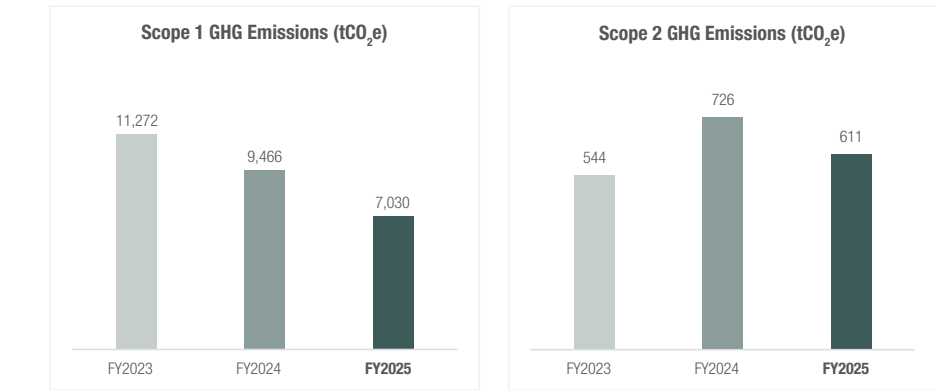
Energy, Emissions and Climate Resilience (Continued)

Scope 1 GHG Emissions

Scope 1 emissions, which account for the bulk of the Group’s carbon footprint due to diesel consumption in heavy construction machinery, have shown a clear downward trend over the past three years. Emissions decreased from 11,272 tCO₂e in FY2023 to 9,466 tCO₂e in FY2024, and further to 7,030 tCO₂e in FY2025. This reduction is closely linked to the fall in revenue and the resulting slowdown in project activities, which reduced the deployment of construction machinery that dominate the Group’s energy mix. Consequently, the decline in diesel use directly translated into lower Scope 1 emissions, driving the overall decrease in total GHG emissions reported for FY2025.

Scope 2 GHG Emissions

The Group’s Scope 2 GHG emissions from electricity consumption at offices and project sites amounted to 611 tCO₂e in FY2025, down from 726 tCO₂e in FY2024, representing a 16% reduction. This decrease is primarily attributable to lower electricity demand at project sites in line with reduced construction activities, alongside stable consumption at office premises. Scope 2 emissions form a relatively small portion of the Group’s overall carbon footprint compared with Scope 1, which is driven by diesel usage in heavy machinery.



- Note:*
1. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards and IPCC Guidelines for National Greenhouse Inventories.
 2. Scope 1 emissions factors were sourced from the UK Government’s GHG Conversion Factor 2022, 2023 and 2024.
 3. Scope 2 emissions factor for Malaysia was sourced from the National Energy Commission: Grid Emissions Factor (2021).
 4. Scope 2 emissions factor for Cambodia was sourced from Institute for Global Environmental Strategies (2012).

L. MINIMISING OUR ENVIRONMENTAL FOOTPRINT (Continued)

Material Consumption

Material consumption decreased in FY2025, consistent with the lower level of project activities as several projects progressed more slowly than anticipated due to factors largely outside the Group's control, including delayed site access and prolonged authority approvals. As a result, total concrete consumption declined by 29% to 167,450 m³ (FY2024: 235,742 m³) and reinforcement steel bar ("rebar") consumption fell by 22% to 16,452 tonne (FY2024: 21,192 tonne). The reduction in consumption correlates with the slower pace of physical work.

Despite the reduced activity levels, material management practices remained disciplined, reflecting consistent oversight on site operations. Material wastage rates were generally contained within internal benchmarks, demonstrating that site control and monitoring procedures remained effective even under varied project conditions. The exception was rebar wastage in bored piling, which exceeded the general internal target of 8%, averaging between 10% and 11% over the three-year period.

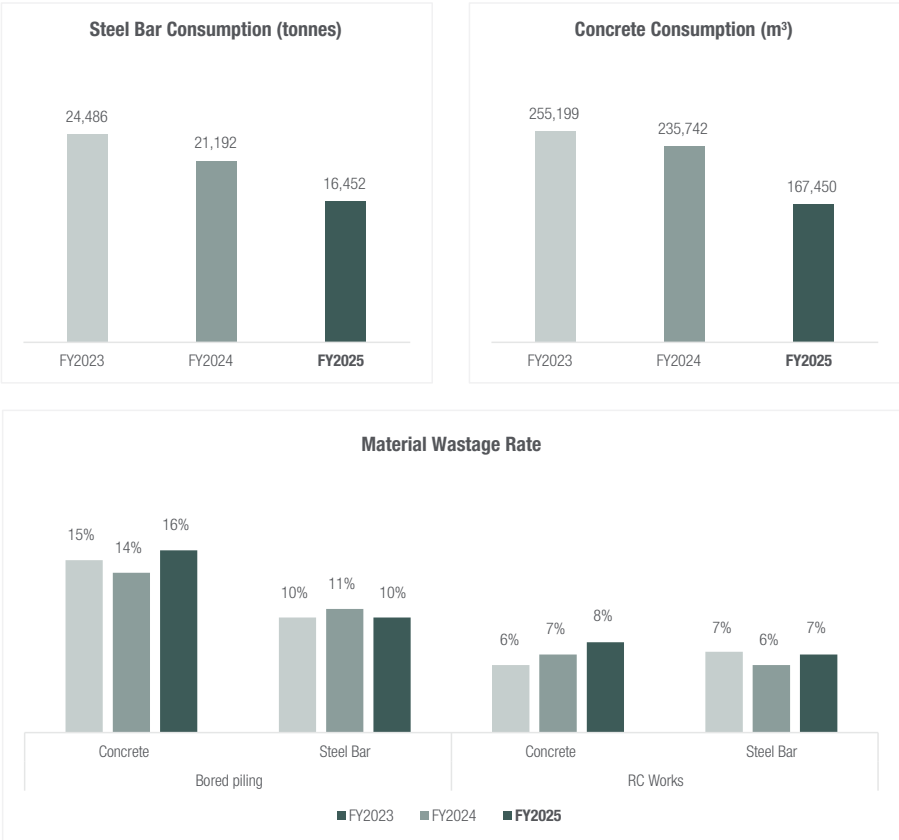
Water Management

Effective water management is vital in our construction activities. By implementing water-conservation techniques and raising awareness among our staff, we safeguard resources and ensure sustainable operations.

Total water consumption remained broadly stable over the past three years, declining marginally from 126,995 m³ in FY2023 to 120,307 m³ in FY2025. Water use during the reporting year was mainly driven by bored piling activities, which require continuous water for slurry mixing, borehole cleaning, and equipment washing. Substructure works such as concrete curing, dewatering, and site cleaning also contributed to steady consumption.

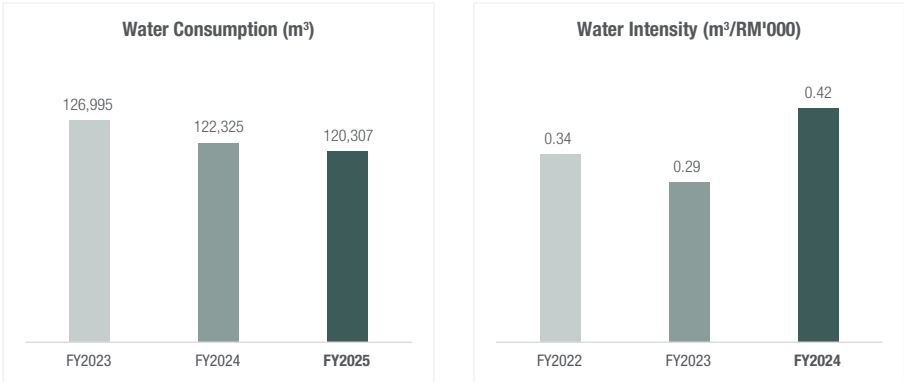
In contrast, water intensity increased to 0.42 m³/RM'000 in FY2025 (FY2024: 0.29 m³/RM'000). This rise was largely due to the lower revenue base during the financial year, as several projects progressed at a slower pace than anticipated. While total water use declined slightly, intensity rose as overall project activity and revenue were lower, highlighting the fixed base consumption required to sustain ongoing site operations.

In addition, the Group's Cambodia operations contributed minimally to revenue during the year, as most major works had been completed. However, defect rectification and maintenance activities continued, which still required substantial water usage for cleaning, grouting, and curing. Projects of this nature where active works are limited but water consumption remains necessary, also contributed to the higher water intensity recorded in FY2025.



Sustainability Statement (Continued)

L. MINIMISING OUR ENVIRONMENTAL FOOTPRINT (Continued)



Waste and Effluent Management

Effective management of waste and effluent is critical for minimising our environmental impact and ensuring regulatory compliance in our construction operations. By implementing effective waste reduction strategies and effluent management, Econpile minimises waste generation and mitigates pollution risks.

Waste Management

Our waste generation includes both scheduled and non-scheduled wastes. The Group ensures strict compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005 and engages licensed contractors for the proper collection and disposal of all wastes. We ensure compliance with contractual and legislative obligations by conducting regular assessments and on-site inspections.

Effluent Management

As part of our water quality monitoring, we manage construction effluent using best practices to prevent pollution within our project site boundaries and to ensure that all effluent that being discharged meets regulatory limits, thereby protecting nearby water bodies.

We implement measures to control soil erosion and minimise sediment runoff including silt fences, silt traps and sediment basins which are inspected and de-silted regularly to maintain their effectiveness. These measures aim to prevent surface runoff and sediment from contaminating nearby bodies of water.

We routinely conduct water quality sampling on the effluent discharged (silt) at our project sites to ensure compliance with standards set by the Department of Environment (“DOE”). Monitoring results indicate that most parameters fall below or within their limits.



	FY2023	FY2024	FY2025
Regulatory Non-Compliance on Water Quality Discharge	0	0	0

Sustainability Statement (Continued)

L. MINIMISING OUR ENVIRONMENTAL FOOTPRINT (Continued)

Waste and Effluent Management (Continued)

Effluent Management (Continued)

The Group undertook construction activities in environmentally sensitive areas in the financial year, including slope stabilisation, road widening and piling works in Cameron Highlands, as well as ongoing piling works for the construction of a new bridge across Sungai Lipis in Kuala Lipis, Pahang.

For the Kuala Lipis bridge project, a water quality baseline was established in the reporting year at two monitoring points located at upstream and downstream along Sungai Lipis. These baseline results shall provide an importance reference, and periodic monitoring will be conducted throughout the construction phase to ensure continued compliance and to minimise environmental impact.



As part of environmental protection measures, we have implemented silt fences, earth drains, and check dams at the site to safeguard the watercourse of Sungai Lipis and the surrounding project alignment. We will continue to closely monitor site conditions to ensure that construction activities do not result in environmental pollution.

In Cameron Highlands, the Group is carrying out works across two key sites: the upgrade of a 1km stretch of Federal Route 59, involving primarily slope stabilisation and road widening works ("Site A"), and the construction of a one-way loop at Kea Farm, where foundation works are underway to support bridge structures ("Site B"). These work sites intersect with Sungai Burung, Sungai Bertam, and Sungai Ulu Telom, with five monitoring points at Site A and eight at Site B, where quarterly water monitoring is ongoing.

Given that slope cutting is involved at Site B, the project is required to comply with more rigorous Environmental Impact Assessment ("EIA") conditions on water protection. Accordingly, a multi-layered set of mitigation measures has been implemented, including the construction of sedimentation ponds to control silt and suspended solids, quarterly river water monitoring at upstream and downstream locations, and monthly reporting on erosion and sediment control through the EIA monitoring system ("SPEIA"). Together, these measures form a comprehensive safeguard to protect water resources and minimise downstream environmental impact.



Air and Noise Pollution Management

Managing air and noise pollution is mandatory for Econpile to minimise environmental impact and ensure the well-being of surrounding communities. Effective pollution management reduces air emissions and noise levels from our operations, demonstrating our commitment to regulatory standards and sustainable practices.

During the financial year, projects in Kuala Lipis and the Cameron Highlands required heightened environmental management due to their sensitive locations.

For the new Kuala Lipis project secured in the reporting year, baseline monitoring was prioritised. Air quality, noise, and vibration monitoring were conducted at two designated sampling stations located at either end of the proposed bridge across Sungai Lipis. All readings recorded were within the prescribed regulatory limits, confirming that construction activities were managed in accordance with environmental standards.

For the ongoing Cameron Highlands project, quarterly monitoring is implemented across all designated sampling points, reflecting the more stringent environmental requirements in this sensitive highland ecosystem. Monitoring was conducted at three locations in Site A and four locations in Site B, covering both air quality and noise parameters. This proactive approach ensures potential environmental impacts are identified early and effectively mitigated.

Sustainability Statement (Continued)

L. MINIMISING OUR ENVIRONMENTAL FOOTPRINT (Continued)

Air and Noise Pollution Management (Continued)

Beyond monitoring, strict compliance with the Environmental Management Control Procedure of Public Works Department was observed. All required measures for air, noise, and vibration control were fully implemented, including regular dust suppression on haul roads and stockpiles, covering of transport vehicles, and routine calibration of monitoring equipment. Air quality, noise, and vibration were monitored at sensitive receptors, with results verified by accredited laboratories. Independent audits were also conducted, confirming that all prescribed controls had been met. This demonstrates the project’s strong commitment to managing environmental impacts in a highly sensitive location.

Air Quality

The Group conducts regular air quality monitoring at our project sites to ensure compliance with the New Malaysian Ambient Air Quality Standard (“MAAQS”) 2013 and the Malaysian Ambient Air Quality Guidelines (“MAAQG”) 1989. This includes the measurement of particulate matter (“PM”) with upper particle size limit of 10 µm (“PM10”) and 2.5 µm (“PM2.5”), as well as total suspended particles (“TSP”).

To help maintain air quality and minimise dust emissions at our project sites, we implement several proactive control measures. Surface damping remains our primary dust suppression method, effectively limiting the spread of soil onto public roads and into the surrounding environment. This is supported by the use of water browsers and water sprinklers, which operate on a set schedule throughout the day to regularly moisten areas with heavy traffic and construction activities.

To further control dust generation and ensure safe operations, strict speed limits of 20 km/h are enforced for all vehicles operating within construction zones and on site access roads. To control dust emissions, soil, sand, and aggregate stockpiles are covered with geotextile to prevent wind dispersal of fine particles.

Noise Pollution

For noise monitoring, designated sampling points were set up and measured over a 24-hour period to capture both daytime and nighttime conditions, in identifying noise level. Results are compared against the maximum permissible levels for Commercial Business Zones, as specified in Schedule 1 of the Planning Guidelines for Environmental Noise Limits and Control (DOE, 2007).

During piling activities, the noise monitoring is conducted monthly using a calibrated noise level meter, recorded for LAeq, LAmin, LAmx, LA10, and LA90 to ensure comprehensive tracking and compliance with relevant standards.

We strengthened our noise management by implementing practical control measures. Piling schedules were planned and rotated to limit worker exposure and reduce cumulative noise levels, with high-noise activities restricted to daytime hours only. Regular maintenance of vehicles and machinery, along with strict idling controls, further helped to minimise unnecessary noise emissions.

We routinely conduct environmental sampling for noise and air at our project sites to ensure compliance with standards set by the DOE. Monitoring results show that most parameters are within or below the regulatory limits. Compliance with DOE regulations is crucial to preventing on-site pollution. In FY2025, we recorded zero non-compliance notifications from the DOE.



	FY2023	FY2024	FY2025
Number of regulatory Non-Compliance notifications from DOE	0	0	0

Sustainability Statement (Continued)

M. Fulfilling Our Social Responsibility

Health and Safety

Ensuring the health and safety of employees is paramount, as it directly influences operational continuity and minimises potential hazards in our piling and construction activities. A strong focus on safety protects our workers and enhances the overall reliability and longevity of the Group's operations.

Our Occupational Health and Safety ("OSH") management system is ISO 45001: 2018 certified, allowing Econpile to systematically assess hazards and implement effective risk control measures. The Health, Safety, Security and Environment ("HSSE") Committee oversees the implementation of this management system, leading to reduced workplace injuries, illness and accidents. The OSH system is reviewed internally by the Quality, Health, Safety, Security and Environment ("QHSSE") Manager.

Additionally, we have established a Safety, Health and Environment ("SHE") Policy, which guides the implementation of safety protocols in the Group.

In FY2025, we benchmarked our OSH performance against industry standards, specifically the CIDB Malaysia SHASSIC (Safety and Health Assessment System in Construction Industry) national industry average score, and achieved an average score of 94.43% (5 stars).

We were also recognised under the SHASSIC category for our Sime Darby KL East project at QUEST Day 2024, organised by CIDB Malaysia - an event celebrating excellence in safety, health, quality, environment, and sustainability.



	FY2023	FY2024	FY2025
SHASSIC Rating	4 stars	5 stars	5 stars

Our workforce accumulated a total of 3.3 million working hours across various project sites.

	FY2023	FY2024	FY2025
Total number of hours worked	4,084,152	3,975,132	3,349,524
Total number of work-related fatalities	0	0	1
Total number of recordable work-related injuries and ill health	0	0	0
Lost Time Incident Rate ("LTIR")	0	0	0
Number of employees trained on health and safety standards	291	299	333

During the reporting period, we regret to report a workplace fatality at a congested project site in Kuala Lumpur, involving a ground worker during piling setup activities. The investigation identified several contributing factors, including insufficient communication protocols, limited spatial awareness, and inadequate coordination between machinery and personnel, compounded by challenging site conditions that affected visibility and positioning.

Corrective measures have since been implemented, focusing in particular on the risks of close-distance working with heavy machinery. These include revised risk assessments, updated standard operating procedures, stricter Permit-to-Work systems, and the establishment of exclusion zones. In addition, engineering controls such as warning signages, proximity alarms, and physical barriers have been strengthened, supported by enhanced supervision during high-risk and simultaneous operations.

The Group is committed to incorporating lessons learned from this incident into the continuous improvement of our safety management systems and practices. Ensuring the health, safety, and well-being of our workforce remains a fundamental priority in all our operations.

In FY2025, we provided a total of 1,207 hours of health and safety training to 333 attendees. We are committed to continually enhancing our standards, implementations, training, and programmes to maintain the highest levels of safety and health in all our operations.



Sustainability Statement (Continued)

M. Fulfilling Our Social Responsibility (Continued)

Health and Safety (Continued)

In the reporting year, the Group organised a Community Open Day as part of its ongoing health, safety, environment (“HSE”) and sustainability initiatives to enhance engagement with key stakeholders, including clients, local authorities, employees, and nearby communities. The event provided a constructive platform for dialogue, knowledge sharing, and collaboration, reinforcing transparency and mutual trust. It also featured educational and interactive sessions to communicate key health, safety, and sustainability messages while strengthening two-way engagement with stakeholders.

Labour Practices and Standards

We are committed to ensuring fair treatment of workers while fostering a positive workplace culture.

Labour Practices

Employee movements during the reporting year remained within a normal range. A total of 52 new hires were recorded in FY2025. Most new recruits were below 50 years old, with men forming the majority - a normal pattern given the nature of the construction industry. Employee turnover improved significantly, declining from 102 in FY2023 to 55 in FY2025, mainly due to reduced attrition among non-executive staff.

Notably, senior management turnover remained at zero for three consecutive years, underscoring strong leadership continuity and management stability. This reflects the Group’s focus on retention of key talent and sustained leadership oversight to drive operational performance and long-term strategy.

Total Number of Full Time Employee New Hires	FY2023	FY2024	FY2025
By Gender			
Men	89	22	36
Women	13	7	16
By Age			
Below 30 years	44	16	22
30-50 years	52	10	27
Above 50 years	6	3	3
Total Number of Full Time Employee Turnover	FY2023	FY2024	FY2025
By Employee Category			
Senior Management	0	0	0
Middle Management	6	7	7
Executive	19	25	39
Non-Executive	77	66	26
By Gender			
Men	93	90	57
Women	9	8	15
By Age			
Below 30 years	41	26	34
30-50 years	52	54	30
Above 50 years	9	18	8

Sustainability Statement (Continued)

M. Fulfilling Our Social Responsibility (Continued)

Labour Practices and Standards (Continued)

Labour Practices (Continued)

There were zero complaints concerning human rights and zero incidents of discrimination in the past three years.

	FY2023	FY2024	FY2025
No. of substantiated complaints concerning human rights violation	0	0	0

Employee Benefits

The Group provides employees with a range of benefits that support their well-being and work life balance. These include healthcare, insurance, and leave entitlements, complemented by opportunities for learning and professional development.

In line with our commitment to employee welfare, we also provide parental leave to support family responsibilities. In FY2025, a total of six employees (four men and two women) utilised parental leave across the Group. All employees who took parental leave returned to work and remained employed 12 months after their return, reflecting a 100% return-to-work and retention rate.

	Men	Women
No. of employees that took parental leave	4	2
No. of employees returned from parental leave	4	2
No. of employees return to work after parental leave ended that were still employed 12 months after their return to work	4	2

Diversity and Talent Management

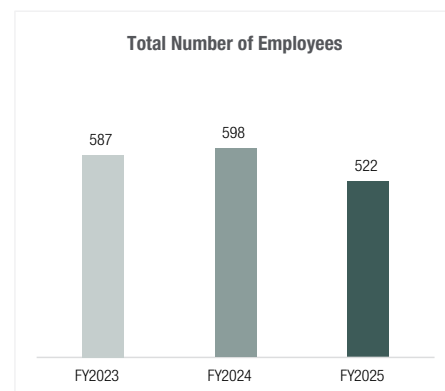
At Econpile, we emphasise fair hiring processes that prohibit discrimination based on differences in age, gender, race, nationality, or culture. By doing so, we foster a workplace built on fairness, equality and transparent communication.

Employee Diversity

The overall headcount declined in FY2025, in line with the lower project activities recorded during the year. The decrease also reflects fewer active site personnel and overall turnover exceeding new hires. The reduction is primarily operational rather than structural.

In FY2025, the Group's workforce consisted of 522 employees, including 154 non-executive and 189 general workers, reflecting the labour-intensive nature of our operations. Men made up over 85% of the total workforce, consistent with industry demographics.

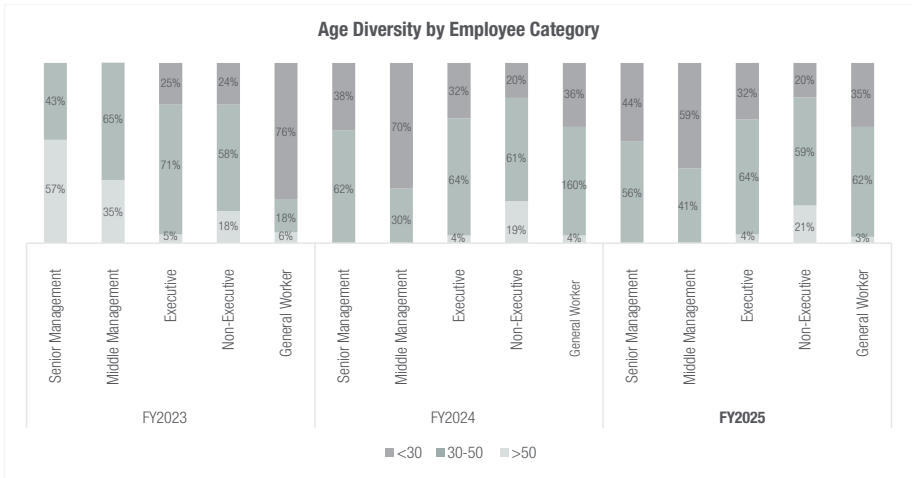
Across age groups, the Group maintains a balanced mix of experienced and emerging talent. Over half of senior management (56%) are aged above 50, leveraging extensive experience to guide the Group's strategic direction. Middle management recorded 59% under 50, reflecting a blend of experience and succession readiness. Meanwhile, the majority of executive, non-executive, and general worker roles are held by employees below 50, aligning with our focus on developing younger talent and ensuring workforce renewal in a physically demanding sector.



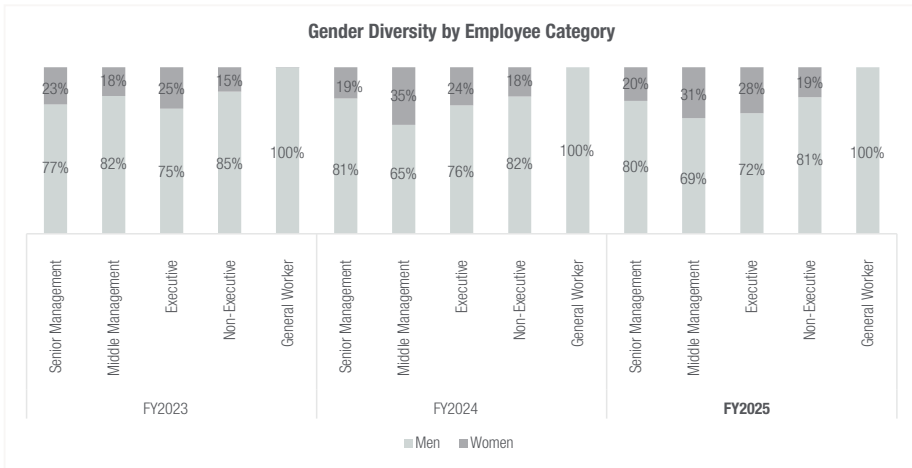
M. Fulfilling Our Social Responsibility (Continued)

Diversity and Talent Management (Continued)

Employee Diversity (Continued)



The Group is committed to achieving a target of 20% female representation in management positions. As of the reporting year, women held 31% of middle management roles and 20% of senior management roles, resulting in an overall 26% female representation across management levels. Over the past three years, the middle management level recorded the highest increase in female representation. This reflects our ongoing effort to foster diversity and inclusion within leadership roles.



Local employees comprised 64% of our total workforce, underscoring our commitment to providing employment opportunities within local communities and contributing to the national economy. When excluding general workers, who are traditionally engaged as project-based labour in the Malaysian construction industry, our core workforce is predominantly local, comprising skilled personnel and management staff.

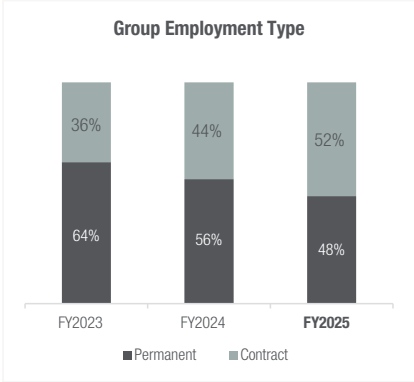
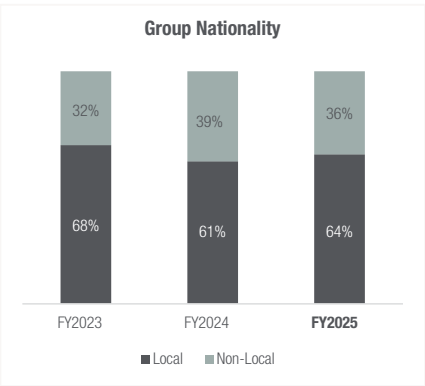
M. Fulfilling Our Social Responsibility (Continued)

Diversity and Talent Management (Continued)

Employee Diversity (Continued)

The Group’s workforce is almost evenly split between permanent and contract employees in FY2025, with 48% on permanent terms and 52% on contract. This is mainly driven by the engagement of foreign general workers on fixed-term contracts. Excluding these foreign workers, the proportion of contract employees would be below 30%, indicating that the Group’s core skilled workforce is largely permanent.

The increase in contract employment ratio to 52% in FY2025 (FY2024: 44%) is mainly driven by the reduction in the Group’s permanent staff base following the completion of projects in Cambodia, which resulted in the streamlining of significant portion of the permanent headcount in that market.



Note: Local employees refer to those who hold citizenship and expatriates who have resided in country with Permanent Residency (“PR”) local to the operating country (Malaysia and Cambodia).

Employee Training Hours

Training during the reporting year was primarily focused on management and executive employees, reflecting the Group’s continued commitment to developing leadership, technical, and compliance competencies. The increase in total hours when HSE programmes are included highlights the Group’s focus on site safety and operational readiness, particularly among project-level executives. Senior management training remained steady in line with their governance roles, while non-executive staff received less formal training as most learning takes place on the job.

In particular, middle management training hours rose significantly, supported by a structured leadership development initiative aimed at nurturing the next generation of leaders. The programme focuses on strengthening operational efficiency at project sites while fostering leadership, communication, and decision-making skills to prepare them for greater managerial responsibilities.

Some of the key training themes during the reporting year focused on leadership, governance, quality, and safety excellence.

1. Leadership and Performance Development

A series of programmes were conducted during the year, primarily targeting middle management and emerging leaders. These initiatives focused on leadership and performance development, aiming to build managerial capabilities, align performance expectations, and drive sustainable growth. The programmes emphasised clear performance metrics, structured competency frameworks, and operational efficiency, while equipping future leaders with stronger people management, communication, and strategic thinking skills to enhance their readiness and effectiveness in a dynamic business environment.



2. Governance and Integrity

The Anti-Bribery and Anti-Corruption Awareness Training reinforced the Group’s ethical standards and compliance culture. The programme covered the Malaysian Anti-Corruption Commission (MACC) Act 2009 and the requirements of Section 17A, equipping employees with tools to identify, manage, and mitigate corruption risks.



M. Fulfilling Our Social Responsibility (Continued)

Diversity and Talent Management (Continued)

Employee Training Hours (Continued)

3. Quality Management and Operational Excellence

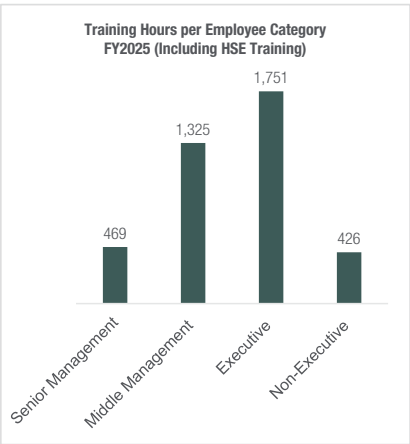
The QMS ISO 9001 Refresher Training conducted by SIRIM ensured continuous compliance with quality management standards. It revisited key areas such as risk-based thinking, process efficiency, documentation control, and continual improvement. This initiative strengthened internal quality culture, maintained process consistency, and reinforced the Group’s commitment to excellence and customer satisfaction.



4. Safety and Emergency Preparedness

Basic Occupational First Aid and Fire Safety Awareness Training equipped employees with essential knowledge to respond effectively to workplace incidents. These programmes enhanced awareness of emergency procedures, first-aid techniques, fire prevention, and the safe handling of materials. Together, they fostered a proactive safety culture and reinforced the Group’s commitment to employee well-being and occupational health.

In FY2025, middle management received the highest total training hours (1,056 hours), followed by executive employees (820 hours), senior management (459 hours), and non-executive staff (419 hours), excluding HSE-related sessions. When HSE training is included, total hours increased to 1,325 hours for middle management and 1,751 hours for executives, reflecting stronger emphasis on safety and operational compliance. On average, employees at the executive level and above received 13.6 training hours each, or 20.6 hours including HSE training, demonstrating ongoing investment in workforce capability development.



Sustainability Statement (Continued)

M. Fulfilling Our Social Responsibility (Continued)

Diversity and Talent Management (Continued)

Employee Engagement

The Group promotes an open, inclusive, and transparent culture anchored by an active open-door policy. Our senior management team maintains regular and genuine engagement with employees at all levels, making open communication a natural part of our daily operations. This approach nurtures collaboration, mutual respect, and a sense of belonging.

To further promote employee well-being and work-life balance, the Group’s Sports Club actively organises recreational and team-building activities. During the reporting year, the club held biweekly badminton sessions and a staff bowling tournament, encouraging active participation and fostering camaraderie across departments. These initiatives support a healthy, motivated, and connected workforce.



Community Engagement

In FY2025, the Group contributed RM223,700 to four organisations.

Community Engagement	FY2025
Amount Contributed to the Community (RM)	223,700
Number of Beneficiaries (Organisation)	4

1. Tunku Abdul Rahman College (“TARC”) Education Foundation

Econpile made a monetary contribution of RM200,000 to the TARC Education Foundation in support of the TAR UMT Student Centre Fund, which helped finance the RM210 million Tunku Abdul Rahaman University of Management and Technology Arena (“TAR UMT Arena”) at the Kuala Lumpur campus.

Completed in mid-2025, the 1.5 million square-foot Arena serves as a hub for students and the wider community, offering modern learning, recreational, and entrepreneurial facilities. Econpile is proud to support this initiative, which enhances student life while fostering innovation and SME growth.

2. BRDB Rotary Children’s Residence

A monetary donation of RM20,000 was made to the Rotary BRDB Trust to support the BRDB Rotary Children’s Residence (“BRCR”) in providing a safe, nurturing environment and essential life-skills development for underprivileged and at-risk children. BRCR is currently caring for over 60 children and raising a child in their home costs around RM9,600 a year.

Sustainability Statement (Continued)

M. Fulfilling Our Social Responsibility (Continued)

Community Engagement (Continued)

3. Blood Donation Programme

A total of 60 employees volunteered in various capacities for a Blood Donation Programme organised in collaboration with National Blood Centre of Malaysia, a recognised medical institution in the public health system. Each blood donation can potentially save up to three lives. With 37 bags of blood collected, the initiative could benefit an estimated 111 potential individual beneficiaries in need. Participants collectively contributed an estimated 120 volunteer-hours, generating significant value through employee engagement and social contribution.



4. Klang Valley River Clean-Up & Circular Economy Awareness Programme

In line with our commitment to environmental stewardship, we organised a river clean-up and recycling awareness programme in the Segambut area (Sungai Keroh vicinity), where one of our projects was located. The initiative was held in collaboration with Fuze Ecoteer, a Malaysian social enterprise specialising in conservation and environmental education, and Masjid Al-Ubudiah, which generously provided the venue for the workshop. The programme aimed to remove plastic waste and promote sustainable waste management through a hands-on recycling session.

A total of 39 participants contributed about 90 volunteer-hours, strengthening community ties, employee engagement, and awareness of recycling and circular economy practices.



Indicator	Measurement Unit	2023	2024	2025
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	-	100.00	100.00
Middle Management	Percentage	-	100.00	100.00
Executive	Percentage	-	30.07	100.00
Non- executive	Percentage	-	7.45	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	0.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	291	299	333
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	45,234.36	38,500.48	28,490.61
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	-	530	469
Middle Management	Hours	-	182	1,325
Executive	Hours	-	2,060	1,751
Non- Executive	Hours	-	292	426
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	36.10	43.59	51.72
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	0	0
Middle Management	Number	6	7	7
Executive	Number	19	25	39
Non- Executive	Number	77	66	26
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	42.86	37.84	44.00
Senior Management Above 50	Percentage	57.14	62.16	56.00
Middle Management Under 30	Percentage	0.00	0.00	0.00
Middle Management Between 30-50	Percentage	64.71	70.00	58.62
Middle Management Above 50	Percentage	35.29	30.00	41.38
Executive Under 30	Percentage	24.67	32.17	32.00
Executive Between 30-50	Percentage	70.67	63.64	64.00
Executive Above 50	Percentage	4.67	4.20	4.00

Indicator	Measurement Unit	2023	2024	2025
30 Non- Executive Under	Percentage	23.71	19.88	20.13
30-50 Non- Executive Between	Percentage	58.24	60.87	59.09
50 Non- Executive Above	Percentage	18.04	19.25	20.78
30 General Workers Under	Percentage	75.92	36.29	35.45
General Workers Between 30-50	Percentage	17.80	59.92	61.90
50 General Workers Above	Percentage	6.28	3.80	2.65
Gender Group by Employee Category				
Male Senior Management	Percentage	77.14	81.08	80.00
Female Senior Management	Percentage	22.86	18.92	20.00
Male Middle Management	Percentage	82.35	65.00	68.97
Female Middle Management	Percentage	17.65	35.00	31.03
Executive Male	Percentage	75.33	75.52	72.00
Executive Female	Percentage	24.67	24.48	28.00
Non- Executive Male	Percentage	85.05	81.99	80.52
Non- Executive Female	Percentage	14.95	18.01	19.48
General Workers Male	Percentage	100.00	100.00	100.00
General Workers Female	Percentage	0.00	0.00	0.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	57.14	57.14	50.00
Female	Percentage	42.86	42.86	50.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	14.29	14.29	16.67
Above 50	Percentage	85.71	85.71	83.33
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.22	95.10	99.93
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-	33,000.00	223,700.30
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	4	4
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	126.995000	122.325000	120.306614
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	No Data Provided
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	No Data Provided
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	No Data Provided
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	-	7,029.80
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	-	611.03
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	No Data Provided

Corporate Governance Overview Statement

The Board of Directors (“the Board”) of Econpile Holdings Berhad (“the Company”) is supportive of the adoption of principles and best practices as set out in the Malaysian Code on Corporate Governance (“MCCG”). The Board is committed to maintain a high standard of corporate governance within the Company and its subsidiaries (“the Group”) as to protect and enhance stakeholders’ value and the performance of the Group.

The Board is pleased to share the manner how the three key principles of the MCCG have been applied within the Group throughout the financial year ended 30 June 2025 (“FY2025”) as well as its key focus area and future priorities in relation to corporate governance practices. The detailed application of each best practice is furnished in further detail in the Corporate Governance Report (“CG Report”) which is made available on the Company’s website at www.econpile.com as well as the website of Bursa Malaysia Securities Berhad (“Bursa Securities”). Where a specific best practice has not been applied during the financial year, the non-application, including reasons thereof, and the alternative practice adopted, if any, is also mentioned in the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

The Board has the overall responsibility for the leadership and control of the Group and is collectively responsible for promoting the long-term success of the Group.

The responsibilities of the Board include reviewing the Group’s strategic plans to ensure that shareholders’ value is protected and enhanced, overseeing and evaluating the conduct of business of the Group to ensure compliance with legal and regulatory requirements, overseeing the communication and engagement with shareholders and relevant stakeholders, overseeing the Group’s business operations and financial performance, identifying the main risks associated with the Group and reviewing the procedures and internal control systems to mitigate the risks and providing input to succession plans for executive and management roles. The key matters reserved for the Board to approve or monitor include but not limited to setting overall Group strategy and direction, approving major corporate plans, approving annual budget (including operating and capital expenditure), approving quarterly and annual financial statements, as well as monitoring risk management and internal control systems of the Group (including financial, operational and compliance controls).

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely Audit & Risk Management Committee (“ARMC”), Nomination Committee (“NC”) and Remuneration Committee (“RC”). The Board Committees have the authority to examine issues within their respective Terms of Reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for the final decision on all matters lies with the Board.

2. Board Charter and Policies

The Board Charter is in place and periodically reviewed and updated by the Board to align with best practices. The Board Charter sets out the roles and responsibilities of the Board, Chairman of the Board, Group Managing Director, Group Chief Executive Officer, the Executive and Non-Executive Directors and Company Secretaries, including a formal schedule of matters reserved to the Board. The Board Charter was last reviewed by the Board on 29 August 2025.

To strengthen the standards of corporate governance and corporate behaviour, the Board has formalised a Code of Ethics which is to be observed by all Directors. In addition, the Group has a Code of Conduct that sets out the standards of conduct and responsible behaviour expected of all Directors, Management and officers to promote corporate culture which inculcates ethical conduct. The Code of Conduct and Code of Ethics were last reviewed by the Board on 29 August 2025.

The Board encourages employees and associates to report any ongoing or suspected wrongful activities or wrongdoings at the earliest possible stage through the proper channel of reporting so that immediate action can be taken. The Whistleblowing Policy & Guidelines adopted by the Company provides a structured channel for employees to raise concerns regarding malpractices committed within the Group without fear of reprisal. The ARMC is tasked by the Board to perform the oversight function of the whistleblowing policy.

As part of the Company’s commitment against all forms of bribery and corruption, the Board has adopted the Anti-Bribery & Anti-Corruption Policy which sets out rules and guidance to Directors, Senior Management, employees and business associate who work for and/or act for on behalf of the Group on how to deal with improper solicitation, request for bribes and other corrupt activities and issues that may arise in the course of business. The Management will carry out regular assessment on the policy to ensure that it continues to remain relevant, appropriate and effective.

The Company had also in place a Conflict of Interest Policy to provide guidance in identifying and managing any actual, potential and perceived conflict of interest situations between the employees (including Directors) and the Group.

The Directors are aware that they would have to declare their interests in transactions with the Group and abstain from deliberation and voting in respect of such transactions at Board or general meetings convened to consider the matter. The ARMC reviews all related party transactions and conflict of interest situation that arose, persisted or may arise within the Group that may challenge the Group’s integrity.

Board Charter and all policies are accessible through the Company’s website at www.econpile.com.

Corporate Governance Overview Statement (Continued)

3. Strategies Promoting Sustainability

The Board understands that corporate sustainability depends on balancing and meeting the needs of the Company's stakeholders in economic, environmental and social areas. The Company has a Sustainability Policy in place, which outlines the Company's principles and commitments to sustainability, and its governance structure. A report on the sustainability activities is contained in the Sustainability Statement of this Annual Report.

4. Composition and Balance

During the FY2025, Hassan Bin Ramadi resigned as an Independent Non-Executive Director of the Company effective 31 May 2025. Subsequent to the financial year end, and with the recommendation of the NC, the Board approved the appointment of Datuk Syed Azmi Bin Syed Othman as an Independent Non-Executive Director on 29 August 2025.

As at 30 June 2025, the Board comprised 6 members, consisting of 3 Executive Directors, 2 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director with the composition of women directors making up to 50%. Following the appointment of Datuk Syed Azmi Bin Syed Othman in August 2025, the Board now has 7 members, comprising 3 Executive Directors, 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director with women directors representing 43%. The composition of the Board fulfils the requirement of Paragraph 15.02(1) of the Listing Requirements. None of the Directors is an active politician.

The profiles of the Directors are presented in the Directors' Profile of this Annual Report. The Board members have diverse professional and entrepreneurial background, varied skills and experiences for effective oversight of the Group. The Independent Non-Executive Directors provide the necessary check and balance in the Board's deliberation and decision-making.

The Non-Executive Directors have met among themselves without the presence of the Executives Directors during the financial year to review and deliberate on topics surrounding the strategic, governance and operations of the Group. The discussion note was subsequently shared with the Executive Directors.

The Board recognises the importance of a clear division of responsibility between the Chairman, Group Managing Director and Group Chief Executive Officer to ensure a balance of power and authority. The Board adopts the recommendation of the MCCG that the Chief Executive Officer and Chairman shall not be the same person. The roles and responsibilities of the Chairman, Group Managing Director and Group Chief Executive Officer are distinct, separated and clearly defined, and are held by 3 different individuals. The Group Managing Director is responsible for the running of the affairs of the Company under delegated authority from the Board and to implement the policies and strategies set by the Board whereas the Group Chief Executive Officer is responsible for managing the daily conduct of business, supervision and management of the Company as well as assisting the Group Managing Director in all his responsibilities. Whilst the Chairman of the Board provides leadership role in the conduct of the Board and its relations with the shareholders and stakeholders.

5. Reinforced Independence

The Board is satisfied with the level of independence demonstrated by the Independent Non-Executive Directors and their abilities to act in the best interest of the Group. All Independent Non-Executive Directors are independent of management and are free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment. There is a clear separation of powers between the Chairman, who is a Non-Executive Director and the Group Managing Director, which further enhances the independence of the Board.

In accordance with the Board Charter, the tenure of an Independent Director shall not exceed a cumulative term of 9 years. In the event the Independent Director continues to serve the Board after serving for 9 years, the Board should provide justification and seek annual shareholders' approval through a two-tier voting process or the said Independent Director will be re-designated as Non-Independent Director. In this regard, Krishnan A/L C K Menon is therefore serving the Company as a Non-Independent Non-Executive Chairman.

Corporate Governance Overview Statement (Continued)

6. Board Meeting and Time Commitment

The Board is aware of the time commitment expected from them to attend to matters of the Group. An annual meeting calendar is planned and agreed by the Directors. The Board meets on a quarterly basis with additional meetings being convened as and when necessary to, inter alia, approve annual business plans and budgets, operational and financial performance reports, investments and capital expenditures and quarterly reports. The Board is satisfied with the level of time commitment given by the Directors in discharging their duties for FY2025.

During the financial year, the Company held 5 Board meetings and the details of attendance of each Board members are as follows:

Name of Director	Designation	Meeting Attendance
Krishnan A/L C K Menon	Non-Independent Non-Executive Chairman	5/5
Teh Bee Choo	Independent Non-Executive Director	5/5
Law Siew Ngan	Independent Non-Executive Director	5/5
Hassan Bin Ramadi	Independent Non-Executive Director(resigned on 31 May 2025)	5/5
The Cheng Eng	Group Managing Director	5/5
Pang Sar	Executive Director and Group Chief Executive Officer	5/5
The Kun Ann	Executive Director and Deputy Group Chief Executive Officer	5/5
Datuk Syed Azmi Bin Syed Othman	Independent Non-Executive Director (appointed on 29 August 2025)	NA*

* He did not attend any Board meetings held during the FY2025 as his appointment was after the financial year.

The Board has provided its commitment to the Company as evidenced by the attendance of Directors at Board meetings. All Directors do not hold more than five directorships in public listed companies.

During these meetings, the Board deliberated and considered a variety of matters including the Group's corporate developments and financial results.

7. Supply and Access to Information and Advice

The Board has full and unrestricted access to any information pertaining to the Group. The Board and Board Committees members are provided with agenda of meetings and meeting papers which contain management and financial information and other matters to be discussed. Sufficient time is given prior to every Board and Board Committees meetings to enable them to obtain further explanation, where necessary, in order to be properly informed before the meeting. The Board also has direct communication channels with the Internal and External Auditors, and the Management and ability to convene meetings with the External Auditors whenever deemed necessary to enable them to discharge their duties.

The Directors, collectively or individually, may seek independent professional advice to fulfill their responsibilities at the expense of the Group.

8. Qualified and Competent Company Secretaries

The Company has engaged external qualified company secretaries from Tricor Corporate Services Sdn. Bhd. The Company Secretaries are Associate members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and qualified to act under Section 235(2)(a) of the Companies Act 2016. The Company Secretaries attend all Board and Board Committees meetings including general meeting and ensure the meetings are properly convened and all deliberations and decisions made by the Board are accurately minuted, recorded and kept.

The Company Secretaries continuously attend relevant development and training programmes to keep themselves abreast with the regulatory changes and corporate governance development.

Corporate Governance Overview Statement (Continued)

9. Appointment to the Board

The Board has a fit and proper policy for the appointment and re-election of directors of the Group accessible at the Company's website at www.econpile.com. This policy outlines the fit and proper criteria that are required of the candidates based on character and integrity, experience and competence, and time and commitment. The Board and the NC shall conduct the fit and proper assessment prior to the appointment of any candidate as Director, or making recommendation for the re-election of retiring director.

The NC is responsible to identify candidates to the Board if vacancy arises or if there is a need to appoint additional directors to strengthen the composition of the Board. The NC may identify candidates through recommendation from directors, senior management, major shareholders, and other independent sources such as executive search firms. Upon receipt of the proposal, the NC is responsible to conduct assessment and evaluation on the proposed candidate.

For identification and recommendation of new Directors, due consideration shall be given to:

- (a) the candidates' skills, knowledge, expertise and experience, professionalism, character, integrity, reputation, competence, commitment (including time commitment) to effectively discharge his/her role as a Director;
- (b) merit and against objective criteria with due regard for the benefits of boardroom diversity, including gender, age, ethnicity and cultural background, experience, skill, character, integrity and competence; and
- (c) in the case of candidates for the position of Independent Directors, the NC shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Directors.

Following the NC's initial review of the proposed candidate's qualifications and legal and background checks, the evaluation process may include, at the NC's discretion, subsequent interviews with the Chairman of the Board, Board members and/or the Company's senior management.

Upon completion of evaluation of the proposed candidate, the NC would make its recommendation to the Board. Based on the recommendation of the NC, the Board would evaluate and decide on the appointment of the proposed candidate. The Chairman of the Board would then make an invitation or offer to the proposed candidate to join the Board as a director. With the acceptance of the offer, the candidate would be appointed as director of the Company.

In accordance with Paragraph 15.09(a) of the Listing Requirements, the audit committee must comprise at least 3 members. Additionally, the Terms of Reference of the NC and the RC specify that both committees must consist of a minimum of 3 members, all of whom must be Non-Executive Directors, with the majority being independent.

Following the resignation of Hassan Bin Ramadi as a director of the Company effective 31 May 2025, the composition of all Board Committees was reduced to 2 members. As a result, the Company was required to appoint a new member within 3 months to fill the vacancy in accordance with Paragraph 15.19 of the Listing Requirements and/or the Terms of Reference of the NC and RC.

Subsequent to the financial year end, Datuk Syed Azmi Bin Syed Othman was appointed to the Board of the Company as an Independent Non-Executive Director on 29 August 2025 and also appointed as member of all Board Committees. He was identified through the network of Executive Directors and recommended to the NC.

The NC had assessed the suitability of Datuk Syed Azmi Bin Syed Othman including his independence before recommending him for appointment to the Board as Independent Non-Executive Director. The Board opined that the newly appointed Director has the appropriate skills, knowledge and experience and will be able to contribute positively to the Board.

Corporate Governance Overview Statement (Continued)

10. Re-election of Directors

In accordance with the Company's Constitution, one-third of the Directors for the time being shall retire by rotation at each Annual General Meeting ("AGM") at least once in every 3 years but shall be eligible for re-election. The Company's Constitution further provides that all newly appointed Directors shall retire from office but shall be eligible for re-election in the next AGM subsequent to their appointment. The NC will, upon the review and evaluation of the Directors' performance and contribution to the Board together with their fit and proper declaration, if satisfactory, submit its recommendation to the Board for approval before tabling the same to the shareholders for approval at the AGM.

The Company Secretaries have the responsibility of ensuring that relevant procedures relating to the appointment of new directors are properly executed.

The Directors who are seeking for re-election at the forthcoming AGM are Teh Bee Choo, Law Siew Ngan and Datuk Syed Azmi Bin Syed Othman. The retiring Directors have expressed their intention to seek re-election at the forthcoming AGM.

11. Board Committees

The Board has established the ARMC, NC and RC, with respective Terms of Reference, to assist it in discharging its responsibilities.

During the FY2025, Hassan Bin Ramadi has stepped down from all Board Committees on 31 May 2025 in conjunction with his resignation as a member of the Board. Subsequent to the financial year end, with the support of the NC, the Board has approved the appointment of Datuk Syed Azmi Bin Syed Othman as a member to all Board Committees on 29 August 2025 in conjunction with his appointment to the Board. As at 30 June 2025, the Board Committees were temporarily reduced to 2 members each, prior to the appointment of Datuk Syed Azmi Bin Syed Othman in August 2025.

As at the date of this Statement, the composition of the Board Committees is as follows:

Audit & Risk Management Committee

Chairperson	Teh Bee Choo (Independent Non-Executive Director)
Member	Law Siew Ngan (Independent Non-Executive Director)
Member	Datuk Syed Azmi Bin Syed Othman (Independent Non-Executive Director)

Nomination Committee

Chairperson	Law Siew Ngan (Independent Non-Executive Director)
Member	Teh Bee Choo (Independent Non-Executive Director)
Member	Datuk Syed Azmi Bin Syed Othman (Independent Non-Executive Director)

Remuneration Committee

Chairperson	Law Siew Ngan (Independent Non-Executive Director)
Member	Teh Bee Choo (Independent Non-Executive Director)
Member	Datuk Syed Azmi Bin Syed Othman (Independent Non-Executive Director)

All Board Committees comprise entirely Independent Non-Executive Directors. The Chairman of the Board does not sit on any Board Committees.

(a) Audit & Risk Management Committee

The ARMC was established to assist the Board in fulfilling its responsibilities relating to financial reporting, conflict of interest and related party transactions, and risk management and internal control. The Terms of Reference of the ARMC is accessible at the Company's website at www.econpile.com and further details on the ARMC and its activities are contained in the ARMC Report of this Annual Report.

(b) Nomination Committee

The NC assists the Board in nominating new directors, reviewing the composition and size of the Board, and assessing the effectiveness of the Board as a whole, Board Committees and the contribution of each Director. The Terms of Reference of the NC is available on the Company's website at www.econpile.com.

Meetings of the NC are held as and when necessary, and at least once a year. The NC met once during FY2025 and all members registered full attendance.

Corporate Governance Overview Statement (Continued)

11. Board Committees (Continued)

(b) Nomination Committee (Continued)

The NC carried out the following activities during the FY2025:

- (i) reviewed the composition of the Board and Board Committees;
- (ii) noted the updates on the succession planning for the Group Managing Director and the Group Chief Executive Officer;
- (iii) reviewed the required mix of skills and experience and core competencies of the Board;
- (iv) assessed the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director and thereafter, recommended the findings to the Board;
- (v) reviewed the independence of the Independent Directors;
- (vi) reviewed the terms of office and performance of the ARMC and each of its members;
- (vii) reviewed the effectiveness of the Company Secretary;
- (viii) reviewed and recommended to the Board the re-election of Directors; and
- (ix) reviewed the trainings attended by each Director.

The performance assessments of the Board, Board Committees and individual Directors were conducted in-house via self-assessment questionnaires. Each Director was required to complete a set of questionnaires and the aggregate responses were tabled to and reviewed by the NC.

The assessment criteria for Board performance evaluation includes but not limited to board composition, board processes, board independence and interaction with management.

For the Board Committees, the assessment criteria among others are membership and composition of committees, the ability of the committees in assisting the Board in its oversight responsibilities and their interaction with management.

For contribution of each Director, the assessment criteria include but not limited to integrity, strategic perspectives, commitment, communication ability and value-adding contribution.

As for independent directors, the assessment of their independence is based on criteria such as their tenure, their involvement in transactions with the Company and their relationship with the Company and substantial shareholders of the Company.

The Independent Non-Executive Directors are independent and fulfilled the definition of “independence” as set out in the Listing Requirements. The breakdown of the Board by gender, age and ethnicity is as follows:

	As at 30 June 2025	As at the date of this Statement
Gender		
Male	3	4
Female	3	3
Age		
40 to 50	1	1
50 to 60	0	0
Above 60	5	6
Ethnicity (Malaysian)		
Malay	0	1
Chinese	5	5
Indian	1	1

Corporate Governance Overview Statement (Continued)

11. Board Committees (Continued)

(b) Nomination Committee (Continued)

The Company has a Board Diversity Policy with the objective to ensure that the Board has the diversity of perspectives, experience and skills necessary for effective oversight of the Group. Diversity includes, but is not limited to gender, age and ethnicity. The Board is committed to maintain at least 30% of women representation on the Board, whilst ensuring that diversity in age and ethnicity remains a feature of the Board. The NC is delegated with the overall responsibility for implementation, monitoring and periodic review of the Board Diversity Policy.

The Board, through the NC's annual appraisal, concluded that the Board has the right mix of backgrounds, skills and experiences to discharge its duties effectively.

Subsequent to the financial year end, the NC had on 29 August 2025, reviewed and recommended the appointment of an Independent Non-Executive Director to the Board.

The NC had on the same date also reviewed the terms of office and performance of the ARMC and each of its members to determine whether the ARMC and its members have carried out their duties in accordance with its Terms of Reference. The Directors' responses were collated by the Management and a summary of the findings was presented to the NC for deliberation. The NC was satisfied with the performance of the Board and Board Committees as a whole, as well as the contribution of each Director.

The NC also reviewed the results of the assessment and evaluation of the 2 Directors due for retirement at the 13th AGM, taking into consideration their fit and properness, skill sets, experience, professional qualifications, core competencies, other qualities, contribution to the Company and time commitment, and had recommended to the Board to table their re-election at the 13th AGM. Separately, in respect of the Director appointed to the Board on 29 August 2025, the NC also recommended his re-election at the 13th AGM in accordance with the Company's constitution, which provides that newly appointed Directors shall hold office only until the next AGM and shall be eligible for re-election.

Based on the report of the NC, the Board is of the view that the current size and composition is well-balanced and fairly reflects the interest of minority shareholders within the Group. In view thereof, the Board will be seeking shareholders' approval to re-elect Teh Bee Choo, Law Siew Ngan and Datuk Syed Azmi Bin Syed Othman as Directors at the 13th AGM.

In addition, the NC reviewed the results of the assessment of the effectiveness of the Company Secretary and was satisfied with the performance of the Company Secretary.

(c) Remuneration Committee

The RC assists the Board in establishing remuneration for Executive Directors, Non-Executive Directors and key senior management.

Meetings of the RC are held as and when necessary, and at least once a year. The RC met once during the FY2025 and all the members registered full attendance.

The RC reviews the Directors' fees and Directors' benefits, considers the payment of bonus for Executive Directors and key senior management and reviews the remuneration packages of Executive Directors and key senior management on an annual basis and makes recommendation to the Board. The Board as a whole determines the Directors' fees and benefits and remuneration of the Executive Directors with each individual Director abstaining from decision in respect of their own fees, benefits or remuneration.

The Company has adopted a Remuneration Policy which sets out the remuneration principles and guidelines for the Board and key senior management of the Company. The Remuneration Policy aims to attract, motivate and retain qualified Directors and key senior management. The remuneration of Executive Directors and key senior management is made up of fixed component (i.e. basic salary) and variable remuneration components (i.e. annual performance bonus and other benefits). The total reward package takes into account both individual and corporate performance.

For Non-Executive Directors, their remuneration consists of directors' fees and meeting allowances. To compensate for additional responsibility, the Chairmen of the Board and Board Committees are compensated at levels higher than other members. Different levels of fees are also paid in respect of the different Board Committees, based on the complexity and the depth of preparation and level of responsibility required.

The Terms of Reference of the RC and the Remuneration Policy are accessible through the Company's website at www.econpile.com.

Corporate Governance Overview Statement (Continued)

12. Directors' Training

The Directors have attended various development and training programmes according to their individual needs to keep abreast with developments in the marketplace and to further enhance their business acumen and professionalism in discharging their duties to the Group.

The seminars and training courses attended by the Directors during the financial year under review are as follows:

Name	Training/Course/Conference Title	Organised by
Krishnan A/L C K Menon	AI Leadership Conference: Navigating complexity and building trust in an AI-driven world	PwC Malaysia
The Cheng Eng	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	2nd Mustafa Ahmad Memorial Luncheon Lecture on Embankments Transitioning to Bridges and other Rigid Structures	The Institute of Engineers Malaysia
	Seminar on Engineering Challenges of Pile Foundations On Limestone	The Institute of Engineers Malaysia
	Anti-Bribery & Anti-Corruption Awareness	VisionEthics Advisory Services Sdn Bhd
Pang Sar	Transformative Leadership Development Program for Managers & Emerging Executives	VA Partners
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	2nd Mustafa Ahmad Memorial Luncheon Lecture on Embankments Transitioning to Bridges and other Rigid Structures	The Institute of Engineers Malaysia
	Seminar on Engineering Challenges of Pile Foundations On Limestone	The Institute of Engineers Malaysia
	Anti-Bribery & Anti-Corruption Awareness	VisionEthics Advisory Services Sdn Bhd
	Contractor Convention 2024	CIDB Holdings
	Building a Sustainable Performance & Competency Framework	Top Foresight
The Kun Ann	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Navigating ESG with international standards	Bursa Malaysia
	Industrial Chats: 1. Practical Insights for Effective Construction Project Planning 2. Director's Fiduciary Duties: Making Sense of the Legal Standards in the Commercial Reality 3. Navigating Sexual Harrassment in the Workplace: Legal & Practical Considerations 4. Land Acquisition: Discussion on Landowners' Redress	Gan Partnership
	2nd Mustafa Ahmad Memorial Luncheon Lecture on Embankments Transitioning to Bridges and other Rigid Structures	The Institute of Engineers Malaysia
	Seminar on Engineering Challenges of Pile Foundations On Limestone	The Institute of Engineers Malaysia
	Integrating ESG Solutions Across Key Sectors	Halim Hong & Quek and Harold & Lam Parnership
	AI Leadership Conference: Navigating complexity and building trust in an AI-driven world	PwC Malaysia
	Sales Tax and Service Tax: Expansion of scope revealed	KPMG Malaysia
	Anti-Bribery & Anti-Corruption Awareness	VisionEthics Advisory Services Sdn Bhd
	The Risk Landscape: Navigating Climate Transition Risks in a Circular Economy	KPMG ASPAC Board Leadership Centre
Teh Bee Choo	The Risk Landscape: Navigating Climate Transition Risks in a Circular Economy	KPMG ASPAC Board Leadership Centre

Corporate Governance Overview Statement (Continued)

12. Directors' Training (Continued)

Name	Training/Course/Conference Title	Organised by
Law Siew Ngan	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Building Sustainable Credibility: Assurance, Greenwashing and The Rise of Green-Hushing	Bursa Malaysia
	Leading for Impact (LIP) Alumni Networking - Sustainability	Institute of Corporate Directors Malaysia
	Navigating Governance, Risk and Strategic Foresight	Institute of Corporate Directors Malaysia
	ICDMxSAC Advocacy Dialogue & Debate Session - Impact in Action: From Leadership to Stewardship	Institute of Corporate Directors Malaysia
	Board Leadership in Industry Disruption: Steering Companies through Market Shifts	Institute of Corporate Directors Malaysia
Hassan Bin Ramadi (resigned on 31 May 2025)	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia

There were also briefings presented by the External Auditors and the Company Secretaries on the relevant updates on statutory and regulatory requirements from time to time during the Board meetings and Board Committees meetings.

13. Directors' and Key Senior Management's Remuneration

The RC is principally responsible for recommending to the Board the remuneration package of the Executive Directors and key senior management. The level of remuneration reflects the experience and level of responsibilities undertaken by the Executive Directors and key senior management. The remuneration package offered to the Executive Directors and key senior management as well as fees payable to Non-Executive Directors are the responsibility of the entire Board. The individual Directors are required to abstain from discussion on their own remuneration and fees. In addition, the Directors who are shareholders of the Company will abstain from voting on the resolution at general meetings to approve their own fees.

Fees and benefits payable to the Directors of the Company are subject to yearly approval by shareholders at the AGM. The breakdown of the Directors' remuneration paid in the FY2025 is as follows:

	Fees (RM)	Salaries (RM)	Other emoluments* (RM)	Benefits-in-kind (RM)	Total (RM)
On Company basis					
<i>Executive Directors</i>					
The Cheng Eng	-	120,000	855	-	120,855
Pang Sar	-	120,000	5,655	-	125,655
The Kun Ann	-	36,000	5,371	-	41,371
<i>Non-Executive Directors</i>					
Krishnan A/L C K Menon	85,000	-	2,500	-	87,500
Teh Bee Choo	65,000	-	6,000	-	71,000
Law Siew Ngan	65,000	-	6,000	-	71,000
Hassan Bin Ramadi (resigned on 31 May 2025)	50,417	-	6,000	-	56,417

Corporate Governance Overview Statement (Continued)

13. Directors' and Key Senior Management's Remuneration (Continued)

	Fees (RM)	Salaries (RM)	Other emoluments* (RM)	Benefits-in-kind (RM)	Total (RM)
On Group basis					
<i>Executive Directors</i>					
The Cheng Eng	-	1,116,000	84,711	20,525	1,221,236
Pang Sar	-	1,116,000	133,399	21,344	1,270,743
The Kun Ann	-	345,600	113,073	9,900	468,573
<i>Non-Executive Directors</i>					
Krishnan A/L C K Menon	85,000	-	2,500	-	87,500
Teh Bee Choo	65,000	-	6,000	-	71,000
Law Siew Ngan	65,000	-	6,000	-	71,000
Hassan Bin Ramadi (resigned on 31 May 2025)	50,417	-	6,000	-	56,417

* Other emoluments include bonuses, allowances, contributions to the Employees Provident Fund and Social Security Organisation.

In addition to the remuneration package, Directors also have the benefit of Directors' & Officers' Liability Insurance to ensure that they are adequately covered against liabilities in the course of performing their professional duties.

The core group of senior management currently consists of 7 individuals, i.e. Executive Directors, a Chief Operating Officer ("COO"), a Senior General Manager (Contracts), a Senior General Manager (Projects) and a Senior General Manager (Finance). The remuneration of the COO and Senior General Managers are not disclosed on named basis. The Board is of the view that such disclosure may contribute to talent retention issues as employee poaching is a common phenomenon in the construction industry and is not in the best interest of the Group.

The Board believes that the transparency and accountability aspects of the MCCG on disclosure of the remuneration of senior management are appropriately served disclosures in bands of RM50,000 as follows:

Range of Remuneration	Number of COO and Senior General Manager in senior management
RM300,001-RM350,000	1
RM350,001-RM400,000	2
RM450,001-RM500,000	1

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Financial Reporting

The Board aims to present a balanced, clear and comprehensive assessment of the Group's financial position and performance primarily through its annual reports, quarterly interim financial results and press releases. In the process of preparing financial information, the Board, with the assistance of the ARMC, reviewed the accounting policies and practices to ensure that they are consistently applied throughout the financial year. In cases where judgment and estimates were made, they were based on reasonableness and prudence.

Corporate Governance Overview Statement (Continued)

2. Risk Management and Internal Control

Recognising the importance of risk management, a risk register is in place to identify, evaluate and manage the significant risks of the Group on an ongoing basis. The risks were identified through a series of validation meetings conducted by a professional service firm with the key management personnel to assess the key risks relating to the respective areas of management. All identified key risks were rated and prioritised in terms of likelihood of the risk occurring and its impact should the risk occur. The risk profile of the Group was updated in November 2024 to account for the prevailing business environment and operational challenges at that time. The top five risks identified were (i) project delay, (ii) project cost overrun; (iii) shortage of skilled and general workers; (iv) credit risks; and (v) climate risks. Notably, the risks associated with project delay and liquidity continued to exert financial pressure throughout the financial year.

All identified controllable risks were monitored and appropriately managed through existing internal controls by the Group throughout the financial year under review. The key features of the risk management framework are set out in the Statement on Risk Management and Internal Control of this Annual Report. The scope of work covered by the internal audit function during the financial year under review is provided in the ARMC Report of this Annual Report. The internal audit function was outsourced to an external professional internal audit service provider, Resolve IR Sdn. Bhd. The scope of work covered by the internal audit function during the financial year under review is provided in the ARMC Report of this Annual Report.

3. Relationship with External Auditors

The Group has established a formal and transparent arrangement with the External Auditors to meet their professional requirements through the ARMC. The External Auditors attended 3 out of 5 scheduled meetings of the ARMC in FY2025. The term of service of the External Auditors is renewable every year subject to satisfactory performance.

An External Auditors Policy is in place which outlines the guidelines and procedures for the ARMC to assess and review the performance, suitability and independence of the External Auditors. The ARMC reviews the appointment, performance and remuneration of the External Auditors before recommending to the Board and to the shareholders for re-appointment at the AGM. The ARMC has a policy whereby a former audit partner shall observe a cooling-off period of at least 3 years before being appointed as a member of the ARMC.

The ARMC also convenes meetings with the External Auditors without the presence of the Executive Directors and Management whenever it deems necessary. The External Auditors report directly to the ARMC.

Having assessed the External Auditors, the ARMC is satisfied with the competency, independence, experience and resources required to fulfil their duties effectively as the External Auditors of the Company. The External Auditors have also confirmed their independence in accordance with their firm's policies prior to the commencement of audit. In addition, the audit partner responsible for the audit of the Company is subject to a seven-year rotation in accordance with the By-Laws of the Malaysian Institute of Accountants to ensure independence of external auditors.

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

1. Corporate Disclosure Policy, Investors Relations and Shareholders Communication

The Group recognises the importance of effective and timely communication with shareholders and investors to keep them informed on the Group's latest business and corporate developments. Such information is disseminated via the Group's annual reports, quarterly financial results and through various disclosures via the Company's website at www.econpile.com as well as the official website of Bursa Securities. In addition, the Group also engages in regular dialogues with institutional investors, fund managers and analysts. At general meetings, the Board encourages shareholders' participation and responds to their questions. Shareholders can also leave written questions for the Board to respond. The primary contact for investors relations matters is:

Ms. The Kun Ann
Deputy Group CEO
Tel: 603-9171 9999
E-mail: ir@econpile.com.my

During the FY2025, the Group had meetings with investors to share the latest updates and pertinent information on the Group's progress with the investment community. Senior management was involved in investor meetings to update on financial results as well as to impart broad insights on the Group's strategic directions.

The Company has in place the Corporate Disclosure Policies and Procedures which provides guidance for disclosure of material information in accordance with the Listing Requirements.

Corporate Governance Overview Statement (Continued)

2. Annual General Meeting

The AGM is the principal forum for dialogue with shareholders and investors, where they may seek clarification on the Group's performance, major developments of the Group as well as on the resolutions being proposed. Members of the Board as well as the External Auditors and the Company Secretaries are present to answer questions raised.

The notice of the AGM together with the Annual Report are despatched to shareholders at least 28 days before the meeting. Sufficient notice period is given to the shareholders in order for them to schedule their time to attend the Company's AGM. The Notice of AGM contains information such as the date, time and venue of the AGM, the shareholders' rights to appoint a proxy and details of the resolutions that will be tabled at the AGM. The resolutions set out in the Notice will be voted by poll and an independent scrutineer will be appointed to validate the votes.

The 12th AGM was held physically, and the outcome was announced to Bursa Securities on the same day of the meeting. The minutes of the 12th AGM was published on the Company's website at www.econpile.com within 30 business days after the 12th AGM.

KEY FOCUS AREA IN RELATION TO CORPORATE GOVERNANCE PRACTICES

Environmental, Social and Governance ("ESG")

The Company recognises that ESG considerations are increasingly critical to the long-term resilience of the construction industry. ESG remains an area of focus, and the Board is committed to gradually strengthening the Group's practices in this regard.

Succession Plan for Senior Management

The Board recognises that succession planning plays an important role in supporting the Group's long-term performance and stability. It remains attentive to succession planning for senior management positions to help ensure leadership continuity and organisational resilience.

PRIORITIES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2026

Path to Financial Recovery

FY2025 marked the Group's return to modest profitability after 3 consecutive years of losses. However, revenue was lower than in all previous years, underscoring the ongoing challenges in the operating environment. While this modest profit signals progress in the recovery journey, the Board remains cautious and will continue to strengthen its oversight to safeguard financial stability and support the Group towards sustainable growth.

Liquidity Risk Management

The Board will continue to focus on cash flow discipline while monitoring the balance sheet and receivables to ensure healthy gearing and collection levels. The oversight is especially important in periods of modest revenue, as effective liquidity risk management helps safeguard cash flow and ensure the Group can meet its obligations.

This Corporate Governance Overview Statement was approved by the Board on 22 October 2025.

Statement on Risk Management and Internal Control

INTRODUCTION

The Board of Directors (“Board”) is pleased to present its Statement on Risk Management and Internal Control (“the Statement”) for the financial year ended 30 June 2025 (“FY2025”), which has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (“the Guidelines”). This statement outlines the nature and state of the risk management and internal control of the Group during the financial year. The Companies Act 2016 and the Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of internal controls to safeguard shareholders’ investment and the Group’s assets.

BOARD’S RESPONSIBILITIES

The Board recognises its overall responsibility for maintaining a sound system of risk management and internal control and the need to regularly review its adequacy and effectiveness. Such system covers not only financial controls but also operational and compliance controls.

In view of the limitations that are inherent in any system of risk management and internal controls, such a system put into effect by the senior management is designed to manage rather than eliminate risks that may impede the achievement of the Group’s business strategies and objectives.

Therefore, such a system can only provide reasonable but not absolute assurance against any material misstatement or loss.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Whilst the Board maintains ultimate control over risk and control issues, it has delegated to the Audit & Risk Management Committee (“ARMC”) to oversee the implementation of the system of risk management and internal control within established parameters and framework.

RISK MANAGEMENT FRAMEWORK

The Group adopted the COSO-ERM Integrated Framework, a worldwide recognised comprehensive framework advocated by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), as the Group’s framework in managing the Enterprise Risk Management of the Group.

The key risks relating to the Group’s strategic matters are discussed at the ARMC and Board meetings. The responsibility for identifying and managing the risks of each department lies with the respective Head of Department. During the routine management meetings where significant risks of each department are identified and the corresponding internal controls implemented are communicated to the Executive Directors.

Project delays were among the most significant risks encountered by the Group during the financial year under review. Several projects progressed at a much slower pace, largely due to the factors beyond the Group’s control, particularly delays in obtaining authorities’ approvals. These challenges weighed on the Group’s FY2025 revenue and indirectly affected liquidity, as reduced billings and slower revenue recognition placed pressure on the Group’s financial capacity to meet its obligations. In response, the Key Senior Management, supported by the operational teams, has strengthened extension-of-time (“EOT”) applications, worked closely with consultants to expedite approval processes, and maintain sustained efforts on debt collection, with particular focus on long-outstanding receivables.

The risk register is updated once every two years. The last update was presented to the ARMC and the Board on 27 November 2024. The risk register was updated by Key Senior Management, with the assistance of a professional services firm. Through this risk assessment update, which took into consideration of the economic and business outlook, risks were identified, assessed and rated, and existing risks were also re-evaluated. In addition, Key Senior Management has also identified mitigating measures or action plans to be implemented to reduce the potential impact from these key risks.

The risk management process adopted in updating the risk register is summarised as follows:



Statement on Risk Management and Internal Control (Continued)

RISK MANAGEMENT FRAMEWORK (Continued)

The key elements of risk management process are as follows:

- Identify key risks drawing from strategic, operational, financial and compliance perspectives;
- Identify the existing controls that manage the identified risks;
- Confirm ownership and timelines for managing and monitoring the identified risks;
- Rate the identified risks in terms of likelihood of occurrence and the resulting impact on the organisation. The rating takes into account the effectiveness of the existing controls put in place to manage the risks;
- Decide on the risk treatment and develop risk response to manage residual risks (if any); and,
- Continuous monitoring to ensure compliance and update the Group's existing key risk profile.

In addition, separately, a corruption risk workshop was held involving representatives from every department to identify, assess and prioritise corruption risk of the Group. The resulting corruption risk profile was subsequently adopted during the financial year.

INTERNAL AUDIT FUNCTION

The Group's internal audit function assists the Board and the ARMC by providing an independent assessment of the adequacy and effectiveness of the Group's risk management and internal control systems. Further details of the internal audit function are set out in the ARMC Report in this Annual Report.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control systems are:

- a) The Group has an organisation structure with clear lines of responsibility and delegation of authority to ensure proper identification of accountabilities and segregation of duties.
- b) The Executive Directors are closely involved in the running of the business and operations of the Group and report to the Board on significant changes in the business and external environment, which affect the operations of the Group at large.
- c) Management meetings are conducted on a monthly basis with the Executive Directors, the Chief Operating Officer and the members of management at the level of General Manager and above in attendance.
- d) The Group Managing Director and the senior management in the Project and Technical Department at the level of General Manager and above, undertake visits to project sites and workshop and communicate with various levels of staff. The visits and close communication with all working levels are pertinent to obtaining timely feedback on the progress at the project sites and workshop activities, and gauging first-hand the effectiveness of the strategies discussed and implemented.
- e) Insurance on the major assets and resources of the Group are in place to ensure that there is adequate insurance coverage against any mishap that may result in losses to the Group.
- f) All quarterly announcements were reviewed by the ARMC and approved by the Board upon recommendation of the ARMC before announcing to Bursa Securities.
- g) The Group's major subsidiary, Econpile (M) Sdn. Bhd. ("EMS B"), has an Integrated Management System in place for Quality, Environment, Occupational Health and Safety which is in compliance with international standards ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, respectively ("the IMS ISO Standards"). The scope of certification is the provision of installation, testing of bored piles, micro piles and drive piles and construction of sub-structure. The certifications are valid up to 26 August 2027, 9 September 2027 and 9 September 2027, respectively.
- h) The Internal Control and Compliance Department has been established to enhance operational efficiency and ensure adherence to statutory requirements. The key focuses of the department are to maintain EMS B's ongoing compliance with the IMS ISO Standards as well as to mitigate regulatory compliance risks related to projects.

Statement on Risk Management and Internal Control (Continued)

OTHER KEY ELEMENTS OF INTERNAL CONTROL (Continued)

- i) The Group implements its anti-bribery and anti-corruption controls by providing anti-bribery and anti-corruption training to employees as well as by enforcing established policies, including the Anti-Bribery and Anti-Bribery Policy, the Whistleblowing Policy & Guidelines, the Code of Ethics and the Code of Conduct.
- j) A Sustainability Policy is in place to serve as a guiding framework for integrating sustainable practices across the Group's operations. In particular, the policy's environmental commitments in areas such as responsible resource management, pollution control, energy efficiency, and waste reduction, are aimed to not only reduce the Group's environmental impact but also strengthen its resilience to climate risks.
- k) A Safety, Health and Environment Policy is in place and the Quality, Safety, Health and Environment ("QSHE") department is tasked to raise the awareness of QSHE practices throughout the Group and monitors the compliance with the relevant regulations and best practices.
- l) Corporate disclosure policies and procedures are in place to provide general guidance to the Directors and employees in the determination and dissemination of material information.
- m) An investment policy, which sets forth the parameters and procedures for approval of new investments, is in place to assist the Board to provide oversight of investments, inter-alia, consideration of the quantitative, qualitative and risk analysis of each investment.
- n) The Board has established several Board Committees to assist in discharging its duties. These include the ARMC, Nomination Committee and Remuneration Committee. These Board Committees are delegated with specific duties to review and consider all matters within their scope of responsibility as defined in their respective terms of reference.

CONCLUSION

The Board is of the view that the Group's system of risk management and internal controls in place are adequate and effective for the financial year under review to safeguard shareholders' interest and the Group's assets and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report. The Board is also cognisant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. As such, the Board will, when necessary, put in place appropriate action plans to rectify any potential weaknesses or further enhance the system of internal control within the Group.

ASSURANCE FROM THE MANAGEMENT

The Board has also received assurance from the Group Managing Director, Group Chief Executive Officer and the Senior General Manager (Finance) that the Group's risk management and internal control system are operating adequately and effectively, in all material respects, based on the risk management and internal control system of the Group.

REVIEW ON STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the FY2025 and nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

This Statement on Risk Management and Internal Control was approved by the Board on 27 October 2025.

Directors' Responsibility Statement

The Directors are responsible to prepare the financial statements in accordance with the Companies Act 2016 ("the Act") and the applicable approved accounting standards so as to give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year.

In preparing the financial statements for the financial year ended 30 June 2025, the Directors have:

- Adopted the appropriate and relevant accounting policies and applied them consistently;
- Made judgment, estimates and assumptions based on their best knowledge of current events and actions;
- Ensured adoption of the applicable Financial Reporting Standards in Malaysia and the provisions of the Act; and
- Prepared the financial statements on a going-concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at all times the financial position of the Company and the Group to ensure that the financial statements comply with the Act.

The Directors have also taken the necessary steps to ensure that appropriate systems are in place for safeguarding the assets of the Company and the Group for the prevention and detection of fraud and other irregularities. The systems, by their nature, can only provide reasonable and not absolute assurance against material misstatements, loss or fraud.

Additional Compliance Information

1. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid or payable by the Company and its subsidiaries to KPMG PLT and its affiliated firms for the financial year ended 30 June 2025 ("FY2025") are as follows:-

	Company (RM)	Group (RM)
Audit fees	93,000	330,806
Non-audit fees	10,000	182,654

The non-audit fees incurred were mainly for services performed in connection with tax-related matters as well as the review of the Statement on Risk Management and Internal Control.

2. Recurrent Related Party Transactions ("RRPT")

The details of the RRPT undertaken by the Group during the FY2025 are disclosed in Note 29 of the Financial Statements on page 112 of this Annual Report.

As the actual aggregate amount transacted for the RRPT is below the required threshold of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to obtain shareholders' approval, the Board will not be seeking shareholders' mandate for the RRPT at the forthcoming annual general meeting of the Company. The Board and the Management will continue to monitor and track the value of the RRPT.

3. Material Contracts involving the interests of Directors and Major Shareholders

There were no material contracts entered into by the Group which involved the Directors and major shareholders' interests, either still subsisting at the end of the previous financial year or entered into during the FY2025.

Audit & Risk Management Committee Report

A. COMPOSITION AND MEETINGS

Following the cessation of Hassan Bin Ramadi as member of the Audit & Risk Management Committee ("ARMC") consequent to his resignation as director of the Company on 31 May 2025 and the appointment of Datuk Syed Azmi Bin Syed Othman as director of the Company on 29 August 2025, the ARMC comprises the following members:

Chairperson

Teh Bee Choo Independent Non-Executive Director

Members

Law Siew Ngan Independent Non-Executive Director

Datuk Syed Azmi Bin Syed Othman Independent Non-Executive Director
(appointed on 29 August 2025)

Hassan Bin Ramadi Independent Non-Executive Director
(resigned on 31 May 2025)

All members of the ARMC are financially literate. None of the members were former key audit partners of the Company's existing External Auditors. Ms Teh Bee Choo and Ms Law Siew Ngan are members of the Malaysian Institute of Accountants. The composition of the ARMC meets the requirements of paragraph 15.09 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad and the Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance.

The ARMC held 5 meetings during the financial year ended 30 June 2025 ("FY2025") which were attended by all members. The details of the attendance of each member of the ARMC are as follows:

ARMC Members	Number of meetings attended/ Number of meetings held
Teh Bee Choo	5/5
Law Siew Ngan	5/5
Datuk Syed Azmi Bin Syed Othman (appointed as a member on 29 August 2025)	N/A*
Hassan Bin Ramadi (ceased as a member on 31 May 2025)	5/5

* He did not attend any ARMC meetings held during the FY2025 as his appointment was after the financial year.

The ARMC meets at least once in every quarter. The Executive Directors, Senior General Manager (Finance), External Auditors, Internal Auditors and consultants also attended the meetings by invitation to facilitate direct communication on matters under the consideration of the ARMC, or which, in their opinion, should be brought to the attention of the ARMC. The Chairman of the ARMC reports to the Board of Directors ("Board") on matters discussed at every ARMC meeting as well as the ARMC's recommendations, to the Board for their consideration after the ARMC meeting.

B. TERMS OF REFERENCE

The duties and responsibilities of the ARMC are as set out in the Terms of Reference of the ARMC which is available on the Company's website at www.econpile.com. The Terms of Reference was last reviewed by the ARMC on 29 August 2025.

C. SUMMARY OF WORKS PERFORMED BY THE ARMC

The objective of ARMC is to assist the Board in fulfilling its statutory and fiduciary responsibilities towards maintaining adequate and effective risk management and internal control system. In furtherance of its oversight responsibilities, the ARMC has continued to review and report to the Board on the Group's financial reporting, internal control and risk management processes and the performance and independence of the External Auditors during the financial year. The activities undertaken by the ARMC in discharging its duties and responsibilities for FY2025 were as follows:

Audit & Risk Management Committee Report (Continued)

C. SUMMARY OF WORKS PERFORMED BY THE ARMC (Continued)

External Audit

- a) Reviewed the audit plan for FY2025, covering the audit engagement team, materiality, audit scope, independence, significant risk areas and audit timetable prepared by the External Auditors to ensure that their scope of work is adequate, and they are independent.
- b) Evaluated the suitability of the External Auditors taking into consideration among others, their independence, performance, competency, audit quality, adequacy of resources, communication and interaction and provision of non-audit services and made recommendation to the Board on their re-appointment and remuneration.
- c) Reviewed the audit findings on the statutory audit prepared by the External Auditors.
- d) Reviewed the audit fees and non-audit fees and services provided by the External Auditors and recommended the same for Board's approval.

Financial Reporting

- a) Reviewed the unaudited quarterly financial results of each quarter and the annual audited financial statements of the Group and the Company for FY2025 prior to recommending to the Board for their approval and subsequent release to Bursa Malaysia Securities Berhad.
- b) Reviewed the progress of project costs and billings and the adequacy of impairment of trade receivables.
- c) Reviewed the integrity of information in the financial statements and quarterly reports, in particular on changes in accounting policies and practices, significant adjustments resulting from audit, going concern assumption, completeness of disclosures and compliance with applicable accounting standards.
- d) Held a private session with the External Auditors without the presence of the Management on 29 August 2025 to discuss issues encountered during the course of the audit and significant matters related to audit plan and strategy to ensure that there were no restrictions on the scope of audit for FY2025. There were no major concerns from the External Auditors.

Internal Audit

- a) Reviewed the outsourced internal audit functions and agreed on the appointment of Resolve IR Sdn. Bhd. as new Internal Auditors of the Group.
- b) Reviewed the internal audit reports and recommendations made by the Internal Auditors and the corresponding corrective actions taken by the Management including follow up reviews to ensure satisfactory actions have been taken to address previously reported internal audit findings.
- c) Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function.

Others

- a) Reviewed the related party transactions ("RPT") and recurrent related party transactions ("RRPT") entered into by the Group and the Company on quarterly basis. There were no RPT and RRPT that triggered the disclosure threshold under the Listing Requirements and required shareholders' approval.
- b) Reviewed quarterly management reports consist of financial performance review, project progress analysis and receivables ageing analysis.
- c) Reviewed the adequacy and effectiveness of the system of internal control through the results of work performed by the Internal and External Auditors and discussion with Senior Management.
- d) Reviewed the Anti-Bribery and Anti-Corruption Policy.
- e) Reviewed the Corruption Risk Management Report.
- f) Reviewed the Enterprise Risk Management Progress Report.
- g) Reviewed the Corporate Governance Report, ARMC Report, Statement on Risk Management and Internal Control, and Corporate Governance Overview Statement and recommended the same to the Board for their approval prior to inclusion in the Annual Report.
- h) Reviewed and noted that there was no conflict of interest or any potential conflict of interest situation arose or persisted.

Audit & Risk Management Committee Report (Continued)

D. SUMMARY OF WORKS OF THE INTERNAL AUDIT FUNCTION

The Group's internal audit function, is outsourced to Resolve IR Sdn. Bhd. which reports directly to the ARMC, providing independent assessment on the adequacy and effectiveness of the Group's internal control system. The internal audit engagement is led by Mr. Choo Seng Choon ("Mr. Choo") who has diverse professional experience in internal audit, risk management and corporate governance advisory.

He is a Certified Internal Auditor and Chartered Member of the Institute of Internal Auditors with over 25 years of professional experience in multidiscipline including internal audit, risk management, corporate governance, performance and business management, IPOs, taxation, due diligence and corporate finance. Mr. Choo is also a Fellow Chartered Certified Accountant, (UK), Chartered Accountant of the Malaysian Institute of Accountants ("MIA") and Certified Public Accountant of the Malaysian Institute of Certified Public Accountants ("MICPA").

The number of staff deployed for the internal audit reviews ranges from 3 to 4 staff per visit including the Engagement Director. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree. Certain staff are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence, and the internal audit reviews were conducted using a risk-based approach and were guided by the International Professional Practice Framework.

The internal audit activities undertaken during the FY2025 are as follows:

- a) Performed internal audit reviews in accordance with the approved risk-based internal audit plan.
- b) Evaluating and improving the effectiveness of internal controls system and compliance with established policies and procedures as well as applicable regulatory requirements.
- c) Issued internal audit reports incorporating audit recommendations and Management responses.
- d) Followed up on the implementation of corrective action plans to ensure satisfactory actions have been taken to address previous internal audit findings.
- e) Attended ARMC meetings to table and discuss the internal audit reports and followed up on matters raised.

The following areas are covered by the Internal Auditors during the financial year under review:

Entity	Auditable Areas
Econpile (M) Sdn. Bhd.	- Project Management - Project Tender and Contract

The results of the audit reviews were discussed with Senior Management and subsequently, the audit findings, including the recommendations for improvement were presented to the ARMC at their scheduled meetings. In addition, follow up visits were also conducted to ensure that corrective action plans have been implemented in a timely manner and the results of the follow up reviews were also presented to the ARMC.

The ARMC had reviewed the adequacy of scope, functions, competency and resources of the internal audit function and is satisfied with the performance of the outsourced Internal Auditors. In the interest of greater independence and objectivity, the internal audit function will continue to be outsourced. The total costs incurred for the outsourcing of the internal audit function for the FY2025 was RM57,358.96.

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Financial Statements

Directors' Report

for the year ended 30 June 2025

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

Principal activities

The Company is principally engaged in investment holding activities whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the year	1,242	1,662

Reserves and provisions

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

Dividend

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

Directors of the Company

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

The Cheng Eng*
Pang Sar*
The Kun Ann*
Krishnan A/L C K Menon
Teh Bee Choo
Law Siew Ngan
Datuk Syed Azmi Bin Syed Othman (Appointed on 29 August 2025)
Hassan Bin Ramadi (Resigned on 31 May 2025)

* These Directors are also Directors of the Company's subsidiaries.

Directors' Report (Continued)

for the year ended 30 June 2025

Directors' interests in shares

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

	Number of ordinary shares			
	At 1.7.2024	Bought	Sold	At 30.6.2025
Interests in the Company:				
The Cheng Eng				
- own	349,933,118	-	-	349,933,118
- children*	380,000	-	-	380,000
Pang Sar	247,000,012	-	-	247,000,012
The Kun Ann	250,000	-	-	250,000
Krishnan A/L C K Menon	250,000	-	-	250,000

* The Kun Hong and The Kun Ee are the children of The Cheng Eng but are not Directors of the Company. In accordance with Section 59 of the Companies Act 2016, the interests and deemed interests of The Kun Hong and The Kun Ee in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) shall also be treated as the interests of The Cheng Eng.

By virtue of their interests in the shares of the Company, The Cheng Eng and Pang Sar are also deemed interested in the shares of the subsidiaries during the financial year to the extent that Econpile Holdings Berhad has an interest.

None of the other Directors holding office at 30 June 2025 had any interest in the shares and option over shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 30 June 2025 are as follows:

	From the Company RM'000	From subsidiary RM'000
Directors of the Company:		
Fees	265	-
Remuneration	308	2,621
Estimated monetary value of any other benefits	-	50
	573	2,671

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

Directors' Report (Continued)

for the year ended 30 June 2025

Directors of subsidiary

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the Directors of subsidiary (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows:

Directors

Sukumaran Ramadass
Choo King Hwa

Issue of shares and debentures

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

Options granted over unissued shares

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

Indemnity and insurance costs

During the financial year, the amounts of indemnity sum and insurance premium paid for the Directors and other officers of Econpile Holdings Berhad and its subsidiaries were RM15,000,000 and RM28,000, respectively. The insurance premium was borne by the holding company. There was no indemnity given to or insurance effected for auditors of the Company and of the Group.

Other statutory information

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

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

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

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

Directors' Report (Continued)

for the year ended 30 June 2025

Other statutory information (Continued)

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

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

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 30 June 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

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

The details of remuneration paid by the Group and the Company to the auditors of the Group and of the Company during the financial year are as follows:

	Group RM'000	Company RM'000
Auditors' remuneration		
Audit fees		
KPMG PLT	295	93
Overseas affiliate of KPMG Malaysia	36	-
Non-audit fees		
KPMG PLT	10	10
Overseas affiliate of KPMG Malaysia	183	-
	<u>524</u>	<u>103</u>

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

The Cheng Eng

Kuala Lumpur

Date: 27 October 2025

Pang Sar

Statements of Financial Position

as at 30 June 2025

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Assets					
Property, plant and equipment	2	22,023	24,802	-	-
Right-of-use assets	3	915	1,495	-	-
Investment properties	4	15,664	18,668	-	-
Investments in subsidiaries	5	-	-	157,000	94,000
Deferred tax assets	6	2,273	3,374	-	-
Land held for property development	7	545	-	-	-
Trade and other receivables	8	-	-	33,997	95,512
Total non-current assets		41,420	48,339	190,997	189,512
Trade and other receivables	8	371,186	402,540	5	5
Contract assets	9	114,069	104,694	-	-
Prepayments		6,560	6,550	15	11
Current tax assets		22,283	20,504	-	-
Other investments	10	3,934	3,813	1,088	1,069
Cash and cash equivalents	11	51,121	74,551	277	114
		569,153	612,652	1,385	1,199
Assets classified as held for sale	12	-	545	-	-
Total current assets		569,153	613,197	1,385	1,199
Total assets		610,573	661,536	192,382	190,711
Equity					
Share capital	13	177,206	177,206	177,206	177,206
Reserves	13	182,371	183,974	14,805	13,143
Equity attributable to owners of the Company		359,577	361,180	192,011	190,349
Liabilities					
Loans and borrowings	14	9,021	17,378	-	-
Lease liabilities		161	682	-	-
Employee benefits	15	6,447	6,447	-	-
Total non-current liabilities		15,629	24,507	-	-
Loans and borrowings	14	99,254	126,329	-	-
Lease liabilities		792	853	-	-
Trade and other payables	16	102,020	130,975	200	151
Provisions	17	82	3,033	-	-
Contract liabilities	9	32,908	12,314	-	-
Current tax liabilities		311	2,345	171	211
Total current liabilities		235,367	275,849	371	362
Total liabilities		250,996	300,356	371	362
Total equity and liabilities		610,573	661,536	192,382	190,711

The notes on pages 72 to 112 are an integral part of these financial statements.

Statements of Profit Or Loss And Other Comprehensive Income

for the year ended 30 June 2025

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Revenue	18	285,987	417,602	-	-
Cost of sales	19	(252,650)	(409,499)	-	-
Gross profit		33,337	8,103	-	-
Other income		1,542	2,295	19	18
Administrative expenses		(22,819)	(20,477)	(1,197)	(1,104)
Net loss on impairment of financial instruments		(4,184)	(4,343)	-	-
Results from operating activities		7,876	(14,422)	(1,178)	(1,086)
Finance income	20	1,642	1,225	3,516	3,550
Finance costs	21	(6,492)	(6,425)	-	-
Net finance (costs)/income		(4,850)	(5,200)	3,516	3,550
Profit/(Loss) before tax	22	3,026	(19,622)	2,338	2,464
Tax expense	23	(1,784)	(5,531)	(676)	(712)
Profit/(Loss) for the year		1,242	(25,153)	1,662	1,752
Other comprehensive (expense)/income, net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operation		(2,845)	89	-	-
(Loss)/Profit and total comprehensive (expense)/income for the year		(1,603)	(25,064)	1,662	1,752
Earnings/(loss) per ordinary share (sen)					
Basic	24	0.09	(1.77)		
Diluted	24	0.09	(1.77)		

The notes on pages 72 to 112 are an integral part of these financial statements.

Consolidated Statement of Changes In Equity

for the year ended 30 June 2025

	<-----Non-distributable----->			Distributable	
	Share capital RM'000	Deficit in business combination RM'000	Translation reserve RM'000	Retained earnings RM'000	Total equity RM'000
Group					
At 1 July 2023	177,206	(87,000)	(268)	296,306	386,244
Loss for the year	-	-	-	(25,153)	(25,153)
Foreign currency translation differences for foreign operation	-	-	89	-	89
Loss and total comprehensive expense for the year	-	-	89	(25,153)	(25,064)
At 30 June 2024/ 1 July 2024	177,206	(87,000)	(179)	271,153	361,180
Profit for the year	-	-	-	1,242	1,242
Foreign currency translation differences for foreign operation	-	-	(2,845)	-	(2,845)
Profit and total comprehensive expense for the year	-	-	(2,845)	1,242	(1,603)
At 30 June 2025	177,206	(87,000)	(3,024)	272,395	359,577
	Note 13	Note 13	Note 13		

The notes on pages 72 to 112 are an integral part of these financial statements.

Statement of Changes In Equity

for the year ended 30 June 2025

	Non-distributable Share capital RM'000	Distributable Retained earnings RM'000	Total equity RM'000
Company			
At 1 July 2023	177,206	11,391	188,597
Profit and total comprehensive income for the year	-	1,752	1,752
At 30 June 2024/1 July 2024	177,206	13,143	190,349
Profit and total comprehensive income for the year	-	1,662	1,662
At 30 June 2025	177,206	14,805	192,011
	Note 13		

Statements of Cash Flows

for the year ended 30 June 2025

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Profit/(Loss) before tax		3,026	(19,622)	2,338	2,464
<i>Adjustments for:</i>					
Depreciation of property, plant and equipment	2	4,048	3,817	-	-
Depreciation of right-of-use assets	3	1,027	1,195	-	-
Depreciation of investment properties	4	161	60	-	-
Change in fair value of other investments		(19)	(18)	(19)	(18)
Finance income	20	(1,642)	(1,225)	(3,516)	(3,550)
Finance costs	21	6,492	6,425	-	-
Gain on derecognition of lease liabilities	22	(1)	-	-	-
Gain on disposal of property, plant and equipment	22	(133)	(1,148)	-	-
Net loss on unrealised foreign exchange		2,132	1,255	-	-
Gain on disposal of other investment		-	(5)	-	-
Net loss on impairment of financial instruments	26.4	4,184	4,343	-	-
Operating profit/(loss) before working capital changes		19,275	(4,923)	(1,197)	(1,104)
Change in trade and other receivables and prepayments		25,738	5,686	(4)	11
Change in trade and other payables		(22,930)	(9,840)	49	(50)
Change in contract assets		(9,375)	24,919	-	-
Change in contract liabilities		20,594	4,518	-	-
Change in provisions		(2,951)	(913)	-	-
Cash from/(used in) operations		30,351	19,447	(1,152)	(1,143)
Interest received		-	-	3,516	3,550
Tax paid		(4,305)	(6,218)	(716)	(745)
Interest paid on lease liabilities	(iv)	(59)	(70)	-	-
Net cash from operating activities		25,987	13,159	1,648	1,662

Statements of Cash Flows (Continued)

for the year ended 30 June 2025

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Cash flows from investing activities					
Acquisition of property, plant and equipment	(ii)	(677)	(653)	-	-
Acquisition of investment properties	(iii)	(1,868)	(568)	-	-
Interest received from fixed deposits		1,642	1,225	-	-
Proceeds from disposal of property, plant and equipment		144	1,149	-	-
Proceeds from disposal of other investments		-	78	-	-
Decrease/(increase) in advances to subsidiaries		-	-	61,515	(1,670)
Increase in investment in a subsidiary		-	-	(63,000)	-
Net cash (used in)/from investing activities		(759)	1,231	(1,485)	(1,670)
Cash flows from financing activities					
Change in other investments		(102)	(64)	-	-
Change in pledged deposits		(37)	(17)	-	-
Interest paid on loans and borrowings		(6,433)	(6,355)	-	-
Drawdown of bankers' acceptances	(v)	148,605	165,522	-	-
Repayment of bankers' acceptances	(v)	(161,715)	(146,892)	-	-
Repayment of bank loans	(v)	(7,426)	(7,417)	-	-
Repayment of hire purchase liabilities	(v)	(1,598)	(1,108)	-	-
Repayment of revolving credit	(v)	(20,000)	-	-	-
Drawdown of revolving credit	(v)	6,000	15,000	-	-
Payment of lease liabilities	(iv),(v)	(1,027)	(1,195)	-	-
Net cash (used in)/from financing activities		(43,733)	17,474	-	-
Net (decrease)/increase in cash and cash equivalents		(18,505)	31,864	163	(8)
Cash and cash equivalents at					
1 July		72,957	40,919	114	122
Effect of exchange rate fluctuations on cash held		(4,962)	174	-	-
Cash and cash equivalents at					
30 June	(i)	49,490	72,957	277	114

Statements of Cash Flows (Continued)

for the year ended 30 June 2025

(i) Cash and cash equivalents

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

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Cash and bank balances	11	38,165	69,710	277	114
Deposit placed with licensed banks	11	12,956	4,841	-	-
		51,121	74,551	277	114
Less: Deposits pledged	11	(1,631)	(1,594)	-	-
		49,490	72,957	277	114

(ii) Acquisition of property, plant and equipment

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of RM1,379,000 (2024: RM8,597,000), of which RM702,000 (2024: RM7,944,000) was acquired by means of hire purchase arrangements.

(iii) Acquisition of investment properties

During the financial year, the Group acquired investment properties with an aggregate cost of RM3,182,000 (2024: RM4,714,000), of which RM1,314,000 (2024: RM4,146,000) were acquired by means of contra with trade debtors.

(iv) Cash outflows for leases as a lessee

	Note	Group	
		2025	2024
		RM'000	RM'000
Included in net cash from operating activities:			
Payment relating to short-term leases	22	6,385	13,235
Interest paid in relation to lease liabilities	22	59	70
		6,444	13,305
Included in net cash from financing activities:			
Payment of lease liabilities		1,027	1,195
Total cash outflows for leases		7,471	14,500

Statements of Cash Flows (Continued)

for the year ended 30 June 2025

(v) Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1 July 2023 RM'000	Net changes from financing cash flows RM'000	Acquisition of new leases RM'000	Foreign exchange movements RM'000	At 30 June 2024 RM'000
Group					
Bankers' acceptances	40,694	18,630	-	-	59,324
Bank loans	26,389	(7,417)	-	-	18,972
Lease liabilities	1,360	(1,195)	1,369	1	1,535
Revolving credit	43,000	15,000	-	-	58,000
Hire purchase liabilities	575	6,836	-	-	7,411
Total liabilities from financing activities	112,018	31,854	1,369	1	145,242

	At 1 July 2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of new leases RM'000	Derecognition of leases RM'000	Foreign exchange movements RM'000	At 30 June 2025 RM'000
Group						
Bankers' acceptances	59,324	(13,110)	-	-	-	46,214
Bank loans	18,972	(7,426)	-	-	-	11,546
Lease liabilities	1,535	(1,027)	581	(96)	(40)	953
Revolving credit	58,000	(14,000)	-	-	-	44,000
Hire purchase liabilities	7,411	(896)	-	-	-	6,515
Total liabilities from financing activities	145,242	(36,459)	581	(96)	(40)	109,228

The notes on pages 72 to 112 are an integral part of these financial statements.

Notes To The Financial Statements

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

Principal place of business

Level 8, Tower Block, Plaza Dwtasik
Jalan Sri Permaisuri, Bandar Sri Permaisuri
56000 Kuala Lumpur

Registered office

Unit 30-01, Level 30, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the financial year ended 30 June 2025 do not include other entities.

The Company is principally engaged in investment holding activities whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors on 27 October 2025.

1. Basis of preparation

(a) Statement of compliance

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

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

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

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

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

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

Notes To The Financial Statements (Continued)

1. Basis of preparation (Continued)

(a) Statement of compliance (Continued)

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

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

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

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

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

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

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

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

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

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

- Note 8, Note 9 and Note 26.4 - impairment losses on trade receivables (including retention sums) and contract assets
- Note 18 - revenue from contracts with customers
- Note 28 - contingencies

Notes To The Financial Statements (Continued)

2. Property, plant and equipment

Group Cost	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Piling and site equipment RM'000	Office equipment RM'000	Furniture and fittings RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
At 1 July 2023	5,000	9,388	238,083	17,805	1,004	414	10,724	1,602	284,020
Additions	-	-	8,145	11	77	4	360	-	8,597
Disposals	-	-	(4,209)	-	-	-	(160)	-	(4,369)
Effect of movement in exchange rates	-	-	13	5	1	-	4	-	23
At 30 June 2024/ 1 July 2024	5,000	9,388	242,032	17,821	1,082	418	10,928	1,602	288,271
Additions	-	-	-	19	109	17	1,234	-	1,379
Disposals	-	-	-	-	-	-	(724)	-	(724)
Effect of movement in exchange rates	-	-	(118)	(48)	(12)	(3)	(213)	-	(394)
At 30 June 2025	5,000	9,388	241,914	17,792	1,179	432	11,225	1,602	288,532
Depreciation									
At 1 July 2023	-	1,900	232,671	16,199	847	350	10,504	1,539	264,010
Depreciation for the year	-	195	2,769	593	66	30	139	25	3,817
Disposals	-	-	(4,208)	-	-	-	(160)	-	(4,368)
Effect of movement in exchange rates	-	-	4	2	1	-	3	-	10
At 30 June 2024/ 1 July 2024	-	2,095	231,236	16,794	914	380	10,486	1,564	263,469
Depreciation for the year	-	193	2,985	546	77	29	193	25	4,048
Disposals	-	-	-	-	-	-	(713)	-	(713)
Effect of movement in exchange rates	-	-	(52)	(29)	(13)	(3)	(198)	-	(295)
At 30 June 2025	-	2,288	234,169	17,311	978	406	9,768	1,589	266,509
Carrying amounts									
At 1 July 2023	5,000	7,488	5,412	1,606	157	64	220	63	20,010
At 30 June 2024/ 1 July 2024	5,000	7,293	10,796	1,027	168	38	442	38	24,802
At 30 June 2025	5,000	7,100	7,745	481	201	26	1,457	13	22,023

Notes To The Financial Statements (Continued)

2. Property, plant and equipment (Continued)

2.1 Property, plant and equipment acquired under hire purchase arrangements

Included in property, plant and equipment of the Group are plant and machinery, motor vehicles and piling and site equipment acquired under hire purchase arrangements with carrying amounts of RM6,790,000 (2024: RM8,931,000), RM1,017,000 (2024: RM347,000) and RM37,000 (2024: RM67,000), respectively.

2.2 Security

The freehold land, a commercial property and the corporate office of the Group with a total carrying amount of RM5,546,000 (2024: RM5,688,000) are pledged as security for bank facilities granted to a subsidiary (see Note 14).

2.3 Material accounting policy information

(a) Recognition and measurement

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

(b) Depreciation

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

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

- | | |
|-----------------------------|----------|
| • buildings | 50 years |
| • plant and machinery | 5 years |
| • piling and site equipment | 5 years |
| • office equipment | 5 years |
| • furniture and fittings | 5 years |
| • motor vehicles | 5 years |
| • renovation | 5 years |

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period, and adjusted as appropriate.

Notes To The Financial Statements (Continued)

3. Right-of-use assets

	Land RM'000	Buildings RM'000	Total RM'000
Group			
At 1 July 2023	165	1,155	1,320
Additions	376	993	1,369
Depreciation for the year	(354)	(841)	(1,195)
Effect of movement in exchange rates	-	1	1
At 30 June 2024/1 July 2024	187	1,308	1,495
Additions	335	246	581
Depreciation for the year	(343)	(684)	(1,027)
Derecognition	-	(95)	(95)
Effect of movement in exchange rates	(13)	(26)	(39)
At 30 June 2025	166	749	915

The Group leases a piece of land and buildings that run between 1 year and 2 years, with an option to renew the leases after that date.

3.1 Extension options

Some leases of buildings contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where applicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

3.2 Judgements and assumptions in relation to leases

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

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

3.3 Restriction imposed by lease

The lease contracts for buildings restrict the Group's ability to sublease the leased assets in the respective contracts.

3.4 Material accounting policy information

(a) Recognition exemption

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

Notes To The Financial Statements (Continued)

4. Investment properties

	Group RM'000
Cost	
At 1 July 2023	14,433
Additions	4,714
At 30 June 2024/1 July 2024	19,147
Additions	3,182
Derecognition	(6,025)
At 30 June 2025	16,304
Depreciation	
At 1 July 2023	419
Depreciation for the year	60
At 30 June 2024/1 July 2024	479
Depreciation for the year	161
At 30 June 2025	640
Carrying amounts	
At 1 July 2023	14,014
At 30 June 2024/1 July 2024	18,668
At 30 June 2025	15,664

Included in the investment properties are:

	Note	Group 2025 RM'000	2024 RM'000
Freehold land		1,213	929
Buildings		8,549	2,533
Work-in-progress	4.1	5,902	15,206
		15,664	18,668

Investment properties comprise freehold land and a number of residential and commercial properties that are expected to lease to third parties or held for capital appreciation purposes.

Notes To The Financial Statements (Continued)

4. Investment properties (Continued)

The following are recognised in profit or loss in respect of investment properties:

	Group	
	2025	2024
	RM'000	RM'000
Direct operating expenses:		
- non-income generating investment properties	172	66

4.1 Work-in-progress

The amount is in respect of the acquisitions of investment properties which are not available for use as the Group has yet to obtain vacant possession.

4.2 Fair value information

Fair value of investment properties is categorised as follows:

	Group	
	2025	2024
	RM'000	RM'000
Level 3		
Freehold land	1,539	1,226
Buildings	11,053	4,488
Work-in-progress	6,547	19,194
	19,139	24,908

Valuation process applied by the Group for Level 3 fair value

The fair value of freehold land, buildings and work-in-progress are estimated by the Directors using the comparison method. The comparison method requires judgement and entails critical analyses of recent evidences of values of comparable properties in the neighbourhood and making adjustment for differences such as differences in location, size and shape of land, age and condition of building, tenure, title restrictions if any and other relevant characteristics.

4.3 Material accounting policy information

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

Notes To The Financial Statements (Continued)

5. Investments in subsidiaries

	Company	
	2025	2024
	RM'000	RM'000
Unquoted shares, at cost	157,000	94,000

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2025 %	2024 %
Econpile (M) Sdn. Bhd. and its subsidiaries:	Malaysia	General construction and piling works	100	100
Platinum Production Sdn. Bhd.	Malaysia	Rental of investment properties	100	100
Global Piling Solutions Co., Ltd. ¹	Cambodia	General construction and piling works	100	100
Tropical Broadway Sdn. Bhd.	Malaysia	Property development	100	100

¹ Audited by a member firm of KPMG International.

5.1 Material accounting policy information

Investments in subsidiaries are measured at cost less any impairment losses.

6. Deferred tax assets

6.1 Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Group	
	2025	2024
	RM'000	RM'000
Property, plant and equipment	(3,024)	(1,939)
Right-of-use assets	(167)	(244)
Provisions	5,289	5,304
Lease liabilities	175	253
	2,273	3,374

Notes To The Financial Statements (Continued)

6. Deferred tax assets (Continued)

6.2 Unrecognised deferred tax assets

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

	Group	
	2025	2024
	RM'000	RM'000
Unutilised tax losses	36,827	42,269
Unabsorbed capital allowances	20,940	17,100
Other deductible temporary differences	52,487	53,100
	110,254	112,469

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom.

The unutilised tax losses of subsidiary in Malaysia of RM34,685,000 (2024: RM42,269,000) can be carried forward up to 10 consecutive years of assessments ("YA") under the tax legislation in Malaysia, whereas the unutilised tax losses of subsidiary in Cambodia of RM2,142,000 (2024: Nil) will expire over a 5-year period. The table below shows the unutilised tax losses will expire in the following YA:

	Group	
	2025	2024
Expiry	RM'000	RM'000
YA 2030	2,142	-
YA 2032	11,736	19,320
YA 2033	7,156	7,156
YA 2034	15,793	15,793
	36,827	42,269

The unabsorbed capital allowances and other deductible temporary differences do not expire under current tax legislation.

6.3 Movement in temporary differences during the year

	At 1 July 2023	Recognised in profit or loss (Note 23)	At 30 June 2024/ 1 July 2024	Recognised in profit or loss (Note 23)	At 30 June 2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	(4,852)	2,913	(1,939)	(1,085)	(3,024)
Right-of-use assets	(87)	(157)	(244)	77	(167)
Provisions	8,225	(2,921)	5,304	(15)	5,289
Lease liabilities	88	165	253	(78)	175
	3,374	-	3,374	(1,101)	2,273

Notes To The Financial Statements (Continued)

7. Land held for property development

Cost	Note	Freehold land RM'000
At 1 July 2024		-
Transfer from assets classified as held for sale	7.1	545
At 30 June 2025		545

7.1 Transfer during the year

During the financial year, a piece of freehold land has been transferred to land held for property development from asset classified as held for sale (Note 12).

7.2 Material accounting policy information

Land held for property development is measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

8. Trade and other receivables

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Non-current					
Non-trade					
Advances to subsidiaries	8.1	-	-	33,997	95,512
Current					
Trade					
Trade receivables	8.2	375,995	398,447	-	-
Less: Impairment losses		(15,507)	(11,323)	-	-
		360,488	387,124	-	-
Non-trade					
Other receivables		3,198	863	-	-
Deposits		7,500	14,553	5	5
		10,698	15,416	5	5
		371,186	402,540	34,002	95,517

8.1 Advances to subsidiaries

The advances to subsidiaries are unsecured, subject to interest at 3.75% (2024: 3.75%) per annum and repayable on demand. The management has reviewed the expected repayment from the subsidiaries and hence reclassified the advances to subsidiaries as non-current.

Notes To The Financial Statements (Continued)

8. Trade and other receivables (Continued)

8.2 Trade receivables

Included in trade receivables are retention sums of RM151,049,000 (2024: RM156,237,000) relating to construction projects. Retention sums are unsecured, interest free and expected to be collected as follows:

	Group	
	2025	2024
	RM'000	RM'000
Within 1 year	28,141	63,718
More than 1 year	122,908	92,519
	151,049	156,237

Included in retention sums is an amount of RM13.9 million (2024: RM13.9 million) related to a construction contract with a customer which is under litigation as disclosed in Note 28.2(a).

Estimation uncertainty and critical judgements

The Group assesses the risk of loss of each customer individually based on their financial information and past trends of payment. Whilst management's assessment is guided by past experiences with consideration of current economic conditions, there may be significant uncertainty about the future recovery of debts.

For the assessment related to a construction contract with a customer which is under litigation as disclosed in Note 28.2(a), the Group applied judgements in estimating the recovery of debts based on the on-going judicial management process will be completed within the stipulated time frame and relevant decisions from High Court. The Group has considered the financial information of the customer and based on the opinion of the solicitors, the Group has a good chance of succeeding in the judicial management process.

9. Contract assets/(Contract liabilities)

	Group	
	2025	2024
	RM'000	RM'000
Contract assets	114,069	104,694
Contract liabilities	(32,908)	(12,314)

The contract assets primarily relate to the Group's rights to consideration for work completed on construction contracts but not yet billed at the reporting date. Typically, the amount will be billed when the work is certified by the customers and payment is expected within 120 days after billing.

Included in contract assets is an amount of RM80.1 million (2024: RM80.1 million) related to a construction contract with a customer which is under litigation as disclosed in Note 28.2(a).

The contract liabilities primarily relate to the advance consideration received from customers for construction contracts, which revenue is recognised overtime from the construction and piling works. The contract liabilities are expected to be recognised as revenue over a period of 30 days.

Significant changes to contract liabilities balances during the year are as follows:

	2025	2024
	RM'000	RM'000
Contract liabilities at the beginning of the period recognised as revenue	(12,314)	(7,796)

Notes To The Financial Statements (Continued)

10. Other investments

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Current					
Financial assets at fair value through profit or loss:					
- Unit trusts in Malaysia		1,088	1,069	1,088	1,069
Amortised cost:					
- Deposits with licensed bank	10.1	2,846	2,744	-	-
		3,934	3,813	1,088	1,069

10.1 Security

Deposits with licensed bank of the Company amounting to RM2,846,000 (2024: RM2,744,000) are pledged to licensed bank as security for bank loans and revolving credit (see Note 14).

10.2 Material accounting policy information

Deposits with licensed bank

The Company classifies the deposits with licensed bank pledged as security that has a maturity of more than three months as other investments.

11. Cash and cash equivalents

	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Cash and bank balances	38,165	69,710	277	114
Deposits placed with licensed banks	12,956	4,841	-	-
Cash and cash equivalents in the statements of financial position	51,121	74,551	277	114
Deposits pledged with licensed banks	(1,631)	(1,594)	-	-
Cash and cash equivalents in the statements of cash flows	49,490	72,957	277	114

Part of the deposits placed with licensed banks are pledged as security for the bank loans and revolving credit of the Group (see Note 14).

12. Assets classified as held for sale

	Note	Group 2025 RM'000	2024 RM'000
Freehold land			
At 1 July		545	545
Transfer to land held for property development		(545)	-
At 30 June	12.1	-	545

Notes To The Financial Statements (Continued)

12. Assets classified as held for sale (Continued)

12.1 Freehold land

Previously, a piece of freehold land is presented as an asset classified as held for sale following the commitment of Tropical Broadway Sdn. Bhd. ("TBSB"), a wholly owned subsidiary, under an agreement entered with a third-party property developer in 2017 to develop the land into a housing development project. TBSB will provide the land for development whereas the third-party property developer will be responsible to construct and complete the housing development project within two years from the commencement date.

As at 30 June 2025, the approval of building plan, advertising permit and developer's license for the development project have been obtained. Management has intention to participate in the planning and execution of the development and development activities are expected to commence in the next financial year. Accordingly, the land has been transferred to land held for property development during the financial year.

13. Capital and reserves

Share capital

Group and Company	Number of shares	Amount	Number of shares	Amount
	2025 '000	2025 RM'000	2024 '000	2024 RM'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares:				
At 1 July/30 June	1,417,500	177,206	1,417,500	177,206

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Reserves

Deficit in business combination

The deficit in business combination arose from the acquisition of the entire equity interest of Econpile (M) Sdn. Bhd. using the reverse acquisition method pursuant to the corporate exercise carried out by the Company in 2014.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entity with functional currency other than RM.

Notes To The Financial Statements (Continued)

14. Loans and borrowings

	Note	Group 2025 RM'000	2024 RM'000
Non-current			
Bank loans - secured	14.1	4,294	11,546
Hire purchase liabilities - unsecured		4,727	5,832
		9,021	17,378
Current			
Bank loans - secured	14.1	7,252	7,426
Bankers' acceptances - unsecured	14.2	46,214	59,324
Hire purchase liabilities – unsecured		1,788	1,579
Revolving credit - secured	14.3	44,000	58,000
		99,254	126,329
		108,275	143,707

14.1 Bank loans - secured

The bank loans are secured by way of a first legal charge over the corporate office of the Group (see Note 2) and deposits pledged with licensed banks (see Note 10 and Note 11).

14.2 Bankers' acceptances - unsecured

The bankers' acceptances of RM46,214,000 (2024: RM59,324,000) are guaranteed by the Company.

14.3 Revolving credit - secured

The revolving credit is secured by deposits pledged with licensed banks (see Note 10 and Note 11), subject to interest at 5.43% - 6.25% (2024: 5.52% - 6.03%) per annum and guaranteed by the Company.

15. Employee benefits

Retirement benefits

	Group 2025 RM'000	2024 RM'000
Defined benefit liability	6,447	6,447

The Group participated in a defined benefit plan that provides pension for two Directors of the Group upon their retirement. The plan which is unfunded entitled the two Directors of the Group a lump sum payment equal to the last drawn salary multiplied by the number of years of service of the two Directors. The two Directors are not required to contribute to the plan.

Effective 1 July 2017, the two Directors had voluntarily ceased accumulation to their retirement benefits plan and the retirement benefits liability will remain in the statement of financial position until settlement occurs. The retirement benefits liability has continued to be classified as non-current as the Group does not anticipate settlement of the liability in the next 12 months.

Notes To The Financial Statements (Continued)

16. Trade and other payables

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Trade					
Trade payables		95,074	108,883	-	-
Non-trade					
Other payables	16.1	2,767	11,940	-	-
Accrued expenses		4,179	10,152	200	151
		6,946	22,092	200	151
		102,020	130,975	200	151

16.1 Other payables

Included in other payables is an amount due to certain contract customers for acquisition of investment properties of RM915,000 (2024: RM10,414,000).

17. Provisions

	Group Onerous contracts RM'000
At 1 July 2023	3,946
Provisions made during the year	2,129
Provisions utilised during the year	(3,042)
At 30 June 2024/1 July 2024	3,033
Provisions utilised during the year	(2,951)
At 30 June 2025	82

Provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract with customer is lower than the unavoidable cost of meeting its obligations under the contract.

Notes To The Financial Statements (Continued)

18. Revenue

	Group	
	2025	2024
	RM'000	RM'000
Revenue from contracts with customers	285,987	417,602

18.1 Disaggregation of revenue

	2025	2024
	RM'000	RM'000
Group		
Primary geographical markets		
Malaysia	283,888	296,370
Cambodia	2,099	121,232
	285,987	417,602
Major products and services lines		
Construction contracts	285,987	417,602
Timing of recognition		
Over time	285,987	417,602

18.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Construction contracts.
Timing of recognition or method used to recognise revenue	Revenue is recognised over time using the cost incurred method.
Significant payment terms	Based on agreed milestones, certified by architects.
Variable element in consideration	The Group may occasionally submit variation orders (for additions or omissions of work) to customers based on actual work performed and may be exposed to liquidated and ascertained damages ("LAD") which are deducted from contract sum.
Obligation for returns or refunds	Not applicable.
Warranty	Generally, defect liability period of between 2 to 5 years is given to customers.

Notes To The Financial Statements (Continued)

18. Revenue (Continued)

18.3 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	Group RM'000
2025	
Construction contracts	466,986
2024	
Construction contracts	387,561

The above revenue does not include variable consideration. The remaining performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date will be satisfied over the remaining duration of the contracts of 1 to 3 years.

18.4 Significant judgements and assumptions arising from revenue recognition

The Group applied the following judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers:

Variable consideration

Variation orders are integral and significant parts of contract revenue on certain reimbursable contracts. They can also be present in lump sum contracts. Revenue from variation orders are included only when it is highly probable that the revenue will not be reversed. There is a risk that the actual payment of variation orders may differ from the estimated amount.

Liquidated and ascertained damages ("LAD")

LAD are penalties for not achieving defined milestones on time. LAD are common in construction contracts. If a project does not meet the defined milestone in a contract, a provision reducing the transaction price is made unless it is highly probable that LAD will not be imposed. The estimated LAD provision is highly judgemental and based on experience from similar LAD situations and negotiations with customers in addition to an assessment of client relationship and economic impact.

Total contract cost

The estimates of total contract cost can be judgemental and sensitive to changes. The cost estimates can significantly impact revenue recognition for contracts using cost progress, particularly in lump sum construction contracts. In making these estimates, management relied on professionals' estimates and also on past experience of completed projects. The forecasting of total contract cost depends on the ability to properly execute the design phase, availability of skilled resources, productivity and quality factors, performance of subcontractors and sometimes also weather and soil conditions. A change in the estimates will directly affect the revenue to be recognised.

Performance obligations

Significant management judgement is sometimes required in order to identify distinct performance obligations in customer contracts. This includes an analysis of the customer contract to determine if the goods or services are distinct deliveries or inputs to an overall promise to deliver a combined item.

Notes To The Financial Statements (Continued)

19. Cost of sales

	Group	
	2025	2024
	RM'000	RM'000
Construction costs	252,650	409,499

20. Finance income

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised cost:				
- deposits placed with licensed banks	1,642	1,225	-	-
- advances to subsidiaries	-	-	3,516	3,550
	1,642	1,225	3,516	3,550

21. Finance costs

	Group	
	2025	2024
	RM'000	RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:		
- bank loans	823	1,208
- bankers' acceptances	5,272	4,997
- hire purchase liabilities	338	150
Interest expense on lease liabilities	59	70
	6,492	6,425

Notes To The Financial Statements (Continued)

22. Profit/(Loss) before tax

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax is arrived at after charging/ (crediting):					
Auditors' remunerations					
Audit fees					
- KPMG PLT		295	289	93	91
- Overseas affiliate of KPMG Malaysia		36	77	-	-
- Under provision in prior year		-	1	-	-
Non-audit fees					
- KPMG PLT		10	10	10	10
- Overseas affiliate of KPMG Malaysia		183	337	-	-
		524	714	103	101
Material expenses/(income)					
Depreciation of property, plant and equipment	2	4,048	3,817	-	-
Depreciation of right-of-use assets	3	1,027	1,195	-	-
Depreciation of investment properties	4	161	60	-	-
Personnel expenses (including key management personnel):					
- Contributions to Employees' Provident Fund		2,542	2,546	9	10
- Wages, salaries and others		32,868	31,349	278	278
Change in fair value of other investments		(19)	(18)	(19)	(18)
Gain on derecognition of lease liabilities		(1)	-	-	-
Gain on disposal of other investment		-	(5)	-	-
Gain on disposal of property, plant and equipment		(133)	(1,148)	-	-
Net loss on unrealised foreign exchange		2,132	1,255	-	-
Net loss/(gain) on realised foreign exchange		366	(1,932)	-	-
Expenses arising from leases					
Expenses relating to short-term leases	a	6,385	13,235	-	-
Rental income from:					
- Equipment		(460)	(95)	-	-
Interest expense on lease liabilities		59	70	-	-
Net loss on impairment of financial instruments					
Financial assets at amortised cost		4,184	4,343	-	-

Note a

The Group leases equipment, machinery and properties on ad hoc basis or with contract terms of 1 year or less. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Notes To The Financial Statements (Continued)

23. Tax expense

Recognised in profit or loss

	Note	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
Current tax expense					
Current year		1,135	4,469	822	836
Over provision in prior year		(458)	(64)	(146)	(124)
Withholding tax	23.1	6	1,126	-	-
Total current tax recognised in profit or loss		683	5,531	676	712
Deferred tax expense					
Origination and reversal of temporary differences		(185)	-	-	-
Under provision in prior year		1,286	-	-	-
Total deferred tax recognised in profit or loss	6	1,101	-	-	-
Total income tax expense		1,784	5,531	676	712
Reconciliation of tax expense					
Profit/(Loss) before tax		3,026	(19,622)	2,338	2,464
Income tax using Malaysian tax rate of 24%		726	(4,744)	561	591
Effect of tax rates in foreign jurisdictions		(34)	(555)	-	-
Non-deductible expenses		803	1,398	266	249
Non-taxable income		(13)	(5)	(5)	(4)
Effect of unrecognised deferred tax assets		(532)	8,375	-	-
Under/(Over) provision in prior year		828	(64)	(146)	(124)
Withholding tax	23.1	6	1,126	-	-
		1,784	5,531	676	712

23.1 Withholding tax

The withholding tax relates to the tax withheld from billings to its foreign subsidiary.

Notes To The Financial Statements (Continued)

24. Earnings/(loss) per ordinary share (sen)

Basic earnings/(loss) per ordinary share

The calculation of basic earnings/(loss) per ordinary share was based on the profit/(loss) attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2025	2024
	RM'000	RM'000
Profit/(Loss) attributable to ordinary shareholders (RM'000)	1,242	(25,153)
<i>Weighted average number of ordinary shares ('000)</i>		
Weighted average number of ordinary shares at 30 June (basic)	1,417,500	1,417,500
Basic earnings/(loss) per ordinary share (sen)	0.09	(1.77)

Diluted earnings/(loss) per ordinary share

The calculation of diluted earnings/(loss) per ordinary share was based on the profit/(loss) attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

There were no potential dilution effects on ordinary shares of the Company for the current and previous financial years. Accordingly, the diluted earnings/(loss) per ordinary share for the current and previous years are equal to the basic earnings/(loss) per ordinary share.

25. Operating segment

The Group is predominantly involved in general construction and piling works, which is the only reportable segment. Other non-reportable segments comprise investment holding and operations related to rental of investment properties and machinery, trading of machinery and related accessories. The Group's operations are carried out in Malaysia and Cambodia.

The Chief Executive Officer of the Group (the chief operating decision maker) reviews internal management reports at least on a monthly basis.

Performance is measured based on segment profit, as included in the internal management reports that are reviewed by the Chief Executive Officer of the Group. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within this industry.

Notes To The Financial Statements (Continued)

25. Operating segment (Continued)

Segment assets and liabilities

Segment assets and liabilities information is neither included in the internal management reports nor provided regularly to the Chief Executive Officer of the Group. Hence, no disclosure is made on segment assets and liabilities.

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

	Group	
	2025	2024
	RM'000	RM'000
Total additions to property, plant and equipment	1,379	8,597
Total additions to investment properties	3,182	4,714
Total additions to right-of-use assets	581	1,369
	5,142	14,680
Segment profit/(loss)	1,242	(25,153)

Included in the measure of segment loss are:

Revenue from external customers	285,987	417,602
Depreciation of property, plant and equipment, right-of-use assets and investment properties	(5,236)	(5,072)
Net loss on impairment of financial instruments	(4,184)	(4,343)

Not included in the measure of segment loss but provided to Chief Executive Officer:

Net finance costs	(4,850)	(5,200)
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No reconciliation is performed for reportable segment revenue, profit and depreciation to consolidated figures as there are no differences except for the following:

	Group	
	2025	2024
	RM'000	RM'000
Net finance costs		
Finance income	1,642	1,225
Finance costs	(6,492)	(6,425)
Consolidated net finance costs	(4,850)	(5,200)

Notes To The Financial Statements (Continued)

25. Operating segment (Continued)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Group	
	External revenue RM'000	Non-current assets RM'000
Geographical information		
2025		
Malaysia	283,888	40,691
Cambodia	2,099	729
	<u>285,987</u>	<u>41,420</u>
2024		
Malaysia	296,370	46,907
Cambodia	121,232	1,432
	<u>417,602</u>	<u>48,339</u>

Major customers

The following are the major customers with revenue equal or more than 10% of the Group's total revenue:

	Revenue		Segment
	2025	2024	
	RM'000	RM'000	
All common control companies of:			
Customer A	2,889	78,997	General construction and pilling work
Customer B	36,856	45,266	General construction and pilling work
Customer C	44,733	31,257	General construction and pilling work
Customer D	41,328	8,525	General construction and pilling work
Customer E	36,146	26,893	General construction and pilling work

Notes To The Financial Statements (Continued)

26. Financial instruments

26.1 Categories of financial instruments

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

- (a) Fair value through profit or loss ("FVTPL");
 - Mandatorily required by MFRS 9
 - Designated upon initial recognition ("DUIR")
- (b) Amortised cost ("AC")

	Carrying amount RM'000	Mandatorily at FVTPL RM'000	FVTPL - DUIR RM'000	AC RM'000
2025				
Financial assets				
Group				
Other investments	3,934	1,088	-	2,846
Trade and other receivables	371,186	-	-	371,186
Cash and cash equivalents	51,121	-	-	51,121
	<u>426,241</u>	<u>1,088</u>	<u>-</u>	<u>425,153</u>
Company				
Other investments	1,088	1,088	-	-
Trade and other receivables	34,002	-	-	34,002
Cash and cash equivalents	277	-	-	277
	<u>35,367</u>	<u>1,088</u>	<u>-</u>	<u>34,279</u>
Financial liabilities				
Group				
Loans and borrowings	(108,275)	-	-	(108,275)
Trade and other payables	(102,020)	-	-	(102,020)
	<u>(210,295)</u>	<u>-</u>	<u>-</u>	<u>(210,295)</u>
Company				
Trade and other payables	(200)	-	-	(200)

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.1 Categories of financial instruments (Continued)

	Carrying amount RM'000	Mandatorily at FVTPL RM'000	FVTPL - DUIR RM'000	AC RM'000
2024				
Financial assets				
Group				
Other investments	3,813	1,069	-	2,744
Trade and other receivables	402,540	-	-	402,540
Cash and cash equivalents	74,551	-	-	74,551
	<u>480,904</u>	<u>1,069</u>	<u>-</u>	<u>479,835</u>
Company				
Other investments	1,069	1,069	-	-
Trade and other receivables	95,517	-	-	95,517
Cash and cash equivalents	114	-	-	114
	<u>96,700</u>	<u>1,069</u>	<u>-</u>	<u>95,631</u>
Financial liabilities				
Group				
Loans and borrowings	(143,707)	-	-	(143,707)
Trade and other payables	(130,975)	-	-	(130,975)
	<u>(274,682)</u>	<u>-</u>	<u>-</u>	<u>(274,682)</u>
Company				
Trade and other payables	<u>(151)</u>	<u>-</u>	<u>-</u>	<u>(151)</u>

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Net gains/(losses) on:				
Financial assets at fair value through profit or loss:				
- Change in fair value of other investments	19	18	19	18
- Gain on disposal of other investment	-	5	-	-
	19	23	19	18
Financial assets at amortised cost				
- Finance income	1,642	1,225	3,516	3,550
- Net loss on unrealised foreign exchange	(2,132)	(1,255)	-	-
- Net (loss)/gain on realised foreign exchange	(366)	1,932	-	-
- Net loss on impairment of financial instruments	(4,184)	(4,343)	-	-
	(5,040)	(2,441)	3,516	3,550
Financial liabilities at amortised cost				
- Interest paid on loans and borrowings	(6,433)	(6,355)	-	-
	(11,454)	(8,773)	3,535	3,568

26.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and investment in unit trusts. The Company's exposure to credit risk arises principally from its investment in unit trusts, advances to subsidiaries and financial guarantees given to banks and suppliers for credit facilities granted to a subsidiary. There are no significant changes as compared to previous year.

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

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

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

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

Trade receivables and contract assets

Concentration of credit risk

The Group has 27 (2024: 16) ongoing projects at various stages of completion as at the end of the reporting period. Concentration of credit risk with respect to trade receivables and contract assets are limited except for three (2024: three) customers which accounted for 48% (2024: 53%) of trade receivables (including retention sums) and contract assets as at the end of the reporting period.

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

	Group	
	2025	2024
	RM'000	RM'000
Domestic	452,782	462,890
Cambodia	21,775	28,928
	<u>474,557</u>	<u>491,818</u>

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.4 Credit risk (Continued)

Trade receivables and contract assets (Continued)

Recognition and measurement of impairment loss

In managing the credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 120 days. The Group's debt recovery process includes debt above 120 days past due after credit term, whereby the Group will start to initiate a debt recovery process which is monitored by the management team.

As part of the impairment loss assessment for contract assets and trade receivables under litigation (Note 28.2), the Group has applied judgement on the progress claims to be billed. This matter is subject to the ongoing judicial management process.

The Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable.

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

	Gross carrying amount RM'000	Loss allowance RM'000	Net balances RM'000
Group			
2025			
Not past due	313,281	-	313,281
Past due 1 - 60 days	26,002	-	26,002
Past due 61 - 120 days	20,595	-	20,595
Past due more than 120 days	114,679	-	114,679
	474,557	-	474,557
Credit impaired			
Individually impaired	15,507	(15,507)	-
	490,064	(15,507)	474,557
Trade receivables	375,995	(15,507)	360,488
Contract assets	114,069	-	114,069
	490,064	(15,507)	474,557
2024			
Not past due	243,145	-	243,145
Past due 1 - 60 days	27,378	-	27,378
Past due 61 - 120 days	16,238	-	16,238
Past due more than 120 days	205,057	-	205,057
	491,818	-	491,818
Credit impaired			
Individually impaired	11,323	(11,323)	-
	503,141	(11,323)	491,818
Trade receivables	398,447	(11,323)	387,124
Contract assets	104,694	-	104,694
	503,141	(11,323)	491,818

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.4 Credit risk (Continued)

Trade receivables and contract assets (Continued)

Recognition and measurement of impairment loss (Continued)

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

	Trade receivables Credit impaired RM'000
Group	
Balance at 1 July 2023	6,980
Net remeasurement of loss allowance	4,343
Balance at 30 June 2024/1 July 2024	11,323
Net remeasurement of loss allowance	4,184
Balance at 30 June 2025	15,507

Other investments

Risk management objectives, policies and processes for managing the risk

Other investments consist of investments in unit trusts that are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group and deposits with licensed bank with original maturities exceeding three months.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the Group has invested in unit trusts and deposits with licensed bank with original maturities exceeding three months. The maximum exposure to credit risk is represented by the carrying amount in the statement of financial position.

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

Cash and cash equivalents

The cash and cash equivalents are held with licensed banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These licensed banks have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.4 Credit risk (Continued)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks and suppliers in respect of banking facilities and credit terms granted to a subsidiary.

The Company monitors on an ongoing basis the results of the subsidiary and repayment made by the subsidiary.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk of the Company amounts to RM106,496,000 (2024: RM133,312,000) as at the end of the reporting period.

Recognition and measurement of impairment loss

As at the end of the reporting period, the probability of default by the subsidiary is low and no allowance of impairment is recognised.

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

Related company advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by its carrying amount in the statement of financial position.

Advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's advances to be credit impaired when:

- The subsidiary is unlikely to repay its advances to the Company in full;
- The subsidiary's advance is overdue for more than 365 days; or
- The subsidiary is continuously loss making and having deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

As at the end of the reporting period, there was no indication that these advances to subsidiaries are not recoverable. As these amounts are considered to have low credit risk, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.5 Liquidity risk

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

The Group maintains a level of cash and cash equivalents and banking facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
Group							
2025							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	102,020	-	102,020	102,020	-	-	-
Bank loans - secured	11,546	4.07 - 4.82	12,218	7,645	3,185	694	694
Bankers' acceptances - unsecured	46,214	3.91 - 4.52	46,214	46,214	-	-	-
Hire purchase liabilities - unsecured	6,515	2.15 - 2.65	7,104	2,062	1,924	3,118	-
Lease liabilities	953	4.98 - 5.90	984	821	163	-	-
Revolving credit - secured	44,000	5.43 - 6.25	44,000	44,000	-	-	-
	<u>211,248</u>		<u>212,540</u>	<u>202,762</u>	<u>5,272</u>	<u>3,812</u>	<u>694</u>
2024							
<i>Non-derivative financial liabilities</i>							
Trade and other payables	130,975	-	130,975	130,975	-	-	-
Bank loans - secured	18,972	3.81 - 4.50	19,947	7,785	7,595	3,642	925
Bankers' acceptances - unsecured	59,324	3.92 - 4.53	59,324	59,324	-	-	-
Hire purchase liabilities - unsecured	7,411	2.40 - 2.65	8,260	1,912	1,906	4,442	-
Lease liabilities	1,535	3.75 - 5.90	1,602	1,005	522	75	-
Revolving credit - secured	58,000	5.52 - 6.03	58,000	58,000	-	-	-
	<u>276,217</u>		<u>278,108</u>	<u>259,001</u>	<u>10,023</u>	<u>8,159</u>	<u>925</u>

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.5 Liquidity risk (Continued)

Maturity analysis (Continued)

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000
Company				
2025				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	200	-	200	200
Financial guarantees	-	-	106,496	106,496
	<u>200</u>		<u>106,696</u>	<u>106,696</u>
2024				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	151	-	151	151
Financial guarantees	-	-	133,312	133,312
	<u>151</u>		<u>133,463</u>	<u>133,463</u>

26.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows. The Group is not significantly exposed to other price risk.

26.6.1 Currency risk

The Group is exposed to foreign currency risk on bank balance that is denominated in a currency other than the Group's functional currency which is Ringgit Malaysia ("RM"). The currency giving rise to this risk is primarily the U.S. Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

The Group ensures that the net exposure is kept to an acceptable level by monitoring the fluctuation of the foreign currency.

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.6 Market risk (Continued)

26.6.1 Currency risk (Continued)

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group) risk, based on carrying amount as at the end of the reporting period was:

	Denominated in USD	
	2025	2024
	RM'000	RM'000
Balance recognised in the statement of financial position		
Bank balance	4,300	38,107

Currency risk sensitivity analysis

A 10% (2024: 10%) strengthening of RM against USD at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Equity		Profit or loss	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
USD	(327)	(2,896)	(327)	(2,896)

A 10% (2024: 10%) weakening of RM against USD at the end of the reporting period would have had equal but opposite effect on the amount shown above, on the basis that all other variables remained constant.

26.6.2 Interest rate risk

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

Risk management objectives, policies and processes for managing the risk

Interest rate exposure arising from the Group's loans and borrowings are managed through the use of fixed and floating rate debts. The Group does not use derivative financial instruments to hedge its debt obligations.

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.6 Market risk (Continued)

26.6.2 Interest rate risk (Continued)

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group	
	2025	2024
	RM'000	RM'000
Fixed rate instruments		
Financial assets	15,802	7,585
Financial liabilities	(97,682)	(126,270)
	<u>(81,880)</u>	<u>(118,685)</u>
Floating rate instruments		
Financial liabilities	<u>(11,546)</u>	<u>(18,972)</u>
	Company	
	2025	2024
	RM'000	RM'000
Fixed rate instruments		
Financial assets	<u>33,997</u>	<u>95,512</u>

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

A change of 30 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Group	
	30 bps increase	30 bps decrease
	RM'000	RM'000
2025		
Floating rate instruments	<u>(26)</u>	<u>26</u>
2024		
Floating rate instruments	<u>(43)</u>	<u>43</u>

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.7 Fair value information

The carrying amounts of deposits with licensed bank, cash and cash equivalents, short term receivables and payables and short term loans and borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The carrying amounts of hire purchase liabilities also approximate their fair values upon discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities.

The table below analyses other financial instruments at fair value.

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
2025								
Financial assets								
Other investments - Unit trusts	1,088	-	1,088	-	-	-	1,088	1,088
Financial liabilities								
Bank loans - secured	-	-	-	-	(11,272)	(11,272)	(11,272)	(11,546)
2024								
Financial assets								
Other investments - Unit trusts	1,069	-	1,069	-	-	-	1,069	1,069
Financial liabilities								
Bank loans - secured	-	-	-	-	(18,610)	(18,610)	(18,610)	(18,972)
Company								
2025								
Financial assets								
Other investments - Unit trusts	1,088	-	1,088	-	-	-	1,088	1,088
2024								
Financial assets								
Other investments - Unit trusts	1,069	-	1,069	-	-	-	1,069	1,069

Notes To The Financial Statements (Continued)

26. Financial instruments (Continued)

26.7 Fair value information (Continued)

Level 2 fair value

Other investments – Unit trusts in Malaysia

The fair value of investments in unit trusts is determined based on daily net assets value as stipulated in the statements provided by the fund managers of the unit trusts.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2024: no transfer in either directions).

Level 3 fair value

The following table shows the valuation technique used in the determination of fair value within Level 3, as well as the significant unobservable inputs used in the valuation model.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Bank loans	Discounted cash flows using a rate based on the current market rate of similar borrowings at the reporting date.

Valuation process applied by the Group for Level 3 fair value

The Group has applied discounted cash flows valuation technique in the determination of fair values within Level 3. The accounts department has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

27. Capital management

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

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants. The debt-to-equity ratio is calculated as total debts divided by total equity. The Group includes within total debts, loans and borrowings and lease liabilities.

The debt covenants pertain to a subsidiary. The subsidiary is required to maintain a certain debt-to-equity ratio to comply with the debt covenants, failing which, the bank may call an event of default. The subsidiary is in compliance with the covenants as at the end of the reporting period.

There was no change in the Group's approach to capital management during the financial year.

Notes To The Financial Statements (Continued)

28. Contingencies

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

28.1 Contingent liabilities not considered remote

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Guarantees given to contract customers in relation to construction contracts	50,718	55,674	13,552	8,133

28.2 Material litigations

- a) In March 2019, a subsidiary of the Group, Econpile (M) Sdn. Bhd. ("EMSB") issued a Notice of Determination to a customer ("the said Customer") on the grounds that the said Customer had interfered with or obstructed the issuance of interim certificates in respect of EMSB's progress claims for the cost of work performed of RM80.1 million where the said Customer had failed to issue the relevant interim certificates within 30 days from the date of receipt of EMSB's progress claims and to make payment of the same within the period of honouring certificates. Included in trade receivables is retention sum amounting to RM13.9 million which is owed by the said Customer.

The Group initiated various legal actions against the said Customer to recover the value of work performed. Some of the significant legal actions are as follows:-

(i) First Adjudication

In March 2019, EMSB initiated the first adjudication proceeding against the said Customer in accordance with the Construction Industry Payment and Adjudication Act 2012 to recover the progress claims no. 15 to 23 and the said Customer was ordered to make payment of RM59.8 million (excluding costs and interest) to EMSB. EMSB successfully enforced the adjudication decision as if it is an order or judgement of the High Court.

Following that, the said Customer filed appeals to the Court of Appeal against the High Court order which enforced the Adjudication Decision ("Enforcement Order"). The Court of Appeal allowed a stay of the Adjudication Decision pending disposal of an arbitration proceedings between the parties ("COA Stay Order"). EMSB filed a leave application to the Federal Court for leave to appeal against the COA Stay Order and the leave was granted on 3 January 2023.

On 3 October 2023, the Federal Court has allowed EMSB's appeal against the Court of Appeal's decision with costs of RM50,000 payable by the said Customer to EMSB.

(ii) Writ of Seizure and Sale

Notwithstanding the Enforcement Order, the said Customer refused to make any payment to EMSB. Consequently, EMSB made a writ of seizure and sale ("WSS") application to the High Court. EMSB obtained a Prohibitory Order ("PO") to prohibit the said Customer to deal with a piece of land it owned and filed an Order for Sale of the land. The said Customer applied to set aside the PO with the High Court, High Court Judge in Chambers and Court of Appeal, however, all of them have dismissed the appeals.

At the same time, EMSB filed an application for Public Auction date which was fixed on 5 July 2022. The said Customer filed an application to stay EMSB's Public Auction date application pending the disposal of the earlier appeals. The Public Auction date was subsequently vacated due to the COA Stay Order in the first adjudication.

Upon the Public Auction date having been vacated, EMSB proceeded to file an application for the extension of the PO. At the same time, the said Customer also filed an application to set aside the PO in light of the COA Stay Order. On 24 August 2022, the Registrar dismissed EMSB's application to extend the PO. However, the Registrar also dismissed the said Customer's application to set aside the PO. Instead, the Registrar has ordered for the WSS and the PO to be stayed based on the COA Stay Order. Both parties have filed notice of appeals against the Registrar's decisions to the High Court Judge in Chambers which was struck out by the High Court on 14 December 2023.

On 5 December 2023, the said Customer filed an application to be placed in Judicial Management ("JM") for a period of 6 months. On 30 September 2024, the High Court dismissed the JM Application with cost of RM10,000 payable by the said Customer to EMSB.

Notes To The Financial Statements (Continued)

28. Contingencies (Continued)

28.2 Material litigations (Continued)

(ii) Writ of Seizure and Sale (Continued)

On 17 October 2024, a creditor of the said Customer filed a Winding Up Petition against the said Customer.

On 9 December 2024, EMSB filed an application for the said Customer to be placed in JM Application.

On 25 March 2025, the High Court has allowed EMSB's application to extend the PO to 12 October 2025 and subsequently, on 8 September 2025, the High Court has allowed EMSB's application to extend the PO until 12 April 2026.

The case management for New Auction Date Application is fixed for 6 November 2025, for parties to update the Court on the outcome of the JM Application.

(iii) Second Adjudication

In May 2019, EMSB filed for a second adjudication against the said Customer on the same grounds as the first adjudication for progress claims no. 25 to 26. In September 2019, the Adjudicator delivered the decision in favour of EMSB's claim of RM5.9 million (excluding costs and interests) to EMSB. EMSB successfully enforced the Adjudication Decision as if it is an order or judgement of the High Court.

Similar to the First Adjudication, the said Customer filed appeals to the Court of Appeal against the High Court Orders which enforced the Adjudication Decision and the Court of Appeal dismissed the said Customer's applications to set aside and/or stay the Adjudication Decision.

On 13 April 2023, the Federal Court has granted leave to the said Customer to appeal against the Court of Appeal's decision.

On 3 October 2023, the Federal Court dismissed the said Customer's appeal against the Court of Appeal's decision with costs of RM50,000 payable by the said Customer to EMSB.

(iv) Writ of Seizure and Sale (2)

Notwithstanding the High Court order on the second adjudication, the said Customer refused to make any payment to EMSB. Similar to the first adjudication, EMSB made a writ of seizure and sale ("WSS") application to the High Court. EMSB has also obtained a Prohibitory Order until 28 February 2023 against the land to prevent the said Customer from dealing with the land.

Following that, EMSB on 30 November 2022 has filed an application for an Order for Sale against the land whilst the said Customer has filed an application to set aside and/or strike out the WSS and PO. During the hearing on 17 October 2023, the said Customer's Notice of Application dated 30 December 2022 was dismissed and EMSB obtained an Order for Sale against the land.

The public auction for the land was held on 6 December 2023 and 24 July 2024 but it was unsuccessful as there were no bidders. The hearing for the Third Auction Date Application and Second New Reserve Price Application is fixed for 21 October 2024. EMSB has also obtained an extension on the Prohibitory Order against the land until 28 February 2025 to prevent the said Customer from dealing with the land.

On 17 October 2024, a creditor of the said Customer filed a Winding Up Petition against the said Customer.

On 21 January 2025, Writ of Seizure and Sale (2) has been withdrawn by EMSB.

(v) Arbitration

At the same time, EMSB also initiated an arbitration against the said Customer with the Asian International Arbitration Centre in March 2019. EMSB submitted its points of claim amounting to RM169 million for value of work performed, variations and claims for loss, expense and damages incurred. On the other hand, the said Customer counter claimed against EMSB for an amount of RM211 million. The arbitration proceeding was stayed due to the JM Application. On 30 September 2024, the High Court dismissed the JM Application with cost of RM10,000 payable by the said Customer to EMSB.

Notes To The Financial Statements (Continued)

28. Contingencies (Continued)

28.2 Material litigations (Continued)

(v) Arbitration (Continued)

On 9 December 2024, EMSB filed an application for the said Customer to be placed in JM Application.

On 11 December 2024, the Tribunal ordered for the arbitration proceedings to be stayed until the disposal of the JM Application. Parties are to keep the Tribunal informed of any updates regarding the JM Application and a case management with the parties would be scheduled as and when necessary.

Based on the opinion of the solicitors, the Directors are of the view that the Group has a good chance of succeeding in its claim and defending the counterclaim by the said Customer.

(vi) Preservation of Assets

EMSB has also filed an Originating Summons to preserve the said Customer's assets but was dismissed by the High Court. Subsequently on 2 March 2023, EMSB filed a Notice of Appeal to the Court of Appeal. The next case management is fixed for 6 November 2025 for parties to update the Court on the outcome of the JM Application.

(vii) Judicial Management

EMSB has filed an Originating Summons to place the said Customer under court-supervised restructuring through judicial management ("JM"), aiming to protect its interests as a creditor and to facilitate a corporate rescue.

On 6 January 2025, EMSB applied for the appointment of a licensed insolvency practitioner as the interim Judicial Manager for the said Customer pending the disposal of the JM application. The High Court allowed EMSB's application on 21 July 2025 and fixed the case management for JM application on 1 December 2025. However, the said Customer has filed Notice of Appeal dated 24 July 2025 to appeal against the High Court Decision and the appeal is fixed for hearing on 19 March 2026.

Several individuals have applied to intervene in this JM application which were allowed by the High Court. Two individuals have subsequently applied to be added in the same JM application. Both individuals sought leave to commence or continue legal proceedings against the said Customer, notwithstanding the moratorium effect of JM. The applications have been heard and the Court has fixed its decision for 30 October 2025.

The application for consequential order dated 8 September 2025 has been filed by EMSB to specify the functions, powers and duties of the interim Judicial Manager to be heard on 26 November 2025.

Based on the opinion of the solicitors, the Directors are of the view that the Group has a good chance of succeeding in the JM application.

(viii) Committal Proceedings

The appeal is against the decision of the Learned High Court Judge dated 11 April 2023 in dismissing the said Customer application filed for an Order of Committal against EMSB and EMSB's Directors. The appeal originates from the said Customer's allegation that EMSB and EMSB's Directors are guilty of contempt of court in disobeying the Order of the Court of Appeal dated 26 April 2022.

Following the JM application filed by EMSB against the said Customer, a statutory moratorium took effect and restrain the commencement or continuation of any proceedings against the said Customer without leave of the Court.

The hearing of the committal application has adjourned to case management on 19 November 2025, pending the outcome of the JM application.

Notes To The Financial Statements (Continued)

28. Contingencies (Continued)

28.2 Material litigations (Continued)

(viii) Committal Proceedings

Based on the opinion of the solicitors, the Directors are of the view that the Group has a good chance of succeeding in resisting the committal appeal.

The Directors are of the opinion that the contract asset and trade receivable amounting to RM80.1 million and RM13.9 million respectively can be recovered through the Judicial Management process.

- b) An external party issued a letter of demand against the developer, the main contractor and EMSB (as sub-contractor) for loss and damages amounting to RM4.08 million due to the ongoing construction work at the project site which is adjacent to the tuition center operated by the external party.

In April 2022, the external party filed an application to amend the Writ of Summons and Statement of Claim to delete sum claimed of RM4.08 million and amend it to 'damages to be assessed by the honourable Court' which was allowed by the Court. On 7 April 2023, the High Court struck out the action and the external party filed an appeal to the Court of Appeal.

On 26 February 2024, the Court of Appeal has allowed to reopen the case and the case was referred back to the High Court for full trial. The external party had filed an application to amend the Amended Statement of Claim (Encl.107) on 30 June 2024 which was subsequently dismissed by the Court on 23 July 2024. On 24 July 2024, the external party filed in the appeal in the Court of Appeal appealing the decision of Encl.107. The case is fixed on 20 August 2025 for the case management.

During the case management on 20 August 2025, the Court has fixed the next case management on 27 January 2026 for the Court to provide further directions and for the parties to complete the filling of pleadings. The Court further fixed the Full Trial on 7 September 2026, 8 September 2026 and 9 September 2026.

In the Directors' opinion based on updates from the solicitor, the Group is unable to estimate and determine the potential outcome of the case at this juncture and will continue to monitor the case closely.

- c) In December 2016, Gabungan Strategik Sdn Bhd (GSSB) had awarded to China Communication Construction Company (M) Sdn Bhd ("CCCC") and EMSB the Sub-Contract for the foundation and substructure works for Sungai Besi-Ulu Kelang Elevated Expressway Package CA3 ("the Sub-Contract"). A joint venture agreement was entered into by CCCC and EMSB defining each party's roles and responsibilities for the purpose of undertaking the works for the Sub-Contract. On 7 January 2022, CCCC has issued a Notice of Termination to GSSB for GSSB's breach and refusal to perform their fundamental obligations under the Sub-Contract resulting in CCCC terminating the sub-contract work. The parties have filed 2 arbitration proceedings:

(i) First Arbitration

GSSB issued a Notice of Arbitration on 22 December 2023 for damages of RM89.74 million for alleged wrongful termination of the Sub-Contract. The Arbitral Tribunal has issued the Procedural Order No. 1 on 27 June 2024. The hearing dates previously fixed for 2 September 2025 to 4 September 2025 and 12 December 2025 to 13 December 2025 have been vacated by the Tribunal following CCCC's request.

The new hearing dates are fixed for 13 March 2026, 14 March 2026, 16 March 2026, 18 March 2026 and 19 March 2026. The parties have submitted and exchanged their respective witness statements and expert reports on 20 June 2025. The parties are expected to exchange their respective rebuttal witness statements by 14 November 2025.

(ii) Second Arbitration

CCCC-EMSB issued a Notice of Arbitration on 29 April 2024 for work done and loss of RM147.08 million. CCCC-EMSB have agreed to refer all disputes between the parties to be determined in the arbitration commenced by GSSB.

In the Directors' opinion based on updates from the solicitor, the Group is unable to estimate and determine the potential outcome of the case at this juncture and will continue to monitor the case closely.

Notes To The Financial Statements (Continued)

29. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Note 8.

	Transaction amounts for the year ended 30 June			
	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
A. Subsidiaries				
Interest income	-	-	(3,516)	(3,550)
B. Key management personnel				
<i>Directors</i>				
- Fees	265	240	265	240
- Remuneration	2,929	2,407	308	313
	3,194	2,647	573	553
<i>Other key management personnel</i>				
- Remuneration	1,547	1,542	-	-

The estimated monetary value of Directors' benefit-in-kind of the Group is RM50,000 (2024: RM50,000).

30. Comparative information

The following comparative figures have been reclassified to conform with current year presentation:

Group	As restated	As previously stated
	RM'000	RM'000
Other investments	3,813	1,069
Cash and cash equivalents	74,551	77,295

Statement by Directors

pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 64 to 112 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2025 and of their financial performance and cash flows for the financial year then ended.

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

The Cheng Eng
Director

Pang Sar
Director

Kuala Lumpur,

Date: 27 October 2025

Statutory Declaration

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

I, **Leong Wai Ming**, the officer primarily responsible for the financial management of Econpile Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 64 to 112 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Leong Wai Ming, MIA CA 13812, in Kuala Lumpur in the Federal Territory on 27 October 2025.

Leong Wai Ming

Before me:

Independent Auditors' Report

To The Members Of Econpile Holdings Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Econpile Holdings Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 64 to 112.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

i) Revenue and profit recognition from construction contracts

Refer to Note 18 - Revenue.

The key audit matter

The Group has recorded revenue from construction contracts of RM285,987,000 for the financial year ended 30 June 2025.

Construction contract accounting is identified as a key audit matter due to significant judgements involved in estimating the costs to complete the projects. Revenue from construction contracts is recognised overtime based on the proportion that contract cost incurred for the work performed to date bear to the estimated total contract costs while the cost of sales is recognised as an expense in profit or loss in the accounting periods in which the work is performed.

A change in the estimated costs to complete the contracts could result in a material variance in the revenue recognised to date and in the current period. This may have an individually and collectively significant impact on the financial statements.

Independent Auditors' Report (Continued)

To The Members Of Econpile Holdings Berhad

Key Audit Matters (Continued)

i) Revenue and profit recognition from construction contracts (Continued)

The key judgements over construction contract accounting arise from the following:

- Estimated costs to complete the contracts;
- The ability to deliver the contract works within the contractual timelines and whether there is any exposure to liquidated and ascertained damages; and
- Provision for onerous contracts due to potential cost overrun.

How the matter was addressed in our audit

Our audit procedures include, among others:

- Assessed the design and implementation of key controls over the recognition of contract revenue and estimation of costs to complete and tested these controls for operating effectiveness;
- Challenged the Group's key assumptions in the estimated costs to complete by performing the following procedures, among others;
 - Checked the estimated cost to complete to supporting documentation such as approved budgets, contracts and variation orders with sub-contractors; and
 - Corroborated the stage of completion and extent of costs incurred to date by comparing to external quantity surveyors' report.
- Assessed the timing to complete existing projects through corroborative discussion with finance and operational units and review of project correspondences with contract customers;
- Evaluated the merits of extension of time application submitted to the contract customers to assess the exposure to liquidated and ascertained damages by inspecting relevant correspondences, including on-going negotiations with contract customers for the late delivery of contract works; and
- Assessed the adequacy of the provision for onerous contracts for contracts with cost overrun.

ii) Valuation of trade receivables (including retention sum) and contract assets

Refer to Note 8 - Trade and other receivables, Note 9 - Contract assets, Note 26.4 - Financial Instruments - Credit risk - Trade receivables and contract assets and Note 28 - Contingencies.

The key audit matter

The Group has significant trade receivables (including retention sums) and contract assets as at 30 June 2025 of RM360,488,000 and RM114,069,000, respectively. Included in contract assets and trade receivables is an amount of RM80,100,000 and RM13,900,000 respectively related to a construction contract with a customer which is under litigation. (Refer Note 28.2 - Contingencies).

The Group has assessed the allowance for impairment loss of trade receivables (including retention sums) and contract assets on an individual basis. We identified the valuation of trade receivables (including retention sums) and contract assets as a key audit matter due to significant judgement and the level of uncertainty involved in assessing customer's specific conditions and credit history.

Independent Auditors' Report (Continued)

To The Members Of Econpile Holdings Berhad

Key Audit Matters (Continued)

ii) Valuation of trade receivables (including retention sum) and contract assets (Continued)

How the matter was addressed in our audit

Our audit procedures included, among others:

- Checked the Expected Credit Loss ("ECL") model developed by the Group for compliance with the requirements of relevant accounting standard;
- Checked trade receivables ageing report by testing on sample basis to supporting documents to respective age brackets;
- Assessed the adequacy of impairment loss provided by the Group by evaluating past 12 month's collection trend from contract customers as well as collection subsequent to the end of reporting period and inquired management of their assessment;
- For all retention sums that were due, assessed the recoverability of the balance by inspecting correspondences and assessing the past payment trend of the contract customers and inquired management of their assessment; and
- Inspected subsequent approved progress billings from contract customers to assess the recoverability of contract assets.
- For contract asset and trade receivable under litigation with a customer (Refer Note 28.2 - Contingencies), performed the following procedures, among others:
 - Inquired management of the status and their assessment of contract asset and trade receivable under litigations which was reviewed by the audit and risk management committee and considered the Group's judgement on the matters;
 - Discussed with external legal counsels and obtained legal opinion from external legal counsels on the status of contract asset and trade receivable under litigations and obtained access to relevant documents;
 - Obtained the latest available financial information of the customer being filed for judicial management application and understood the financial position;
 - Checked the ownership and encumbrance of the land under prohibitory order; and
 - Assessed the adequacy of the Group's disclosures made in respect of litigations.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Independent Auditors' Report (Continued)

To The Members Of Econpile Holdings Berhad

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditors' Report (Continued)

To The Members Of Econpile Holdings Berhad

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors is disclosed in Note 5 to the financial statements.

Other Matter

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

KPMG PLT

(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Selangor

Date: 27 October 2025

Lee Hean Kok

Approval Number: 02700/12/2025 J
Chartered Accountant

Analysis Of Shareholdings

As At 30 September 2025

Total Number of Issued Shares : 1,417,500,025
 Class of Shares : Ordinary Shares
 Voting Right : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	Total Shareholdings	%
Less than 100 shares	119	4,423	0.000
100 to 1,000 shares	714	410,002	0.029
1,001 to 10,000 shares	3,009	18,440,775	1.301
10,001 to 100,000 shares	2,747	95,935,350	6.768
100,001 to less than 5% of issued shares	571	872,026,345	61.519
5% and above of issued shares	3	430,683,130	30.383
Total	7,163	1,417,500,025	100.000

SUBSTANTIAL SHAREHOLDERS

According to the Register of Substantial Shareholders, the following are the substantial shareholders of the Company:

Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
The Cheng Eng	349,933,118	24.69	380,000*	0.03
Pang Sar	247,000,012	17.43	-	-
Employees Provident Fund Board	114,871,814	8.10	-	-

Notes:-

* Deemed interest by virtue of his child's direct interest pursuant to Section 59 of the Companies Act 2016.

DIRECTORS' SHAREHOLDINGS

Directors	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
The Cheng Eng	349,933,118	24.69	380,000*	0.03
Pang Sar	247,000,012	17.43	-	-
The Kun Ann	250,000	0.02	-	-
Krishnan A/L C K Menon	250,000	0.02	-	-
Teh Bee Choo	-	-	-	-
Law Siew Ngan	-	-	-	-
Datuk Syed Azmi Bin Syed Othman	-	-	-	-
Hassan Bin Ramadi (resigned on 31 May 2025)	-	-	-	-

Notes:-

* Deemed interest by virtue of his child's direct interest pursuant to Section 59 of the Companies Act 2016.

Analysis Of Shareholdings (Continued)

As At 30 September 2025

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 SEPTEMBER 2025

NO.	NAME	HOLDINGS	%
1	CITIGROUP NOMINEES (TEMPATAN) SDN BHD UBS AG SINGAPORE FOR THE CHENG ENG	250,000,000	17.637
2	PANG SAR	105,750,012	7.460
3	THE CHENG ENG	74,933,118	5.286
4	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MEF)	45,508,100	3.210
5	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR PANG SAR (PB-0J0028)	45,000,000	3.175
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ASIANISLAMIC)	38,417,500	2.710
7	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	37,054,200	2.614
8	ABB NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PANG SAR	35,000,000	2.469
9	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PANG SAR	29,000,000	2.046
10	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (PRINCIPAL)	26,700,400	1.884
11	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR THE CHENG ENG (PB)	25,000,000	1.764
12	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PANG SAR (THIRD PARTY)	19,750,000	1.393
13	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (PRINCIPAL EQITS)	17,500,000	1.235
14	HSBC NOMINEES (TEMPATAN) SDN BHD BNPP SIN/2S FOR PERTUBUHAN KESELAMATAN SOSIAL (PKSUOBAM EQ)	16,038,600	1.131
15	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (AIIMAN IS EQ)	14,991,300	1.058
16	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	14,084,100	0.994
17	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (RHBISLAMIC)	13,248,000	0.935
18	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PANG SAR (THIRD PARTY)	12,500,000	0.882
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (AHAM AM 2)	12,324,500	0.869
20	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD AS BENEFICIAL OWNER (TMEF)	12,000,000	0.847
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (AIIMAN)	11,571,200	0.816
22	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ARIM)	11,333,200	0.799
23	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL DALI EQUITY FUND	10,494,100	0.740

Analysis Of Shareholdings (Continued)

As At 30 September 2025

LIST OF 30 LARGEST SHAREHOLDERS AS AT 30 SEPTEMBER 2025

NO.	NAME	HOLDINGS	%
24	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (CPIAM EQ)	9,804,200	0.692
25	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	9,394,817	0.663
26	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (UOB AM SC EQ)	8,592,200	0.606
27	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (UOB)	8,470,000	0.597
28	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD(UOBESGSCEQ)	8,410,700	0.593
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (LIFE PAR)	8,040,000	0.567
30	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	7,679,297	0.542
		<u>938,589,544</u>	<u>66.214</u>

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 13th Annual General Meeting of Econpile Holdings Berhad ("the Company") will be held at **Banquet Hall, Level 1, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Malaysia** on **Thursday, 27 November 2025** at **10.00 a.m.** for the following purposes:

AGENDA

AS ORDINARY BUSINESS:

1.

To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and Auditors thereon.

(Please refer to the Explanatory Notes to the Agenda)
2.

To approve the payment of Directors' fees up to an aggregate amount of RM270,000.00 for the financial year ending 30 June 2026.

(Ordinary Resolution 1)
3.

To approve the payment of Directors' benefits up to an aggregate amount of RM150,000.00 for the period from 28 November 2025 until the next Annual General Meeting of the Company.

(Ordinary Resolution 2)
4.

To re-elect the following Directors who are retiring in accordance with Clause 76(3) of the Constitution of the Company:-
- (a)

Teh Bee Choo

(Ordinary Resolution 3)
- (b)

Law Siew Ngan

(Ordinary Resolution 4)
5.

To re-elect Datuk Syed Azmi Bin Syed Othman who is retiring in accordance with Clause 78 of the Constitution of the Company.

(Ordinary Resolution 5)
6.

To re-appoint KPMG PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

(Ordinary Resolution 6)

AS SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following ordinary resolution, with or without modifications:-

7.

Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

(Ordinary Resolution 7)

Notice Of Annual General Meeting (Continued)

“**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant regulatory authorities (if any), the Directors of the Company be and are hereby authorised to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions and for such purposes and to such persons whomsoever as the Directors may in their absolute discretion deem fit PROVIDED THAT the aggregate number of shares to be issued pursuant to this resolution, when aggregated with the total number of such shares issued during the preceding twelve (12) months does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be authorised to do all such things as they may deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company held after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is the earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting.”

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

FOO PEI KOON (MAICSA 7067238) (SSM PC NO. 202108000380)

TE HOCK WEE (MAICSA 7054787) (SSM PC NO. 202008002124)

Company Secretaries

Kuala Lumpur

29 October 2025

NOTES:

1. *For the purpose of determining who shall be entitled to attend the 13th Annual General Meeting (“AGM”), the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 19 November 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this meeting or appoint a proxy to attend, participate, speak and vote on his/her/its behalf.*
2. *A member of the Company who is entitled to attend and vote at a general meeting may appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.*
3. *A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than 2 proxies to attend, participate, speak and vote instead of the member at the general meeting.*
4. *Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”), it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
5. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*

Notice Of Annual General Meeting (Continued)

6. *Where a member, an authorised nominee or an exempt authorised nominee appoints more than 1 proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportion of his shareholdings to be represented by each proxy.*
7. *The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the 13th AGM or adjourned general meeting at which the person named in the appointment proposes to vote:*
 - (i) *In hard copy form*
To be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) *By electronic form*
The proxy form can be electronically lodged with the Company's Share Registrar via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via the portal.
8. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the 13th AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
9. *Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.*
10. *Last date and time for lodging the proxy form is **Tuesday, 25 November 2025 at 10.00 a.m.***
11. *Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:*
 - a. *Identity card (NRIC) (Malaysian), or*
 - b. *Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or*
 - c. *Passport (Foreigner).*
12. *For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form with the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia if this has not been lodged with the Company's Share Registrar earlier.*
13. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 13th AGM will be put to vote by way of poll.*

Notice Of Annual General Meeting (Continued)

EXPLANATORY NOTES TO THE AGENDA

(i) **Item 1 of the Agenda**
Audited Financial Statements for the financial year ended 30 June 2025

This item is meant for discussion only. The provision of Section 248(2) and Section 340(1)(a) of the Companies Act 2016 require that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such, this agenda item is not a business which requires a motion to be put forward to vote by shareholders.

(ii) **Ordinary Resolution 1**
Directors' fees for the financial year ending 30 June 2026

The Directors' fees proposed for the financial year ending 30 June 2026 are calculated based on the current board size and assuming that all Non-Executive Directors will hold office until the next AGM. This resolution is to facilitate payment of Directors' fees on current financial year basis.

(iii) **Ordinary Resolution 2**
Directors' benefits for the period from 28 November 2025 until the next AGM

Directors' benefits are meeting allowance payable to Non-Executive Directors, inclusive of Independent Directors and Non-Independent Non-Executive Directors and in determining the estimated amount, the Board of Directors ("Board") has considered various factors including the current board size and number of scheduled meetings for the Board and Board Committees for the period from 28 November 2025 until the next AGM as well as the number of Non-Executive Directors involved in the meeting. In the event the proposed amount is insufficient (due to more meetings or enlarged board size), approval will be sought at the next AGM for the shortfall.

(iv) **Ordinary Resolutions 3 to 5**
Re-election of Directors

Ms Teh Bee Choo, Ms Law Siew Ngan and Datuk Syed Azmi Bin Syed Othman are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 13th AGM.

Their profiles are disclosed in the Profile of the Board of Directors of the 2025 Annual Report.

Saved as disclosed, the retiring Directors have no conflict of interest with the Company and have no family relationship with any Director and/or major shareholder of the Company.

Ms Teh Bee Choo has demonstrated independence through her engagement in Board and Board Committee meetings. She also carried out her duties professionally and proficiently during her tenure as an Independent Non-Executive Director of the Company.

Ms Law Siew Ngan has exercised due care and carried out her duties professionally and proficiently during her tenure as an Independent Non-Executive Director of the Company. She remains objective in expressing her view and participating in the Board and Board Committees meetings.

Datuk Syed Azmi Bin Syed Othman was appointed on 29 August 2025 and is subject to re-election pursuant to Clause 78 of the Constitution of the Company. He fulfils the requirements of independence set out in the Main Market Listing Requirements and has exercised due care and carried out his duties professionally and proficiently since he joined the Company.

The Nomination Committee ("NC") had also considered the performance and contribution, time and commitment, calibre and personality, as well as fit and proper assessment of the retiring Directors save for Datuk Syed Azmi Bin Syed Othman who was appointed to the Board on 29 August 2025. Notwithstanding that, the NC has considered and deliberated on the background, knowledge, fit and proper criteria etc. of Datuk Syed Azmi Bin Syed Othman prior to recommending his appointment as an Independent Non-Executive Director of the Company. Based on the recommendation of the NC, the Board is supportive of their re-election.

Notice Of Annual General Meeting (Continued)

(v) **Ordinary Resolution 6**
Re-appointment of Auditors

The Board had, through the Audit & Risk Management Committee, considered the re-appointment of KPMG PLT as the Auditors of the Company. The factors considered by the Audit & Risk Management Committee in making the recommendation to the Board to table their re-appointment at the 13th AGM are disclosed in the Audit & Risk Management Committee Report of the 2025 Annual Report.

(vi) **Ordinary Resolution 7**
Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed resolution, if passed, will empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

This is a renewal of the mandate obtained from shareholders at the last AGM held on 27 November 2024. The mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

The purpose of this general mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions or such other application as the Directors may deem fit in the best interest of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 27 November 2024 and the mandate will lapse at the conclusion of the 13th AGM.

Proxy Form

CDS Account No.	
No. of shares held	

I/We _____ Tel: _____
[Full name in block, NRIC/Passport/Company No.]

of _____
[Full address]

being member(s) of **ECONPILE HOLDINGS BERHAD**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairperson of the Meeting, as my/our proxy/proxies to vote for me/us and on my/our behalf at the 13th Annual General Meeting of the Company which will be held at **Banquet Hall, Level 1, Main Lobby, Kuala Lumpur Golf & Country Club (KLGCC), No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Malaysia** on **Thursday, 27 November 2025** at **10.00 a.m.** or at any adjournment thereof, and to vote as indicated below:

Description of Resolution	Resolution	For	Against
To approve the payment of Directors' fees up to an aggregate amount of RM270,000.00 for the financial year ending 30 June 2026.	Ordinary Resolution 1		
To approve the payment of Directors' benefits up to an aggregate amount of RM150,000.00 for the period from 28 November 2025 until the next Annual General Meeting of the Company.	Ordinary Resolution 2		
To re-elect Teh Bee Choo as Director.	Ordinary Resolution 3		
To re-elect Law Siew Ngan as Director.	Ordinary Resolution 4		
To re-elect Datuk Syed Azmi Bin Syed Othman as Director.	Ordinary Resolution 5		
To re-appoint KPMG PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration.	Ordinary Resolution 6		
Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.	Ordinary Resolution 7		

(Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.)

Signed this _____ day of _____, 2025

Signature#
Member

- # Manner of execution:
- (a) If you are an individual member, please sign where indicated.
 - (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
 - (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two authorised officers, one of whom shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.



NOTES:

1. For the purpose of determining who shall be entitled to attend the 13th Annual General Meeting ("AGM"), the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 19 November 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this meeting or appoint a proxy to attend, participate, speak and vote on his/her/its behalf.
2. A member of the Company who is entitled to attend and vote at a general meeting may appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than 2 proxies to attend, participate, speak and vote instead of the member at the general meeting.
4. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than 2 proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
6. Where a member, an authorised nominee or an exempt authorised nominee appoints more than 1 proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportion of his shareholdings to be represented by each proxy.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the 13th AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
To be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
 - (ii) By electronic form
The proxy form can be electronically lodged with the Company's Share Registrar via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via the portal.

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AFFIX
STAMP

**THE SHARE REGISTRAR OF
ECONPILE HOLDINGS BERHAD**

(Registration No.: 201201032676 (1017164-M))

Tricor Investor & Issuing House Services Sdn. Bhd.

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

Please fold here

8. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding the 13th AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging the proxy form is **Tuesday, 25 November 2025 at 10.00 a.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - a. Identity card (NRIC) (Malaysian), or
 - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - c. Passport (Foreigner).
12. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form with the Share Registrar of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the drop-in box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia if this has not been lodged with the Company's Share Registrar earlier.
13. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 13th AGM will be put to vote by way of poll.



ECONPILE HOLDINGS BERHAD

(Registration No.: 201201032676)(1017164-M)

Level 8, Tower Block, Plaza Dwtasik,
Jalan Sri Permaisuri, Bandar Sri Permaisuri,
56000 Kuala Lumpur

Tel +603 9171 9999 **Fax** +603 9173 6666

mail@econpile.com.my