

JcbNext Berhad

Annual Report 2024

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GROUP PERFORMANCE HIGHLIGHTS

Financial Year Ended 31 December	2020	2021	2022	2023	2024
Operating Results (RM million)					
Revenue	6.0	6.4	9.5	10.9	14.6
Profit before tax	7.9	18.3	25.6	41.3	51.8
Profit after tax	6.4	16.7	23.6	35.5	51.1
Profit attributable to owners of the Company	6.5	16.8	23.6	35.5	51.1
Net free cash flow	7.4	9.0	14.6	17.0	18.1
Key Balance Sheet Data (RM million)					
Total assets	325.5	346.8	350.8	371.7	409.2
Adjusted net asset value [#]	382.7	425.5	446.4	457.9	465.0
Equity attributable to owners of the Company	323.6	344.9	348.8	362.1	399.7
No. of ordinary shares in issuance (no. of shares, million)	134.1	132.0	132.0	132.0	131.4
Share Information and Valuation					
Book value per share (RM)	2.41	2.61	2.64	2.74	3.04
Adjusted net asset value share (RM)	2.85	3.22	3.38	3.47	3.54
Earnings per share (sen)	4.80	12.68	17.85	26.88	38.83
Net dividend per share (sen)	3.00	3.50	6.00	6.50	7.00
Share price as at 31 December (RM)	1.40	1.38	1.28	1.59	1.63
Net dividend yield (%)	2.14	2.54	4.69	4.09	4.29
Financial Ratios					
Return on equity (%)	2.0	4.9	6.8	9.8	12.8
Operating margin (%)	(0.38)	53.2	57.31	68.27	46.15
Net profit margin (%)	107.12	264.36	247.32	325.36	349.75

[#] Associates at market value

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Ali bin Abdul Kadir

Non-Independent Non-Executive Chairman

Teo Koon Hong

Senior Independent Non-Executive Director

Tan Beng Ling

Independent Non-Executive Director

Lim Chao Li

Non-Independent Non-Executive Director

Chua Bee Ai

Non-Independent Non-Executive Director

Dr. Wong Siew Hui

Executive Director

AUDIT AND RISK COMMITTEE

Teo Koon Hong

Chairman, Senior Independent Non-Executive Director

Tan Beng Ling

Member, Independent Non-Executive Director

Chua Bee Ai

Member, Non-Independent Non-Executive Director

NOMINATION COMMITTEE

Teo Koon Hong

Chairman, Senior Independent Non-Executive Director

Tan Beng Ling

Member, Independent Non-Executive Director

Lim Chao Li

Member, Non-Independent Non-Executive Director

REMUNERATION COMMITTEE

Lim Chao Li

Chairman, Non-Independent Non-Executive Director

Teo Koon Hong

Member, Senior Independent Non-Executive Director

Tan Beng Ling

Member, Independent Non-Executive Director

AUDITORS

KPMG PLT (LLP0010081-LCA & AF 0758)

Chartered Accountants

Level 10, KPMG Tower

8 First Avenue

Bandar Utama

47800 Petaling Jaya

Selangor Darul Ehsan

LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name : JCBNEXT

Stock Code : 0058

COMPANY SECRETARIES

Tai Yit Chan

(MAICSA 7009143)

(SSM Practicing Certificate No. 202008001023)

Tan Ai Ning

(MAICSA 7015852)

(SSM Practicing Certificate No. 202008000067)

REGISTERED OFFICE

12th Floor, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim

Seksyen 13

46200 Petaling Jaya

Selangor Darul Ehsan

Tel: 03-78904800

Fax: 03-78904650

E-mail : boardroom-kl@boardroomlimited.com

Website : www.boardroomlimited.com

HEAD OFFICE

Wisma JcbNext

No. 27, Lorong Medan Tuanku 1

(Off Jalan Sultan Ismail)

50300 Kuala Lumpur

Tel: 03-26922333

Fax: 03-26981333

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd

[Registration No. 199601006647 (378993-D)]

11th Floor, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim

Seksyen 13

46200 Petaling Jaya

Selangor Darul Ehsan

Tel: 03-78904700

Fax: 03-78904670

Email: bsr.helpdesk@boardroomlimited.com

Website : www.boardroomlimited.com

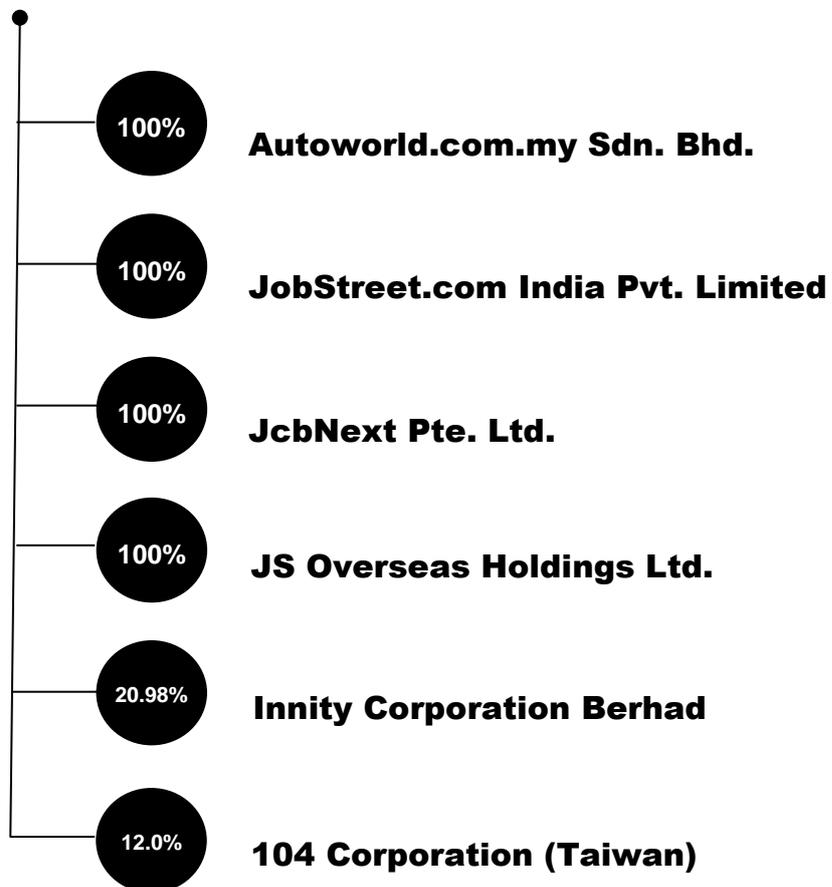
WEBSITE

www.jcbnext.com

CORPORATE STRUCTURE

as at 24 April 2025

JcbNext Berhad



PROFILE OF DIRECTORS

Datuk Ali bin Abdul Kadir

Non-Independent Non-Executive Chairman
Malaysian, 76 years of age, Male

Datuk Ali bin Abdul Kadir was appointed to the Board of Directors on 1 October 2004 and served as the Independent Non-Executive Chairman until 27 June 2019 when he was redesignated as a Non-Independent Non-Executive Director. As a Non-Independent Non-Executive Director, Datuk Ali continues to serve as the Chairman of the Board of Directors. He is a Fellow of the Institute of Chartered Accountants in England and Wales ("ICAEW"), member of the Malaysian Institute of Certified Public Accountants ("MICPA") and the Malaysian Institute of Accountants. He is also Honorary Advisor to ICAEW-KL City Chapter and Honorary Fellow of the Institute of Chartered Secretaries and Administrators (UK).

Datuk Ali is Chairman of Enra Group Berhad and Amanah Lestari Alam. He is also a board member of other private companies and foundations.

Datuk Ali was appointed as Chairman of the Securities Commission of Malaysia on 1 March 1999 and served in that capacity until 29 February 2004. He also served on several national-level committees including the Foreign Investment Committee and the Oversight Committee of National Asset Management Company (Danaharta). Before his appointment to the Securities Commission, he was the Executive Chairman and Partner of Ernst & Young and its related firms. He was also the former President of the MICPA, chairing both its Executive Committee and Insolvency Practices Committee and co-chairing the Company Law Forum. He was appointed an Adjunct Professor in the Accounting and Business Faculty, University of Malaya (2008 till 2011) and was then appointed to the Advisory Board of the same Faculty. Datuk Ali was also previously the chairman of Milux Corporation Berhad, Microlink Solutions Berhad and the Financial Reporting Foundation and a board member of Citibank Berhad and Labuan Financial Services Authority.

On the international front, Datuk Ali was a member of the Exco Board of the International Organisation of Securities Commissions' (IOSCO), chairman of their Asia Pacific Region Committee and the Islamic Capital Market Working Group. In addition, he was a trustee of the Accounting and Auditing Organisation for Islamic Financial Institutions, Force of Nature Aid Foundation; and also the Advisor to the Sri Lanka Securities and Exchange Commission.

Datuk Ali was awarded the Panglima Jasa Negara (PJN) by the Yang di-Pertuan Agong in 2001. In 2012, he was bestowed the Lifetime Achievement Award by ICAEW and the President's Award by MICPA.

Datuk Ali has attended all four (4) Board Meetings of the Company held during the financial year ended 31 December 2024.

Teo Koon Hong

Senior Independent Non-Executive Director
Singaporean, 75 years of age, Male

Mr. Teo Koon Hong is an Independent Non-Executive Director of the Company and was appointed to the Board of Directors on 25 June 2015. He is the Chairman of the Audit and Risk Committee and the Nomination Committee, and a member of the Remuneration Committee.

Mr. Teo holds a Bachelor of Accountancy from the University of Singapore. He is also a graduate of the Institute of Cost and Management Accountants, United Kingdom and a Fellow Chartered Accountant of Singapore. Mr. Teo commenced his career in 1975 as a Cost Accountant of Beecham Pharmaceutical Pte. Ltd. (now part of Glaxo Smithkline). Subsequently, from 1977 to 1984, he joined Carrier Corporation and served in various positions including as the Regional Finance Director, Asia Pacific; Director of Strategic Planning based in New York; Managing Director of Carrier Singapore and President of Carrier Thailand.

PROFILE OF DIRECTORS (CONTINUED)

From 1985 to 1996, Mr. Teo invested in Price Asia Manufacturing Pte. Ltd.. In 1996, he sold his stake in Price Asia Manufacturing Pte. Ltd. to Johnson Controls and as part of the terms of the sale, he joined Johnson Controls as their Vice President of Asia Pacific. In 2000, Mr. Teo left Johnson Controls to pursue opportunities in private equity and served in a non-executive capacity on the board of JobStreet.com Pte. Ltd.. In 2004, he was a director and shareholder in Enerpro Pte. Ltd. until 2008. He does not hold any other directorship of public companies.

Mr. Teo Koon Hong has attended all four (4) Board Meetings of the Company held during the financial year ended 31 December 2024.

Tan Beng Ling

Independent Non-Executive Director
Malaysian, 62 years of age, Female

Ms. Tan Beng Ling is an Independent Non-Executive Director of the Company. She was appointed to the Board of Directors on 9 September 2022. She is also a member of the Audit and Risk Committee, Nomination Committee as well as Remuneration Committee. Ms. Tan graduated with a Bachelor of Business Administration from the National University of Singapore in 1987 and is a CFA (Chartered Financial Analyst) charter holder. She has more than 30 years of experience in investment research and fund management. She started her career as an economist with DBS Securities in Singapore, before returning to Malaysia as an equity analyst with Barclays deZoete Wedd Securities. She subsequently served with WI Carr, ArabMalaysian Securities and was one of the founding members and CEO of Surf88.Com, an online research service provider which was an associate of The Star, the leading newspaper in Malaysia. Ms. Tan joined the fund management industry in 2005 as the Chief Investment Officer of Meridian Asset Management, directly overseeing investments of more than RM1 billion in equities and fixed income. Before her retirement in July 2020, she was the Chief Investment Officer and a partner at Kumpulan Sentiasa Cemerlang Sdn. Bhd., which provides investment management services to institutions and high-net-worth individuals. Ms Tan is currently a director of Chua Family Foundation and was previously a director of Beshom Holdings Berhad.

Ms. Tan has attended all four (4) Board Meetings of the Company held during the financial year ended 31 December 2024.

Lim Chao Li

Non-Independent Non-Executive Director
Malaysian, 59 years of age, Male

Mr. Lim Chao Li is a Non-Independent Non-Executive Director of the Company. He was appointed to the Board of Directors on 1 October 2004. He is the Chairman of the Remuneration Committee and a member of the Nomination Committee. Mr. Lim graduated with degrees from the University of Pennsylvania's School of Engineering and Applied Science and the Wharton School. He has worked for Deloitte & Touche and Johnson & Johnson and currently, he is with the Hotel Equatorial Group, a family business that is involved in hospitality and property. He is a Board Member of Public Bank Berhad. He is a member of the Executive Board for Asia of the Wharton School, University of Pennsylvania and the former Chair of the Council of Governors of the Alice Smith School in Malaysia.

Mr. Lim Chao Li has attended all four (4) Board Meetings of the Company held during the financial year ended 31 December 2024.

PROFILE OF DIRECTORS (CONTINUED)

Dr. Wong Siew Hui

Executive Director

Malaysian, 61 years of age, Male

Dr. Wong Siew Hui (“Dr. Albert”) is an Executive Director of the Company and was appointed to the Board of Directors on 24 February 2023. Dr. Albert obtained his Bachelor of Engineering (Civil) from the University of Western Australia in 1987, a Master of Science in Civil Engineering from the Massachusetts Institute of Technology, USA in 1991 and a PhD degree in Computer-Aided Engineering from the Massachusetts Institute of Technology, USA in 1993. He started his career with Schlumberger Austin Product Center before moving to Genesis Development Corporation, USA in 1998. Dr. Albert joined the JobStreet Group in 2000 where he had overall responsibility for JobStreet’s technology including product development, website platform, architecture, sales technologies, technical operations and technical support.

Dr. Albert has attended all four (4) Board Meetings of the Company held during the financial year ended 31 December 2024.

Chua Bee Ai

Non-Independent Non-Executive Director

Malaysian, 50 years of age, Female

Ms. Chua Bee Ai is a Non-Independent Non-Executive Director of the Company. She was appointed to the Board of Directors on 9 October 2024. She is also a member of the Audit and Risk Committee. Ms. Chua graduated with a Bachelor’s degree in Mathematics and Computer Science from King’s College London, United Kingdom, and obtained Master’s degrees in Wealth Management from Singapore Management University and in Operational Research from London School of Economics, United Kingdom.

Ms. Chua is a project management professional with over two decades of experience with Dell Asia Pacific, Lenovo China, Blizzard Entertainment China and Razer Inc. Currently, she is an Investment Manager at a Family office in Singapore, Little Rain Pte Ltd. Her current responsibility is managing external investments on behalf of the Family office.

For the financial year ended 31 December 2024, Ms. Chua has attended one (1) Board Meeting of the Company, which was held subsequent to her appointment as Non-Independent Non-Executive Director on 9 October 2024.

None of the Directors have any family relationship with any other Director and/or major shareholders of the Company.

None of the Directors have any conflict of interest or potential conflict of interest in any business arrangements involving the Company or its subsidiaries, nor have any convictions for offences (other than traffic offence, if any) within the past 5 years and has not been imposed of any public sanction or penalty by relevant regulatory bodies during the financial year.

PROFILE OF SENIOR MANAGEMENT TEAM

Liong Wei Li

Chief Executive Officer
Malaysian, 41 years of age, Male

Mr. Liong Wei Li is the Chief Executive Officer (“CEO”) of the Company and was redesignated to this role from Acting Chief Executive Officer on 13 July 2021. He joined the Company in December 2012 as the Special Officer to the CEO and was a Product Owner for the JobStreet.com business, during which he focused on revamping the employer-facing recruitment system for JobStreet.com’s regional user base. Since the sale of the JobStreet.com business, he has been focused on the Company’s investment activities, responsible for establishing and continuously refining the investment processes for the Company, as well as sourcing and analyzing potential investment opportunities. Mr. Liong holds a Bachelor of Economics degree from the University of Malaya and an MPhil in Economics degree from the University of Cambridge. He also holds a Bachelor of Laws degree from the University of London and a Certificate of Legal Practice from the Legal Profession Qualifying Board in Malaysia. In addition, Mr. Liong is a holder of the CFA and CAIA charters, as well as the CIPM designation. He commenced his career as a research associate at the Institute of China Studies and the Faculty of Economics & Administration at the University of Malaya. He is currently an Alternate Director to Mr. Gregory Charles Poarch on the Board of Innity Corporation Berhad. Save for his shareholdings in the Company as disclosed on page 130 of the Annual Report, he does not have any other interest in the securities of the Company and its subsidiaries.

Gregory Charles Poarch

Chief Financial Officer
American, 60 years of age, Male

Mr. Gregory Charles Poarch graduated with a Bachelor of Science in Accounting from Southwestern Oklahoma State University, USA in 1988. He commenced his career in 1988 as a Senior Auditor with Finley & Cook, a Certified Public Accounting Firm. Moving on, he joined Occidental Petroleum Corporation as an Audit Supervisor. Subsequently, in 1996, he joined MEASAT Broadcast Network Systems Sdn. Bhd. as a Project Manager. He was promoted to Senior Manager level in 1997. He joined the JobStreet Group in 2000 and took on the position of Vice President, Finance & Administration. With the listing of the JobStreet Group in November 2004, he became the Chief Financial Officer of the Company. He currently sits on the Board of Innity Corporation Berhad.

Dr. Wong Siew Hui

Executive Director
Malaysian, 61 years of age, Male

Dr. Wong Siew Hui (“Dr. Albert”) obtained his Bachelor of Engineering (Civil) from the University of Western Australia in 1987, a Master of Science in Civil Engineering from the Massachusetts Institute of Technology, USA in 1991 and a PhD degree in Computer-Aided Engineering from the Massachusetts Institute of Technology, USA in 1993. Dr. Albert started his career with Schlumberger Austin Product Center before moving to Genesis Development Corporation, USA in 1998. Dr. Albert joined the JobStreet Group in 2000 where he had overall responsibility for JobStreet’s technology including product development, website platform, architecture, sales technologies, technical operations and technical support.

Other than JobNext Berhad, he does not hold any directorships in public companies and listed issuers in Malaysia.

None of the Senior Management Team have any family relationship with any other Director and/or major shareholders of the Company.

None of the Senior Management Team have any conflict of interest or potential conflict of interest in any business arrangement involving the Company, nor have any convictions for offences (other than traffic offence, if any) within the past 5 years and has not been imposed of any public sanction or penalty by relevant regulatory bodies during the financial year.

LETTER FROM THE CHAIRMAN

Dear Shareholders,

It is our pleasure, on behalf of the Board of Directors to present the Annual Report and Audited Financial Statements of JcbNext Berhad (“JcbNext” or “the Group”) for the financial year ended 31 December 2024.

FINANCIAL PERFORMANCE

For the financial year ended 31 December 2024, the Group recorded revenue of RM14.62 million, profit before tax of RM51.78 million and a profit attributable to shareholders of RM51.12 million, representing year on year (“YoY”) increase of 34.0%, 25.3% and 44.0% respectively. The growth is brought about by a 26.7% growth in dividend income from equity investments from RM7.86 million in 2023 to RM9.96 million in 2024. In addition, the Group’s interest income had increased 116.4% to RM3.24 million in 2024 driven partly by the increase in cash as well as the prevailing high interest rates during the year. We also continued to sell shares of 104 Corporation (“104 Corp”) in the open market during the year which contributed gains amounting to RM34.03 million to our bottom line. These gains alone accounted for approximately 66% of the net profit for FY 2024. I would like to caution that the gains on the disposal of 104 Corp shares are not part of operating activities in the strict sense of the term and that shareholders should not expect these gains to recur indefinitely. The disposals stem from a need to manage concentration risk and how much gains we can continue to record from the disposals going forward will also depend on market conditions and the share price performance of 104 Corp. Moving on, the Group’s operating expenses had increased by 69.7% YoY to RM7.89 million in FY 2024 from RM4.65 million in the preceding year. While this looks bad on the surface, upon further inspection, operating expenses had included foreign exchange losses amounting to RM3.27 million. These foreign exchange losses were mainly from the Group’s foreign denominated bank deposits and arose due to the weakening of the USD and the strengthening of the MYR from the third quarter onwards. While a lot of it has to do with the US Federal Reserve pivoting to monetary easing in 2024, favourable domestic factors had also contributed to the strengthening of the MYR. It is good to see dividends from our equity investments continuing to grow year-on-year which is in line with our objective of growing free cash flows which can then be distributed back to you, our shareholders. The higher dividend income also means our dependence on our associates, in particular 104 Corporation, is gradually reducing and we can have a more diversified income base.

To have a balanced picture of the financial performance of the Group during the year, we would also have to look into the consolidated statement of financial position, specifically in equity. The Group’s net assets grew by RM37.57 million or 10.4% YoY. Apart from the net profit of RM51.12 million, an increase in the fair value through other comprehensive income (FVOCI) equity investments amounting to RM19.37 million had also contributed to the growth in net assets. However, these were partially offset by foreign currency translation losses of RM14.37 million on 104 Corp as well as the payment of dividends amounting to RM17.76 million during the year. Unlike 2023, JcbNext had paid dividends twice in 2024, namely the final dividend of 6.5 sen for FY 2023 in July 2024 and the payment of an interim dividend of 7.0 sen in December 2024. As a result of all these factors, net assets or shareholders’ funds increased from RM362.15 million in 2023 to RM399.72 million in the current financial year. As at 31 December 2024, our total assets stood at RM409.16 million (2023: RM371.66 million) with liquid cash and short-term investments in money market funds totalling RM107.20 million (2023: RM109.57 million). Total equity attributable to shareholders amounted to RM399.72 million (2023: RM362.15 million) with a book value per share of RM3.04 (2023: RM2.74).

LETTER FROM THE CHAIRMAN (CONTINUED)

A detailed discussion of the Group's financial performance can be found in the Management Discussion and Analysis included in this Annual Report.

DIVIDEND

On 9 December 2024, the Board of Directors announced the declaration of an interim single-tier dividend of 7.0 sen per share for the financial year ended 31 December 2024 which was paid on 31 December 2024. The Board does not recommend the payment of a final dividend. For the financial year ended 31 December 2023, a final dividend of 6.5 sen was paid on 25 July 2024.

CORPORATE DEVELOPMENTS

2024 saw the Group, for the most part, acquiring more equity investments. During the year, the Group had invested an additional RM61.11 million into its equity portfolio. In a way, this reflects our investment philosophy of patiently building up a collection of good businesses that can provide us with a regular stream of dividends. We will not buy if such buying is inconsistent with our investment strategy and criteria. During the year, the Group had also sold some investments amounting to RM7.27 million (excluding the disposals of 104 Corp shares) and such disposals are driven by a combination of factors such as changes in the fundamentals of the underlying companies and for rebalancing the equity portfolio. I wish to reiterate that JcbNext remains a long-term investor and does not engage in short-term speculative trading of shares.

GOING FORWARD

Here we are in 2025 and we find ourselves in choppy waters. The raft of tariff announcements, retaliatory measures and escalating trade war have rocked markets and left investors on edge. Tariffs could raise prices, slow consumption and raise the likelihood of a recession. President Trump's sweeping tariffs have left many wondering how these tariffs were formulated and what the endgame is. One key ingredient in business investment decisions is certainty and the irony right now is that uncertainty is the only certainty. At the time of writing, President Trump has announced a 90-day pause on the reciprocal tariffs which has restored some calm to markets, albeit only temporary. No one knows how this situation will play out after this. In these turbulent times, JcbNext will stay the course and focus on what we can control. Work continues to find undervalued gems: resilient companies with good business fundamentals that will allow them to ride out this storm, and hopefully we will all be able to enjoy the fruits of this effort in the years to come. Buckle up, we're in for a rollercoaster ride!

SUSTAINABILITY

The Group continues to endorse principles of sustainability in its business operations and corporate activities. We are pleased to present to you our Sustainability Report in the Annual Report where you can find our thoughts on the matter and also some of the initiatives that are already in place.

LETTER FROM THE CHAIRMAN (CONTINUED)

APPRECIATION

We would like to record our appreciation to all our employees, valued partners, business advisers and shareholders for your continued support during the past year.

DATUK ALI BIN ABDUL KADIR

Chairman

LETTER FROM THE CHIEF EXECUTIVE OFFICER

Dear shareholders,

Overall performance

Our company recorded a revenue of RM14.6 million in FY2024, an increase of 34.0% from the RM10.9 million in FY2023. Net profit attributable to shareholders rose to RM51.1 million, 44.0% higher than the RM35.5 million figure in FY2023. However, as shared previously, I believe accounting revenue and profit numbers are often less relevant in explaining the economic substance of our company due to the nature of our business.

FY2024 was again a year when the growth in our accounting profits – in my view – grossly overstated the economic substance of our performance. Among developments captured in the RM51.1 million profit included: i) RM34.0 million accounting gain on disposal of investment in an associate, and ii) RM3.3 million foreign exchange losses. The RM34.0 million gain on disposal was recognised mainly from the partial sales of our shareholding in Taiwan-listed associate 104 Corp, at a price higher than its carrying value on our books. I believe transactions of such nature merely convert our “investments” into “cash” and should not be deemed to have increased our “profitability” levels.

Recognising gains from such transactions could be problematic in two ways. First, we started investing in 104 Corp in 2008 and have held on to most of the shares until the partial divestment exercise began in 2021. The “value creation” of this investment for our portfolio obviously did not occur only from 2021 (as suggested by the “realised gains” that started showing up in our financial statements), but was a culmination of the decision by earlier management teams making the investment, as well as their patience to have held on to the position for more than 13 years. They planted, watered and tended the mango tree – we simply reached out and picked the fruit. To make things worse, if we do not succeed in growing new trees, eventually there will be no fruits left to harvest.

Second, emphasising on this version of “profitability” could easily allow a more “creative” management team, sitting on investments with similarly large unrealised gains, to decide when they want accounting “profits” to increase and by how much. If such management wants to perform “better” that year, they can just sell more of those positions – even if it might not be in the best interests of shareholders – and “profits” will magically appear. Unfortunately, due to existing accounting standards, you will continue to see such anomalies in our results.

The following are a number of key data points that our management team actually focuses on, that I hope would give you a more complete picture of our performance. Unlike many investment funds, we emphasise much more on growing the recurring cash flow that we receive - including dividends, interest income and rental - than fluctuations in the market value of our holdings. In 2024, we continued to increase our free cash flow generation, but far lower than the 44%-plus growth suggested by our accounting “profits”:

1. Cash Generation: Our assets produced dividends, interest and rental incomes of about RM24.5 million in 2024 before taxes, a 3.7% increase from RM23.6 million in 2023. This can be traced back to an increase in dividends from our new equity portfolio (more on this later in the letter) and higher interest income, partially offset by a decrease in dividends received from 104 Corp due to a further reduction in our shareholding, and the HKEX-listed Lion Rock due to a higher dividend base in 2023.

LETTER FROM THE CHIEF EXECUTIVE OFFICER (CONTINUED)

2. Management Expenses: Staff costs and other operating expenses at our investment holding operations were RM3.5 million in 2024, an increase of about 4.8% from 2023. This excludes forex gains or losses. The RM3.5 million figure is about 0.8% of our 2023 year-end Net Asset Value (NAV) of RM457.9 million (note NAV definition below).
3. Free Cash Flow/ Dividends: Deducting taxes and making some other smaller adjustments, the free cash flow generated by *our* business is estimated to have increased by about 6.1% from RM17.0 million in 2023, to RM18.1 million in 2024. Of this amount, around 50% was distributed as an interim dividend in December 2024. This translated to us paying out a dividend of RM 0.07 per share from our 2024 free cash flow, slightly higher than the previous dividend of RM 0.065.

Note that we brought forward the FY2024 dividend payment in anticipation of the Dividend Tax introduction in Malaysia for 2025. As a result, we do not expect to issue another dividend in the 2025 calendar year, with the next one anticipated in mid-2026.

4. Book Value: As at 31 December 2024, the book value (BV) of our company stood at about RM399.7 million, the biggest component of which are RM278.7 million in marketable securities including stakes in our listed associate companies (104 Corp and Innity), RM107.2 million in cash and money market funds, and RM18.5 million in investment properties, with no material debt. This book value figure increased by approximately 10.4% compared to 2023.
5. Net Asset Value: If we had calculated the value of our assets using the market prices of our associates, rather than what is shown on our balance sheet, the figure - which we would loosely call the Net Asset Value (NAV) - would be RM465.0 million at the end of 2024, an increase of 1.5% compared to 2023. Adding back dividends distributed in July and December 2024 would bring our NAV to about RM482.8 million, an increase of about 5.4% year-on-year.

Larger business investments

I usually take this chance to repeat what we hope to offer to you: *helping preserve your purchasing power, grow wealth gradually, and deliver a regular income stream through dividend distributions*. To achieve this, we focus on building a collection of good companies, typically through smaller stakes rather than large, concentrated positions. Our long-term goal is to increase the dividend per share over time, while managing downside risks by building up a diversified, conservative and sustainable portfolio.

104 Corp

Our largest investment, 104 Corp in Taiwan, delivered a 3.9% year-on-year increase in after-tax profit in 2024, building on prior growth of 1.4% in 2023, 20.6% in 2022 and 43.2% in 2021. As cautioned in my past letters, despite the tailwind from a strong semiconductor industry in Taiwan, the exceptional growth seen in 2021 and 2022 was unlikely to be sustained over a prolonged period, given the inherently competitive nature of the capitalist system – much as we admire the 104 business and its management team.

However, we remain very happy and satisfied shareholders, and are cautiously optimistic that the current management team will continue to work diligently to create value for shareholders like us. The company has again announced that they intend to pay out 100% of their 2024 profits as dividends, which we should

LETTER FROM THE CHIEF EXECUTIVE OFFICER (CONTINUED)

receive later this year. 104 Corp's business model enables it to grow with minimal capital reinvestment - thus most of its profits can be distributed as dividends to shareholders like us.

In 2024, we received dividends of around RM8.6 million from 104 Corp, giving us a dividend yield of about 18.9% based on our Ringgit cost (which includes the impact of TWD appreciation against the Ringgit). As shared previously, we first invested in 104 Corp in 2008 as part of a strategic plan to expand JobStreet's online footprint. Today's strong dividend yield will continue to remind us of the merits of investing long-term in quality businesses led by capable management teams, while remaining patient. I quote Charlie Munger: "The big money is not in the buying and the selling, but in the waiting."

Over the last year, we have continued selling down a small portion of our 104 Corp holding reluctantly. As shared previously, the decision is driven almost entirely by our hope to diversify our portfolio further - 104 Corp still makes up about 28.9% of our NAV as at the end of 2024 (or 16.8% if calculated based on our book value). The shares were sold via open market transactions, and we continue to believe that the buyers of our shares can take great pride in owning such an outstanding business.

Other business investments

Our other business investments saw mixed performances in 2024.

Lion Rock's profit attributable to owners increased by 15.7% to HKD214.4 million in 2024 from the previous year, driven by stronger performance of its print manufacturing business and higher profit contributions from its London-based publishing company Quarto. Much like 104 Corp, I believe Lion Rock is led by a management team that has exceeded our expectations time and again, in an industry often overlooked by outside observers. In 2024, we received dividends of around RM3.8 million from the company, which translated to a dividend yield of around 14.4% based on our cost. These numbers capture the true joy of long-term dividend investing.

That said, it is worth noting that almost 50% of Lion Rock's 2024 revenue from external customers came from the US, making the company potentially vulnerable to disruptions arising from the escalating global trade tensions. The company noted in its financial reports that printed books "appear to be exempt" from the initial US tariffs on Chinese goods, but cautioned that this status could change with future policy developments.

Elsewhere, our ACE market-listed associate Innity reported a widened loss of RM7.6 million in 2024, compared to a RM1.1 million loss in the previous year - attributed to a decline in gross profit margins and higher operating expenses. Hastings in Australia faced another challenging year, with prices of rare earth elements NdPr remaining relatively low. However, a positive development emerged with the successful renegotiation of its convertible note due this year, although the deal did result in a significant dilution of our stake in the Yangibana mine.

As in previous years, my colleagues have prepared a much more comprehensive (and better!) description of the corporate developments for some of our investments in the MD&A section of this annual report for your reading.

Equity portfolio

I will spend more time on our new equity portfolio in this year's annual letter, as it has grown in both size and importance for us.

Portfolio updates

In 2024, we continued to build up our shareholding in public-listed businesses in the Asia Pacific region. We invested another RM61.1 million into this equity portfolio, bringing our cost of investment in this portfolio to RM147.5 million as at the end of 2024. In the first quarter of 2025, we invested a further RM15.5 million, disposed RM3.2 million (at cost), bringing the total investment to RM159.8 million (at cost).

As at the end of Q1 2025, our equity portfolio comprises 29 companies and 2 ETFs, with a market value of about RM185.9 million. It remains heavily weighted toward businesses with a strong dividend-paying histories, with Chinese banking and insurance companies making up about 29.4% of the portfolio (not including "indirect" exposure via ETFs), followed by Chinese internet and technology companies 18.2% and Chinese/ Hong Kong property companies 15.1%.

A big part of our new investments from January 2024-March 2025 was directed toward Chinese companies. We initiated positions in several Chinese/ Hong Kong property companies, increased our exposure to the internet and technology sectors in the country, and added select "deep value" opportunities in Malaysia. By the end of March 2025, about 74.2% of this equity portfolio is invested in Chinese companies, and the remainder spread across markets including Malaysia, Australia and Singapore. We believe these businesses could provide a strong foundation on which to build a resilient, long-term portfolio.

China

I remain optimistic about the long-term prospects of the Chinese economy – thinking in terms of years or even decades, not days or months.

The Chinese market saw a dramatic rally in September last year, only to be followed by an equally sharp pullback, reigniting debates over whether the country is indeed "uninvestable". In my view, these abrupt swings in sentiment – from euphoria to fear – reflect a deep disconnect between external investors, especially those viewing China through a Western lens, and the Chinese government's approach to economic management.

Rather than launching bold, sweeping stimulus packages, the Chinese leadership appears to favour a more measured, pragmatic route – what they describe as "crossing the river by feeling the stones" (摸着石头过河): a trial-and-error, incremental approach to navigating complex challenges. For investors expecting a dramatic, "whatever it takes" response, this gradualism can appear underwhelming. However, if executed with consistency, I believe this deliberate strategy could prove more effective in addressing China's structural issues over the long term.

Most of our new investments in China were made either before sentiment began to turn more optimistic in September 2024, or after the market pulled back toward the end of 2024 and into early 2025. In Q1 2025, sentiment improved considerably (before "Liberation Day" – more on that below!), with the Hang Seng Index gradually climbing to the 23,000-24,000 range. While this has resulted in some "paper gains", what

LETTER FROM THE CHIEF EXECUTIVE OFFICER (CONTINUED)

truly matters, in my view, is that we secured partial ownership in a number of excellent businesses – gaining a share of their profits and cash flow – at decent prices.

That said, I must caution that the timing of our investments in China should not be mistaken for a newfound ability of our team to “time the market” or predict economic cycles. We were simply fortunate that some of our larger positions were established shortly before sentiment began to turn. Our approach remains firmly “bottom-up” – we made these investments because we believed the underlying businesses were undervalued, not because we anticipated a rally. The volatility since the “Liberation Day” tariffs should remind us that we will continue to experience significant fluctuations in our NAV.

Further, given the diversified nature of our portfolio, any strong performance of individual holdings is naturally diluted across the broader portfolio. As a result, even if we are fortunate enough to own a business that experiences a tenfold increase in profitability, or if a market we’re heavily invested in sees a sharp rally, we should only expect our overall portfolio performance to reflect those upswings partially.

Portfolio turnover

We have sold only RM12.7 million worth of investments from this portfolio, since we started building it up in 2020. By design, our portfolio turnover will be significantly lower than a more traditional fund management firm. As described in my letter to you in previous years: *we view smaller equity investments as part-ownership of good businesses and it’s our intention to hold such investments for the long term. We do not view them as a series of flashing stock tickers, arrows and numbers that we should trade on at every opportunity.*

Dividends

In 2024, our equity portfolio generated RM6.2 million in dividend before taxes – a decent jump from the RM3.8 million in 2023. This growth was mainly driven by higher capital deployed into the portfolio, receiving full-year dividends from investments made in 2023, as well as some ad-hoc dividends we received ahead of the introduction of Malaysia’s Dividend Tax.

Based on a cost base of RM147.5 million, our portfolio delivered a dividend yield of around 4.2% in 2024. This was largely supported by our “dividend” investments, with most generating yields in the range of 5-10%+ (on cost). However, the average yield across the portfolio was lower, as it includes a mix of “growth” positions and ETFs, both of which generally pay minimal or no dividends.

As shared in last year’s letter, our long-term aspiration is to build our own mini Yangtze river – with steady dividend “streams” flowing from a broad base of high-quality, long-term holdings, rather than relying on just a few large investments. This diversification means that if a few streams dry up temporarily, many others may continue to flow uninterrupted, helping to cushion the impact of unexpected setbacks. The cash inflows from these dividend streams would be partly distributed to our shareholders, and partly reinvested into new opportunities. Having a stable and recurring source of dividend income gives us greater confidence to allocate some capital into higher risk/ reward opportunities or deep value situations – investments that may take longer to realise their potential (if at all).

There are no guarantees of success on this journey, but I believe the stronger our ability to allocate capital into long-term, cash-generative businesses – and the longer-term our perspective – the greater our chances of successfully building our own version of the Yangtze river.

“Liberation Day”

A draft of this letter was completed on April 4, the same day China retaliated against President Trump’s “Liberation Day” tariffs with a 34% counter-tariff. Global macroeconomic events are unfolding at breakneck speed. Factors that once drove global growth now appear to be fading rapidly, triggering a sharp shift in sentiment – from talk of US exceptionalism to fears of stagflation and a potential global recession, all within a matter of weeks. The world feels on edge.

However, despite the rising risk of a global downturn, I must reiterate that we do not claim the ability – or the talent – to make meaningful forecasts about the future, especially in these times of heightened uncertainty. While it is certainly possible that all the worst headlines we’re seeing could materialise, it is also plausible that policies will shift, rhetoric will soften, and outcomes may turn out far less severe than anticipated. My perspective on this matter is influenced by Howard Marks, who describes macro forecasting as the “illusion of knowledge”. He echoes Warren Buffet’s view that for information to be truly useful, it must be both “important” and “knowable”. While macro developments are undoubtedly important, they are rarely knowable with the precision required to inform our investment decisions effectively.

So, in the face of such uncertainty, I believe it would be prudent to focus on what *is* within our control: i) Reviewing our portfolio to ensure we’re not overly exposed to high-risk businesses, ii) Maintaining zero debt – including avoiding leverage in our investments, and iii) Keeping a sizable war chest ready to deploy in the event of a broad market sell-off.

As of end-2024, we held around RM107.2 million in cash and cash equivalents - about 26.8% of our net book value, or 23.1% based on our NAV of RM456.0 million. I believe this provides a healthy cushion in the current environment. If a significant correction takes place in a key global market where we aim to build long-term exposure – such as the US – we could deploy some of our capital quickly. However, if no such opportunity arises, we will simply continue doing what we’ve always done: seeking out undervalued pockets in the market, patiently and selectively.

That said, shareholders should remain mindful that extended market downturns can and do happen. We must be prepared for the possibility that our portfolio value could decline by 50% or more. In extreme scenarios, cash inflows could even fall to zero, making dividend payments impossible. However, if the businesses we own are fundamentally sound, I believe they will endure – and in time, so too will our portfolio recover.

At the office

We continue to operate with a small, but highly effective team. The team’s contributions – across investment research, reporting, operations and sustainability – have been invaluable. I would certainly have many more sleepless nights without any one of them. This year has also marked a paradigm shift in the capabilities of AI tools and we are keen to keep learning. If you come across interesting applications that could support our operations or investment research, I would love to hear about them!

LETTER FROM THE CHIEF EXECUTIVE OFFICER (CONTINUED)

Thank you

Finally, I would once again extend my sincere thanks to our long-term shareholders. My commitments from previous years remain unchanged – while we cannot guarantee immediate results - we will continue to treat you as true “partners”, maintain alignment of interests, and work hard to steadily grow our portfolio of quality businesses, for our mutual benefit.

CEO

Lionel Liong Wei Li

24th April 2025

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

JcbNext Berhad (“JcbNext”) is an investment holding company. It owned and operated the JobStreet.com online job portal business from 2004 to 2014. In 2014, the job portal business was sold to SEEK Ltd for close to RM2 billion with the net proceeds paid as dividends to shareholders. Today, the Company has stakes in associates, 104 Corporation, the largest job site in Taiwan and Innity Corporation Berhad, a leading provider of interactive online marketing platforms and technologies in Malaysia. It also operates the Autoworld automotive content website. JcbNext also has quoted investments in Malaysia, Hong Kong/China, Singapore and Europe and owns an 8-storey office building in Kuala Lumpur.

THE STATE OF THE GLOBAL ECONOMY IN 2024

The global economy grew by 3.2% in 2024. The global economic landscape was shaped by moderate but uneven growth, ongoing inflationary pressures, and shifting monetary policies. While developed economies like the U.S. remained resilient, driven by strong consumer demand and AI-driven investments, China’s slowdown due to property market struggles and weak domestic consumption weighed on global trade. Europe faced stagnation, grappling with high energy costs and subdued industrial activity, while emerging markets saw mixed performances, with some benefiting from commodity exports and others struggling with inflation and capital outflows. Central banks signalled potential rate cuts as inflation cooled, fuelling stock market optimism, particularly in the tech sector. However, geopolitical tensions, supply chain shifts, and energy price volatility continued to pose risks to global stability.

The U.S. economy remained resilient, with GDP growing 2.8%, outperforming earlier recession fears. This expansion was fuelled by strong consumer spending, labour market stability, and technological innovation, particularly in artificial intelligence and semiconductor industries. US consumers continued to drive economic growth, supported by higher wages and low employment. The US labour market remained strong with unemployment hovering around 3.7%, close to historic lows. Job creation continued, though at a slower pace than previous years, as businesses adapted to higher borrowing costs. Trade tensions, particularly between the US and China, remained high, with semiconductor restrictions and supply chain diversification being major themes. The Federal Reserve maintained a cautious monetary policy, initially keeping interest rates high to curb inflation before implementing a total of 100 basis points in rate cuts in the last four months of the year, helping sustain economic momentum. Inflation moderated, nearing the Federal Reserve’s 2% target, though housing costs and wage pressures remained areas of concern. Stock markets, led by the S&P 500 and Nasdaq, reached record highs amid investor optimism. However, concerns persisted over rising federal debt, housing affordability, and business investment constraints due to high borrowing costs. The US dollar (“USD”) experienced a mixed performance in 2024, strengthening in the first half of the year as the Fed kept interest rates high before weakening in the latter months as the rates cuts were implemented. The greenback’s movement were also influenced by global risk sentiment, with geopolitical uncertainties and China’s economic slowdown boosting demand for the USD as a safe-haven asset.

The Eurozone economy in 2024 remained fragile and weak, with GDP growth estimated at 0.9%, reflecting stagnation across major economies like Germany and France. High inflation, elevated interest rates, and weak industrial output dampened economic momentum, while consumer spending remained weak weighed down by persistent inflation, high interest rates and sluggish wage growth. Geopolitical risks, including the ongoing Russia-Ukraine conflict and global trade tensions, further dampened business

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

confidence, while the energy sector remained volatile with natural gas prices stabilizing but still above pre-war levels. The European Central Bank (ECB) pursued a gradual easing cycle in 2024, cutting interest rates four times by a total of 100 basis points, bringing the deposit facility rate from 4.00% to 3.00% by year-end as inflation moderated closer to the ECB's 2% target and economic growth remained sluggish. Energy costs and supply chain disruptions continued to impact manufacturing, particularly in Germany's automotive sector. However, green energy investments and resilient labour markets provided some economic support.

The UK economy in 2024 remained sluggish, with GDP growth estimated at 1.1%, reflecting persistent economic challenges. High inflation and elevated interest rates constrained consumer spending and business investment, while the housing market remained weak due to rising mortgage costs. The labour market showed resilience, but productivity growth remained sluggish. The post-Brexit trade environment continued to weigh on exports, while geopolitical uncertainties and weak global demand limited economic momentum. Although the services sector, particularly finance and technology, provided some support, overall economic activity remained subdued, with concerns over long-term growth prospects. The Bank of England maintained restrictive monetary policy in the first half of 2024, as inflation remained elevated at around 4%, well above the BoE's target of 2%, driven by persistent service sector prices and wage growth pressures. However, inflation gradually declined to around 2.8%-3% by year-end, allowing BoE to cut interest rates twice by a total of 50 basis points.

China's economy in 2024 faced moderate growth challenges, with GDP expanding at an estimated 5%, lower than pre-pandemic levels but still outpacing many developed economies. Growth was largely driven by government stimulus measures, infrastructure investment, and exports of high-tech products such as electric vehicles and semiconductors. However, a prolonged property crisis, weak consumer confidence, and sluggish foreign investment weighed on economic momentum. The Chinese government responded with fiscal stimulus measures, monetary easing, and incentives for manufacturing and exports, but structural concerns—including a shrinking workforce, mounting local government debt, and global trade tensions, limited recovery. China's export demand in 2024 was strong, driven by its position in high-tech industries like electronics, EVs, and solar panels, sustained demand from major trading partners, and ongoing trade agreements such as RCEP. While facing challenges from tariffs and global supply chain shifts, China's flexibility in adjusting its export strategies and its dominance in key sectors allowed it to maintain robust export growth despite external pressures. China's trade surplus reached record levels in 2024, with exports growing by 5.9%.

Southeast Asia's economy grew at an average rate of 4.7% in 2024. Growth was driven by a mixture of domestic consumption, increased manufacturing exports and government infrastructure investments. Vietnam saw the highest growth, expanding at an impressive pace of 7.09%, driven by strong manufacturing exports, particularly in electronics, textiles and consumer goods. Additionally, its digital economy, foreign direct investment inflows and increased domestic consumption supported growth. Vietnam's ability to capture a significant portion of global supply chains, especially in electronics, positioned it as a key player in the region's economic recovery. The second best performing economy in Southeast Asia in 2024 is the Philippines, whose GDP grew by 5.6%. The country's economy benefited from a combination of factors, including a recovery in key sectors such as tourism, manufacturing and services, along with substantial investments in infrastructure. The Philippines' robust services sector, particularly in business process outsourcing, continued to thrive, providing stable growth in the economy. In addition, the

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

steady flow of remittances from Filipino workers overseas remained a vital pillar for the economy. Remittances account for a significant portion of household incomes and continue to support domestic consumption. In 2024, the Philippines received a record USD38 billion in remittances, providing a crucial buffer against inflationary pressures and contributing to consumer spending. The third best performing economy in Southeast Asia in 2024 is Indonesia with its GDP growing by 5.03%. Indonesia's economy benefited from a rise in domestic consumption, government spending on infrastructure and a surge in exports of commodities like coal, palm oil, gas and minerals. The country's digital economy also grew rapidly, with sectors like e-commerce, fintech and logistics expanding, further boosting the economy. Its manufacturing sector, particularly in key industries such as electronics, automotive, textiles, chemicals and food processing, continue to play a crucial role in the country's economic performance, contributing significantly to its GDP growth and supporting its overall recovery. The government's focus on infrastructure development, particularly in transportation and renewable energy, helped create jobs and stimulate economic activity.

Let's now look into the performance of Malaysia's economy in 2024. For the year as a whole, the Malaysian economy grew by 5.1% in 2024 (2023: 3.6%), due to continued expansion in domestic demand and a rebound in exports. On the domestic front, growth was mainly driven by stronger household spending reflecting favourable labour market conditions, policy measures to support households and healthy household balance sheets. In addition, strong investment approvals and further progress of multi-year projects by the private and public sectors, which includes catalytic initiatives under national master plans (i.e. New Industrial Master Plan, National Energy Transition Roadmap, and National Semiconductor Strategy) provided further impetus to investment growth. On the external front, exports recovered amid steady global growth, continued tech upcycle as well as higher tourist arrivals and spending. This provided support to the current account, leading to a continued surplus of 1.7% of GDP in 2024 (1.5% in 2023). Headline and core inflation averaged 1.8% in 2024, representing a two-year consecutive decline since 2022. Bank Negara Malaysia adopted a measured policy approach in 2024, maintaining the Overnight Policy Rate at 3% throughout the year.

The currency markets in 2024 experienced significant fluctuations driven by monetary policy shifts, geopolitical risks, and global trade imbalances. The USD remained strong in the first half of the year, supported by high interest rates and safe-haven demand, but weakened in the latter half as the Federal Reserve signalled potential rate cuts. The Euro remained stable, trading in the \$1.05-\$1.10 range against the USD, as the European Central Bank balanced inflation control with growth concerns. The GBP traded between \$1.22-\$1.30, influenced by the UK's sluggish growth and high borrowing costs. In Asia, the Chinese Yuan (CNY) saw depreciation pressures, falling to around CNY 7.3 per USD, as China's weak economic momentum and capital outflows weighed on investor confidence. Emerging market currencies were volatile. The Malaysian Ringgit (MYR) was Asia's best performing currency in 2024 after rising over 6% to close at 4.47 against the USD, thanks partly to stronger-than-expected economic growth. Coordinated efforts to encourage inflows have also aided.

Global equity markets experienced varied performances across regions. The MSCI World ex USA Index, which tracks large and mid-cap equities across 22 developed markets excluding the United States, posted a modest gain of 4.7% for the year. This represents a significant deceleration compared to the 18.6% increase observed in 2023. US equity markets continued their strong performance, building on the

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

momentum from the previous year. The S&P 500 Index rose by 25%, marking its second consecutive year with gains exceeding 20%—a feat not achieved since 1998-1999. This robust performance was largely driven by technology stocks, particularly NVIDIA, which delivered a remarkable 171% return in 2024 due to strong demand for its AI chips and contributed significantly to the S&P 500's overall performance. Magnificent Seven stocks contributed more than half of the index's total returns, with these seven companies alone accounting for approximately 53.7% of the index gain. This substantial impact highlights the dominant role these tech giants played in driving the overall market performance during 2024. As of the end of 2024, the combined weighting of the "Magnificent Seven" stocks is now approximately 33.7% of the S&P 500's total market capitalisation.

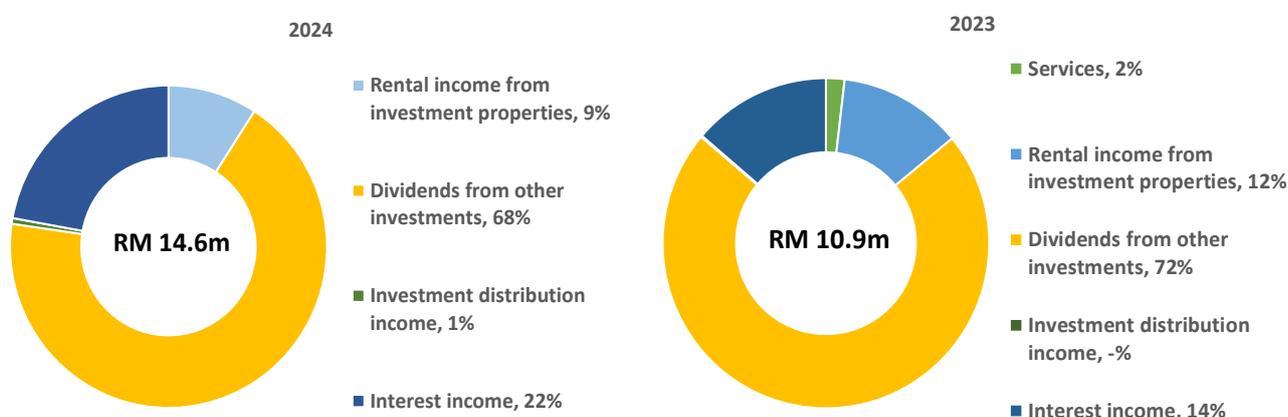
In Europe, the MSCI Europe Total Return Index, which measures the performance of large and mid-cap equities across 15 developed European countries, recorded a total return of 2.4%. This represents a significant decrease compared to the 20.7% return achieved in 2023. MSCI data showed that European stocks underperform US stocks by the most in at least 25 years. Several factors contributed to the subdued performance in 2024. European financial markets faced challenges due to concerns over U.S. tariffs and political instability in countries like France and Germany. The UK's FTSE 100 posted a rise of 5.7% for 2024, its strongest annual gain since 2021. In Asia, Japan's Nikkei 225 Index climbed by 19.2%, bolstered by corporate governance reforms and signs of economic revitalisation. Notably, in February 2024, the Nikkei surpassed its previous all-time high set in 1989, reflecting renewed investor confidence and marking a significant milestone in Japan's financial markets. This performance was underpinned by strong corporate earnings and a favourable economic environment.

China's CSI 300 Index, which tracks the top 300 stocks traded on the Shanghai and Shenzhen stock exchanges, experienced a 14.7% increase in 2024, while the Hang Seng Index experienced a 17.7% increase in 2024, marking the first annual increase in five years, ending its four-year losing streak. This was influenced by various factors, including supportive government policies aimed at bolstering the economy and restoring investor confidence. Overall, 2024 marked a notable recovery for the CSI 300 and Hang Seng Index, reflecting the resilience and potential of China's equity markets.

Back home, 2024 was a strong year for Bursa Malaysia, with indices across different market segments showing significant gains. Large-cap stocks saw a steady rise where the FBM KLCI (30 largest companies) posted a 12.9% increase, while the FMB EMAS index which consists of 98% of the total market capitalisation of all Bursa listed companies posted an even better 16.3% increase, with mid and small-caps outperforming large-caps in Bursa. In the region, Singapore's Straits Times Index achieved a total return of 23.5% in 2024, marking its strongest performance in over a decade. The Philippine Stock Exchange and Indonesia's IDX Composite Index closed 1.2% and 2.7% higher while Thailand's SET All-Share Index declined by 0.8% for the year.

2024 IN REVIEW

During the year, the Group generated revenue from services, rental of office space, dividends, interest and other investment income. The Group’s revenue mix for 2024 and 2023 are as depicted below:



As the Group is principally in investment holding, the biggest contributor to group revenue is dividends from equity investments at 68% of revenue or RM9.96 million in 2024. This is followed by interest income at 22% and together with dividend income, contribute 90% of group revenue. Rental income and investment distribution income combined to contribute the remaining 10% of group revenue. The decrease in the contribution of dividend income from 72% to 68% of group revenue in 2024 was mainly due to the increase in interest income generated on the Group’s cash in line with the increase in the Group’s cash in 2024.

Total revenue had increased by 34.0% in 2024 primarily from an increase in dividend income from equity investments from RM7.86 million in 2023 to RM9.96 million in 2024 and an increase in interest income from RM1.50 million in 2023 to RM3.24 million in 2024. Dividend income from equity investments had increased by 26.7% year-on-year as the size of the new equity portfolio increased from a total cost of RM91.2 million at the end of 2023 to RM147.5 million at the end of 2024 as a result of additional investments made during the year. During 2024, the Group continued to receive dividends amounting to RM9.86 million from its associate, 104 Corporation, although such dividends are not accounted for as revenue.

Interest income had increased by 116.4% YoY from RM1.50 million in 2023 to RM3.24 million in 2024 driven in part by the increase in cash as the Group continued to dispose shares of 104 Corporation, slower than anticipated re-investment of the proceeds coupled with the relatively high interest rate environment that had still prevailed throughout 2024. Although the US Federal Reserve had cut interest rates by a total of 100 basis points in the last 4 months of 2024, US dollar denominated deposits still enjoyed relatively high interest rates which benefitted the Group as some of the proceeds from the disposal of 104 Corp’s shares as well as dividends from investments abroad were converted into USD and deposited into foreign currency term deposits.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Rental income from investment properties stayed flat at RM1.33 million in 2024. The total area leased to the tenant is approximately 23,700 square feet which is about 87% of the net lettable area in Wisma JcbNext. The Group retains approximately 13% of Wisma JcbNext for its own use. As reported in the Annual Report 2021, the tenant for Wisma JcbNext has formally notified the Company of its intention to move out by 28 February 2023, with the option of extending the tenancy by another 6 months if needed. Since then, the tenant has exercised several options to extend the tenancy, with the latest extension taking the tenancy to 31 August 2025. During the year, the Group sold its other investment property, a 2-storey shophouse office in Johor, for RM800,000.

The Group did not derive any revenue from the provision of services in 2024 following the sale of the Group's former subsidiary in Japan, which provided consulting services on a small scale, in 2023. In addition, the Group also did not invest to expand the Autoworld automotive content website in 2024 but continued to update the website.

The Group's operating expenses in 2024 amounted to RM7.89 million, an increase of 69.7% compared with the previous year's operating expenses of RM4.65 million. This was predominantly due to foreign exchange losses which are included in operating expenses. The Group recorded foreign exchange losses of RM3.27 million in 2024 in contrast to foreign exchange gains of RM1.18 million recorded in 2023 (which was included in Other Operating Income). The foreign exchange losses were mainly from the Group's USD and SGD denominated bank deposits. During the year, MYR had strengthened against the USD and SGD from USD1:RM4.598 and SGD1:RM3.4825 at the end of 2023 to USD1:RM4.477 and SGD1:RM3.2885 at the end of 2024. In fact, the MYR had been recognised as one of the top-performing currencies of 2024 in the Asian region.

Further breakdown of the Group's other operating expenses is as follows:

Group	2024	2023
	RM	RM
Foreign exchange losses	3,271,445	-
Professional fees	935,401	860,556
Directors' fees	360,418	356,730
Office expenses	190,965	181,526
Security costs	179,691	173,806
Utilities	295,428	307,474
Staff benefits	128,400	122,173
Quit rent and assessments	65,693	66,733
Travelling	12,340	21,838
Telecommunication	11,846	18,036
Insurance	43,657	44,420
Miscellaneous	98,969	89,335
	<u>5,594,253</u>	<u>2,242,627</u>

The Group continued to rely a great deal on our associates, primarily 104 Corporation, to contribute to the Group's earnings in 2024. To recap, 104 Corporation is principally involved in the online job portal business and also provides executive search and HR consultancy services in Taiwan. 104 Corporation has been listed on the Taiwan Stock Exchange since 2006. Taiwan's real GDP grew by 4.6% in 2024, up from 1.3%

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

growth in 2023 due to the increase in final consumption mainly driven by expenditures such as domestic shopping and services, outbound tourism, and higher securities and funds transaction fees due to robust financial market. Taiwan's economy relies a lot on manufacturing and trade given its geographical limitations and the global demand for its exports like semiconductors, electrical equipment, and machinery and mechanical appliances. Trade has historically been one of the largest contributors to Taiwan's economic growth and continues to play a significant role today. Due to the sustained momentum in artificial intelligence and the strong demand for information and communication products, real exports of goods and services grew by 8.90%. Imports also grew by 18.31%. Looking at a longer time frame, the value of total export has grown from USD 274,601 million in 2010 to USD 474,996 million in 2024, growing at a compounded annual rate of 3.99%; the value of total import has grown from USD 251,236 million in 2010 to USD 394,365 million in 2024, growing at a compounded annual rate of 3.27%. Total trade value with re-imports & re-exports included is about USD 869,398 million, an increase of 10.88% from 2023 but remains lower than the peak of about USD 907,532 million in 2022. China and Hong Kong remain Taiwan's largest trade partners in terms of the value of total trades, followed by the United States and ASEAN. Since 2020, the value of total trades with these countries has increased by 6.96%, 90.0%, and 53.77%, respectively.

Under the aforementioned circumstances, 104 Corporation's revenue in 2024 had increased marginally by 7.3% to NT\$2.50 billion compared with NT\$2.33 billion in 2023 with the growth attributed to the growth in its Job Bank, HR Academy, HR Portal, and Head Hunter business. Its profit before taxation increased by 2.9% YoY to NT\$565.74 million compared with NT\$549.96 million in 2023 while the net profit attributable to shareholders increased 3.9% YoY to NT\$469.36 million compared with NT\$451.56 million in the preceding year. The balance sheet of 104 Corporation remains solid with cash holdings of NT\$3.10 billion at the end of 2024. 104 Corporation has recently announced a dividend of NT\$14.14 per ordinary share representing 100% of their net profit attributable to shareholders for the 2024 financial year, which will be paid out later this year. During the year, the Group had continued to dispose a portion of its holdings of 104 Corporation in the open market and in the process, the Group recorded gains on disposal of the said shares amounting to RM34.03 million. It is important to reiterate that the reduction of our stake in 104 Corporation is primarily motivated by risk management as the investment in the company represented a concentration risk on the Group's balance sheet. It is not a case where we want to 'take profit' by selling when the share price is high, or make a 'trading profit' by selling some shares now and buying back later. Going forward, the pace and quantum of selling 104 Corporation shares will depend on many factors including the liquidity of the shares and/or interest from third parties. Further, the need to reduce concentration risk will decrease as the rest of our portfolio grows. Our investments, including 104 Corporation, continue to be long-term in nature, with the objective of deriving dividend income and distributing those dividends onward to our shareholders. As at 31 December 2024, the Group has an equity interest of 13.45% in 104 Corporation, down from 18.65% a year ago. In line with the reduction of the Group's equity interest in the company, our share of profit from 104 Corporation in 2024 amounted to RM11.17 million, down 18.3% from RM13.67 million in 2023. As mentioned earlier, the Group received dividend amounting to RM9.86 million from 104 Corporation in 2024, down 23.6% compared with RM12.90 million received in 2023, due to the lower shareholding and high dividend base in 2023.

Our other associate, Innity Corporation Berhad ("Innity"), is principally involved in the provision of technology-based online advertising solutions, to their customers in the Asia Pacific region, using in-house developed technology platforms. Innity's role in the online advertising process is to serve as a one-stop centre for advertisers and advertising agencies in offering the 3 major functions of the online advertising

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

process, namely Creative, Media and Research. In essence, the group assumes the role of the advertising agency, creative agency, media agency and researcher. Innity has been a listed company since 2008 and currently, its shares are traded on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”). The group has an established presence in Malaysia, Hong Kong and China, Indonesia, Philippines, Singapore, Taiwan, Thailand, South Korea, Myanmar, Cambodia, and Vietnam.

Innity faced a volatile and uncertain business landscape in 2024 despite the good macro environment for advertising spend. According to Dentsu, Asia Pacific total ad spend is projected to grow by 4.2%, to reach USD 235.90B in 2024 and digital ad spend continues to make up the majority of total ad spend at 64.7%, increasing by USD 11.20 billion (7.9% growth rate) from 2023, to reach USD152.30 billion in 2024. Innity’s revenue declined by 1.62% to RM112.17 million in FY2024 compared with RM114.01 million in FY2023. Its Vietnam, Indonesia and Philippines business units registered revenue growth of 51.3%, 58.3% and 10.7% respectively in FY2024 whereas lower revenues were recorded in Malaysia, Singapore, Hong Kong and China, Taiwan, and Cambodia as compared to the preceding year. Its Malaysia business unit remained as the top revenue contributor in FY2024 followed by Vietnam and Philippines business units. The Hong Kong and China business unit follows closely in fourth. The Malaysia business unit suffered from declining revenue due to reduced digital advertising spending from large global agencies. These four business units contributed a combined revenue of RM96.70 million (2023: RM98.18 million) of external revenue, representing 86.2% (2023: 86.1%) of total group external revenue. The group incurred a higher loss attributable to shareholders of RM7.61 million in FY2024 as compared to a loss of RM1.10 million in FY2023 due to lower gross profit margin, higher operating expenses particularly from unrealised losses on foreign exchange results from overdue inter-company balances and withholding tax expenses withheld for overseas dividend payment from its Philippines business unit. Our share of loss from Innity in 2024 had increased to a loss of approximately RM1.54 million compared with a loss of approximately RM231,000 a year ago. As at 31 December 2024, the Group has an equity interest of 20.98% in Innity.

Overall, the Group’s net profit attributable to shareholders for 2024 surged 44.0% YoY to RM51.12 million from RM35.49 million in 2023. As explained earlier, firstly, this was due to higher revenue in the form of higher dividend and interest income coupled with stable operating expenses. Next, we have a significant increase in the gain on disposal of shares of 104 Corp from RM18.47 million in 2023 to RM34.03 million in 2024 owing to the significantly higher quantity of shares sold in 2024 and higher prices relative to 2023. Gains on financial assets classified as fair value through profit and loss are mainly in respect of the Group’s investment in money market funds (“MMF”) and the decrease from RM1.47 million in 2023 to RM0.88 million in 2024 was mainly due to higher allocation of funds to bank term deposits instead of to MMF in Malaysia. In addition, there was an RM0.50 million increase in the fair value of investment properties which was attributable to Wisma JcbNext. Share of profits from associates, however, recorded a 28.3% decrease YoY to RM9.64 million in 2024 compared with RM13.44 million in the preceding year which was mainly due to the decrease in the equity interest of 104 Corporation following the continued disposals of shares in that associate. Excluding the gains on disposal of shares of 104 Corp, the adjusted net profit attributable to shareholders for 2024 would have been RM17.10 million (2023: RM17.02 million).

Although earnings per share amounted to approximately 38.83 sen per share (2023: 26.88 sen), the Company will continue to pay dividends based on its free cash flow (“FCF”). The Group’s FCF for 2024 amounted to RM18.08 million, up 6.1% from RM17.05 million in the preceding year. The increase in FCF was attributed to higher dividends received from equity investments as well as the increase in interest income. To this end, the Board has declared an interim dividend of 7.0 sen per ordinary share which was

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

paid on 31 December 2024. The Board does not recommend the payment of a final dividend at the forthcoming AGM.

The Group's net assets attributable to shareholders grew by 10.4% YoY to RM399.72 million as at 31 December 2024 compared with RM362.15 million at the end of the previous year. On a per share basis, this translates to RM3.04 per share with the Company's shares quoted at a price of RM1.63 as at 31 December 2024.

OVERVIEW OF ASSETS UNDER MANAGEMENT

The Group's assets under management comprise of:

Group	2024 RM'000	2023 RM'000
Investment properties	18,500	18,800
Investments in associates [^] (at market value)		
- 104 Corporation	134,207	195,954
- Innity	9,945	14,040
	<u>144,152</u>	<u>209,994</u>
Financial assets at fair value through other comprehensive income		
- Lion Rock	39,951	35,035
- Other investments	164,185	93,679
	<u>204,136</u>	<u>128,714</u>
Financial assets at fair value through profit or loss		
- Money market unit trust funds	20,400	34,621
- Other investments	-	881
	<u>20,400</u>	<u>35,502</u>
Cash reserves		
- USD	29,223	28,591
- HKD	1,304	11,186
- SGD	54,148	31,660
- RM	1,121	2,280
- Others	1,002	351
	<u>86,798</u>	<u>74,068</u>
	<u>473,986</u>	<u>467,078</u>

[^] In the audited financial statements, investments in associates are accounted for using the equity method pursuant to MFRS 128, *Investments in Associates and Joint Ventures*

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The Group's assets under management, which comprise investment properties, equity investments, associates at market value and cash and cash equivalents, grew 1.48% to RM473.99 million as at 31 December 2024 compared with RM467.08 million in the previous year. Dividends from equity investments including from 104 Corporation, interest income, rental income, increase in the fair value of equity investments including associates, net of operating expenses, would have increased AUM by approximately RM25 million. However, in FY 2024, an interim dividend totalling RM9.20 million was paid on 31 December 2024, in addition to the final dividend for FY 2023 totalling RM8.56 million which was paid on 25 July 2024. Another decrease to AUM came in the form of share buy-backs which totalled RM1.16 million in FY 2024.

The performance of the Group's associates has already been detailed in the previous section of this report. The carrying value of the investments in associates on the Group's balance sheet decreased by 31.0% to RM78.87 million in 2024 from RM114.23 million a year ago. Against the Taiwan dollar, the Ringgit had strengthened from NT\$1:RM0.1493 as at end 2023 to NT\$1:RM0.1363 and this contributed to a decrease of RM6.37 million in the carrying value of 104 Corporation on our balance sheet. Disposals of 104 Corporation shares during the year also contributed to a decrease of RM26.89 million in the carrying value of 104 Corporation. In addition, while the share of profit from 104 Corporation for 2024 amounted to RM11.17 million, the dividend received from 104 Corporation during 2024 based on its 2023 net profit amounted to RM9.86 million. As mentioned in previous years' Annual Reports, while the dividend from 104 Corporation being an associate does not benefit the Group's bottom line, the dividend provides liquidity for the Group to fund its working capital requirements and dividend payment to shareholders. The dividend from 104 Corporation alone accounted for 50% of total dividends received by the Group in 2024.

The largest investment under the FVOCI category is Lion Rock with a carrying value of RM39.95 million. Lion Rock is principally involved in the provision of printing services to international book publishers, trade, professional and educational conglomerates and print media companies. This is a business that the Group had invested in from 2011 to 2013 at a total cost of RM2.98 million. Subsequently, in 2014, Cinderella Media Group Ltd, the parent company of Lion Rock at that time in which we had a stake in then, rewarded its shareholders by declaring a dividend-in-specie of its stake in Lion Rock and spinning it off as a separate listed company on the Hong Kong Stock Exchange. As a result of that, the Group's stake in Lion Rock had increased by an additional 36.5 million shares in 2014. At the end of 2024, the Group held an equity interest of approximately 7.0% in Lion Rock. For the financial year ended 31 December 2024, the dividend yield on Lion Rock was 11.33% (2023: 10.0%). During the year, the Group received RM3.81 million in cash dividends (2023: RM4.06 million) from Lion Rock. On 27 March 2025, Lion Rock announced second interim and special dividends totalling HK\$0.10 per share (2023: HK\$0.08) to be paid on 29 April 2025. The fair value of the Group's investment in Lion Rock had increased by 14.0% in 2024 in line with the appreciation of its share price from HKD1.10 at the end of 2023 to HKD1.28 at the end of 2024.

Despite the challenging macro environment and sluggish illustrated book market, Lion Rock delivered a commendable performance in 2024. The group achieved a 4.1% increase in revenue to HK\$2,668.59 million from HK\$2,562.78 million in the previous year. Net profit attributable to owners grew by 15.7% to HK\$214.41 million from HK\$185.25 million in 2023. Based on the disclosures in Lion Rock's Annual Report for 2024, this growth was primarily due to the improved performance of its print manufacturing business and higher profit contributions from Quarto after the completion of the tender offer. Currently, printed books appear to be exempt from the additional 20% tariffs on Chinese products. However, this exemption might change if the US administration reinterprets the exemption clause or introduces new ones to impose

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

additional tariffs. Such a scenario could erode the competitive edge of Chinese printers in the US market. Lion Rock's management has proactively prepared for potential tariff increases by expanding Papercraft manufacturing operations in Malaysia over the past few years. In 2024, the global book market experienced a robust fiction segment but faced significant challenges in the non-fiction/illustrated book segment. The US market, the largest book market globally, saw a 1% YoY increase in unit sales of printed books, according to Circana BookScan data. Other major markets, including the UK and Australia, also saw similar market performance. The Chinese book market remained soft in 2024, with the total book value sold in Mainland China contracting by 6%. Due to challenging local market conditions, more indigenous Chinese printers are competing for overseas book printing orders, leading to overcapacity and downward pressure on industry printing margins, leading to the closure of uncompetitive printing plants. Despite market weakness, the group's performance validated its efforts over the past few years to diversify both vertically and geographically. Its venture into the publishing industry with Quarto has expanded its client network for its print manufacturing business. Geographically, its print manufacturing operations in Australia and Malaysia have proven to be strategically important as Trump 2.0 accelerates global supply chain evolution. These locations provide a stable production base and help mitigate risks associated with global supply chain changes. Additionally, Lion Rock's "China Plus One" print service offering opens up flexible opportunities for its publishing clients. A significant portion of the cost of goods sold for printed books is paper costs. Currently, the paper price in China is about 30%-40% lower than in Europe and the US. While this price differential continues to provide a competitive advantage for book printers in China, Lion Rock expects the pricing gap between China-made paper and Europe-made paper to narrow. The potential resolution of the Russia-Ukraine conflict may lead to a decrease in energy prices, making paper production in Europe more economical in the long term. Lion Rock expects to continue expanding its capacity in Malaysia in response to the sustained demand for book printing in South-East Asia. In the near term, Lion Rock said that the reset at Quarto and President Trump's protectionist policies make matching the remarkable results of 2024 a challenge. However, the group has a comfortable balance sheet and a capable management team. Lion Rock foresees that their businesses will continue to be sustainable and it will maintain its current dividend payout ratio.

2024 was a relatively active year for the Group as far as investments go. During the year, the Group had invested an additional RM61.11 million (2023: RM6.48 million) into its investment portfolio. For ease of reference, this portfolio will hereinafter be referred to as the Equity Portfolio and it excludes Lion Rock, Hastings Technology Metals Limited ("Hastings"), the associates and the unquoted investments. Most of the companies in the Equity Portfolio are listed in Malaysia and Hong Kong/ China with a small portion in Singapore and Europe. As at 31 December 2024, the top 5 holdings made up 37% of the Equity Portfolio while another 29 stocks made up the remaining 63%. These investments as well as other targets emanated from research conducted internally in line with the Group's investment objectives. Should the prices of these stocks move within our target buy prices, we may increase our investments in these stocks further as well as acquire other target stocks on our buy list. The Equity Portfolio generated approximately RM6.15 million in dividends for the Group in 2024 (2023: RM3.80 million). As at 31 December 2024, the fair value of the Equity Portfolio amounted to RM158.59 million, up 83.7% from RM86.34 million a year ago. To prevent any risk of front-running, the identities of the component stocks will be kept confidential save for any laws or regulations that require the Group to provide full disclosure.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

	Cost of Investment RM	Carrying Value RM	Fair Value RM
104 Corporation [^]	44,044,304	67,167,834	134,207,107
Innity [^]	8,487,984	11,700,804	9,945,014
Lion Rock	17,799,453	39,951,128	39,951,128
Other equity investments	170,144,910	164,185,076	164,185,076
	<u>240,476,651</u>	<u>283,004,842</u>	<u>348,288,325</u>

[^] Accounted for using the equity method pursuant to MFRS 128, *Investments in Associates and Joint Ventures*

Looking at the table above, the fair value of all of the Group's equity investments combined including its listed associates as at 31 December 2024 was significantly above total cost owing to the large unrealised gains on 104 Corporation, Lion Rock and to a lesser degree, Innity (please be reminded that the unrealised gains on 104 Corporation and Innity, as associates, have not been recognised in the financial statements at all). The fair value of other equity investments remained below cost at the end of 2024 mainly due to the investment in Hastings and the underperformance of certain specific Chinese, Hong Kong stocks and unquoted investments.

The Group's treasury management objectives are to ensure there is available liquidity when needed and to preserve our long-term purchasing power to acquire investments. In that respect, the Group has decided that the main currencies that it will maintain are MYR, USD, SGD and HKD. While the holding of such currencies may result in foreign exchange gains or losses and thus volatility to our P&L, the Group does not intend to actively manage or trade currency positions nor engage in any speculative activities. The Group's MYR cash is placed in current accounts and money market unit trust funds while its USD, SGD and HKD cash are mostly placed in interest-bearing bank deposits. While the Group manages its treasury function conservatively to safeguard the Group's interests, the focus of the Board and management is still on identifying new strategic investments and/or developing a broad portfolio of investments that can contribute to the future growth of the Group. To be able to capitalise on any opportunities as and when they arise without sacrificing unduly on the Group's returns on its reserves, the Group will need to maintain an appropriate mix of long and short-term investments and cash.

FUTURE PLANS AND PROSPECTS

As the world moves through the first quarter of 2025, geopolitical tensions continue to shape global markets, casting a shadow over economic prospects. The wars in Ukraine and the Middle East remain unresolved, with peace efforts stalled and Western support for Ukraine straining resources. In the Middle East, despite intermittent ceasefires, instability persists, with the Israel-Hamas war and broader regional rivalries impacting energy and food security.

At the same time, global trade is facing increasing fragmentation. The trend of economic decoupling between the US and China has accelerated, with both sides imposing new trade restrictions, particularly in high-tech industries. US-China relations are a focal point, with trade disputes intensifying and new and additional tariffs on Chinese goods signalling a deepening geoeconomic confrontation. The US

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

administration has continued tightening export controls on advanced semiconductor technology, while China has responded by ramping up domestic self-sufficiency in critical sectors. Despite these headwinds, China is making strides in technology and artificial intelligence. Companies like DeepSeek have emerged as serious challengers to Western AI dominance, with advancements in foundational models that rival those of OpenAI at a fraction of its cost while being open-sourced. This carries significant implications for both the global AI landscape and China's technological sector. Cheaper and more efficient open-source models allow Chinese firms and startups to integrate advanced AI without relying on expensive foreign proprietary solutions or leading-edge chips while accelerating AI applications across different industries in China and fostering innovation. Government-backed AI chip initiatives, aimed at reducing reliance on US semiconductor imports, are potentially reshaping the global AI race. Meanwhile, China's robotics sector is undergoing rapid growth, driven by investments in automation, industrial robotics, and humanoid AI-driven robots. This shift positions China as a global player in next-generation manufacturing and AI-driven automation, even as its traditional growth drivers, such as real estate remain under pressure.

US CPI rose by 2.8% in February 2025 on an annual basis. Excluding food and energy prices, the core CPI also rose 0.2% on the month and was at 3.1% on a 12-month basis, the lowest reading since April 2021. The Fed maintained the benchmark interest rate between 4.25% and 4.5% during its March 2025 meeting. The median projection among Federal Open Market Committee (FOMC) members indicated two potential rate cuts in 2025, totalling 50 basis points. The Fed revised its 2025 GDP growth forecast downward to 1.7% from 2.1% and increased its core inflation projection to 2.8% from 2.5%, partly due to recent tariff implementations.

The US political landscape, following Donald Trump's inauguration in January 2025, is a wildcard. His administration's early actions, imposing 20% tariffs on Chinese imports and 25% on steel and aluminum globally, and much larger tariffs on "Liberation Day", suggest a protectionist turn with tariffs as a tool to protect American workers, industries and sovereignty. His moves reflect a belief that the US has been disadvantaged in international trade for decades. The key motivations include addressing trade imbalances, countering "unfair" practices by other countries' trade policies, reviving US domestic manufacturing, generating tax revenue to offset extension of tax cuts and using tariff threats as political leverage in negotiations. On April 2, 2025, dubbed "Liberation Day", the US implemented a significant set of tariffs aimed at reshaping global trade and boosting domestic industry. The policy includes a baseline 10% tariff on all imports from every country, effective April 5, 2025, with additional "reciprocal tariffs" targeting specific nations, starting April 9, 2025. These reciprocal tariffs vary by country, with notable rates including 34% on China (added to an existing 20%, totalling 54%), 20% on the European Union, 46% on Vietnam, 32% on Taiwan, and 24% on Malaysia, among others. Trump's stated goals are to protect American industries, encourage domestic manufacturing, and reduce reliance on foreign goods, while also generating revenue for tax cuts and debt reduction. He framed the move as a declaration of "economic independence," arguing it would reverse decades of trade deficits that he claims have harmed US national security and prosperity. However, economists and critics warn that these tariffs could raise consumer prices, stoke inflation, and risk a global trade war, as countries like China, the EU, Canada, and Mexico have signalled retaliatory measures. Indeed, China was quick to retaliate with a 34% tariff on US imports to China. In response, Trump threatened an additional 50%, bringing the total to 104%. China said it would "fight to the end" if the US "insists on provoking a tariff war or trade war" and immediately announced it would raise its own tariffs on American goods from 34% to 84%. The tit-for-tat trade war between two of the world's largest economies precipitated a sharp decline in global stock markets and a surge in gold prices, reflecting uncertainty and fears of economic disruption. While some see potential for long-term

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

gains in US manufacturing, the short-term costs and global backlash remain significant concerns. This shift is driving uncertainty, as allies like the EU and trading partners like Canada and Mexico brace for reciprocal measures. On 9 April 2025, just as the reciprocal tariffs were set to take effect, Trump in an abrupt U-turn announced a 90-day pause on the reciprocal tariffs while maintaining a 10% across-the-board tariff. The notable exception was China, with Trump raising the tariff charged on the country to 145%. Following Trump's announcement, global markets surged with the S&P 500 soaring and closing the day's trading up 9.5%, while the Dow Jones surged 7.9%.

In January 2025, the International Monetary Fund (IMF) adjusted its forecast for China's economic growth, projecting a 4.6% expansion for the year. This revision was influenced by China's reported 5% GDP growth in 2024, which exceeded the IMF's earlier estimate of 4.8%. The stronger-than-expected performance in 2024 provided positive momentum entering 2025. Additionally, fiscal stimulus measures introduced by the Chinese government were anticipated to further support economic activity. However, the IMF also highlighted potential challenges, particularly uncertainties in global trade policies that could impact China's economic outlook. The IMF underscored the importance of bolstering domestic demand to ensure sustainable growth, noting that an overreliance on external trade is not viable for an economy of China's magnitude.

In this environment of uncertainty and high volatility, we continue to maintain a disciplined investment strategy focused on building a diversified portfolio of long-term equity investments that generate stable dividend income. This approach is designed to weather market volatility while ensuring sustainable returns for our shareholders. While market conditions have presented challenges, we continue to view volatility as an opportunity to acquire high-quality assets at attractive valuations. Should markets present favourable entry points, we stand ready to deploy additional capital into strategic investments that align with our long-term objectives. As we move further into 2025, we will continue to navigate these uncertain times with prudence, focusing on value, resilience, and sustainable income generation. While trade tensions, geopolitical risks, and economic uncertainties persist, we remain opportunistic in identifying investment opportunities that align with our long-term goals. The Group also remains committed to delivering steady dividend income to shareholders while maintaining a vigilant stance on risk management. We believe that our disciplined approach will allow us to capitalise on market opportunities while safeguarding against potential downturns in this unpredictable economic environment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board is fully committed to developing and maintaining high standards of corporate governance by implementing the principles and recommendations of the Malaysian Code on Corporate Governance (“MCCG”). It recognises that the principles of good corporate governance and business integrity are fundamental to the goals of enhancing shareholder value and protecting the interests of all stakeholders.

The Board is pleased to report to shareholders, the Company’s application of the following three (3) key principles of the MCCG during the financial year ended 31 December 2024:

- Principle A Board leadership and effectiveness;
- Principle B Effective audit and risk management; and
- Principle C Integrity in corporate reporting and meaningful relationship with stakeholders.

This statement is prepared in compliance with Paragraph 15.25(1) of Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) with guidance from Practice Note 9 of the MMLR. This statement should also be read in conjunction with the other statements in the Annual Report (e.g. Statement on Risk Management and Internal Control, Reports on Board Committee and Sustainability Statement) and Corporate Governance Report 2024 which can be downloaded from the Company’s website at www.jcbnext.com or from Bursa Securities’ website at www.bursamalaysia.com, as the application of certain corporate governance practices may be more evidently manifested in the context of the respective statements.

The Corporate Governance Report 2024 sets out how the Company and its subsidiaries has applied each Principles and Step-Ups as set out in the MCCG during the financial year ended 31 December 2024. Where there is a departure, clear and meaningful disclosure on why the practice was not applied and how the alternative practice achieves the Intended Outcome. JcbNext will further enhance its MCCG adoption and put in the effort to adhere to all recommended best practices from time to time.

A. BOARD LEADERSHIP AND EFFECTIVENESS

Roles and Responsibilities of the Board

The Board is responsible for establishing the Group’s goals and strategic plans, setting targets for Senior Management and monitoring the achievement of those goals and targets. The Board also oversees the process of evaluating the adequacy and effectiveness of the system of internal controls and risk management processes.

The roles and responsibilities of the Board are clearly defined in the Board Charter, which is available on the Group’s website at www.jcbnext.com. The Board Charter further defines the roles and responsibilities of the Chairman, Chief Executive Officer (“CEO”), Independent Director, Senior Independent Director and various Board Committees.

The Board assumes the following specific duties and responsibilities:

- (i) Strategic planning - to review and approve strategies, business plans and key policies for the Group and monitor Management’s performance in implementing them to determine whether the business is being properly managed;
- (ii) Corporate goal - to set corporate values and clear lines of responsibility and accountability, including governance systems and processes that are communicated throughout the Group;
- (iii) Compliance with regulation - to ensure full compliance and to carry out the duties of the Board in accordance with the relevant provisions of the MMLR, the Capital Markets and Services Act 2007, the Companies Act 2016, the MCCG and all applicable laws, regulations and guidelines;
- (iv) Independent and transparent - to ensure that there shall be unrestricted access to independent advice or expert advice at the Company’s expense in furtherance of the Board’s duties;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

- (v) Remuneration of Non-Executive Directors - determining the remuneration of non-executive Directors, with the individuals concerned abstaining from discussions of their remuneration;
- (vi) Code of conduct - to formalise the ethical standards through a code of conduct that will be applicable throughout the Group and ensure compliance with this code of conduct;
- (vii) Succession planning - to ensure that Management has the necessary skills and experience and that there is a proper and robust succession plan for its Management and Executive Directors in place. Succession planning refers to the process of selecting, training, appointing, monitoring, evaluating and if warranted, replacing any management to ensure succession;
- (viii) Management proposals - to review, challenge and decide on Management's proposals for the Group, and monitor their implementation by Management;
- (ix) Judgmental timing - to ensure that the Board has adequate procedures in place to receive reports from Management periodically and/or in a timely manner so that the Board has reasonable grounds to make a proper judgment on financial matters and business prospects of the Group on an ongoing basis;
- (x) Financial and non-financial reporting - to ensure all its directors are able to understand financial statements and form a view of the information presented, and to ensure the integrity of the Group's financial and non-financial reporting. Each director shall read the financial statements of the Group and carefully consider whether what they disclose is consistent with the director's knowledge of the Group's affairs;
- (xi) Related party management - to establish procedures to assess any related party transactions or conflict of interest situations that may arise within the Company or Group, including any transaction, procedure or course of conduct that raises questions of management integrity;
- (xii) Board committee - to establish and ensure the effective functioning and monitoring of the Board Committees then to delegate appropriate authority and terms of reference to such committees established by the Board;
- (xiii) Board balance - to strive to achieve an optimum balance and dynamic mix of competent and diverse skillsets amongst the members of the Board;
- (xiv) Governance culture - together with Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour; and
- (xv) Stakeholder communication - to ensure that the Group has in place procedures to enable effective communication with stakeholders.

The Board reserves full decision-making powers on the following matters:

- (i) Strategic issues and planning;
- (ii) Material acquisitions and disposition of assets not in the ordinary course of business including significant capital expenditures;
- (iii) Treasury policies;
- (iv) Risk management policies;
- (v) Appointment of auditors and review of the financial statements encompassing annual audited financial statements and quarterly reports;
- (vi) Reviewing and approving new investments, divestments, mergers and acquisitions, establishment of subsidiaries or joint ventures, and any other corporate exercises that require shareholders' approval;
- (vii) Financing and borrowing activities;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

- (viii) Ensuring regulatory compliance;
- (ix) Reviewing the adequacy and integrity of internal controls;
- (x) Declaration of dividends;
- (xi) Business plans and budget;
- (xii) Appointment of Directors, CEO, Chief Financial Officer and other key responsible persons;
- (xiii) Key human resource issues;
- (xiv) Limits of Authority;
- (xv) Conflict of interest issue in relation to a substantial shareholder or a Director including approving related party transactions;
- (xvi) Code of Business Conduct & Ethics, Code of Ethics of Directors, frameworks, policies and procedures; which was previously approved by the Board; and
- (xvii) Sustainability risks and opportunities.

Board Charter

The Board has formalised a Board Charter which serves as a source of reference for Directors. This Board Charter is to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Senior Management with regard to the role of the Board and its committees, the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Group as well as the Board's processes and procedures. The Board periodically reviews and updates the Board Charter where appropriate to ensure the continuous relevance to MCCG and Bursa Securities' MMLR. The Board Charter is available on the Company's website at www.jcbnext.com.

Clear Functions of the Board and Senior Management

The Board is responsible for the overall performance of the Group by setting goals, policies and targets while Senior Management, led by the CEO, is responsible for managing the day-to-day running of the Group's business activities as well as the implementation of Board policies and decisions. For the avoidance of doubt, the Board Charter which can be found on the Group's website at www.jcbnext.com, contains a section identifying matters reserved for the decision of the Board.

The Board delegates certain responsibilities to the Board Committees to assist in the discharge of its responsibilities. The role of Board Committees is to advise and make recommendations to the Board. Standing committees of the Board include the Nomination Committee, the Audit and Risk Committee (please refer to the Audit and Risk Committee Report set out on pages 60 to 62 of this Annual Report) and the Remuneration Committee.

Chairman and CEO

The Chairman and CEO roles are undertaken by separate persons to ensure that there is a balance of power and authority, as set out in the Board Charter. The Chairman role is helmed by Datuk Ali bin Abdul Kadir ("Datuk Ali"), a Non-Independent Non-Executive Director. The Chairman is not a member of the Audit and Risk Committee, Nomination Committee or Remuneration Committee as prescribed in the MCCG. In addition, the responsibilities of the Chairman and the CEO are clearly divided in accordance with the requirements of the MCCG. Datuk Ali, as the Chairman, is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board. Executive management is led by Mr. Liong Wei Li who as the CEO is responsible for the day-to-day management of the business as well as the implementation of Board policies and decisions.

Code of Ethics, Whistle-Blowing Policy and Anti-Bribery and Corruption (“ABAC”) Policy

The Board has adopted and implemented a Code of Ethics for Directors of the Company and its subsidiaries (“Code of Ethics”) which can be found on the Group’s website at www.jcbnext.com. The Code of Ethics is intended to focus the Board and each Director on areas of ethical risk, provide guidance to Directors to help them recognise and deal with ethical issues, provide mechanisms to report unethical conduct and help foster a culture of honesty and accountability.

The Code of Ethics establishes a standard of ethical behaviour for Directors based on acceptable beliefs and values. It also includes guidance on relationships with shareholders, employees, creditors and customers and the standard of conduct with regard to social responsibilities and the environment.

The Board further acknowledges its role in establishing a corporate culture comprising ethical conduct within the Group. Senior Management and employees are guided by policies on acceptable conduct and ethics as contained in the Group’s Code of Business Conduct and Ethics and employee handbook.

To enhance corporate governance practices across the Group, a Whistle Blowing Policy was adopted which provides Directors, officers, employees and stakeholders of the Group with an avenue to report suspected improprieties such as illegal or unlawful conduct, contravention of the Group’s policies and procedures, acts endangering the health or safety of any individual, public or employee, and any act of concealment of improprieties. This policy aims to encourage the reporting of such matters in good faith, with the confidence that the person filing the report, to the extent possible, be protected from reprisal, victimization, harassment or subsequent discrimination. The Whistle Blowing Policy can be found on the Group’s website at www.jcbnext.com. Any person who wishes to report a suspected impropriety may submit his/her report to the Audit and Risk Committee via jcbwhistle@gmail.com. This is a secure email address accessible only by the Audit and Risk Committee members. During the year under review, there were no cases reported to the Audit and Risk Committee.

The Company has adopted an ABAC Policy which sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group. The Company will review the ABAC Policy and programme periodically to assess the performance, efficiency and effectiveness of the Group’s anti-bribery and anti-corruption processes and risk management system.

Promote Sustainability

The Company has established a Sustainability Working Group, headed by the Sustainability Officer appointed by the Board to plan and implement sustainability initiatives. The Board is supported by the Audit and Risk Committee, which is responsible for monitoring the progress of the implementation of sustainability initiatives based on the directions set by the Board.

The Board is aware of the importance of business sustainability and ensures that there is a plan for promoting sustainability in the development of the Group’s strategies, by balancing the environmental, social and governance aspects of business with the expectations of its various stakeholders. The need to promote sustainability is enshrined in the Board Charter. More details of the Group’s efforts in incorporating sustainability in its business operations can be found in the Sustainability Report on pages 47 to 59 of the Annual Report.

Access to Information and Advice

Directors receive a set of Board papers within a reasonable period before each Board meeting. This is to enable the Board to study matters to be discussed and obtain further explanations, where necessary, before the meeting. Directors also have full access, whether as full Board or in their individual capacity, to all information and Senior Management within the Group including that relating to financial, operational and technology matters.

As provided in the Board Charter, Directors are entitled to obtain independent professional advice, whether as full Board or in their individual capacity, where necessary, in the furtherance of their

duties and at the Group's expense. The procedure to seek the Board's approval for such independent professional advice is specified in the Board Charter.

Qualified and Competent Company Secretaries

The Board has direct access to the advice and services of the Company Secretaries who are responsible for ensuring that Board procedures are followed. The Board is satisfied that the current Company Secretaries are suitably qualified, competent and capable of carrying out the duties required and have attended training and seminars conducted by the Companies Commission of Malaysia, the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and Bursa Malaysia to keep abreast with the relevant updates on statutory and regulatory requirements such as updates on statutory on the Bursa Securities' MMLR, compliance with the Capital Markets and Services Act 2007 and Companies Act 2016, and to ensure adherence to the MCCG. The Board has access to all information within the Company and to the advice and services of the Company Secretaries.

The Company Secretaries, who oversee adherence to board policies and procedures, brief the Board on the proposed contents and timing of material announcements to be made to regulators. The Company Secretaries and/or the representatives of the Company Secretaries attend all Board and Board Committees meetings and ensure that meetings are properly convened, and that accurate and proper records of the deliberations, proceedings and resolutions passed are taken and maintained accordingly in the statutory register at the registered office of the Company. In certain instances, the Board may clarify Bursa Securities' MMLR with the Company Secretaries and they are actively involved in advising the Board, when appropriate.

Board Composition

The Board consists of six (6) members, comprising one (1) Non-Independent Non-Executive Chairman, two (2) Non-Independent Non-Executive Directors, two (2) Independent Non-Executive Directors and one (1) Executive Director. Thus, the Board's composition complies with the Bursa Securities' MMLR that require at least two (2) directors or one-third (1/3) of the Board, whichever is higher, to be independent. The MCCG now provides that at least half of the Board must comprise Independent Directors and for large companies, there must be a majority of Independent Directors. The Board takes cognizance of the recommendation of the MCCG and will endeavour to adopt this corporate governance best practice in time to come. None of the Directors hold more than five (5) directorships in listed issuers in Malaysia.

A brief profile of each Director is presented on pages 5 to 7 of this Annual Report. Collectively, the Board members provide an effective Board with a mix of industry-specific knowledge and broad business, financial, regulatory and technical experience. Furthermore, there is effective check and balance on the Board, with the majority of the Board members being Non-Executive Directors. The Board is satisfied that the current Board composition fairly reflects the interests of minority shareholders in the Company and provides the appropriate balance and size to govern the Company effectively.

Where areas of conflict of interest ("COI") and potential COI arise, the Directors concerned will have to declare his/her interest and abstain from participating in the decision-making process.

Nomination Committee

The Nomination Committee comprised of the following members:

- Chairman : Teo Koon Hong (*Senior Independent Non-Executive Director*)
- Members : Lim Chao Li (*Non-Independent Non-Executive Director*)
Tan Beng Ling (*Independent Non-Executive Director*)

The Nomination Committee consists entirely of Non-Executive Directors with the majority being independent. The Committee assists the Board, amongst others, in ensuring that the Board comprises Directors with the appropriate mix of skills and experience, as well as to ensure a proper balance between Executive Director and Non-Executive Directors. The terms of reference of the Nomination Committee is available on the Group's website at www.icbnnext.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

In compliance with the Bursa Securities' MMLR, the Board has adopted a Directors' Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process is being adhered to for the appointment, re-appointment and/or re-election of the Directors of the Company.

The Company's Constitution provides that at least one-third (1/3) of the Directors be subject to retirement by rotation at each Annual General Meeting ("AGM") and that all Directors retire once every three (3) years and be eligible to offer themselves for re-election. The Constitution also provides that a Director who is appointed during the year be subject to re-election at the next AGM following his/her appointment.

The Board takes cognisance of Practice 5.3 of the MCCG which prescribes that the tenure of an Independent Director should not exceed a cumulative term limit of nine (9) years. The Board is of the view that the independence of an Independent Director should not be measured solely by tenure. The Board will seek shareholders' approval through a two-tier voting process to retain the Independent Director who has served more than nine (9) years in the office.

The Nomination Committee is also responsible for conducting the fit and proper assessments on the Directors who are due for retirement at the AGM. Based on the assessment, the Nomination Committee and the Board are satisfied with the performance of the following Directors who are subject to retirement pursuant to the Company's Constitution at the forthcoming Twenty-First AGM ("21st AGM"):-

- (a) Datuk Ali Bin Abdul Kadir – Clause 96;
- (b) Ms Tan Beng Ling – Clause 96; and
- (c) Ms Chua Bee Ai – Clause 103

All the aforesaid Directors have expressed their intention to seek re-election at the forthcoming 21st AGM.

During the financial year under review, two (2) meetings were held which was attended by all its members.

A summary of activities undertaken by the Nomination Committee during the financial year are as follows:

- (i) Reviewed and assessed the performance, effectiveness, expertise, composition, size of the Board, mix of skills and experiences of the Board and the respective Board Committees as a whole and the respective contributions of each individual Director for the year 2024;
- (ii) Reviewed, considered and assessed the performance, and made recommendations to the Board for its approval, regarding the Directors who are seeking re-election at the forthcoming AGM pursuant to the Company's Constitution;
- (iii) Reviewed the training undertaken by individual Directors;
- (iv) Reviewed and assessed the independence of Independent Directors and their tenure of service;
- (v) Reviewed and assessed the term of office and performance of the Audit and Risk Committee and its members; and
- (vi) Reviewed the proposed appointment of Ms. Chua Bee Ai as a Non-Independent Non-Executive Director of the Company.

The Nomination Committee, through the annual appraisal, was of the view that all the Directors and the Senior Management have the necessary character, experience, integrity, competence and sufficient time to discharge their respective roles effectively during the year 2024.

Independent Directors

The Independent Non-Executive Directors on the Board are of sufficient calibre and experience to bring objectivity, balance and independent judgment to Board decisions. They ensure that the highest standards of corporate governance, ethical conduct and integrity are maintained by the Company to the benefit of all stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

The Independent Non-Executive Directors are not employees and they do not participate in the day-to-day running of the Group. They bring an external perspective, constructively challenge and advise on strategic planning, monitor the performance of Senior Management in meeting approved goals and objectives, and monitor the risk profile of the Group's business and the reporting of quarterly business performances.

The Board assesses the independence of the Independent Directors on an annual basis by taking into account the individual Director's ability to exercise independent judgment at all times and based on the criteria set out in the MMLR. Based on the assessment for the financial year ended 31 December 2024 carried out on 24 February 2025, the Board is satisfied with the level of independence demonstrated by the Independent Directors and their ability to act in the best interest of the Group.

The Nomination Committee noted Practice 5.3 of the MCCG which states that the tenure of an independent director should not exceed a cumulative term of nine (9) years and upon completion of the nine years, an independent director may continue to serve on the board subject to the director's re-designation as a non-independent director. Practice 5.3 of the MCCG further states that if the Board intends to retain an independent director beyond nine (9) years, it should justify and seek shareholders' approval through a two-tier voting process.

The tenure of one (1) of the Independent Non-Executive Directors, namely Mr Teo Koon Hong, has exceeded a cumulative term of more than nine (9) years. The Nomination Committee and the Board, after having assessed the independence of the said Independent Director, recommended for shareholders' approval through a two-tier voting process on the retention of the said Independent Director by providing the valid justifications at this forthcoming 21st AGM of the Company.

The Board recognises the importance of having a Senior Independent Non-Executive Director to serve as a sounding board for the chair and as an effective conduit for other Independent Directors to voice their concerns. Mr Teo Koon Hong is the Senior Independent Non-Executive Director designated to clarify matters or enquiries that may be raised by shareholders or investors.

Criteria for recruitment and assessment

The Nomination Committee identifies and recommends to the Board suitable candidates for appointment to the Board and Board Committees. In recommending candidates whether men or women for appointment to the Board, the Nomination Committee assesses the candidates' background, experience, competencies, fit and proper criteria, existing commitments and the ability to contribute and add diversity (including gender diversity) to the Board. A Board Diversity Policy has been adopted which sets out the approach to achieve diversity on the Board. While the Board does not have a specific policy on gender diversity, the Nomination Committee acknowledges the requirement under Practice 5.9 of the MCCG to have at least 30% of women Directors on the Board so that to have diverse perspectives and insights in making Board decisions. Currently, the percentage of female directors on the Board is 33%.

On appointment, Non-Executive Directors are briefed on the Group's business and the competitive environments in which it operates. The Company will also arrange for the newly appointed Director to attend the Mandatory Accreditation Programme.

The Nomination Committee is also responsible for assessing on an annual basis, the effectiveness of the Board, its Committees and the contributions of each Director including Independent Non-Executive Directors as well as the CEO.

For Board and Board Committee assessments, the criteria include board structure and operation, relationship with management, roles and responsibilities and the role of the Chairman. The criteria for self-assessment covers areas such as contributions to matters discussed, willingness to probe management and personality traits that contribute to the effectiveness of the Board. The independence of Independent Directors was assessed based on the criteria prescribed in the MMLR, relationship or arrangement with any director, officer or major shareholder, if any, and the involvement of immediate family members with the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

The assessment and comments by all Directors are summarised and discussed at the Nomination Committee Meeting and reported to the Board Meeting by the Nomination Committee Chairman. All assessments and evaluations carried out by the Nomination Committee in discharging its functions are properly documented.

The annual assessment of the Board for the financial year ended 31 December 2024 was conducted on 24 February 2025. The Nomination Committee was satisfied that the size, structure and composition of the Board remained appropriate and concluded that the Board and Board Committees generally have a good mix of skills, knowledge, experience and professional qualifications required to contribute positively to the Group and was operating in an effective manner and that each Director continued to make effective contributions to the work of the Board.

Time commitment of Directors

Directors are expected to give sufficient time and attention to carry out their responsibilities. The Board charter sets out a policy where a director shall notify the Chairman officially before accepting any new directorships in other companies and the notification shall explain the expectation and an indication of time commitment that will be spent on the new appointments.

Based on the assessment carried out on 24 February 2025 for the financial year ended 31 December 2024, the Board is satisfied with the level of commitment demonstrated by individual Board members.

The Board plans at least four (4) scheduled meetings annually, with additional meetings to be held, as and when necessary. The Board met four (4) times for the financial year ended 31 December 2024 and the summary of attendance at the Board Meetings held is as follows:

Directors	Attendance	
	Total	Percentage (%)
Datuk Ali bin Abdul Kadir (Chairman)	4/4	100
Teo Koon Hong	4/4	100
Lim Chao Li	4/4	100
Tan Beng Ling	4/4	100
Dr. Wong Siew Hui	4/4	100
Chua Bee Ai (<i>appointed on 9 October 2024</i>)	1/1	100

Directors' Training

The Board, via the Nomination Committee, assesses the training needs of its Directors on an ongoing basis, by determining areas that would best strengthen their contribution to the Board.

All Directors have attended and completed the Mandatory Accreditation Programme (MAP) Part I pursuant to Bursa Malaysia Listing Requirements.

In addition, during the financial year under review, all Directors attended various forums, programmes, workshops and seminars as follows:-

1. The Politics of Climate Change – Role of Science Diplomacy by Institute of Strategic & International Studies Malaysia
2. Enhanced Conflict of Interest under Bursa's Listing Requirements by Enra Group
3. Mandatory Accreditation Programme II – Leading for Impact by the Institute of Corporate Directors Malaysia
4. Climate Change Forum – Path to COP29 Baku by the Ministry of Natural Resources and Environmental Sustainability
5. How the New EU Deforestation Regulation Affects Your Palm Oil Business by KPMG Law and Zaid Ibrahim & Co.
6. Navigating Market Crosswinds by Bank of Singapore
7. Virtual Talk on the Global Landscape: Near-Term Volatility by Professor Pushan Dutt, INSEAD

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

8. Driving Strategic Innovation by Wharton Online
9. Engagement Session with FIDE Forum Members on BNM Annual Report 2023, Economic and Monetary Review 2023 and Financial Stability Review 2023 by FIDE Forum
10. Virtual Talk on Anti-Bribery and Corruption and Anti-Money Laundering – Senior Management and the Board's Responsibilities and Perspective by Cynopsis Solutions
11. ESG Kuala Lumpur International Sustainability Conference by FIDE Forum
12. Distinguished Board Leadership Series 2024: Digital Transformation of the World's Best Bank by FIDE Forum
13. Basic Life Support, CPR and AED by Kelab Kebajikan & Rekreasi Penolong Pegawai Perubatan
14. Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024 by KPMG Board Leadership Center
15. Sustainability Reporting and Sustainability Assurance by the Securities Commission Malaysia
16. Strategic Data and Frameworks in Board Governance by the Institute of Corporate Directors Malaysia
17. Bursa's Amended Listing Requirements on Conflict of Interest by KPMG

The Directors are mindful that they should receive appropriate continuous training. Continuous training is vital for the Board members to gain insight into the state of technology development, current economic outlook, and latest regulatory development and management strategies in relation to the Group's business.

The Company Secretaries circulate the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference. The External Auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the financial year-end.

Remuneration Committee and Remuneration of Directors and Senior Management

The Remuneration Committee is comprised of the following members:

Chairman : Lim Chao Li (*Non-Independent Non-Executive Director*)
Members : Teo Koon Hong (*Senior Independent Non-Executive Director*)
 Tan Beng Ling (*Independent Non-Executive Director*)

The Remuneration Committee consists wholly of Non-Executive Directors. The Remuneration Committee is responsible for recommending to the Board the remuneration framework for Directors as well as reviewing the remuneration package for Executive Directors and Senior Management. The policy practiced on Directors' remuneration is to provide the remuneration packages needed to attract, retain and motivate Directors of the quality required to manage the business of the Group and to align the interests of the Directors with those of the shareholders, without paying more than is necessary for this purpose.

The Executive Director did not participate in any way in determining his individual remuneration. The Executive Director's remuneration is linked to his performance.

The Board as a whole determines the fees for the services of Non-Executive Directors with individual Directors abstaining from decisions in respect of their individual remuneration. In deciding an appropriate level of fees for each Non-Executive Director, the Board will take into consideration the responsibility and time commitments based on the number of expected Board meetings, special meetings and the time required for reading Board and other papers, whether as Independent Directors or otherwise, and the membership and chairmanship of Board Committees.

The Remuneration Committee meets as and when required. For the financial year under review, one (1) meeting was held and attended by all its members. The Remuneration Committee reviewed and recommended to the Board, the remuneration of the Executive Director and Key Senior Management officers and the fees of the Directors for shareholders' approval at the AGM of the Company.

The Remuneration Policy and Procedure of Directors and Key Senior Management is available on the Group's website at www.jcbnext.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

The details of the remuneration of the Directors received/receivable from the Group and the Company for the financial year ended 31 December 2024 are set out below:

	Fees RM	Salary and EPF RM	Meeting allowances RM	Total RM
Non-Executive Directors				
Datuk Ali bin Abdul Kadir	90,000	-	2,500	92,500
Teo Koon Hong	84,000	-	8,500	92,500
Lim Chao Li	70,311	-	8,500	78,811
Tan Beng Ling	71,000	-	8,500	79,500
Chua Bee Ai (appointed on 9 October 2024)	15,607	-	1,500	17,107
Executive Director				
Dr. Wong Siew Hui	-	71,461	-	71,461
Total	330,918	71,461	29,500	431,879

The details of the remuneration of the CEO (comprising salary, bonus and other emoluments) for the financial year ended 31 December 2024 is set out below:

	Salary RM	Bonus RM	EPF RM	Total RM
Chief Executive Officer				
Liong Wei Li	233,243	229,888	55,637	518,768
Total	233,243	229,888	55,637	518,768

The details of the remuneration of Senior Management other than the CEO (comprising salary, bonus and other emoluments) for the financial year ended 31 December 2024 in bands of RM50,000 are set out below:

	Designation	RM
Gregory Charles Poarch	Chief Financial Officer	150,001-200,000
Dr. Wong Siew Hui	Chief Technology Officer	50,001-100,000

Note:

The Group has only 12 employees as at 31 December 2024. Dr. Wong Siew Hui and Mr. Gregory Charles Poarch together with Mr. Liong Wei Li, form the senior management team.

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit and Risk Committee

The Board has established an effective and independent Audit and Risk Committee which comprises of two (2) Independent Non-Executive Directors and a Non-Independent Non-Executive Director to assist in overseeing the Group's financial reporting process. The Chairman of the Audit and Risk Committee is not the Chairman of the Board to avoid the impairment of objectivity in the Board's review of the Audit and Risk Committee's findings and recommendations. Collectively, the Audit and Risk Committee possesses vast experience and the necessary skills to enable it to discharge its duties effectively. In particular, every member of the Audit and Risk Committee are accountant by profession and is currently or has served in senior finance roles. Their invaluable experience and backgrounds in finance will enable them to understand matters under the purview of the Audit and Risk Committee including the financial reporting process, internal controls, risk management and governance.

The Audit and Risk Committee is positioned to critically assess the Group's financial reporting process, transactions and other financial information, and where necessary, to challenge management's assertions on the Group's financials. To achieve this, the Audit and Risk Committee demonstrates vigilance and professional skepticism towards, among others, the detection of any financial anomalies or irregularities in the financial statements and does not hesitate to request further clarification from the management team. Apart from ensuring the financial statements of the Group are drawn up in accordance with regulatory requirements and applicable accounting standards in Malaysia, the Audit and Risk Committee will also ascertain that the financial statements taken as a whole provide a true and fair view of the Group's financial position and performance. The summary of attendance of Audit and Risk Committee members during the year 2024 is set out on page 60 of this Annual Report. A summary of the activities of the Audit and Risk Committee during the year 2024 is set out on pages 61 to 62 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

All members of the Audit and Risk Committee are required to undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules and regulations. During the financial year under review, members of the Audit and Risk Committee attended training programmes on various subject matters such as regulatory, investment, risk management, corporate governance and other business-related programmes.

Compliance with applicable financial reporting standards

While the Audit and Risk Committee is tasked to oversee the Group's financial reporting process, ultimate responsibility for the Group's financial reporting process rests with the Board. In presenting the annual audited financial statements and interim financial results, the Board takes responsibility for ensuring that these financial statements are drawn up in accordance with regulatory requirements and applicable financial reporting standards in Malaysia.

The Statement by Directors pursuant to Section 251(2) of the Companies Act 2016 is set out on page 122 of this Annual Report and the Statement explaining the Directors' responsibility for preparing the annual audited financial statements pursuant to paragraph 15.26 (a) of the Listing Requirements is set out on page 66 of this Annual Report.

Assessment of suitability and independence of External Auditors

The Audit and Risk Committee meets with the External Auditors privately without the presence of Executive Directors and management twice a year and whenever necessary, to exchange independent views on matters which require the Audit and Risk Committee's attention.

The Audit and Risk Committee considered the non-audit services provided by the External Auditors during the financial year ended 31 December 2024 and concluded that the provision of these services did not compromise the External Auditors' independence and objectivity. Please refer to page 65 of the Annual Report for the amount of audit fees and non-audit fees paid or payable to the External Auditors, including any firm or corporations affiliated to the External Auditors, by the Company and the Group for the year ended 31 December 2024.

The External Auditors have confirmed to the Audit and Risk Committee that they are not aware that their firm, the engagement partner, the engagement quality control reviewer and members of the audit engagement team are not, and have not been, independent for the purpose of the external audit in accordance with the By-Laws of the Malaysian Institute of Accountants.

The Audit and Risk Committee carried out an annual assessment on the performance, suitability and independence of the External Auditors based on the following key areas and concluded that the External Auditors have discharged their duties effectively and independently:-

- a) Calibre of external audit firm;
- b) Quality processes/performance;
- c) Sufficiency of resources;
- d) Independence and objectivity;
- e) Audit scope and planning;
- f) Audit fees; and
- g) Audit communications.

At the Audit and Risk Committee meeting held on 24 April 2025, the Audit and Risk Committee assessed the suitability and independence of the External Auditors and recommended to the Board to propose to shareholders at the forthcoming 21st AGM the reappointment of the External Auditors to hold office for the ensuing year.

Risk Management and Internal Control

The Board has overall responsibility of maintaining a system of internal controls, which provides reasonable assurance of effective and efficient operations and compliance with laws and regulations as well as with internal policies and procedures.

The Board recognises that risks cannot be fully eliminated. As such, the systems, processes and procedures being put in place are aimed at minimizing and managing them and to provide reasonable and not absolute assurance against material misstatement, loss or fraud.

Enterprise Risk Management Framework

The Board through the Audit and Risk Committee has adopted the Enterprise Risk Management Framework to have a common strategic and formal approach to risk management so as to improve decision making, enhance outcomes and accountability. The Enterprise Risk Management Framework sets out the Group's risk management strategy, risk profile, risk assessment processes, risk communication and action plans. The Enterprise Risk Management Framework as implemented by the Group is in line with *Enterprise Risk Management: Integrating with Strategy and Performance*, an internationally recognised risk management framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

A Risk Management Working Committee assists the Audit and Risk Committee and the Board in identifying, mitigating and monitoring critical risks. The Working Committee is responsible for implementing risk management policies and strategies approved by the Board. It monitors and manages the principal risk exposures by ensuring that necessary steps have been taken to mitigate such risks and recommends actions where necessary. The Working Committee reports to the Audit and Risk Committee on a quarterly basis.

The Statement on Risk Management and Internal Control as set out on pages 63 to 64 of this Annual Report provides an overview of the management of risks and state of internal controls within the Group.

Internal audit function

The Board acknowledges its responsibility to maintain a system of internal control and risk management. The Board seeks regular assurance of the continuity and effectiveness of the internal control and risk management system through independent review by the Internal Auditors.

The internal audit function has been outsourced to Resolve IR Sdn. Bhd., an external professional firm of consultants who is independent of management and reports directly to the Audit and Risk Committee. Based on the internal audit reviews conducted, the internal audit function provides reasonable assurance that the Group's system of internal control and risk management is satisfactory and operating effectively. Internal Audit activities are conducted in accordance with the approved internal audit plan which focuses on key risk areas of the Group and this is consistent with the Group's framework in designing, implementing and monitoring its internal control system.

The activities of the Internal Auditors during the financial year are set out in the Audit and Risk Committee Report on page 62 of the Annual Report.

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Corporate disclosure policy and investor relations

The Group strives to maintain its corporate credibility and instill investor confidence in the Group by practicing a structured approach in corporate disclosure and investor relations activities. The Group has formalised a Corporate Disclosure and Investor Relations Policy which sets out the principles of communication and disclosure, handling of material and confidential information, step-by-step disclosure process, various mediums of communication approved by the Board and policies and procedures with regards to the handling of material information, confidential information, rumours and reports and forward-looking information.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

As part of the Group's investor relations programme, discussions will be held between Senior Management and analysts/investors throughout the year. When necessary, presentations based on permissible disclosures are made to explain the Group's performance. Price-sensitive information about the Group is, however, not disclosed in these exchanges until after the prescribed announcement to Bursa Securities has been made.

Subsequent to the sale of the online job portal business in 2014, Management has not conducted any such meetings and instead, relied on the Company's AGM, website, annual and quarterly reports and announcements made to Bursa Malaysia Securities Berhad as the primary means of communicating with shareholders, investors and analysts.

Leverage on information technology for effective dissemination of information

The Group's website, www.jcbnext.com, provides an alternative communications avenue, targeted at presenting an overview of the Group's business, management, operations and governance as well as updates on financial performance not just to shareholders but all other stakeholders comprising jobseekers, customers, employees and members of the public. The website is updated continually. In addition, the Group's website provides a facility for shareholders and stakeholders to register themselves to receive email alerts of new information posted on the website.

Shareholders and investors may also forward their queries to the Company via email to ir@jcbnext.com.

Dialogue with shareholders

The AGM is a principal forum for two-way communication between the shareholders and the Management of the Group. Shareholders are provided with an opportunity to participate in the question-and-answer session in which they may raise questions about the Group's businesses and affairs.

Although the Company does not have a large number of shareholders, the use of technology to facilitate remote shareholders' participation including voting in absentia has been adopted in the last four (4) years. For the benefit of shareholders who are not able to attend the virtual AGM, the Minutes of the AGM will be published on the Group's website at www.jcbnext.com within thirty (30) business days after the conclusion of the AGM.

Encourage shareholder participation at general meetings

In line with the recommendation of MCCG, the Notice of the forthcoming 21st AGM together with the Annual Report will be sent to shareholders at least twenty-eight (28) days prior to the AGM which will be held on 18 June 2025. The Notice of AGM, which sets out the business to be transacted at the AGM, is also published in a major local newspaper. Items of special business included in the Notice of AGM will be accompanied by an explanation of the proposed resolutions.

At each meeting, the Board/Senior Management will be obliged to address any questions and concerns raised by shareholders in respect of the matters listed in the Notice of AGM.

Poll voting

Pursuant to Paragraph 8.29A of the MMLR, all resolutions set out in the notice of any general meeting shall be voted by poll. An independent scrutineer shall be appointed to undertake the polling process. In satisfaction of this requirement, all resolutions at the forthcoming 21st AGM shall be voted by poll.

Effective communication and proactive engagement

In maintaining its commitment to effective communication with shareholders, the Group adopts the practice of comprehensive, timely and continuing disclosures of information to shareholders as well as the general investing public.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

The Company's investor relations function endeavours to conduct regular dialogues and discussions with fund managers, financial analysts, shareholders and media. These meetings provide these stakeholders with ongoing updates on the Group's activities to better understand the business and strategic direction of the Group. Subsequent to the sale of the online job portal business in 2014, Management has not conducted any such meetings and instead, relied on the Company's AGM, website, annual and quarterly reports and announcements made to Bursa Malaysia Securities Berhad as the primary means of communicating with shareholders, investors and analysts.

This Statement is made in accordance with a resolution of the Board dated 24 April 2025.

SUSTAINABILITY REPORT

About This Report

This statement provides an overview of the JCBNEXT's sustainability initiatives and endeavors, taking into account the consideration and interest of key stakeholders of the Group. The statement addresses our sustainability initiatives and performance during the financial year 2024. We are dedicated to ensuring the sustainable economic development of the organization and creating long-term value for our shareholders while contributing positively to the well-being of our employees, society, and the planet.

Scope and Basis of Scope

The scope of the report covers the operations and activities of JCBNEXT as an investment holding company and its subsidiaries. JCBNEXT's commitment to sustainability not only extends to our operations, but as an investment holding company, we are committed to including environmental, social, and governance (ESG) considerations in our investment decisions.

Reporting Frameworks and Standards

This Statement has been developed according to Bursa Malaysia's Listing Requirements, with reference to Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

Assurance Statement

This Statement has not been subjected to an assurance process. The data reported in this Statement has been internally sourced and verified by the respective information owners. The Group shall continue to strengthen its data collection and analysis procedures to enhance the quality and accuracy of its data.

Feedback

We welcome and encourage our stakeholders to provide feedback pertaining to this Statement and the issues covered to ir@jcbnext.com.

About JcbNext

Please refer to other sections in this annual report for information about JcbNext's organization, business operations, and financial performance.

Our Approach to Sustainability

Sustainability Governance

The Board of Directors is primarily responsible for setting the group's sustainability strategy and ensuring that the group's sustainability initiatives are aligned with the group's overall business strategy. Critically, the Board sets the tone from the top on the Group's commitment in embedding sustainability into the Group's business strategy and operations. The Board is supported by the Audit and Risk Committee (ARC), which monitors the progress of implementing sustainability initiatives based on the directions set by the Board.

At the management level, a Sustainability Working Group, headed by the Sustainability Officer appointed by the Board, plans and implements the sustainability initiatives and ensures overall compliance. The Sustainability Working Group consists of members across the different functional departments of JCBNEXT. The Sustainability Working Group reports quarterly to the ARC on the progress and results of its initiatives. Our Sustainability Policy is available on the Company's website at www.jcbnext.com.

Stakeholder Engagement

Key Stakeholders	Areas	Engagement Mode
Shareholders	<ul style="list-style-type: none"> Financial and operational performance Corporate governance and ethical management Company strategy 	<ul style="list-style-type: none"> Investor Relations section on the Company website when needed Quarterly Financial reports and announcements Annual General Meeting and Annual Report
Board of Directors	<ul style="list-style-type: none"> Investment strategy and operational performance Corporate governance and risk management Succession planning 	<ul style="list-style-type: none"> Quarterly BOD and ARC meetings Ad hoc meetings as needed Emails and messaging for informal communications
Employees	<ul style="list-style-type: none"> Career Development Health and wellbeing Performance management Workplace culture and practices 	<ul style="list-style-type: none"> Internal and external training Regular meetings Email and messaging Regular company lunches Annual performance review E-surveys when needed
Tenants	<ul style="list-style-type: none"> Building operations and maintenance Sustainability initiatives 	<ul style="list-style-type: none"> Email and messaging/calls Meetings Posters
Government/ Regulators	<ul style="list-style-type: none"> Compliance with laws & regulations 	<ul style="list-style-type: none"> Email and messaging/calls Audits Regulatory compliance training programs

SUSTAINABILITY REPORT (CONTINUED)

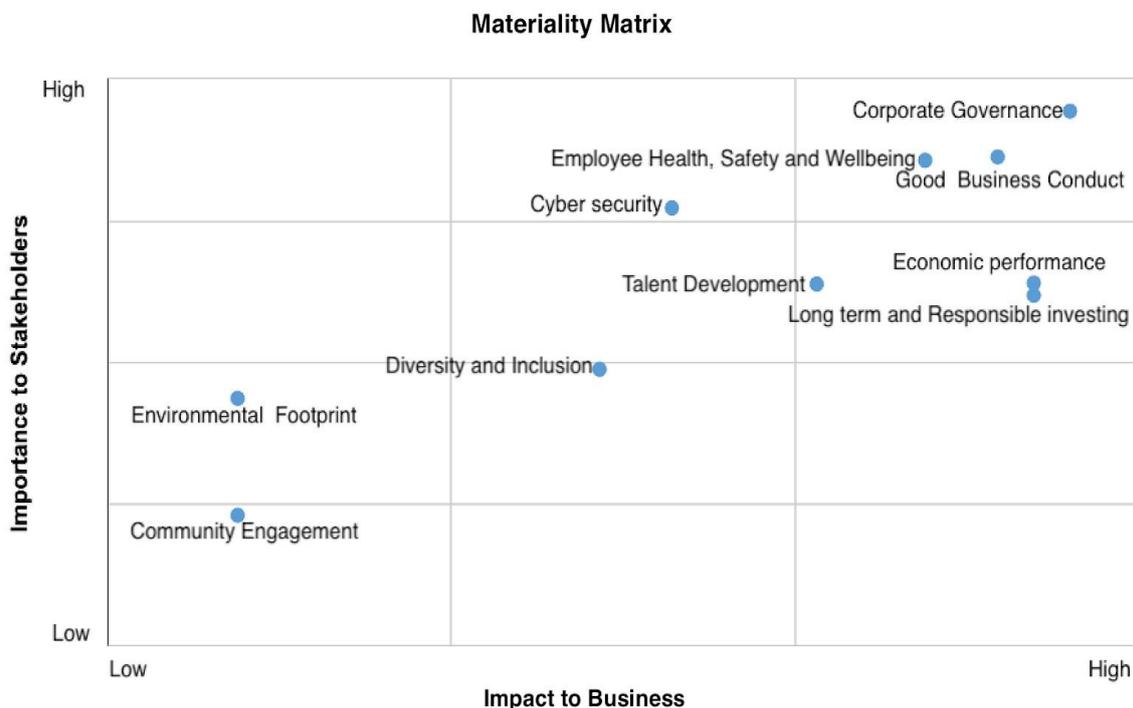
Suppliers	<ul style="list-style-type: none"> • Supplier performance and quality 	<ul style="list-style-type: none"> • Email and messaging/calls • Supplier selection • Supplier evaluation
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Material Matters and Materiality Matrix

We conducted our first materiality assessment to identify and prioritize ESG topics that are relevant to JcbNext and its stakeholders in 2023. The material issues include economics, governance, environment, and social issues. Through this exercise, we have identified the relative importance of specific ESG concerns and issues to JcbNext that will guide the formulation and prioritization of our initiatives in the coming years. Given the size of our operations, such materiality assessment will be done every 3 years. The next comprehensive materiality assessment will be done in 2026.

We engaged with our stakeholder groups via an online survey to identify and prioritize the material issues based on the resources available to us. The stakeholder groups include our directors, employees, shareholders, vendors, and tenants. The responses received cover a significant portion of our stakeholders.

The survey results are plotted below to show stakeholders' perceptions of the relative importance (y-axis) and the relative impact of these issues on JcbNext (x-axis). The higher-priority issues would be located in the top right quadrant.



SUSTAINABILITY REPORT (CONTINUED)

The description of these issues is as follows:

Compliance and governance

1. Corporate Governance - Ensure compliance with all laws and regulations
2. Good Business Conduct - Operating transparently, with integrity and accountability. Adopting the highest standards of professionalism, honesty, and ethics

Sustainable economic growth

3. Economic Performance - Economic value generated and distributed to stakeholders, and its sustainability.
4. Long-term and Responsible Investing - Making investments that consider long-term sustainability rather than short-term gain. Positive net utility as a criterion and proper investment risk management.

Human resource sustainability

5. Employee Health, Safety, and Wellbeing - Providing a safe and healthy work environment, employee health and well-being
6. Talent Development and Learning. Education and training activities that enhance employees' knowledge, skills, and competencies to achieve better work performance and support employees' future growth
7. Diversity and Inclusion - Promoting diversity and equal opportunities within the workforce, including gender, race, and other forms of diversity.

Data security

8. Cybersecurity - Ensuring confidentiality and integrity of information and transactions relating to its operations and financial reporting. Equipping employees with the knowledge and skills to recognize and prevent malicious activity from cyber threat actors.

Environment and Community

9. Environmental Footprint - Efforts to reduce its environmental footprint and manage emissions resulting from its activities. This includes energy consumption, water usage, waste management, recycling activities and other potential initiatives.
10. Community Engagement - Engaging with local communities, supporting local initiatives, and contributing to community development.

As can be observed in the Materiality Matrix, in general, compliance issues are of the highest priority as they should be, followed by economics and human resources, data security, and environmental and social issues.

SUSTAINABILITY REPORT (CONTINUED)

Performance Scorecard

Senior management has KPIs in 2024 that are related to sustainability matters as listed below.

Sustainability Matters	KPI	Results
Economic	Free cash flow continues to grow over a 10-year rolling period	Achieved
	AUM continues to grow faster over a 10-year rolling period vs 12-month MYR Fixed Deposit, KLSE index, and S&P 500 Index	Partially achieved. Growth is faster than the 12-month MYR Fixed Deposit and KLSE index but is less than S&P 500 Index.
	Efficient operation with opex as a percentage of AUM below 1%.	Achieved
	No material debt	Achieved
Compliance	No material breaches of listing requirements	Achieved
	0 major compliance issues from internal audit	Achieved
Human Resources/Social	Succession planning	Work in progress
Risk control including data security	0 significant event	Achieved

Given our small team footprint, a number of the matters related to the common indicators, e.g., environmental matters like energy usage and waste management are not material to JCBNEXT. Hence, we have not set any targets. However, we will strive to improve where it is sensible.

Management Approach for Material Matters

Compliance and Governance

JCBNEXT is proud of the values with which it conducts business. It has and will continue to uphold the highest levels of business ethics and personal integrity in all types of transactions and interactions. The Group adopts a “zero-tolerance approach” towards any form of bribery and corruption in conducting its business.

SUSTAINABILITY REPORT (CONTINUED)

Please refer to the Corporate Governance Overview Statement and Statement on Risk Management and Internal Control sections of this Annual Report. The table below shows our metrics on the Anti-Corruption (C1) indicator.

C1 Anti-Corruption			
	2022	2023	2024
C1a - Percentage of employees who have received training on anti-corruption by employee category	69%	77%	77%
Management	100%	100%	100%
Executive	78%	89%	89%
Non-executive/Technical Staff	0%	0%	0%
C1b - Percentage of operations assessed for corruption-related risks	100%	100%	100%
C1c - Confirmed incidents of corruption and action taken	0	0	0
Note: A part-time admin staff and 2 non-executive staff did not receive training on anti-corruption.			

Economic Performance

We aim to build up JcbNext as a long-term, ever-lasting investment holding company that owns stakes in other excellent, cash-flow generating businesses. Ownership or part-ownership of such businesses could allow us to share in their business growth and success. If our investee companies distribute their profits in the form of dividends, that would provide us with an income stream that we can distribute onwards to JcbNext shareholders.

Although generally industry agnostic, we hope to invest in companies that have a “net positive social utility”. When such a discussion is needed, we weigh the pros and cons of potential investee companies from a “social utility” perspective - whether society needs the product or business, and whether it’s better for the product or business to exist in the long run. In 2024, we formally adopted a social utility taxonomy that sets out criteria used to evaluate the sustainability of our current investments, as well as future investment opportunities to help us better identify and invest in sustainable assets.

To ensure the sustainability of our economic performance, we also endeavor to keep our operational costs low and incorporate proper risk management measures into our daily operations. Most of the above are measured as KPIs for the senior management, as shown in the previous section.

Human Resources/Social

JcbNext believes that our employees are our most invaluable assets and are the driving force for our success and growth. We have a small team of employees that allows us to keep an efficient and cost-effective operation that is sustainable for the long term. We aim to see them grow their career with us in a conducive environment for their growth and well-being, as they strive to generate long-term value for our shareholders.

For staff development, employees can claim exam leave, professional certification fees, and training for their professional development. For staff welfare, our benefits include transport allowances to non-managerial staff, outpatient treatment claims, hospitalization and surgery insurance for staff and family, time-off for antenatal check-ups, comprehensive annual health screening for those 30 years and above, term life insurance for all staff, monetary award for long-standing staff, healthy meal claims, and flexibility to work from home when needed.

In 2024, we did a review of our insurance coverage and medical benefits and upgraded them to ensure the health and well-being of all staff. In addition, based on the results of an internal audit, an Occupational Health and Safety Policy was created, and Staff Health and Safety Training was also carried out.

Concerning our human resources, for metrics on Diversity (C3) and Labour practices and standards, Learning and Development (C6) indicators, please refer to the respective tables below.

C3 Employee Diversity			
Employee Breakdown by Gender			
	2022	2023	2024
Male	62%	62%	62%
Female	38%	38%	38%

Employee Breakdown by Gender and Employee Categories			
	2022	2023	2024
Management - Male	67%	67%	67%
Management - Female	33%	33%	33%
Executive - Male	60%	60%	60%
Executive - Female	40%	40%	40%

SUSTAINABILITY REPORT (CONTINUED)

Non-Executive - Male	50%	50%	50%
Non-Executive - Female	50%	50%	50%

C3 Board Diversity			
By Gender			
	2022	2023	2024
Male	60%	80%	67%
Female	40%	20%	33%

C6 Labour practices and standards, Learning and Development			
Average Training Hours Per Employee - By Gender			
	2022	2023	2024
Male	7.75	20.13	14.60
Female	3.20	4.30	18.40

Average Training Hours Per Employee By Employee Category			
	2022	2023	2024
Management	5.30	14.80	21.30
Executive	9.20	18.80	13.40
Non-Executive	0	0	7.00

Further breakdown and information can be found in the Performance Data Table in the next section. Similarly, for metrics on Community Investment (C2), Health and Safety (C5), and Local Suppliers Proportion (C7) indicators, please refer to the Performance Data Table in the next section.

Data security

As IT is evolving at such a fast pace and with our small team, we have outsourced most of our IT requirements to reliable third-party hosting providers with specialized expertise. However, we continue to review potential threats and educate our employees on the types of cyber threat tactics used to stay

SUSTAINABILITY REPORT (CONTINUED)

vigilant. We also maintain and keep updated our IT disaster policy and business continuity documents to ensure better recovery of important data and continuous business operations with minimal disruption in the event of any disaster.

For the past 3 years, there have been zero complaints about breaches of customer privacy and losses of customer data (C8 indicator), as shown in the Performance Data Table in the next section.

Environment

We are continuously seeking effective and efficient conservation management of resources in support of the green environment; (a) Environmental Protection - to minimize wastage in our energy consumption through mindful usage of energy and water resources. (b) Resource Conservation - to improve productivity, reduce wastage, and conserve energy resources based on the 3R concept (i.e., Reduce, Reuse, Recycle). This includes minimizing the use of paper in our everyday operations through digitization, electronic meetings so travel is not needed, and encouraging recycling. As a building owner, we encourage our tenants to recycle by providing recycling bins in the common area of Wisma JcbNext.

For the usage of renewable energy, we have also engaged a vendor for the installation of solar panels on the roof of Wisma JcbNext. We have obtained approval for the NEM application from SEDA and are in the process of obtaining other approvals for the safety aspects before the installation. According to the vendor proposal submitted, the estimated energy generated monthly from the solar panels would be 2,849 kWh.

For metrics on Energy Management (C4), Water Management (C9), and Emissions Management (C11) indicators, please refer to the respective tables below.

C4 Energy Management			
	2022	2023	2024
Total energy consumption (KWh)	68,536	82,473	71,372
Note: Only for JcbNext's office floor. Includes proportional usage of centralized air conditioner. 2022 was affected by work from home arrangement due to COVID.			

C9 Water			
	2022	2023	2024
Total volume of water used (M3)	449.75	727.75	516.12
Note: Only for JcbNext's office floor. 2022 was affected by work from home arrangement due to COVID.			

C11 Emissions			
GHG Emissions (tCO₂e)			
	2022	2023	2024
Scope 2 emissions in tonnes of CO ₂ e	53.05	63.80	55.24
Scope 3 emissions in tonnes of CO ₂ e (Includes business travel and employee commuting only)	0	15.97	18.98
<p>Note: Scope 3 only includes travel and commuting. Pre-2023 Scope 3 data is not available as tracking was not implemented then but should be less than 2023 as during part of 2022, we had work from home arrangement. 2021 data for Scope 2 is much less due to work from home arrangement. Scope 1 data is not included as we do not have emissions coming from sources that the company directly owns or controls.</p>			

For metrics on Waste Management (C10), please refer to the Performance Data Table in the next section.

SUSTAINABILITY REPORT (CONTINUED)

Performance Data Table (as extracted from Bursa Malaysia ESG Reporting Platform)

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100.00*	100.00*	100
Executive	Percentage	78.00*	89.00*	89
Non-executive/Technical Staff	Percentage	0	0	0
General Workers	Percentage	0	0	0
Bursa C1(b) Percentage of operations assessed for corruption-related risks				
	Percentage	100	100	100
Bursa C1(c) Confirmed incidents of corruption and action taken				
	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer				
	MYR	0	0	0
Bursa C2(b) Total number of beneficiaries of the investment in communities				
	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				
Management Under 30	Percentage	0	0	0
Management Between 30-50	Percentage	66.67	66.67	50
Management Above 50	Percentage	33.33	33.33	50
Executive Under 30	Percentage	20	20	20
Executive Between 30-50	Percentage	60	60	60
Executive Above 50	Percentage	20	20	20
Non-executive/Technical Staff Under 30	Percentage	0	0	0
Non-executive/Technical Staff Between 30-50	Percentage	0	0	0
Non-executive/Technical Staff Above 50	Percentage	100	100	100
General Workers Under 30	Percentage	0	0	0
General Workers Between 30-50	Percentage	0	0	0
General Workers Above 50	Percentage	0	0	0
Gender Group by Employee Category				
Management Male	Percentage	66.67	66.67	66.67
Management Female	Percentage	33.33	33.33	33.33
Executive Male	Percentage	60	60	60
Executive Female	Percentage	40	40	40
Non-executive/Technical Staff Male	Percentage	50	50	50
Non-executive/Technical Staff Female	Percentage	50	50	50
General Workers Male	Percentage	0	0	0
General Workers Female	Percentage	0	0	0

SUSTAINABILITY REPORT (CONTINUED)

Indicator	Measurement Unit	2022	2023	2024
Bursa (Diversity) (continued)				
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	60	80	66.67
Female	Percentage	40	20	33.33
Under 30	Percentage	0	0	0
Between 30-50	Percentage	20	0	16.67
Above 50	Percentage	80	100	83.33
Bursa (Energy management)				
Bursa C4(a) Total energy consumption				
	Megawatt	68.54	82.47	71.37
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities				
	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")				
	Rate	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards				
	Number	0	0	0
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	32	89	128
Executive	Hours	46	94	67
Non-executive/Technical Staff	Hours	0	0	14
General Workers	Hours	0	0	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff				
	Percentage	0	0	0
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	0	0	0
Executive	Number	0	0	0
Non-executive/Technical Staff	Number	0	0	0
General Workers	Number	0	0	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations				
	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers				
	Percentage	90.4	89.43	88.64
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 (Water)				
Bursa C9(a) Total volume of water used				
	Megalitres	0.44975	0.72775	0.51612
Bursa (Waste management)				
Bursa C10(a) Total waste generated				
	Metric tonnes	-	0.13*	0.3
Bursa C10(a)(i) Total waste diverted from disposal				
	Metric tonnes	-	0.13*	0.18
Bursa C10(a)(ii) Total waste directed to disposal				
	Metric tonnes	-	0.01*	0.11
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e				
	Metric tonnes	0	0	0
Bursa C11(b) Scope 2 emissions in tonnes of CO2e				
	Metric tonnes	1/5/1953	63.80*	55.24
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)				
	Metric tonnes	-	15.97*	18.98

(*) Restated

SUSTAINABILITY REPORT (CONTINUED)

Notes:

- 1) Regarding employees who have received anti-corruption training (C1a), a part-time admin staff and 2 non-executive staff did not receive training on anti-corruption.
- 2) We started tracking our total waste directed to disposal (C10(a)(ii)) only on 27 November 2023 hence the reported number appears small for the whole year of 2023 versus the year 2024.
- 3) Scope 2 emissions (C11(b)) from the year 2022 to 2024 are calculated using the latest available grid emission factor published by the Energy Commission of Malaysia. 2021 data for scope 2 is much less due to work-from-home arrangements.
- 4) Scope 3 emissions (C11(c)) only include travel and commuting. Pre-2023 scope 3 data is not available as tracking was not implemented but should be less than 2023 as during part of 2022, we had a work from home arrangement.

AUDIT AND RISK COMMITTEE REPORT

MEMBERSHIP

Chairman : Teo Koon Hong (*Senior Independent Non-Executive Director*)
Members : Tan Beng Ling (*Independent Non-Executive Director*)
Chua Bee Ai (*Non-Independent Non-Executive Director*)(*appointed on 9 October 2024*)
Lim Chao Li (*Non-Independent Non-Executive Director*)(*resigned on 9 October 2024*)

MEETINGS

The Audit and Risk Committee (“ARC”) held five (5) meetings during the financial year. The attendance of the Committee members was as follows: -

Committee Members	Number of meetings attended during ARC Members’ tenure in office
Teo Koon Hong (Chairman)	5/5
Tan Beng Ling	5/5
Chua Bee Ai (<i>appointed on 9 October 2024</i>)	1/1
Lim Chao Li (<i>resigned on 9 October 2024</i>)	4/4

During the financial year, the ARC has met with the External Auditors twice without management present.

The ARC shall meet at least four (4) times on a quarterly basis in each financial year and such additional meetings, as the Chairman shall decide in order to fulfil its duties. Upon the request of the External Auditors or internal auditors (if any), the Chairman of the ARC shall convene a meeting of the Committee to consider any matters that the auditors believe should be brought to the attention of the Directors or shareholders.

The Company Secretary or other appropriate senior official shall act as Secretary of the ARC and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to committee members prior to each meeting and taking attendance for the ARC meeting. The Company Secretary shall also be responsible for keeping the minutes of ARC and circulating them to committee members and the other members of the Board of Directors (“Board”).

In order to form a quorum for the meeting, the majority of members present must be independent directors. The Chief Financial Officer, the Chief Audit Executive of the outsourced Internal Audit function and a representative of the External Auditors shall normally attend meetings. Other Board members and employees may attend the ARC Meeting upon the invitation of the Committee. However, at least twice a year the ARC shall meet with the External Auditors without executive Board members, management and employees present.

The Company must ensure that other directors and employees attend any particular ARC meeting only at the ARC’s invitation, specific to the relevant meeting.

The ARC is in compliance with Paragraphs 15.09 and 15.10 of the Bursa Malaysia Listing Requirements.

AUTHORITY AND DUTIES OF THE ARC

The ARC is governed by its Terms of Reference, which is available on the Company’s website at www.jcbnext.com. The Terms of Reference of the ARC have been revised and approved by the Board on 24 February 2025. The responsibilities of the ARC are in line with the Main Market Listing Requirements and the Malaysian Code on Corporate Governance.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

In respect of the financial year under review, the ARC carried out the following activities which are in line with its responsibilities as set out in its Terms of Reference:

1. Financial statements

- (a) Reviewed the unaudited quarterly financial reports and year-end audited financial statements before they were presented to the Board for approval;
- (b) In its review of the quarterly financial reports, the ARC discussed with Management the financial accounting standards applied, including the judgments exercised in the application of those standards and explanations for significant items and the disclosure thereof; and
- (c) In its review of the year-end audited financial statements, the ARC discussed with both Management and the External Auditors the financial accounting standards applied, including the judgments exercised in the application of those standards, audit focus areas and disclosures in the financial statements.

2. Matters relating to External Audit

- (a) Reviewed with the External Auditors, the Group's audit plan for the year prior to the commencement of the annual audit, including the audit timetable and coordination with auditors of significant components;
- (b) Reviewed the External Auditors' audit report and the significant audit findings underlying their report. These were presented once a year by the External Auditors upon completion of the year-end audit;
- (c) Met with the External Auditors without management present twice, on 24 April 2024 and 27 November 2024 in order to provide the External Auditors an avenue to express any concerns they may have, including those relating to their ability to perform their work without restraint or interference;
- (d) Evaluated the External Auditors' independence and objectivity, as well as their ability to serve the Group in terms of technical competencies and manpower resource sufficiency. Also reviewed the reasonableness of the audit fees charged against the size and complexity of the Group; and
- (e) Recommended to the Board to propose to shareholders the reappointment of the External Auditors at the AGM of the Company.

3. Matters relating to Internal Audit

- (a) Reviewed the adequacy of the scope, function, competency and resources of the internal audit function;
- (b) Reviewed and deliberated on the internal audit reports prepared by the internal auditors, including recommendations for corrective actions, management's response and actions taken to improve the Group's system of internal controls and operating procedures; and
- (c) Met with the Internal Auditors without management present twice, on 20 May 2024 and 27 November 2024.

4. Matters relating to risk management and internal control

- (a) Reviewed the Group's Enterprise Risk Management framework, process and structure; and
- (b) Reviewed the risk scorecards, risk ratings and action plans identified by management.

AUDIT AND RISK COMMITTEE REPORT (CONTINUED)

5. Matters relating to corporate governance

- (a) Reviewed the Corporate Governance Report, Corporate Governance Overview Statement, ARC Report, Directors' Responsibility Statement in respect of the Audited Financial Statements, Statement to Shareholders in relation to the proposed share buy-back and the Statement on Risk Management and Internal Control and recommended the same to the Board for approval.

6. Matters relating to conflict of interest / potential conflict of interest

- (a) Reviewed and addressed any conflict of interest / potential conflict of interest situations that may arise within the Group on quarterly basis, involving major shareholders, directors and key senior management with respect to the Group's investments.

ARC TRAINING

During the financial year under review, members of the ARC attended training programmes on various subject matters such as regulatory, investment, risk management, corporate governance, sustainability and other business-related programmes to enable them to discharge their responsibilities as members of the ARC more effectively. Details of the trainings are disclosed in the Corporate Governance Overview Statement on pages 40 to 41 of this Annual Report.

INTERNAL AUDIT FUNCTION

The Internal Audit function has been outsourced to Resolve IR Sdn. Bhd., an external professional firm of consultants, led by the Chief Audit Executive who is the Chief Executive Officer of Resolve IR Sdn. Bhd.. Resolve IR Sdn Bhd is a member of the Institute of Internal Auditors Malaysia ("IIAM") (Membership Number: C0477) and its personnel are individual members of IIAM or Malaysian Institute of Accountant or both. The outsourced Internal Audit function is tasked to undertake independent reviews on the adequacy, efficiency and effectiveness of the Group's system of internal control. Internal control activities are conducted in accordance with the scope of work specified in the engagement letter that is approved by the ARC, which focuses on the key risk areas of the Group. In addition, internal audits are carried out in accordance with the International Professional Practices Framework of Internal Auditing. The outsourced internal audit function is free from any relationship or conflict of interest that could impair its objectivity and independence.

The outsourced Internal Audit Function reports directly to the ARC to preserve its independence. Appointment of the Chief Audit Executive does not preclude the ARC, Board and Management from implementing board policies on risk and control. In fulfilling its responsibilities, the ARC, Board of Directors and management identify and evaluate the risks faced by the Group, and design, operate and monitor a suitable system of internal control that implements the policies adopted by the Board.

During the financial year, the consultants have executed internal audit reviews in accordance with the approved internal audit plan on the following processes:-

- a) Group Risk Assessment;
- b) Property Management, Leasing and Maintenance; and
- c) Treasury Management

The scope of internal audit reviews for the year 2024 has been identified on a risk-based approach. The internal audit findings with recommendations as well as management's responses have been discussed with and affirmed by Senior Management and subsequently presented to the ARC.

The total costs incurred in supporting the Internal Audit Function for the financial year amounted to approximately RM90,000.00 (2023: RM83,000.00).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

This statement on risk management and internal control has been prepared in compliance to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Securities, Practice 10.2 of the Malaysian Code on Corporate Governance and with reference to the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” which outlines the processes to be adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system of the Group.

BOARD RESPONSIBILITIES

The Board recognises the importance of a sound system of internal control and risk management to safeguard shareholders' investment and the Group's assets. The Board has overall responsibility for the Group's system of risk management and internal control including the establishment of an appropriate control environment as well as reviewing its adequacy and integrity.

However, there are limitations that are inherent in any system of internal control and that such systems are designed to manage and control risks within acceptable level rather than to eliminate them. Accordingly, internal controls can only provide reasonable and not absolute assurance against material misstatement or loss. Notwithstanding this, the Board requires that the procedures and controls in place are subject to regular review as part of an ongoing process for identifying, evaluating and managing the significant risks faced by the Group.

As part of its review process, the Board will continue taking necessary measures to strengthen its internal control system to address any weaknesses identified.

RISK MANAGEMENT FRAMEWORK AND SYSTEM OF INTERNAL CONTROL

During the year, the Group monitored significant risks and risk mitigation strategies on an ongoing basis through its management and Board meetings. Under the purview of the CEO, Senior Management are empowered with the responsibility of managing their respective operations.

In addition, the Audit and Risk Committee (“ARC”) constantly reviews and improves on the existing risk management framework for identifying, evaluating and managing significant risks faced by the Group. In view of a constantly evolving environment and competitive landscape, the Board is committed in maintaining a system of internal control and risk management that comprises the following control environment, key processes and monitoring systems:

- ARC reviews the adequacy and effectiveness of the Group's risk management and internal control procedures as well as any internal control issues identified by the external and internal auditors;
- A risk-mapping and on-going business process review that assists the management to continuously identify significant risks associated with key processes within a changing business and operating environment;
- An annual budgeting process against which performance is monitored on an ongoing basis;
- Quarterly business reports and management accounts are submitted by the respective managers for review by senior management;
- Disaster recovery plans including technical infrastructure monitoring processes to help ensure the risk of system outages is minimized;
- Segregation of duties and limits of authority are practiced to ensure accountability and responsibility;
- Clear, formalised and documented internal policies and procedures are in place to ensure compliance with internal controls and relevant laws and regulations;
- Employee handbook which contains, amongst others, the Company's policies on acceptable conduct and ethics;
- Periodic internal audits which focus on compliance with policies and procedures and evaluate the effectiveness and efficiency of the Group's internal control system;
- Anti-Bribery and Corruption Policy which sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group; and
- Whistle-Blowing Policy which provides directors, officers, employees and stakeholders of the Group with an avenue to report suspected improprieties such as illegal or unlawful conduct, contravention of the Group's policies and procedures, acts endangering the health or safety of any individual, public or employee, and any act of concealment of improprieties.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

INTERNAL AUDIT REVIEW

The ARC is tasked by the Board with the duty of reviewing and monitoring the adequacy and effectiveness of the Group's system of internal control and risk management. In carrying out its responsibilities, the ARC relies on the support of an external professional firm of consultants appointed by the ARC, Resolve IR Sdn. Bhd., who is tasked to carry out internal audits on various areas of operations within the Group. These internal audit reviews focus on the internal controls in the key activities of the Group's business based on the detailed internal audit plan approved by the ARC. Based on the internal audit reviews conducted, the Internal Auditors provide the ARC with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control. Follow-up reviews on the implementation of action plans are subsequently carried out to ensure that deficiency highlighted have been addressed.

ASSOCIATED COMPANIES

The Group's system of internal controls does not cover associated companies.

WEAKNESSES IN INTERNAL CONTROLS THAT RESULT IN MATERIAL LOSSES

There were no material losses or contingencies requiring separate disclosure in the annual report under review as a result from weaknesses in internal control.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

Audit and Assurance Practice Guide ("AAPG") 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board is satisfied that the risk management framework and system of internal control that is in place for the year under review and up to the date of approval of this Statement, given the current size of the Group's operations, industry dynamics and competitive landscape, is adequate and effective.

The Board has received written assurances from the CEO and CFO as well as the Chief Audit Executive of the outsourced internal audit function that the Group's risk management framework and system of internal control is in place and operating adequately and effectively, in all material aspects, based on the risk management approach adopted by the Group.

This statement was approved by the Board of Directors on 24 April 2025.

ADDITIONAL COMPLIANCE INFORMATION

The following information provided is in respect of the financial year ended 31 December 2024.

Audit and Non-Audit Fees

During the financial year ended 31 December 2024, the amount of audit fees and non-audit fees paid or payable to KPMG PLT or a firm or corporation affiliated to KPMG PLT by the Company and the Group are as follows:

	Group RM	Company RM
Audit fees	225,000	215,000
Non-audit fees	50,001	50,001

Material Contracts

During the financial year under review, there were no material contracts entered into by the Company and its subsidiaries which involved Directors' or major shareholders' interests.

Utilisation of Proceeds

There were no proceeds raised from any corporate proposal during the financial year ended 31 December 2024.

Employees' Share Scheme

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during the financial year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act 2016 to prepare financial statements which give a true and fair view of the state of affairs of the Group and of the Company as at the end of each financial year and of the results and cash flows of the Group and of the Company for the financial year then ended. The Directors ensure that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgments and estimates have been made, in the preparation of the financial statements. The Directors also ensure that applicable approved accounting standards have been followed. The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

for the year ended 31 December 2024

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 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the year.

SUBSIDIARIES

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

RESULTS

	Group RM	Company RM
Profit for the year	51,122,505	50,254,024

RESERVES AND PROVISIONS

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

DIVIDENDS

Since the end of the previous financial year, the Company paid a final single tier dividend of 6.5 sen per ordinary share amounting to RM8,562,995 in respect of the financial year ended 31 December 2023 on 25 July 2024.

The Company declared and paid an interim single tier dividend of 7.0 sen per ordinary share in respect of the financial year ended 31 December 2024 amounting to RM9,196,134. The dividend was declared on 9 December 2024 and paid on 31 December 2024.

The Directors do not recommend any final single tier dividend to be paid for the financial year ended 31 December 2024.

DIRECTORS OF THE COMPANY

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

Datuk Ali bin Abdul Kadir
Teo Koon Hong
Lim Chao Li
Tan Beng Ling
Wong Siew Hui
Chua Bee Ai (Appointed on 9 October 2024)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the ordinary 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, if any, 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 31.12.2024
	At 1.1.2024	Bought	Sold/ Transfer	
Interests in the Company:				
Datuk Ali bin Abdul Kadir	740,000	-	-	740,000
Lim Chao Li	1,000,000	-	-	1,000,000
Wong Siew Hui	200,626	-	-	200,626
Deemed Interests in the Company:				
Wong Siew Hui	12,000,074	-	-	12,000,074

None of the other Directors holding office at 31 December 2024 had any interest in the shares and options 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 31 December 2024 are as follows:

	From the Group and Company RM
Directors of the Company:	
Fees	330,918
Remuneration	100,961
	<hr/>
	431,879
	<hr/>

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

ISSUE OF SHARES AND DEBENTURES

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.

DIRECTORS' REPORT (CONTINUED)

SHARE BUY-BACK

On 20 June 2024, the shareholders of the Company renewed their approval for the Company to buy-back its own shares. During the financial year, the Company bought back from the open market, 658,500 of its issued ordinary shares ("JcbNext Shares") listed on the Main Market of Bursa Malaysia Securities Berhad, at an average buy-back price of approximately RM1.62 per ordinary share. The total consideration paid for the share buy-back of JcbNext Shares by the Company during the financial year was RM1,067,530 and was financed by internally generated funds. The JcbNext Shares bought back are held as treasury shares in accordance with Section 127 Subsection 4(b) of the Companies Act 2016. On 18 December 2024, the Company cancelled 658,500 of its treasury shares held pursuant to Section 127 Subsection 4(a) of the Companies Act 2016.

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and the officers of the Company is RM15,000,000 and RM30,703 respectively.

OTHER STATUTORY INFORMATION

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

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

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

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

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

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

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, except for the gain on partial disposal of investment in an associate as disclosed in Note 19, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

DIRECTORS' REPORT (CONTINUED)

AUDITORS

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

The auditors' remuneration of the Group and of the Company during the year are RM235,000 and RM225,000 respectively.

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

.....
Datuk Ali bin Abdul Kadir
Director

.....
Wong Siew Hui
Director

Kuala Lumpur

Date: 24 April 2025

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Assets					
Property and equipment	2	29,645	46,792	29,317	46,027
Right-of-use assets	3	101,651	36,904	-	-
Investment properties	4	18,500,000	18,000,000	18,500,000	18,000,000
Investments in subsidiaries	5	-	-	148,313,887	103,311,035
Investments in associates	6	78,868,638	114,227,340	52,532,288	69,550,826
Other investments	7	204,016,345	128,714,843	80,626,285	64,040,763
Total non-current assets		301,516,279	261,025,879	300,001,777	254,948,651
Other investments	7	20,400,360	35,502,426	20,400,360	34,621,391
Current tax assets		74,206	94,337	74,206	94,337
Other receivables	8	176,019	13,387	209,395	32,529
Prepayments and other assets		196,598	151,442	175,353	133,760
Cash and cash equivalents	9	86,797,581	74,067,862	70,867,104	63,292,747
Assets classified as held for sale	10	-	800,000	-	800,000
Total current assets		107,644,764	110,629,454	91,726,418	98,974,764
Total assets		409,161,043	371,655,333	391,728,195	353,923,415
Equity					
Share capital		196,619,727	196,619,727	196,619,727	196,619,727
Reserves		203,103,008	165,527,091	188,427,698	151,652,711
Total equity	11	399,722,735	362,146,818	385,047,425	348,272,438
Liabilities					
Lease liabilities		39,403	-	-	-
Deferred tax liabilities	12	7,715,592	7,780,946	5,185,780	4,097,454
Total non-current liabilities		7,754,995	7,780,946	5,185,780	4,097,454
Lease liabilities		63,643	38,828	-	-
Other payables	13	1,615,263	1,684,090	1,494,990	1,553,523
Current tax payables		4,407	4,651	-	-
Total current liabilities		1,683,313	1,727,569	1,494,990	1,553,523
Total liabilities		9,438,308	9,508,515	6,680,770	5,650,977
Total equity and liabilities		409,161,043	371,655,333	391,728,195	353,923,415

The notes on pages 81 to 121 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	14	14,617,040	10,908,260	20,490,487	20,390,218
Other operating income		18,978	1,186,586	-	1,431,434
Contract and outsourcing cost		-	(179,407)	-	-
Depreciation of property and equipment	2	(22,329)	(28,342)	(21,920)	(25,961)
Depreciation of right-of-use assets	3	(63,787)	(61,732)	-	-
Staff costs	16	(2,209,521)	(2,135,973)	(2,046,495)	(1,934,201)
Other operating expenses		(5,594,253)	(2,242,627)	(6,353,806)	(2,083,027)
Results from operating activities		6,746,128	7,446,765	12,068,266	17,778,463
Interest expense		(10,173)	(11,249)	-	-
Gain on financial assets classified as fair value through profit or loss		881,436	1,467,529	770,623	1,411,414
Gain on changes in fair value of investment properties	4	500,000	412,000	500,000	412,000
Gain on disposal of investment in an associate		34,025,059	18,473,774	38,496,845	21,040,668
Gain on disposal of a subsidiary	17	-	87,462	-	28,384
Impairment loss on amounts due from subsidiaries		-	-	(29,728)	(339,268)
Share of profit of equity accounted associates, net of tax		9,635,864	13,439,997	-	-
Profit before tax		51,778,314	41,316,278	51,806,006	40,331,661
Tax expense	18	(655,809)	(5,829,730)	(1,551,982)	(1,894,607)
Profit for the year	19	51,122,505	35,486,548	50,254,024	38,437,054

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Profit for the year	19	51,122,505	35,486,548	50,254,024	38,437,054
Other comprehensive income, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Net change in fair value of equity investments designated at fair value through other comprehensive income					
- Gain/(Loss) on price changes		23,068,386	(18,468,996)	5,981,171	5,228,787
- (Loss)/Gain on exchange differences		(3,695,037)	3,148,631	(633,549)	(1,007,301)
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		(14,369,067)	1,077,951	-	-
Share of gain of equity- accounted associates		275,789	109,358	-	-
Total other comprehensive Income/(loss) for the year, net of tax	20	5,280,071	(14,133,056)	5,347,622	4,221,486
Total comprehensive income for the year		<u>56,402,576</u>	<u>21,353,492</u>	<u>55,601,646</u>	<u>42,658,540</u>
Profit attributable to:					
Owners of the Company		51,122,505	35,490,701	50,254,024	38,437,054
Non-controlling interests		-	(4,153)	-	-
Profit for the year		<u>51,122,505</u>	<u>35,486,548</u>	<u>50,254,024</u>	<u>38,437,054</u>
Total comprehensive income attributable to:					
Owners of the Company		56,402,576	21,358,317	55,601,646	42,658,540
Non-controlling interests		-	(4,825)	-	-
Total comprehensive income for the year		<u>56,402,576</u>	<u>21,353,492</u>	<u>55,601,646</u>	<u>42,658,540</u>
Basic earnings per ordinary share based on profit attributable to owners of the Company (sen):	21	<u>38.83</u>	<u>26.88</u>		

The notes on pages 81 to 121 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 December 2024

Group	Note	Attributable to owners of the Company					Distributable		Non-controlling interests RM	Total equity RM
		Share capital RM	Capital reserve RM	Translation reserve RM	Fair value reserve RM	Revaluation reserve RM	Retained earnings RM	Total RM		
At 1 January 2023										
		196,619,727	1,903,965	24,977,643	5,032,358	5,742,256	114,520,606	348,796,555	22,837	348,819,392
Foreign currency translation differences for foreign operations		-	-	1,078,623	-	-	-	1,078,623	(672)	1,077,951
Equity instruments designated at fair value through other comprehensive income		-	-	-	(18,468,996)	-	-	(18,468,996)	-	(18,468,996)
- Loss on price changes		-	-	-	3,148,631	-	-	3,148,631	-	3,148,631
- Gain on exchange differences		-	-	-	-	-	-	-	-	-
Share of other comprehensive income of equity-accounted associates		-	(13,009)	122,367	-	-	-	109,358	-	109,358
Total other comprehensive loss for the year		-	(13,009)	1,200,990	(15,320,365)	-	-	(14,132,384)	(672)	(14,133,056)
Profit for the year		-	-	-	-	-	35,490,701	35,490,701	(4,153)	35,486,548
Total comprehensive income for the year		-	(13,009)	1,200,990	(15,320,365)	-	35,490,701	21,358,317	(4,825)	21,353,492
<i>Contributions by and distributions to owners of the Company</i>										
- Dividends	22	-	-	-	-	-	(7,921,957)	(7,921,957)	-	(7,921,957)
Total transactions with owners of the Company		-	-	-	-	-	(7,921,957)	(7,921,957)	-	(7,921,957)
Transfer upon the disposal of investment in an associate		-	(256,889)	-	-	-	256,889	-	-	-
Transfer upon the disposal of investment designated at FVOCI		-	-	-	716,232	-	(716,232)	-	-	-
Disposal of a subsidiary		-	-	(86,097)	-	-	-	(86,097)	(18,012)	(104,109)
At 31 December 2023										
		196,619,727	1,634,067	26,092,536	(9,571,775)	5,742,256	141,630,007	362,146,818	-	362,146,818
		Note 11	Note 11	Note 11	Note 11	Note 11				

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

Group	Note	Attributable to owners of the Company						Distributable	Total equity RM
		Share capital RM	Capital reserve RM	Translation reserve RM	Fair value reserve RM	Revaluation reserve RM	Treasury shares RM		
At 1 January 2024		196,619,727	1,634,067	26,092,536	(9,571,775)	5,742,256	-	141,630,007	362,146,818
Foreign currency translation differences for foreign operations		-	-	(14,369,067)	-	-	-	-	(14,369,067)
Equity instruments designated at fair value through other comprehensive income									
- Gain on price changes		-	-	-	23,068,386	-	-	-	23,068,386
- Loss on exchange differences		-	-	-	(3,695,037)	-	-	-	(3,695,037)
Share of other comprehensive income of equity-accounted associates		-	223,773	52,016	-	-	-	-	275,789
Total other comprehensive income for the year		-	223,773	(14,317,051)	19,373,349	-	-	-	5,280,071
Profit for the year		-	-	-	-	-	-	51,122,505	51,122,505
Total comprehensive income for the year		-	223,773	(14,317,051)	19,373,349	-	-	51,122,505	56,402,576
<i>Contributions by and distributions to owners of the Company</i>									
- Treasury shares acquired	11	-	-	-	-	-	(1,067,530)	-	(1,067,530)
- Cancellation of treasury shares		-	-	-	-	-	1,067,530	(1,067,530)	-
- Dividends	22	-	-	-	-	-	-	(17,759,129)	(17,759,129)
Total transactions with owners of the Company		-	-	-	-	-	-	(18,826,659)	(18,826,659)
Transfer upon the disposal of investment in an associate		-	(443,466)	-	-	-	-	443,466	-
Transfer upon the disposal of investment designated at FVOCI		-	-	-	(2,355,037)	-	-	2,355,037	-
At 31 December 2024		196,619,727	1,414,374	11,775,485	7,446,537	5,742,256	-	176,724,356	399,722,735
		Note 11	Note 11	Note 11	Note 11	Note 11	Note 11		

The notes on pages 81 to 121 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	←-----Attributable to owners of the Company-----→			Total equity RM	
		Share capital RM	Fair value reserve RM	Revaluation reserve RM		Retained earnings RM
Company						
At 1 January 2023		196,619,727	10,196,774	5,443,353	101,276,001	313,535,855
Equity instruments designated at fair value through other comprehensive income						
- Gain on price changes		-	5,228,787	-	-	5,228,787
- Loss on exchange differences		-	(1,007,301)	-	-	(1,007,301)
Total other comprehensive income for the year		-	4,221,486	-	-	4,221,486
Profit for the year		-	-	-	38,437,054	38,437,054
Total comprehensive income for the year		-	4,221,486	-	38,437,054	42,658,540
<i>Contributions by and distributions to owners of the Company</i>						
- Dividends	22	-	-	-	(7,921,957)	(7,921,957)
Total transactions with owners of the Company		-	-	-	(7,921,957)	(7,921,957)
Transfer upon the disposal of investment designated at FVOCI		-	304,209	-	(304,209)	-
At 31 December 2023		196,619,727	14,722,469	5,443,353	131,486,889	348,272,438
		Note 11	Note 11	Note 11		

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	←-----Attributable to owners of the Company-----→				Retained earnings RM	Total equity RM
		Share capital RM	Fair value reserve RM	Revaluation reserve RM	Treasury shares RM		
Company							
At 1 January 2024		196,619,727	14,722,469	5,443,353	-	131,486,889	348,272,438
Equity instruments designated at fair value through other comprehensive income							
- Gain on price changes		-	5,981,171	-	-	-	5,981,171
- Loss on exchange differences		-	(633,549)	-	-	-	(633,549)
Total other comprehensive income for the year		-	5,347,622	-	-	-	5,347,622
Profit for the year		-	-	-	-	50,254,024	50,254,024
Total comprehensive income for the year		-	5,347,622	-	-	50,254,024	55,601,646
<i>Contributions by and distributions to owners of the Company</i>							
- Treasury shares acquired	11	-	-	-	(1,067,530)	-	(1,067,530)
- Cancellation of treasury shares		-	-	-	1,067,530	(1,067,530)	-
- Dividends	22	-	-	-	-	(17,759,129)	(17,759,129)
Total transactions with owners of the Company		-	-	-	-	(18,826,659)	(18,826,659)
Transfer upon the disposal of investment designated at FVOCI		-	(1,945,942)	-	-	1,945,942	-
At 31 December 2024		196,619,727	18,124,149	5,443,353	-	164,860,196	385,047,425
		Note 11	Note 11	Note 11	Note 11		

The notes on pages 81 to 121 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities					
Profit before tax		51,778,314	41,316,278	51,806,006	40,331,661
Adjustments for:					
Changes in fair value of investment properties	4	(500,000)	(412,000)	(500,000)	(412,000)
Depreciation of property and equipment	2	22,329	28,342	21,920	25,961
Depreciation of right-of-use assets	3	63,787	61,732	-	-
Property and equipment written off	2	3	-	3	-
Share of profit after tax of equity-accounted associates		(9,635,864)	(13,439,997)	-	-
Dividend income	14	(9,961,111)	(7,863,561)	(16,053,384)	(17,731,924)
Interest income	14	(3,238,789)	(1,496,601)	(3,015,343)	(1,306,318)
Finance costs		10,173	11,249	-	-
Investment distribution income	14	(83,350)	(14,707)	(83,350)	(14,707)
Impairment loss on amounts due from subsidiaries		-	-	29,728	339,268
Gain on financial assets classified as fair value through profit or loss		(881,436)	(1,467,529)	(770,623)	(1,411,414)
Gain on disposal of investment in an associate		(34,025,059)	(18,473,774)	(38,496,845)	(21,040,668)
Gain on disposal of a subsidiary	17	-	(87,462)	-	(28,384)
Unrealised foreign exchange loss/(gain)		2,931,533	(619,498)	3,264,887	(851,830)
Operating loss before working capital changes		(3,519,470)	(2,457,528)	(3,797,001)	(2,100,355)
Change in other receivables		(114,101)	13,866	(250,096)	(151,583)
Change in prepayments and other assets		(45,917)	(26,520)	(41,593)	(33,464)
Change in other payables		(68,508)	103,166	(58,533)	85,593
Cash used in operations		(3,747,996)	(2,367,016)	(4,147,223)	(2,199,809)
Income tax paid		(1,772,744)	(2,115,269)	(1,527,401)	(1,851,172)
Interest received		3,190,258	1,625,256	2,953,573	1,456,492
Interest paid		(10,281)	(11,249)	-	-
Net cash used in operating activities		(2,340,763)	(2,868,278)	(2,721,051)	(2,594,489)
Cash flows from investing activities					
Acquisition of other investments		(77,436,829)	(33,821,877)	(31,549,123)	(32,419,574)
Acquisition of property and equipment	2	(5,213)	(18,020)	(5,213)	(18,020)
Acquisition of treasury shares	11	(1,067,530)	-	(1,067,530)	-
Dividends received from an associate	14	9,861,020	12,900,420	9,861,020	12,900,420
Dividends received from other investments	14	9,961,111	7,863,561	6,192,364	4,831,504
Increase in investment in a subsidiary	5	-	-	(45,002,852)	-
Investment distribution income received	14	83,350	14,707	83,350	14,707
Net change in deposits with licensed banks with original maturities more than 3 months		-	20,621,074	-	20,621,074
Net cash (outflow)/inflow from disposal of a subsidiary	17	-	(133,761)	-	28,384
Proceeds from paid-up capital of an equity investment		-	11,136	-	-
Proceeds from disposal of investment in an associate		55,515,383	31,142,341	55,515,383	31,142,341
Proceeds from disposal of other investments		38,576,055	19,199,800	36,386,753	18,010,597
Proceeds from disposal of an investment property		800,000	-	800,000	-
Net cash generated from investing activities		36,287,347	57,779,381	31,214,152	55,111,433

STATEMENTS OF CASH FLOWS (CONTINUED)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from financing activities					
Dividends paid to shareholders of the Company	22	(17,759,129)	(7,921,957)	(17,759,129)	(7,921,957)
Payment of lease liabilities		(64,292)	(61,196)	-	-
Net cash used in financing activities		<u>(17,823,421)</u>	<u>(7,983,153)</u>	<u>(17,759,129)</u>	<u>(7,921,957)</u>
Net increase in cash and cash equivalents		16,123,163	46,927,950	10,733,972	44,594,987
Cash and cash equivalents at beginning of the year		74,067,862	25,989,951	63,292,747	18,025,198
Effects of exchange rate fluctuations on cash held		<u>(3,393,444)</u>	<u>1,149,961</u>	<u>(3,159,615)</u>	<u>672,562</u>
Cash and cash equivalents at end of the year	9	<u>86,797,581</u>	<u>74,067,862</u>	<u>70,867,104</u>	<u>63,292,747</u>

Cash outflows for leases as a lessee

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Included in net cash from operating activities				
Payment relating to leases of low value assets	2,160	2,160	2,160	2,160
Interest paid in relation to lease liabilities	10,281	10,899	-	-
Included in net cash from financing activities				
Payment of lease liabilities	64,292	61,196	-	-
Total cash outflows for leases	<u>76,733</u>	<u>74,255</u>	<u>2,160</u>	<u>2,160</u>

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

Group	At 1	Net	Foreign	Effect of	At 31	Acquisition	Net	Foreign	At 31
	January	changes			December		changes		December
	2023	from	exchange	disposal	2023/At 1	of new	from	exchange	2024
	RM	financing	movement	RM	January	lease	financing	movement	RM
		cash flows	RM		2024	RM	cash flows	RM	
		RM			RM		RM		RM
Lease liabilities	95,697	(61,196)	4,327	-	38,828	133,103	(64,292)	(4,593)	103,046
Borrowings	166,500	-	(5,500)	(161,000)	-	-	-	-	-
Total liabilities from financing activities	<u>262,197</u>	<u>(61,196)</u>	<u>(1,173)</u>	<u>(161,000)</u>	<u>38,828</u>	<u>133,103</u>	<u>(64,292)</u>	<u>(4,593)</u>	<u>103,046</u>

The notes on pages 81 to 121 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

JcbNext 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

Wisma JcbNext
No.27, Lorong Medan Tuanku 1
(Off Jalan Sultan Ismail)
50300 Kuala Lumpur

Registered office

12th Floor, Menara Symphony
No.5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interest in associates. The financial statements of the Company as at and for the financial year ended 31 December 2024 do not include other entities.

The Company is principally engaged in investment holding while the principal activities of the other Group entities are as stated in Note 5 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 24 April 2025.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

The following are accounting standards 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*

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

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

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 abovementioned accounting standards and amendments:

- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025;
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026, except for MFRS 1 which is not applicable to the Company; and
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

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

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Other investments at FVTPL	Fair value
Other investments at FVOCI	Fair value
Investment property	Fair value

(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, 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgements (continued)

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

- Note 4 - valuation of investment properties
- Note 24.7 - fair value of unquoted shares

2. PROPERTY AND EQUIPMENT

Group Cost	Computers RM	Office equipment RM	Renovations RM	Furniture and fittings RM	Total RM
At 1 January 2023	158,524	34,723	1,625,837	27,775	1,846,859
Additions	18,020	-	-	-	18,020
Write off	(28,517)	(2,358)	-	-	(30,875)
Exchange difference	975	800	-	176	1,951
At 31 December 2023/ 1 January 2024	149,002	33,165	1,625,837	27,951	1,835,955
Additions	1,458	1,555	2,200	-	5,213
Write off	(15,284)	(4,300)	(112,493)	-	(132,077)
Exchange difference	-	(696)	-	(170)	(866)
At 31 December 2024	135,176	29,724	1,515,544	27,781	1,708,225
Accumulated depreciation					
At 1 January 2023	148,333	28,743	1,591,489	21,284	1,789,849
Depreciation for the year	5,938	3,929	14,908	3,567	28,342
Write off	(28,517)	(2,358)	-	-	(30,875)
Exchange difference	975	704	-	168	1,847
At 31 December 2023/ 1 January 2024	126,729	31,018	1,606,397	25,019	1,789,163
Depreciation for the year	9,857	1,807	9,572	1,093	22,329
Write off	(15,282)	(4,299)	(112,493)	-	(132,074)
Exchange difference	-	(668)	-	(170)	(838)
At 31 December 2024	121,304	27,858	1,503,476	25,942	1,678,580
Carrying amounts					
At 1 January 2023	10,191	5,980	34,348	6,491	57,010
At 31 December 2023/ 1 January 2024	22,273	2,147	19,440	2,932	46,792
At 31 December 2024	13,872	1,866	12,068	1,839	29,645

2. PROPERTY AND EQUIPMENT (CONTINUED)

Company Cost	Computers RM	Office equipment RM	Renovations RM	Furniture and fittings RM	Total RM
At 1 January 2023	126,270	20,670	842,904	24,898	1,014,742
Additions	18,020	-	-	-	18,020
At 31 December 2023/ 1 January 2024	144,290	20,670	842,904	24,898	1,032,762
Additions	1,458	1,555	2,200	-	5,213
Write off	(15,284)	(4,300)	(112,493)	-	(132,077)
At 31 December 2024	130,464	17,925	732,611	24,898	905,898
Accumulated depreciation					
At 1 January 2023	116,081	17,444	808,555	18,694	960,774
Depreciation for the year	5,938	1,843	14,908	3,272	25,961
At 31 December 2023/ 1 January 2024	122,019	19,287	823,463	21,966	986,735
Depreciation for the year	9,857	1,397	9,573	1,093	21,920
Write off	(15,282)	(4,299)	(112,493)	-	(132,074)
At 31 December 2024	116,594	16,385	720,543	23,059	876,581
Carrying amounts					
At 1 January 2023	10,189	3,226	34,349	6,204	53,968
At 31 December 2023/ 1 January 2024	22,271	1,383	19,441	2,932	46,027
At 31 December 2024	13,870	1,540	12,068	1,839	29,317

2.1 Material accounting policy information

(i) Recognition and measurement

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

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(ii) 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 and equipment from the date that they are available for use.

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

Computers	3 years
Office equipment	5 years
Renovations	5 years
Furniture and fittings	5 years

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. RIGHT-OF-USE ASSETS

	Group Buildings RM
At 1 January 2023	94,402
Depreciation	(61,732)
Exchange difference	4,234
	<hr/>
At 31 December 2023/1 January 2024	36,904
Addition	133,103
Depreciation	(63,787)
Exchange difference	(4,569)
	<hr/>
At 31 December 2024	<u>101,651</u>

The Group leases an office with contract terms of 24 months (2023: 24 months). There is no option to renew the lease after that date.

3.1 Material accounting policy information

(i) 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 leases as an expense on a straight-line basis over the lease term.

4. INVESTMENT PROPERTIES

	Note	Group and Company	
		2024	2023
		RM	RM
At 1 January		18,000,000	18,388,000
Change in fair value recognised in profit or loss		500,000	412,000
		<hr/>	<hr/>
		18,500,000	18,800,000
Transfer to assets held for sale	10	-	(800,000)
		<hr/>	<hr/>
At 31 December		<u>18,500,000</u>	<u>18,000,000</u>

Included in the above are:

	Group and Company	
	2024	2023
	RM	RM
At fair value		
Freehold land	14,000,000	14,000,000
Buildings	4,500,000	4,000,000
	<hr/>	<hr/>
	<u>18,500,000</u>	<u>18,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. INVESTMENT PROPERTIES (CONTINUED)

Investment properties comprise freehold land and buildings that are leased to third parties and a subsidiary during the financial year. The leases contain an initial non-cancellable period of 6 months to 3 years. Subsequent renewals are negotiated with the lessee and on average renewal periods of 2 years. No contingent rent is charged.

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

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Rental income	14	1,333,790	1,332,684	1,338,410	1,337,269
Direct operating expenses:					
- income generating investment properties		<u>(976,327)</u>	<u>(970,327)</u>	<u>(976,327)</u>	<u>(970,327)</u>

4.1 Operating lease payments receivable

The operating lease payments to be received are as follows:

	Group RM	Company RM
2024		
Less than one year	<u>920,770</u>	<u>921,155</u>
2023		
Less than one year	<u>873,406</u>	<u>873,791</u>

4.2 Fair value information

Fair value of investment properties are categorised as follows:

	Group and Company Level 3	
	2024 RM	2023 RM
Freehold land	14,000,000	14,000,000
Buildings	<u>4,500,000</u>	<u>4,000,000</u>
	<u>18,500,000*</u>	<u>18,000,000*</u>

* RM18,500,000 (2023: RM18,000,000) is determined by an external and independent property valuer.

4. INVESTMENT PROPERTIES (CONTINUED)

4.2 Fair value information (continued)

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Sales comparison approach: Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size and location.	Premium made for differences in: 1) Location = -10% to 10% (2023: -10% to 2.5%)	The estimated fair value would increase/(decrease) if premium made for differences in location was higher/(lower).
Discounted cash flows: The valuation method considers the present value of net cash flows to be generated from the property. The expected net cash flows are discounted using an average yield of shop offices/medium-rise office buildings in the vicinity of the property.	2) Void periods = 0 to 1 month per year (2023: 0 to 1 month per year) 3) Risk-adjusted discount rate = 4.00% to 4.30% (2023: 4.00% to 4.30%)	The estimated fair value would increase/(decrease) if void periods were shorter/(longer) or risk-adjusted discount rate were (lower)/higher.

Valuation processes applied by the Group and the Company for Level 3 fair value

The fair value of investment properties is determined by an external, independent property valuer having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The valuation company provides the fair value of the Group and the Company's investment property every twelve months.

4.3 Material accounting policy information

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

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Cost of investment	149,933,908	104,931,056
Less: Accumulated impairment losses	(1,620,021)	(1,620,021)
	<u>148,313,887</u>	<u>103,311,035</u>

During the financial year, the Company subscribed for 13,268,915 fully paid-up ordinary shares of JcbNext Pte. Ltd. at RM3.39 each via cash injections of RM45,002,852.

On 30 June 2023, the Company had disposed 60% equity interest in Greenfield Japan Kabushiki Kaisha (“GJKK”) for a total cash consideration of RM28,384 (JPY881,500). As a result of the disposal, GJKK ceased to be a subsidiary of the Company.

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Autoworld.com.my Sdn. Bhd.	Malaysia	Automobile online advertising services	100	100
JcbNext Pte. Ltd. *	Singapore	Investment Holding	100	100
JobStreet.com India Pvt. Ltd. **	India	Ceased operations and in the process to be struck off	100	100
JS Overseas Holdings Limited **	British Virgin Islands	Investment Holding	100	100

* Audited by firms of auditors other than KPMG International

** Consolidated using management accounts as there is no legal requirement for the entity to be audited

Non-controlling interests in subsidiaries

The Group does not have any material non-controlling interests (“NCI”).

5.1 Material accounting policy information

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

An impairment loss in respect of investments in subsidiaries is recognised in profit or loss and its carrying amount is reduced through the use of an allowance account.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Investments in associates:				
Investment in shares	52,532,288	69,550,826	52,532,288	69,550,826
Share of post-acquisition profits	11,911,861	16,165,339	-	-
Post-acquisition foreign exchange translation reserve	13,010,115	26,877,108	-	-
Post-acquisition capital reserve	1,414,374	1,634,067	-	-
	<u>78,868,638</u>	<u>114,227,340</u>	<u>52,532,288</u>	<u>69,550,826</u>
Fair value of quoted shares				
Level 1	<u>144,152,121</u>	<u>209,994,062</u>	<u>144,152,121</u>	<u>209,994,062</u>

During the financial year, the Company has disposed ordinary shares in 104 Corporation, representing 5.20% of 104 Corporation's issued and paid-up share capital. The gain on disposal to the Group and the Company amounted to RM34,025,059 and RM38,496,845 respectively.

Details of material associates are as follows:

Name of associate	Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Innity Corporation Berhad*	Malaysia	Provider of interactive online marketing platforms and technologies for advertisers and publishers	20.98	20.98
104 Corporation#	Taiwan	Provider of advertising and consultancy services	13.45	18.65

* Audited by firms of auditors other than KPMG International

Audited by other member firms of KPMG International

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. INVESTMENTS IN ASSOCIATES (CONTINUED)

The following table summarises the information of the Group's material associates, adjusted for any difference in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates.

Summarised financial information

2024	Innity Corporation Berhad RM	104 Corporation RM	
As at 31 December			
Non-current assets	10,752,899	66,848,880	
Current assets	60,244,538	442,596,631	
Non-current liabilities	(2,428,354)	(14,603,727)	
Current liabilities	(38,629,772)	(265,135,258)	
Non-controlling interest	2,250,592	-	
Net assets	<u>32,189,903</u>	<u>229,706,526</u>	
Year ended 31 December			
(Loss)/Profit for the year	(7,330,745)	63,973,223	
Other comprehensive income	365,685	1,295,804	
Total comprehensive (loss)/income	<u>(6,965,060)</u>	<u>65,269,027</u>	
Included in comprehensive income is			
Revenue	<u>112,167,935</u>	<u>340,611,928</u>	
	Innity Corporation Berhad RM	104 Corporation RM	Total RM
Reconciliation of net assets to carrying amount as at 31 December			
Group's share of net assets	6,754,086	30,904,946	37,659,032
Goodwill	4,946,718	28,015,592	32,962,310
Effects of exchange rate fluctuations	-	8,247,296	8,247,296
Carrying amount in the statement of financial position	<u>11,700,804</u>	<u>67,167,834</u>	<u>78,868,638</u>
Group's share of results for the year ended 31 December			
Group's share of (loss)/profit	(1,538,146)	11,174,010	9,635,864
Group's share of comprehensive income	76,728	199,061	275,789
	<u>(1,461,418)</u>	<u>11,373,071</u>	<u>9,911,653</u>
Other information			
Dividend received by the Group	-	9,861,020	

6. INVESTMENTS IN ASSOCIATES (CONTINUED)

Summarised financial information (continued)

2023	Innity Corporation Berhad RM	104 Corporation RM
As at 31 December		
Non-current assets	11,764,112	74,123,419
Current assets	69,989,963	452,544,723
Non-current liabilities	(3,389,645)	(17,547,528)
Current liabilities	(38,946,400)	(261,580,916)
Non-controlling interest	(263,026)	-
Net assets	<u>39,155,004</u>	<u>247,539,698</u>
Year ended 31 December		
(Loss)/Profit for the year	(1,101,047)	67,418,505
Other comprehensive income/(loss)	705,206	(184,684)
Total comprehensive (loss)/income	<u>(395,841)</u>	<u>67,233,821</u>
Included in comprehensive income is		
Revenue	<u>114,012,489</u>	<u>347,780,316</u>

	Innity Corporation Berhad RM	104 Corporation RM	Total RM
Reconciliation of net assets to carrying amount as at 31 December			
Group's share of net assets	8,215,503	46,172,837	54,388,340
Goodwill	4,946,718	38,840,684	43,787,402
Effects of exchange rate fluctuations	-	16,051,598	16,051,598
Carrying amount in the statement of financial position	<u>13,162,221</u>	<u>101,065,119</u>	<u>114,227,340</u>
Group's share of results for the year ended 31 December			
Group's share of (loss)/profit	(231,022)	13,671,019	13,439,997
Group's share of comprehensive income/(loss)	147,966	(38,608)	109,358
	<u>(83,056)</u>	<u>13,632,411</u>	<u>13,549,355</u>
Other information			
Dividend received by the Group	-	12,900,420	

6.1 Material accounting policy information

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. OTHER INVESTMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Non-current				
Fair value through other comprehensive income	204,016,345	128,714,843	80,626,285	64,040,763
Current				
Fair value through profit or loss	20,400,360	35,502,426	20,400,360	34,621,391
	<u>224,416,705</u>	<u>164,217,269</u>	<u>101,026,645</u>	<u>98,662,154</u>

7.1 Equity investments designated at fair value through other comprehensive income

The Group designated the investments shown below as equity securities at fair value through other comprehensive income because these equity securities represent investments that the Group intends to hold for long-term purposes.

	Group		Company	
	Fair value at 31 December RM	Dividend income recognised during the year RM	Fair value at 31 December RM	Dividend income recognised during the year RM
2024				
Quoted investments	199,842,920	9,961,111	76,707,357	6,192,364
Unquoted investments	4,173,425	-	3,918,928	-
	<u>204,016,345</u>	<u>9,961,111</u>	<u>80,626,285</u>	<u>6,192,364</u>
2023				
Quoted investments	123,849,766	7,863,561	59,660,166	4,831,504
Unquoted investments	4,865,077	-	4,380,597	-
	<u>128,714,843</u>	<u>7,863,561</u>	<u>64,040,763</u>	<u>4,831,504</u>

During the year, the Group disposed the following investments which are carried at fair value through other comprehensive income because they are no longer in line with the Group's strategy.

	Fair value gain at derecognition RM	Cumulative gain on disposal (net of tax) RM	Dividend income recognised during the year RM
2024			
Group			
Quoted investments	2,355,037	2,355,037	216,538
Company			
Quoted investments	1,945,942	1,945,942	176,005

7. OTHER INVESTMENTS (CONTINUED)

7.1 Equity investments designated at fair value through other comprehensive income (continued)

	Fair value loss at derecognition RM	Cumulative loss on disposal (net of tax) RM	Dividend income recognised during the year RM
2023			
Group			
Quoted investments	716,232	716,232	16,188
<hr/>			
Company			
Quoted investments	304,209	304,209	16,188
<hr/>			

7.2 Material accounting policy information

Equity investments not held for trading

At initial recognition, the Group irrevocably elects to present subsequent changes in the fair value of the investments in other comprehensive income. The election is made on investment-by-investment basis.

8. OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Non-trade					
Amount due from subsidiaries	8.1	-	-	7,078,239	7,048,511
Less: Impairment losses		-	-	(7,078,239)	(7,048,511)
				-	-
Other receivables		176,019	13,387	209,395	32,529
		176,019	13,387	209,395	32,529
		176,019	13,387	209,395	32,529
<hr/>					

8.1 The amount due from subsidiaries is unsecured, interest-free and repayable on demand, except for an amount of RM5,585,746 (2023: NIL) due from a subsidiary, which was subject to interest at 7.5% p.a. (2023: NIL), and has been fully settled during the financial year.

8.2 Material accounting policy information

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deposits with licensed banks	79,660,931	42,742,023	68,140,007	33,655,092
Cash and bank balances	7,136,650	31,325,839	2,727,097	29,637,655
	<u>86,797,581</u>	<u>74,067,862</u>	<u>70,867,104</u>	<u>63,292,747</u>

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short-term commitments.

10. ASSETS CLASSIFIED AS HELD FOR SALE

In the previous financial year, the Company entered into a sale and purchase agreement for the disposal of a two-storey shop office for a consideration of RM800,000.

On 29 February 2024, the Company completed the disposal of the said shop office by fulfilling condition precedent as stipulated in the sale and purchase agreement. Accordingly, the carrying amount of the said investment property was derecognised as assets held for sale.

At 31 December 2023, the assets classified as held for sale are as follows:

	Note	Group and Company 2023 RM
Assets classified as held for sale		
Investment properties	4	<u>800,000</u>

11. CAPITAL AND RESERVES

Share capital	Group and Company			
	Number of shares 2024	Amount 2024 RM	Number of shares 2023	Amount 2023 RM
Ordinary shares, issued and fully paid:				
At 1 January	132,029,700	196,619,727	132,029,700	196,619,727
- Cancellation of treasury shares	(658,500)	-	-	-
At 31 December	<u>131,371,200</u>	<u>196,619,727</u>	<u>132,029,700</u>	<u>196,619,727</u>

Ordinary shares

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

11. CAPITAL AND RESERVES (CONTINUED)

Capital reserve

The capital reserve comprises the non-distributable share premium of the associated company.

Translation reserve

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

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity and debt securities designated at fair value through other comprehensive income until the assets are derecognised or impaired.

Revaluation reserve

The revaluation reserve relates to the revaluation of property and equipment immediately prior to its reclassification as investment properties.

Treasury shares

During the financial year, the Company bought back from the open market, 658,500 (2023: NIL) of its issued ordinary shares ("JcbNext Shares") listed on the Main Market of Bursa Malaysia Securities Berhad at an average buy-back price of approximately RM1.62 (2023: RM NIL) per ordinary share. The total consideration paid for the share buy-back of JcbNext Shares by the Company during the financial year was RM1,067,530 (2023: RM NIL) and was financed by internally generated funds. On 18 December 2024, the Company cancelled 658,500 treasury shares being JcbNext Shares bought back during the financial year in accordance with Section 127 Subsection 4(a) of the Companies Act 2016. At 31 December 2024, the Group does not hold any of the Company's own shares.

12. DEFERRED TAX LIABILITIES

12.1 Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
Property and equipment	-	-	(1,749)	(1,717)	(1,749)	(1,717)
Investment properties	-	-	(419,000)	(410,200)	(419,000)	(410,200)
Unutilised tax losses	19,061	19,061	-	-	19,061	19,061
Other payables	247,361	242,979	-	-	247,361	242,979
Other investments	-	-	(5,031,453)	(3,947,577)	(5,031,453)	(3,947,577)
Investments in associates	-	-	(2,529,812)	(3,683,492)	(2,529,812)	(3,683,492)
Tax assets/(liabilities)	266,422	262,040	(7,982,014)	(8,042,986)	(7,715,592)	(7,780,946)
Set off of tax	(266,422)	(262,040)	266,422	262,040	-	-
Net tax liabilities	-	-	(7,715,592)	(7,780,946)	(7,715,592)	(7,780,946)

Company	Assets		Liabilities		Net	
	2024 RM	2023 RM	2024 RM	2023 RM	2024 RM	2023 RM
Property and equipment	-	-	(1,749)	(1,717)	(1,749)	(1,717)
Investment properties	-	-	(419,000)	(410,200)	(419,000)	(410,200)
Unutilised tax losses	19,061	19,061	-	-	19,061	19,061
Other payables	247,361	242,979	-	-	247,361	242,979
Other investments	-	-	(5,031,453)	(3,947,577)	(5,031,453)	(3,947,577)
Tax assets/(liabilities)	266,422	262,040	(5,452,202)	(4,359,494)	(5,185,780)	(4,097,454)
Set off of tax	(266,422)	(262,040)	266,422	262,040	-	-
Net tax liabilities	-	-	(5,185,780)	(4,097,454)	(5,185,780)	(4,097,454)

12.2 Unrecognised deferred tax assets

Deferred tax assets have not been recognised on the following items (stated at gross) as it was not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom:

	Group	
	2024 RM	2023 RM
Deductible temporary difference	20,000	17,000
Unutilised tax losses	9,834,000	10,345,000
Unabsorbed capital allowances	22,000	22,000
	<u>9,876,000</u>	<u>10,384,000</u>

The abovementioned deferred tax assets do not expire under the current tax legislation except for the unutilised tax losses of RM2,774,000 (2023: RM2,622,000). Pursuant to the Finance Act 2021, the tax loss carry-forwards can only be carried forward up to 10 consecutive Years of Assessment.

12. DEFERRED TAX LIABILITIES (CONTINUED)

12.3 Movement of temporary difference during the year

	At 1 January 2023 RM	Recognised in profit or loss (Note 18) RM	Recognised in other compre- hensive income (Note 20) RM	At 31 December 2023/At 1 January 2024 RM	Recognised in profit or loss (Note 18) RM	Recognised in other compre- hensive income (Note 20) RM	At 31 December 2024 RM
Group							
Property and equipment	460	(2,177)	-	(1,717)	(32)	-	(1,749)
Investment properties	(369,000)	(41,200)	-	(410,200)	(8,800)	-	(419,000)
Unutilised tax losses	19,061	-	-	19,061	-	-	19,061
Other payables	250,255	(7,276)	-	242,979	4,382	-	247,361
Other investments	-	-	(3,947,577)	(3,947,577)	-	(1,083,876)	(5,031,453)
Investments in associates	-	(3,683,492)	-	(3,683,492)	1,153,680	-	(2,529,812)
	(99,224)	(3,734,145)	(3,947,577)	(7,780,946)	1,149,230	(1,083,876)	(7,715,592)
Company							
Property and equipment	460	(2,177)	-	(1,717)	(32)	-	(1,749)
Investment properties	(369,000)	(41,200)	-	(410,200)	(8,800)	-	(419,000)
Unutilised tax losses	19,061	-	-	19,061	-	-	19,061
Other payables	250,255	(7,276)	-	242,979	4,382	-	247,361
Other investments	-	-	(3,947,577)	(3,947,577)	-	(1,083,876)	(5,031,453)
	(99,224)	(50,653)	(3,947,577)	(4,097,454)	(4,450)	(1,083,876)	(5,185,780)

12.4 Material accounting policy information

Where investment properties and foreign equity securities are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date.

The Group does not control its investments in the associates and is usually not in a position to determine its dividend policy. Therefore, in the absence of an agreement requiring that the profits of the associates will not be distributed in the foreseeable future, the Group recognises a deferred tax liability arising from taxable temporary differences associated with its investments in the associates.

In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. OTHER PAYABLES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Non-trade					
Deferred income	13.1	115,096	109,176	115,481	109,561
Other payables and accrued expenses		1,500,167	1,574,914	1,379,509	1,443,962
		<u>1,615,263</u>	<u>1,684,090</u>	<u>1,494,990</u>	<u>1,553,523</u>

13.1 Deferred income comprises rental income received in advance.

14. REVENUE

	2024 RM	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue from contracts with customer					
- Contract staffing		-	200,707	-	-
Other revenue					
- Rental income from investment properties	1,333,790	1,332,684	1,338,410	1,337,269	
- Dividends from other investments - quoted	9,961,111	7,863,561	6,192,364	4,831,504	
- Dividends from an associate - quoted	-	-	9,861,020	12,900,420	
- Investment distribution income	83,350	14,707	83,350	14,707	
- Interest income	3,238,789	1,496,601	3,015,343	1,306,318	
	<u>14,617,040</u>	<u>10,908,260</u>	<u>20,490,487</u>	<u>20,390,218</u>	

14.1 Disaggregation of revenue

	2024 RM	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Services					
- Japan		-	200,707	-	-
		<u>-</u>	<u>200,707</u>	<u>-</u>	<u>-</u>

14.2 Nature of services

Contract staffing

This relates to revenue from providing contract staff to customers. The revenue is recognised over the period when the service is rendered. The Group has an average credit term of 30 days.

The recognition of revenue from contract staffing ceased on 1 July 2023, following the Company's disposal of a 60% equity interest in Greenfield Japan Kabushiki Kaisha on 30 June 2023.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensations are as follows:

	Group and Company	
	2024	2023
	RM	RM
Directors		
- Fees	330,918	323,230
- Remuneration	100,961	96,053
	<u>431,879</u>	<u>419,283</u>
Other key management personnel:		
- Remuneration	681,400	740,787
	<u>1,113,279</u>	<u>1,160,070</u>

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

* On 24 February 2023, Wong Siew Hui was appointed as an executive director. Subsequent to his appointment to the Board of Directors, his remuneration has been classified under remuneration of directors.

16. STAFF COSTS

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Staff costs (including key management personnel compensation):				
Salaries and other employee benefits	1,979,363	1,904,896	1,831,562	1,720,940
Contributions to state plans	230,158	231,077	214,933	213,261
	<u>2,209,521</u>	<u>2,135,973</u>	<u>2,046,495</u>	<u>1,934,201</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. DISPOSAL OF SUBSIDIARY

On 30 June 2023, the Company had disposed 60% equity interest in Greenfield Japan Kabushiki Kaisha (“GJKK”) for a total cash consideration of RM28,384 (JPY881,500). As a result of the disposal, GJKK ceased to be a subsidiary of the Company.

Effect of the disposal on the financial position of the Group

	2023 RM
Trade and other receivables	55,540
Other assets	2,126
Cash and cash equivalents	162,145
Borrowings	(161,000)
Other payables	(10,882)
Tax payables	(2,898)
Non-controlling interests	(18,012)
Translation reserve	(86,097)
Net liabilities	(59,078)
Gain on disposal of subsidiary	87,462
Consideration received, satisfied in cash	28,384
Cash and cash equivalents disposed of	(162,145)
Net cash outflow	(133,761)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. TAX EXPENSE

Recognised in profit or loss

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Income tax expense on continuing operations	655,809	5,829,730	1,551,982	1,894,607
Current tax expense				
Malaysia - current year	255,975	230,964	255,975	230,964
- prior year	18,491	(305)	18,491	(305)
Real Property Gain Tax ("RPGT") - current year	37,745	-	37,745	-
Overseas - current year	1,492,828	1,864,926	1,235,321	1,613,295
Total current tax recognised in profit or loss	1,805,039	2,095,585	1,547,532	1,843,954
Deferred tax expense				
Origination and reversal of temporary difference	(1,149,230)	3,731,262	4,450	47,770
Under provision in prior year	-	2,883	-	2,883
Total tax expense	655,809	5,829,730	1,551,982	1,894,607
Reconciliation of tax expense				
Profit for the year	51,122,505	35,486,548	50,254,024	38,437,054
Total tax expense	655,809	5,829,730	1,551,982	1,894,607
Share of profit of equity-accounted associates, and net of tax	(9,635,864)	(13,439,997)	-	-
Adjusted profit before tax	42,142,450	27,876,281	51,806,006	40,331,661
Tax calculated using Malaysian tax rate of 24% (2023: 24%)	10,114,188	6,690,307	12,433,441	9,679,599
Effect of tax rates in foreign jurisdictions*	(328,114)	(205,880)	-	-
Effect of change in RPGT	(3,455)	-	(3,455)	-
Effect of deferred tax assets (recognised)/not recognised	(2,825)	2,822	-	-
Non-taxable income	(11,419,972)	(7,114,270)	(14,062,988)	(10,330,662)
Non-deductible expenses	1,938,348	908,706	1,931,172	929,797
Taxes arising from foreign jurisdictions	1,492,828	1,861,975	1,235,321	1,613,295
Taxes arising from undistributed profits of a foreign associate	(1,153,680)	3,683,492	-	-
	637,318	5,827,152	1,533,491	1,892,029
Under provided in prior year	18,491	2,578	18,491	2,578
Tax expense	655,809	5,829,730	1,551,982	1,894,607

* Subsidiaries operate in tax jurisdictions with different tax rates from Malaysia.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. PROFIT FOR THE YEAR

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Profit for the year is arrived at after charging/ (crediting):					
Auditors' remuneration					
- Audit fees					
KPMG PLT		225,000	220,000	215,000	210,000
Other auditors		21,961	20,107	-	-
- Non-audit fees					
KPMG PLT		10,000	10,000	10,000	10,000
Overseas affiliates of KPMG PLT		40,001	41,018	40,001	41,018
Material expenses/ (income)					
Depreciation of property and equipment	2	22,329	28,342	21,920	25,961
Depreciation of right-of-use assets	3	63,787	61,732	-	-
Property and equipment written off	2	3	-	3	-
Gain on disposal of investment in an associate		(34,025,059)	(18,473,774)	(38,496,845)	(21,040,668)
Gain on disposal of a subsidiary		-	(87,462)	-	(28,384)
Impairment loss on amounts due from subsidiaries		-	-	29,728	339,268
Net realised foreign exchange loss/(gain)		339,912	(555,762)	947,236	(579,604)
Net unrealised foreign exchange loss/(gain)		2,931,533	(619,498)	3,264,887	(851,830)
Net change in fair value gain of investment properties		(500,000)	(412,000)	(500,000)	(412,000)
Expenses arising from leases					
Expenses relating to leases of low value assets	a	<u>2,160</u>	<u>2,160</u>	<u>2,160</u>	<u>2,160</u>

Note a

These leases are leases of low value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. OTHER COMPREHENSIVE INCOME

	Before tax RM	2024 Tax expense RM	Net of tax RM
Group			
Items that will not be reclassified subsequently to profit or loss			
Net change in fair value of equity investments designated at fair value through other comprehensive income			
- Gain on price change	24,352,330	(1,283,944)	23,068,386
- Loss on exchange differences	(3,895,105)	200,068	(3,695,037)
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	(14,369,067)	-	(14,369,067)
	6,088,158	(1,083,876)	5,004,282
Share of gain of equity-accounted associates			275,789
			5,280,071
Company			
Items that will not be reclassified subsequently to profit or loss			
Net change in fair value of equity investments designated at fair value through other comprehensive income			
- Gain on price change	7,265,115	(1,283,944)	5,981,171
- Loss on exchange differences	(833,617)	200,068	(633,549)
	6,431,498	(1,083,876)	5,347,622

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. OTHER COMPREHENSIVE INCOME (CONTINUED)

	Before tax RM	2023 Tax expense RM	Net of tax RM
Group			
Items that will not be reclassified subsequently to profit or loss			
Net change in fair value of equity investments designated at fair value through other comprehensive income			
- Loss on price change	(16,868,741)	(1,600,255)	(18,468,996)
- Gain on exchange differences	5,495,953	(2,347,322)	3,148,631
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	1,077,951	-	1,077,951
	(10,294,837)	(3,947,577)	(14,242,414)
Share of gain of equity-accounted associates			109,358
			(14,133,056)
Company			
Items that will not be reclassified subsequently to profit or loss			
Net change in fair value of equity investments designated at fair value through other comprehensive income			
- Gain on price change	6,829,042	(1,600,255)	5,228,787
- Loss on exchange differences	1,340,021	(2,347,322)	(1,007,301)
	8,169,063	(3,947,577)	4,221,486

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per share at 31 December 2024 was based on the profit attributable to owners of the Company and a weighted average number of ordinary shares outstanding calculated as follows:

	Group	
	2024	2023
	RM	RM
Profit for the year attributable to owners of the Company	51,122,505	35,490,701
Issued ordinary shares at 1 January	132,029,700	132,029,700
Effect of treasury shares held	(359,069)	-
Weighted average number of ordinary shares at 31 December	131,670,631	132,029,700
Basic earnings per ordinary share (sen)	38.83	26.88

Diluted earnings per ordinary share

No diluted earnings per share is disclosed in the financial statements as there are no dilutive potential ordinary shares.

22. DIVIDENDS

Dividends recognised by the Company are:

	Sen per share	Total amount RM	Date of payment
2024			
Interim 2024 single tier	7.0 per share	9,196,134	31 December 2024
Final 2023 single tier	6.5 per share	8,562,995	25 July 2024
		<u>17,759,129</u>	
2023			
Final 2022 single tier	6.0 per share	<u>7,921,957</u>	25 July 2023

The Directors do not recommend any final single tier dividend to be paid for the financial year ended 31 December 2024.

23. OPERATING SEGMENTS

The information reported to the Group's chief operating decision maker, who is also the Group's Chief Executive Officer, for the purposes of resource allocation and assessment of performance is segregated according to the following segments:

Investment holding	Includes equity investments, property investments, treasury investments, investments in associates, and property leasing
Others *	Includes online advertising and contract staffing

* The reporting on the performance of contract staffing ceased on 1 July 2023, following the Company's disposal of a 60% equity interest in Greenfield Japan Kabushiki Kaisha on 30 June 2023.

Segment profit

Reporting on segmental profit includes items directly attributable to the segments identified, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

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

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property and equipment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. OPERATING SEGMENTS (CONTINUED)

2024	Investment holding RM	Others RM	Eliminations RM	Consolidated RM
Segment revenue				
Revenue from external customers	1,333,790	-	-	1,333,790
Inter-segment revenue	4,620	-	(4,620)	-
Dividends	19,822,131	-	(9,861,020)	9,961,111
Interest income	3,258,448	-	(19,659)	3,238,789
Investment distribution income	83,350	-	-	83,350
Revenue for the year	24,502,339	-	(9,885,299)	14,617,040
Segment profit/(loss)				
Operating profit/(loss) for reportable segments	16,674,611	(156,616)	(9,771,867)	6,746,128
Interest expense	(29,832)	-	19,659	(10,173)
Gain on changes in fair value of investment properties	500,000	-	-	500,000
Gain on financial assets classified as fair value through profit or loss	881,436	-	-	881,436
Gain on disposal of investment in an associate	34,025,059	-	-	34,025,059
Impairment loss on amounts due from subsidiaries	(29,728)	-	29,728	-
Share of profit of equity accounted associates	9,635,864	-	-	9,635,864
Profit before tax	61,657,410	(156,616)	(9,722,480)	51,778,314
Income tax expense	(655,809)	-	-	(655,809)
Profit for the year	61,001,601	(156,616)	(9,722,480)	51,122,505
Segment assets	557,347,356	127,960	(148,314,273)	409,161,043
<i>Included in the measure of segment assets are:</i>				
Investments in associates	78,868,638	-	-	78,868,638
Non-current assets other than financial instruments and deferred tax assets	18,631,294	2	-	18,631,296
Additions to non-current assets other than financial instruments and deferred tax assets	138,316	-	-	138,316
Other segment information				
Depreciation of property and equipment	22,329	-	-	22,329
Depreciation of right-of-use assets	63,787	-	-	63,787

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. OPERATING SEGMENTS (CONTINUED)

2023	Investment holding RM	Others RM	Eliminations RM	Consolidated RM
Segment revenue				
Revenue from external customers	1,332,684	200,707	-	1,533,391
Inter-segment revenue	4,585	-	(4,585)	-
Dividends	20,763,981	-	(12,900,420)	7,863,561
Interest income	1,496,601	-	-	1,496,601
Investment distribution income	14,707	-	-	14,707
Revenue for the year	23,612,558	200,707	(12,905,005)	10,908,260
Segment profit/(loss)				
Operating profit/(loss) for reportable segments	20,678,567	(152,114)	(13,079,688)	7,446,765
Interest expense	(10,899)	(350)	-	(11,249)
Gain on changes in fair value of investment properties	412,000	-	-	412,000
Gain on financial assets classified as fair value through profit or loss	1,467,529	-	-	1,467,529
Gain on disposal of investment in an associate	18,473,774	-	-	18,473,774
Gain on disposal of a subsidiary	87,462	-	-	87,462
Impairment loss on amounts due from subsidiaries	(339,268)	-	339,268	-
Share of profit of equity accounted associates	13,439,997	-	-	13,439,997
Profit before tax	54,209,162	(152,464)	(12,740,420)	41,316,278
Income tax expense	(5,826,779)	(2,951)	-	(5,829,730)
Profit for the year	48,382,383	(155,415)	(12,740,420)	35,486,548
Segment assets	474,810,419	156,334	(103,311,420)	371,655,333
<i>Included in the measure of segment assets are:</i>				
Investments in associates	114,227,340	-	-	114,227,340
Non-current assets other than financial instruments and deferred tax assets	18,083,694	2	-	18,083,696
Additions to non-current assets other than financial instruments and deferred tax assets	18,020	-	-	18,020
Other segment information				
Depreciation of property and equipment	28,342	-	-	28,342
Depreciation of right-of-use assets	61,732	-	-	61,732

24. FINANCIAL INSTRUMENTS

24.1 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
- (b) Amortised cost (“AC”)
- (c) Fair value through other comprehensive income (“FVOCI”)
 - Equity instrument designated upon initial recognition (“EIDUIR”)

	Carrying amount RM	AC RM	Mandatorily at FVTPL RM	FVOCI - EIDUIR RM
2024				
Financial assets				
Group				
Other investments	224,416,705	-	20,400,360	204,016,345
Other receivables	176,019	176,019	-	-
Other assets	80,974	80,974	-	-
Cash and cash equivalents	86,797,581	86,797,581	-	-
	311,471,279	87,054,574	20,400,360	204,016,345
Company				
Other investments	101,026,645	-	20,400,360	80,626,285
Other receivables	209,395	209,395	-	-
Other assets	67,059	67,059	-	-
Cash and cash equivalents	70,867,104	70,867,104	-	-
	172,170,203	71,143,558	20,400,360	80,626,285
2024				
Financial liabilities				
Group				
Other payables (excluding deferred income)			1,500,167	1,500,167
Company				
Other payables (excluding deferred income)			1,379,509	1,379,509

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.1 Categories of financial instruments (continued)

	Carrying amount RM	AC RM	Mandatorily at FVTPL RM	FVOCI - EIDUIR RM
2023				
Financial assets				
Group				
Other investments	164,217,269	-	35,502,426	128,714,843
Other receivables	13,387	13,387	-	-
Other assets	71,838	71,838	-	-
Cash and cash equivalents	74,067,862	74,067,862	-	-
	<u>238,370,356</u>	<u>74,153,087</u>	<u>35,502,426</u>	<u>128,714,843</u>
Company				
Other investments	98,662,154	-	34,621,391	64,040,763
Other receivables	32,529	32,529	-	-
Other assets	58,090	58,090	-	-
Cash and cash equivalents	63,292,747	63,292,747	-	-
	<u>162,045,520</u>	<u>63,383,366</u>	<u>34,621,391</u>	<u>64,040,763</u>

	Carrying amount RM	AC RM
2023		
Financial liabilities		
Group		
Other payables (excluding deferred income)	1,574,914	1,574,914
	<u>1,574,914</u>	<u>1,574,914</u>
Company		
Other payables (excluding deferred income)	1,443,962	1,443,962
	<u>1,443,962</u>	<u>1,443,962</u>

24.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Net gains/(losses) on:				
Fair value through profit or loss:				
- Mandatorily required by MFRS 9	964,786	1,482,236	853,973	1,426,121
Equity instruments designated at fair value through other comprehensive income	29,334,460	(7,456,803)	11,539,986	9,052,990
Financial assets at amortised cost	(32,656)	2,671,861	(1,226,508)	2,398,484
Financial liabilities at amortised cost	-	(350)	-	-
	<u>30,266,590</u>	<u>(3,303,056)</u>	<u>11,167,451</u>	<u>12,877,595</u>

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

24.4 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 other investments. The Company's exposure to credit risk arises principally from its other investments and advances to subsidiaries. There are no significant changes as compared to prior periods.

Investments and other financial assets

Risk management objectives, policies and processes for managing the risk

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

Exposure to credit risk and credit quality

As at the end of the reporting period, the Group has invested in domestic and overseas securities. The maximum exposure to the credit risk is represented by the carrying amounts in the statements of financial position.

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

The investments and other financial assets are unsecured.

Inter-company balances

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 and credit quality

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers an inter-company balances to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.4 Credit risk (continued)

Inter-company balances (continued)

Recognition and measurement of impairment loss (continued)

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

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' advances as at the end of the reporting period.

Company	Gross carrying amount RM	Impairment loss allowance RM	Net balance RM
2024			
Credit impaired	7,078,239	(7,078,239)	-
2023			
Credit impaired	7,048,511	(7,048,511)	-

The movement in the allowance for impairment in respect of subsidiaries' advances during the year is as follows:

Company	Lifetime ECL RM
Balance at 1 January 2023	6,709,243
Net remeasurement of loss allowance	339,268
	7,048,511
Balance at 31 December 2023/1 January 2024	7,048,511
Net remeasurement of loss allowance	29,728
	7,078,239

Cash and cash equivalents

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

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

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.5 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, loan and borrowing.

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

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

Maturity analysis

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

	Carrying amount RM	Contractual interest rate/ Discount rate %	Contractual cash flows RM	Within 1 year RM	1-2 years RM
2024					
Group					
Lease liabilities	103,046	11.00	118,715	74,978	43,737
Other payables	1,500,167	-	1,500,167	1,500,167	-
	<u>1,603,213</u>		<u>1,618,882</u>	<u>1,575,145</u>	<u>43,737</u>
Company					
Other payables	<u>1,379,509</u>	-	<u>1,379,509</u>	<u>1,379,509</u>	-
2023					
Group					
Lease liabilities	38,828	11.00	43,099	43,099	-
Other payables	1,574,914	-	1,574,914	1,574,914	-
	<u>1,613,742</u>		<u>1,618,013</u>	<u>1,618,013</u>	-
Company					
Other payables	<u>1,443,962</u>	-	<u>1,443,962</u>	<u>1,443,962</u>	-

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.6 Market risk

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

24.6.1 Currency risk

The Group is exposed to foreign currency risk on other investments and cash that are held in currencies other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Hong Kong Dollar ("HKD"), Singapore Dollar ("SGD"), Australian Dollar ("AUD"), New Taiwan Dollar ("TWD"), Euro Dollar ("EUR"), Pound Sterling ("GBP"), Vietnam Dong ("VND") and Chinese Yuan ("CNY"). The Group does not hedge its currency risk.

Exposure to foreign currency risk

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other investments held in:				
USD	4,173,425	4,865,077	3,918,928	4,380,597
HKD	153,320,015	86,882,708	40,809,453	35,831,633
AUD	1,304,596	4,402,633	-	-
EUR	5,702,200	4,378,293	-	-
GBP	-	881,035	-	-
CNY	45,086	-	-	-
	<u>164,545,322</u>	<u>101,409,746</u>	<u>44,728,381</u>	<u>40,212,230</u>
Cash and cash equivalents and deposits with licensed banks with original maturities less than 3 months held in:				
USD	29,223,134	28,590,961	27,192,988	27,962,273
HKD	1,303,591	11,186,264	79,288	4,775,378
SGD	41,623,406	28,160,667	41,623,406	28,160,666
AUD	-	65,192	-	-
TWD	892,032	157,625	892,032	157,625
EUR	-	11,355	-	-
VND	480	264	-	-
	<u>73,042,643</u>	<u>68,172,328</u>	<u>69,787,714</u>	<u>61,055,942</u>
Exposure in the statements of financial position	<u>237,587,965</u>	<u>169,582,074</u>	<u>114,516,095</u>	<u>101,268,172</u>

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.6 Market risk (continued)

24.6.1 Currency risk (continued)

Currency risk sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

A 10% (2023: 10%) strengthening of the RM against the USD, HKD, SGD, AUD, TWD, EUR, GBP, VND and CNY at the end of the reporting period would have decreased pre-tax profit by the amounts shown below. This analysis is based on foreign currency exchange rate variance that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remained constant.

	2024		2023	
	Equity	Profit or loss	Equity	Profit or loss
	RM	RM	RM	RM
Group				
<i>USD</i>	(417,343)	(2,922,313)	(486,508)	(2,859,096)
<i>HKD</i>	(15,332,002)	(130,359)	(8,688,271)	(1,118,626)
<i>SGD</i>	-	(4,162,341)	-	(2,816,067)
<i>AUD</i>	(130,460)	-	(440,263)	(6,519)
<i>TWD</i>	-	(89,203)	-	(15,762)
<i>EUR</i>	(570,220)	-	(437,829)	(1,136)
<i>GBP</i>	-	-	(88,104)	-
<i>VND</i>	-	(48)	-	(26)
<i>CNY</i>	(4,509)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Company				
<i>USD</i>	(391,893)	(2,719,299)	(438,060)	(2,796,227)
<i>HKD</i>	(4,080,945)	(7,929)	(3,583,163)	(477,538)
<i>SGD</i>	-	(4,162,341)	-	(2,816,067)
<i>TWD</i>	-	(89,203)	-	(15,763)
	<hr/>	<hr/>	<hr/>	<hr/>

A 10% (2023: 10%) weakening of RM against the USD, HKD, SGD, AUD, TWD, EUR, GBP, VND and CNY at the end of the reporting period would have had equal but opposite effect on the USD, HKD, SGD, AUD, TWD, EUR, GBP, VND and CNY to the amounts shown above, on the basis that all other variables remained constant.

24.6.2 Interest rate risk

The Group's and the Company's exposure to interest rate risk arises from interest-earning assets. The Group does not hedge its interest rate risk. Investment in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk.

Deposits are placed with licensed banks with varying maturity dates.

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.6 Market risk (continued)

24.6.2 Interest rate risk (continued)

Exposure to interest rate risk

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

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets				
Deposits with licensed banks with original maturities:				
- 3 months or less	<u>79,660,931</u>	<u>42,742,023</u>	<u>68,140,007</u>	<u>33,655,092</u>

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

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

24.6.3 Other price risk

Other price risk arises from the Group's quoted investments.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the quoted investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors.

Equity price risk sensitivity analysis

This analysis assumes that all other variables remain constant, and the Group's short-term and long-term quoted investments moved in correlation with the stock exchange of Malaysia, Singapore, Australia, the Netherlands, Hong Kong and China.

A 10% (2023: 10%) strengthening in the abovementioned stock exchanges and financial markets at the end of the reporting period would result in the following impact to equity and profit or loss:

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.6 Market risk (continued)

24.6.3 Other price risk (continued)

Equity price risk sensitivity analysis (continued)

	2024		2023	
	Equity RM	Profit or loss RM	Equity RM	Profit or loss RM
Group				
Long-term other investments	20,401,635	-	12,871,484	-
Short-term other investments	-	2,040,036	-	3,550,243
	<hr/>	<hr/>	<hr/>	<hr/>
Company				
Long-term other investments	8,062,629	-	6,404,076	-
Short-term other investments	-	2,040,036	-	3,462,139
	<hr/>	<hr/>	<hr/>	<hr/>

A 10% (2023: 10%) weakening in the abovementioned stock exchanges and financial markets would have had equal but opposite effect on equity and profit or loss respectively.

24.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.7 Fair value information

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair value and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
2024 Group										
Financial assets										
Investments in quoted instruments	199,842,920	-	-	199,842,920	-	-	-	-	199,842,920	199,842,920
Investments in unquoted instruments	-	-	4,173,425	4,173,425	-	-	-	-	4,173,425	4,173,425
	<u>199,842,920</u>	<u>-</u>	<u>4,173,425</u>	<u>204,016,345</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,016,345</u>	<u>204,016,345</u>
Company										
Financial assets										
Investments in quoted instruments	76,707,357	-	-	76,707,357	-	-	-	-	76,707,357	76,707,357
Investments in unquoted instruments	-	-	3,918,928	3,918,928	-	-	-	-	3,918,928	3,918,928
	<u>76,707,357</u>	<u>-</u>	<u>3,918,928</u>	<u>80,626,285</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,626,285</u>	<u>80,626,285</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2023										
Group										
Financial assets										
Investments in quoted instruments	123,849,766	-	-	123,849,766	-	-	-	-	123,849,766	123,849,766
Investments in unquoted instruments	-	-	4,865,077	4,865,077	-	-	-	-	4,865,077	4,865,077
	123,849,766	-	4,865,077	128,714,843	-	-	-	-	128,714,843	128,714,843
Company										
Financial assets										
Investments in quoted instruments	59,660,166	-	-	59,660,166	-	-	-	-	59,660,166	59,660,166
Investments in unquoted instruments	-	-	4,380,597	4,380,597	-	-	-	-	4,380,597	4,380,597
	59,660,166	-	4,380,597	64,040,763	-	-	-	-	64,040,763	64,040,763

24. FINANCIAL INSTRUMENTS (CONTINUED)

24.7 Fair value information (continued)

24.7.1 Fair value hierarchy

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Transfer between Level 1 and Level 2 fair values

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

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The fair values of investments in unquoted instruments are based on the adjusted revenue multiple derived from the market capitalisation of the investee's comparable entities with its forecasted revenue and the adjusted net asset by reference to the fair value of the assets and liabilities of the investee.

24.8 Material accounting policy information

The Group or the Company applies settlement date accounting for regular way purchase or sale of financial assets.

25. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The principal form of capital is share capital and when necessary, borrowings as included in the statement of financial position.

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

26. CAPITAL COMMITMENTS

	Group and Company	
	2024	2023
	RM	RM
Investment in unquoted shares		
Contracted but not provided for:	296,309	304,318

27. RELATED PARTIES

Significant related party transactions

Related party transactions have been entered into the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company, other than key management personnel compensation (see Note 15), are as follows:

	Transactions value year ended 31 December	
	2024 RM	2023 RM
Company		
Subsidiaries		
Rental income	(4,620)	(4,585)
Interest income	(19,659)	-
	<hr/>	<hr/>

Balances with subsidiaries are as disclosed in Note 8.

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 72 to 121 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 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

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

DATUK ALI BIN ABDUL KADIR

Director

WONG SIEW HUI

Director

Kuala Lumpur

Date: 24 April 2025

STATUTORY DECLARATION

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

I, **Gregory Charles Poarch**, being the officer primarily responsible for the financial management of JcbNext Berhad, do solemnly and sincerely declare that the financial statements set out on pages 72 to 121 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 Gregory Charles Poarch, NRIC: 651226-91-5027, at Kuala Lumpur in the Federal Territory on 24 April 2025.

.....
Gregory Charles Poarch

Before me:

Commissioner of Oaths

INDEPENDENT AUDITORS' REPORT

to the members of **JcbNext Berhad**
(Registration No. 200401002875 (641378-W))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JcbNext Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 72 to 121.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with accordance 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 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.

Investment in an associate

Refer to Note 6 – Investments in associates.

The key audit matter

The Group owns 13.45% in 104 Corporation ("104C"), an associate listed on the Taiwan Stock Exchange. The Group's share of profits from this associate for the year ended 31 December 2024 was RM11,174,010 and with carrying amounts of RM67,167,834. This associate has contributed approximately 16.80% to the Group's net assets which are significant in the context of the consolidated financial statements.

Key Audit Matters (continued)

Investment in an associate (continued)

The key audit matter (continued)

Given that this is a foreign investment, the carrying amount of this investment in the consolidated financial statements which is accounted under equity method is reassessed by applying appropriate adjustments on consolidation for any differences in accounting policies by the management.

We identified the accounting for the results and the investment in this associate as a key audit matter because of the material impact that the associate has on the consolidated financial statements.

How the matter was addressed in our audit

We have performed the following audit procedures, among others:

- We reviewed management's assessment on the classification of investment in 104C as an associate and apply the equity accounting appropriately.
- We engaged in a continuous communication with 104C auditor throughout the audit to satisfy our requirements under the international auditing standards.
- We instructed the 104C auditor to perform an audit on the financial information and issued instructions to 104C auditor to communicate the overall Group's audit strategy.
- We obtained an understanding of the procedures planned to be performed by the 104C auditor of significant risks identified and considered whether the planned procedures were appropriate for the purpose of the audit of the consolidated financial statements.
- We assessed the adequacy of the work performed by the 104C auditor by inspecting their audit documentation and the consistency of the Group's accounting policies applied.
- We obtained the reporting from 104C auditor and discussed with the auditor on the matters of significance in their audit which could impact the Group's consolidated financial statements.
- We assessed whether the carrying amount of this associate which is accounted under equity method after the adjustments made by the management was prepared in accordance with the Group's accounting policies.

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.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements 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 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 and 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.

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

- 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.

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, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

Other Matter

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

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

Petaling Jaya

Date: 24 April 2025

Lee Yee Keng
Approval Number: 02880/04/2027 J
Chartered Accountant

LIST OF PROPERTIES

Location	Description	Existing Use	Age of Building (Years)	Built-Up Area (Sq m)	Tenure	Carrying Value as at 31.12.2024 (RM)	Date of Acquisition
Wisma JcbNext No. 27, Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur	8-storey office building with basement	Office	34	3,917	Freehold	18,500,000	6.12.2005

ANALYSIS OF SHAREHOLDINGS

as at 28 March 2025

Total Number of Issued Shares	:	131,371,200.00 (inclusive of 232,000 treasury shares)
Class of Share	:	Ordinary shares
Voting Right	:	One vote per ordinary share held

DISTRIBUTION OF SHAREHOLDINGS *

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%#
1 - 99	281	18.85	11,726	0.01
100 – 1,000	495	33.20	271,982	0.21
1,001 – 10,000	495	33.20	2,030,205	1.55
10,001 – 100,000	156	10.46	5,009,570	3.82
100,001 to 6,556,959 ^[1]	60	4.02	34,150,249	26.04
6,556,960 and above ^[2]	4	0.27	89,665,468	68.37
Total	1,491	100.00	131,139,200	100.00

* Pursuant to the Bursa Malaysia Depository Disclosure Framework, reports on the list of shareholders and transactions are based on the settlement cycle of 2 trading days after the transaction date. Hence, the distribution of shareholdings record transactions made up to 26 March 2025 which was subsequently captured in the Record of Depository ("ROD") dated 28 March 2025.

Excludes 232,000 ordinary shares bought back by the Company and held as treasury shares based on the ROD dated 28 March 2025.

^[1] Less than 5% of issued shares

^[2] 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS

(As per register of substantial shareholders)

Name	No. of Shares Held			
	Direct	%#	Indirect	%#
Chang Mun Kee	70,229,494	53.55	⁽¹⁾ 7,435,900	5.67
Koo Tun Kit Betty	12,000,074	9.15	⁽²⁾ 200,626	0.15
Wong Siew Hui	200,626	0.15	⁽³⁾ 12,000,074	9.15

(1) Registered in the name of Bank Julius Baer & Co. Ltd, Singapore – HSBC Trustees (S) Ltd for Voyager Assets Limited, the trustee of a discretionary trust for estate planning purposes, the beneficiaries of which are members of Mr. Chang Mun Kee's family and himself.

(2) Deemed interested in 200,626 Ordinary Shares held by her spouse, Dr Wong Siew Hui pursuant to Section 8 of the Companies Act 2016.

(3) Deemed interested in 12,000,074 Ordinary Shares held by his spouse, Ms Koo Tun Kit Betty pursuant to Section 8 of the Companies Act 2016.

Excludes 232,000 ordinary shares bought back by the Company and held as treasury shares based on the ROD dated 28 March 2025.

ANALYSIS OF SHAREHOLDINGS (CONTINUED)

DIRECTORS' SHAREHOLDINGS

(As per register of directors' shareholdings)

Name of Directors	No. of Shares Held			
	Direct	%#	Indirect	%#
Datuk Ali bin Abdul Kadir	740,000	0.56	-	-
Teo Koon Hong	-	-	-	-
Lim Chao Li	1,000,000	0.76	-	-
Tan Beng Ling	-	-	-	-
Chua Bee Ai	-	-	-	-
Wong Siew Hui	200,626	0.15	⁽¹⁾ 12,000,074	9.15

(1) Deemed interested in 12,000,074 Ordinary Shares held by his spouse, Ms Koo Tun Kit Betty pursuant to Section 8 of the Companies Act 2016.

Excludes 232,000 ordinary shares bought back by the Company and held as treasury shares based on the ROD dated 28 March 2025.

30 LARGEST SHAREHOLDERS *

Name	No. of Shares Held	%#
1. AMSEC Nominees (Tempatan) Sdn Bhd <i>Ambank (M) Berhad for Chang Mun Kee (5032-1101)</i>	57,309,344	43.70
2. HSBC Nominees (Tempatan) Sdn Bhd <i>BJB SG for Chang Mun Kee</i>	12,920,150	9.85
3. Koo Tun Kit Betty	12,000,074	9.15
4. HSBC Nominees (Asing) Sdn Bhd <i>Exempt AN for Bank Julius Baer & Co. Ltd. (Singapore BCH)</i>	7,435,900	5.67
5. Suresh A/L Thirugnanam	4,226,164	3.22
6. CGS International Nominees Malaysia (Tempatan) Sdn Bhd <i>Exempt AN for CGS International Securities (Singapore) Pte. Ltd. (Retail Clients)</i>	3,421,870	2.61
7. Citigroup Nominees (Asing) Sdn Bhd <i>Exempt AN For UBS AG Singapore (Foreign)</i>	2,980,300	2.27
8. UOB Kay Hian Nominees (Asing) Sdn Bhd <i>Exempt AN for UOB Kay Hian Pte Ltd (A/C Clients)</i>	2,401,900	1.83
9. Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lim Kuan Gin</i>	2,129,900	1.62
10. CIMB Group Nominees (Asing) Sdn. Bhd. <i>Exempt AN for DBS Bank Ltd (SFS)</i>	1,386,000	1.06
11. Lim Kuan Gin	1,385,800	1.06
12. Lim Chao Li	1,000,000	0.76
13. Yeoh Liew Se	1,000,000	0.76

ANALYSIS OF SHAREHOLDINGS (CONTINUED)

30 LARGEST SHAREHOLDERS * (CONTINUED)

Name	No. of Shares Held	%#
14. IFAST Nominees (Tempatan) Sdn Bhd <i>Lee Sau Eng</i>	915,600	0.70
15. AmBank (M) Berhad <i>Pledged Securities Account for Ali bin Abdul Kadir (Smart)</i>	740,000	0.56
16. Felicia Tan Xin Rou	717,900	0.55
17. Yew Kok Onn	666,666	0.51
18. Ng Kay Ian	651,558	0.50
19. Lim Gaik Bway @ Lim Chiew Ah	627,900	0.48
20. TMF Trustees Malaysia Berhad <i>JPOS Trust</i>	506,000	0.39
21. Yeoh Phaik Seok	494,800	0.38
22. HSBC Nominees (Asing) Sdn Bhd <i>Quintet Luxembourg For Samarang Ucits - Samarang Asian Prosperity</i>	416,800	0.32
23. Tay Kok Choon	407,258	0.31
24. Ivan Tan Boon Guan	400,000	0.31
25. Chong Ah Suan	390,000	0.30
26. Affin Hwang Nominees (Asing) Sdn Bhd <i>DBS Vickers Secs (S) Pte Ltd for GF Capital Global Limited</i>	364,320	0.28
27. Kenanga Nominees (Tempatan) Sdn Bhd <i>Rakuten Trade Sdn Bhd For Liong Wei Li</i>	330,100	0.25
28. Leong Wai Kong	330,000	0.25
29. Ling Hua Wei	281,831	0.22
30. Tan Beng Kheng	281,582	0.22

* Pursuant to the Bursa Malaysia Depository Disclosure Framework, reports on the list of shareholders and transactions are based on the settlement cycle of 2 trading days after the transaction date. Hence, the distribution of shareholdings record transactions made up to 26 March 2025 which was subsequently captured in the ROD dated 28 March 2025.

Excludes 232,000 ordinary shares bought back by the Company and held as treasury shares based on the ROD dated 28 March 2025.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First (“21st”) Annual General Meeting (“AGM”) of JCBNEXT BERHAD (“JcbNext” or “the Company”) will be held at Wilayah 1, 1st Floor, Prescott Hotel Kuala Lumpur – Medan Tuanku, 23 Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur on Wednesday, 18 June 2025 at 2.00 p.m. for the following purposes:

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.
(Please refer to Note 1 of the Explanatory Notes)
2. To approve the Directors’ Fees up to an aggregate amount of RM361,000 for the financial year ending 31 December 2025 and Benefits Payable to Non-Executive Directors up to an aggregate amount of RM25,000 for the period from the 21st AGM until the next AGM of the Company in year 2026 and the payment thereof.
Ordinary Resolution 1
(Please refer to Note 2 of the Explanatory Notes)
3. To re-elect the following Directors who are retiring pursuant to Clause 96 of the Constitution of the Company:
 - (i) Datuk Ali Bin Abdul Kadir **Ordinary Resolution 2**
 - (ii) Ms Tan Beng Ling **Ordinary Resolution 3***(Please refer to Note 3 of the Explanatory Notes)*
4. To re-elect Ms Chua Bee Ai who is retiring pursuant to Clause 103 of the Constitution of the Company.
Ordinary Resolution 4
(Please refer to Note 3 of the Explanatory Notes)
5. To re-appoint Messrs. KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.
Ordinary Resolution 5
(Please refer to Note 4 of the Explanatory Notes)

As Special Business

To consider and, if thought fit, to pass the following resolutions:

6. **Authority for Mr Teo Koon Hong to continue in office as Senior Independent Non-Executive Director**

“THAT authority be and is hereby given to Mr Teo Koon Hong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Senior Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance.”

Ordinary Resolution 6
(Please refer to Note 5 of the Explanatory Notes)
7. **Proposed Renewal of Authority under Sections 75 and 76 of the Companies Act 2016 (“the Act”) for the Directors to allot and issue shares**

“THAT pursuant to Sections 75 and 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) at the time of issue, subject always to the Constitution of

the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT in connection with the above, pursuant to Section 85 of the Act and Clause 59 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares above by the Company.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all aspects with the existing shares of the Company, save and except that they shall not be entitled to any dividend, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.”

Ordinary Resolution 7

(Please refer to Note 6 of the Explanatory Notes)

8. Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares of up to 10% of its Total Number of Issued Shares (“Proposed Share Buy-Back”)

“THAT subject to the Act, rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”) and any other relevant authority, the Directors of the Company be and are hereby unconditionally and generally authorised, to the extent permitted by law, to make purchases of ordinary shares comprised in the Company’s total number of issued shares, such purchases to be made through Bursa Securities and to take all such steps as necessary (including opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements, and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any), as may be imposed by the relevant authorities from time to time subject further to the following:

- (i) the maximum aggregate number of ordinary shares in the Company (“**JcbNext Shares**”) which may be purchased and/or held by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company, subject to the provisions of the Listing Requirements;
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing the JcbNext Shares under the Proposed Share Buy-Back shall not exceed the audited retained profits of the Company as at 31 December 2024. Based on the audited financial statements of the Company for the financial year ended 31 December 2024, the audited retained profits of the Company stood at approximately RM164.86 million;
- (iii) the authority conferred by this resolution to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
 - a. the conclusion of the next AGM of the Company, following the general meeting at which this resolution was passed at which time it will lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions but not as to prejudice the completion of purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authority;
 - b. the expiration of the period within which the next AGM after that date is required by law to be held; or
 - c. revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company of JcbNext Shares before the aforesaid expiry date and, in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authority (if any); and

upon the purchase(s) of JcbNext Shares by the Company, the Directors of the Company be and are hereby authorised to decide at their absolute discretion to either cancel any portion or all of JcbNext Shares so purchased or to retain JcbNext Shares so purchased as treasury shares, and to deal with such treasury shares in the manner as set out in Section 127 of the Act and the Listing Requirements and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the purchase(s) of the JcbNext Shares by the Company with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the said Directors may deem fit and expedient in the best interest of the Company to give effect to and to complete the purchase of the JcbNext Shares.”

Ordinary Resolution 8

(Please refer to Note 7 of the Explanatory Notes)

9. To transact any other business of which due notice shall have been given in accordance with the Constitution of the Company and the Act.

BY ORDER OF THE BOARD

TAI YIT CHAN

(SSM PC No. 202008001023)

(MAICSA 7009143)

TAN AI NING

(SSM PC No. 202008000067)

(MAICSA 7015852)

Company Secretaries

Selangor Darul Ehsan

Date: 30 April 2025

NOTES:

1. In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at **11 June 2025** shall be eligible to participate or appoint proxy(ies) to participate and vote on his/her behalf.
2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991) entitled to attend and vote at the meeting is entitled to appoint a maximum of two (2) proxies to participate on his (her) behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he (she) specifies the proportion of his (her) holdings to be represented by each proxy.
4. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The Proxy Form shall be signed by the appointer or his (her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its Common Seal or by its duly authorised attorney or officer.
6. The instrument appointing a proxy by a member who is entitled to participate at the 21st AGM, shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
7. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 21st AGM or at any adjournment thereof, as follows:-
 - (i) **In hard copy form**

The original instrument appointing a proxy ("**Proxy Form**") must be deposited at the Company's Share Registrar's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (ii) **By electronic means**

The Proxy Form can also be lodged electronically with the Share Registrar of the Company through Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com> or email to bsr.helpdesk@boardroomlimited.com.
8. If you have submitted your proxy form(s) and subsequently decide to appoint another person or wish to participate in the 21st AGM yourself, please revoke the appointment of the earlier appointed proxy(ies) forty-eight (48) hours before the 21st AGM through the following options:
 - Hardcopy Form
 - Write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy(ies)
 - eProxy Form
 - Go to "**Submitted eProxy Form list**" and click "**View**";
 - Click "**Cancel/Revoke**" at the bottom of the eProxy Form; and
 - Click "**Proceed**" to confirm.
9. Pursuant to Paragraph 8.29A(1) of the Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of 21st AGM will be put to vote by way of poll.

EXPLANATORY NOTES

1. To receive the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.

2. Ordinary Resolution 1 – Directors’ Fees and Benefits Payable

Based on the recommendation from the Remuneration Committee, the Board approved the proposed Directors’ Fees of RM361,000 for the financial year ending 31 December 2025 for the shareholders’ approval at the forthcoming 21st AGM of the Company. The amount of Directors’ Fee payable includes fee payable to Directors as a member of Board and Board Committees.

The amount of Directors’ benefits payable to Non-Executive Directors up to an aggregate amount of RM25,000 comprises meeting allowances from this 21st AGM until the conclusion of the next AGM of the Company in year 2026 pursuant to the Act which shareholders’ approval will be sought at this 21st AGM in accordance with Section 230(1) of the Act. In determining the estimated total amount of the Directors’ Benefits, the Board has considered the number of scheduled and special meetings (if any) for the Board and Board Committees as well as the number of Non-Executive Directors involved in the meetings.

Other than the Directors’ Fees and benefits payable from the Company, the Non-Executive Directors do not receive any Directors’ Fee and benefits payable from any of the subsidiaries within the JcbNext Group.

The Executive Director does not receive any fees as Director, but he is remunerated with salary, benefits and other emoluments by virtue of his contract of service or employment which do not require approval by shareholders.

In the event that the proposed Directors’ Fees and Benefits Payable during the above period exceed the estimated amount sought at the 21st AGM, approval will be sought at the next AGM for additional Directors’ Fees and Benefits Payable to meet the shortfall, prior to the payment is made.

3. Ordinary Resolutions 2 - 4 – Re-election of Directors

The performance of Datuk Ali Bin Abdul Kadir, Ms Tan Beng Ling and Ms Chua Bee Ai who are due for retirement as Directors, have been assessed through the Board annual evaluation and being eligible, have offered themselves for re-election at the 21st AGM.

The Nomination Committee and the Board are satisfied with the performance and effectiveness of the aforesaid Directors and concluded that they have met the criteria as prescribed under Paragraph 2.20A of the Listing Requirements on character, experience, integrity, competence and time commitment to their roles as Directors. In addition, the Nomination Committee has also conducted an assessment on the fitness and propriety of the retiring Directors including the review of their fit and proper assessment declarations in accordance with the Directors’ Fit & Proper Policy of the Company.

The retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election at the relevant Nomination Committee and Board meetings.

The profiles of the Directors who are standing for re-election under Ordinary Resolutions 2 - 4 are set out in the Board’s profile of the Annual Report 2024.

4. Ordinary Resolution 5 – Re-appointment of Auditors

Messrs. KPMG PLT, the auditors of the Company have expressed their willingness to continue in office as auditors of the Company for the financial year ending 31 December 2025. The Board has approved the Audit and Risk Committee’s recommendation that they be retained after taking into account relevant feedback on their experience, performance and independence following a formal assessment.

5. Ordinary Resolution 6 – Authority for Mr Teo Koon Hong to continue in office as Senior Independent Non-Executive Director

Mr Teo Koon Hong (“**Mr Teo**”) has served as an Independent Non-Executive Director (“**INED**”) of the Company for a cumulative term of more than nine (9) years. In accordance with the Malaysian Code on Corporate Governance (“**MCCG**”), the Nomination Committee and the Board, after having assessed the independence of Mr Teo, consider him to be independent based on amongst others, the following justifications and therefore recommend that Mr Teo be retained as a Senior Independent Non-Executive Director of the Company:

- a. He has fulfilled the criteria under the definition on Independent Director as stated in Paragraph 1.01 of the Listing Requirements of Bursa Securities as well as the prescribed criteria under the MCCG, and therefore is able to bring independent and objective judgement to the Board;
- b. He actively participates in Board’s and Board Committees’ deliberations and decision making in an objective manner, exercises due care in all undertakings of the Company and its subsidiaries (“**Group**”) and carried out his fiduciary duties in the interest of the Company;
- c. He does not have any conflict of interest with the Company and has not been entering/is not expected to enter into contract(s) especially material contract(s) with the Company and/or its subsidiary companies; and
- d. The Board is of the opinion that he is an important Senior Independent Non-Executive Director in view of his many years on the Board with incumbent knowledge of the Company and the Group’s activities and corporate history and has provided invaluable contributions to the Board in his role as a Senior Independent Non-Executive Director.

Mr Teo has abstained from deliberating on any decision on his own retention as Senior Independent Non-Executive Director at the relevant Nomination Committee and Board meetings.

Pursuant to the MCCG, the Company would adopt a two-tier voting process in seeking shareholders’ approval to retain Mr Teo at the 21st AGM.

The proposed Ordinary Resolution 6, if passed, will allow Mr Teo to continue serve as Senior Independent Non-Executive Director of the Company until the conclusion of the next AGM of the Company.

6. Ordinary Resolution 7 – Proposed Renewal of Authority under Sections 75 and 76 of the Act for the Directors to allot and issue shares

The Company had, during its Twentieth (“20th”) AGM held on 20 June 2024, obtained its shareholders’ approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Act. As at the date of this notice, the Company has not issued any shares pursuant to this mandate obtained and this mandate will lapse at the conclusion of the 21st AGM.

Ordinary Resolution 7 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the total number of issued shares (excluding treasury shares) of the Company for such purposes as the Directors consider would be in the interest of the Company (“**General Mandate**”). This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

The authority will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding investment project(s), working capital and/or acquisitions.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 59 of the Company’s Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

If there should be a decision to issue new shares after the General Mandate is obtained, the Company will make an announcement in respect thereof.

7. Ordinary Resolution 8 - Proposed Share Buy-Back

The proposed Ordinary Resolution 8 under item 8 of the Agenda, if passed, will give the Directors of the Company authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or to effect the purchase(s) of JcbNext Shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company following the 21st AGM is required by law to be held.

Further information on the Proposed Share Buy-Back is set out in the Statement to Shareholders dated 30 April 2025 which was despatched together with this Annual Report.

Personal data privacy:

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

ADMINISTRATIVE DETAILS OF THE TWENTY-FIRST (“21ST”) ANNUAL GENERAL MEETING (“AGM”)

Meeting Day & Date : Wednesday, 18 June 2025
Time : 2.00 p.m.
Venue : Wilayah 1, 1st Floor, Prescott Hotel Kuala Lumpur – Medan Tuanku,
23, Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur

Registration

Registration will start at 1:00 p.m.

Please present your original MyKad or Passport to the registration personnel for verification against the General Meeting Record of Depositors.

Upon verification, you are required to write your name and sign the attendance list on the registration table.

You will be given a Polling Slip.

No person will be allowed to register on behalf of another person even with his/her original MyKad or Passport.

Help Desk

Please proceed to the Help Desk for any clarification or queries arising from registration.

The Help Desk will also handle revocation of a proxy's appointment.

No Vouchers/Door Gifts

There will be **NO VOUCHER(S) OR ANY DOOR GIFT(S)** for members/proxies who participate in the AGM.

Entitlement to Participate and Vote at the AGM

Only a depositor whose name appears in the Record of Depositors as at 11 June 2025 is entitled to participate and vote at the said meeting or appoint proxies to participate and vote on his/her behalf in respect of the number of shares registered in his/her name at that time.

Proxy Form

A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991) (“SICDA”) of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead at the same meeting. A proxy may but need not be a member of the Company, an advocate, an approved company auditor or a person approved by the Registrar. There shall be no restriction as to the qualification of the proxy.

Shareholders who are unable to attend the AGM are encouraged to exercise their right to vote at the 21st AGM by appointing the Chairman of the Meeting or proxy(ies) to vote on their behalf by indicate the voting instructions in the Proxy Form.

If you wish to attend the meeting yourself, please do not submit any Proxy Form for the meeting that you wish to attend.

Please ensure that the original Proxy Form is deposited at our Share Registrar's office not less than forty-eight (48) hours before the time for holding the meeting, i.e. latest by Monday, 16 June 2025 at 2.00 p.m.

a) In hardcopy form

Deposit your proxy form at the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

b) By electronic means

- i) Go to the **Boardroom Smart Investor Portal (BSIP) website** at <https://investor.boardroomlimited.com>.
- ii) Login to your BSIP account with your registered email address and password.
[Note: If you do not have a BSIP account, please sign-up/register as a new account]
- iii) Click "**Meeting Event(s)**" and select "**JCBNEXT BERHAD TWENTY-FIRST (21ST) ANNUAL GENERAL MEETING**" from the list of Meeting Event(s) and click "**Enter**".

For Individual/Corporate Shareholders	For Authorised Nominees and Exempt Authorised Nominees
<ul style="list-style-type: none">• Go to "PROXY" and click "Submit eProxy Form".• For Corporate Shareholders, select the Company that you are representing <i>(if more than one)</i>.• Enter your 9 digits CDS account number and number of securities held.• Select your proxy/proxies appointment – either the Chairman of the meeting or individual named proxy/proxies.• Read and accept the Terms and Conditions and click "Next".• Enter the required particulars of your proxy/proxies.• Indicate your voting instructions for each Resolution – FOR, AGAINST, ABSTAIN or DISCRETIONARY. If DISCRETIONARY is selected, your proxy/proxies will decide on your votes during poll at the meeting.• Review and confirm your proxy/proxies appointment. Click "Submit".• Download or print the eProxy Form as acknowledgement.	<ul style="list-style-type: none">• Go to "PROXY" and click "Submit eProxy Form".• Select the Nominees Company that you are representing <i>(if more than one)</i>.• Click "Download Excel Template" to download.• Insert the appointment of proxy/proxies for each CDS account with the necessary data and voting instructions in the downloaded excel file template.• Proceed to upload the duly completed excel file.• Review and confirm your proxy/proxies appointment and click "Submit".• Download or print the eProxy Form as acknowledgement.

Revocation of Proxy

If you have submitted your proxy form(s) and subsequently decide to appoint another person or wish to participate in the 21st AGM yourself, please revoke the appointment of the earlier appointed proxy(ies) forty-eight (48) hours before the 21st AGM through the following options:

- Hardcopy Form
 - Write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy(ies)
- eProxy Form
 - Go to "**Submitted eProxy Form list**" and click "**View**";
 - Click "**Cancel/Revoke**" at the bottom of the eProxy Form; and
 - Click "**Proceed**" to confirm.

Corporate Shareholder

Any corporate shareholder who wishes to appoint a representative instead of a proxy to attend the meeting should submit the original certificate of appointment under the seal of the corporation to the office of the Share Registrar at any time before the time appointed for holding the meeting.

Voting Procedure

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at the 21st AGM will be conducted by-poll. The Company has appointed Boardroom

Share Registrars Sdn. Bhd. as Poll Administrator to conduct the polling procedure and Independent Scrutineer to verify and validate the poll results.

During the 21st AGM, the Chairman of the meeting will invite the Poll Administrator to brief on the voting procedure. The voting session will begin when the Chairman announces the start of the poll and will continue until the Chairman declares the poll closed.

Poll slip for all the resolutions as set out in the Notice of 21st AGM will be collected by the Poll Administrator upon conclusion of the deliberations of all the businesses to be transacted at the 21st AGM. The Independent Scrutineer will verify the poll results followed by the declaration by the Chairman of the meeting.

Enquiry

If you have any enquiries prior to the 21st AGM, please contact the following during office hours from Mondays to Fridays (8.30 a.m. to 5.30. p.m.) (except on public holidays):-

Boardroom Share Registrars Sdn. Bhd. [Registration No. 199601006647 (378993-D)]

Address : 11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
General Line : 603-7890 4700
Fax Number : 603-7890 4670
Email : bsr.helpdesk@boardroomlimited.com

JcbNext Berhad

Address : Wisma JcbNext
27, Lorong Medan Tuanku 1
(Off Jalan Sultan Ismail)
50300 Kuala Lumpur
Malaysia
General Line : 603-2692 2333
Fax Number : 603-2698 1333
Email : ir@jcbnext.com

Personal Data Policy

By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

PROXY FORM

JCBNEXT BERHAD

[200401002875 (641378-W)]
(Incorporated in Malaysia)

Number of shares held	CDS Account No.

I/We, NRIC/Passport/Company No. of
(NAME IN FULL AND IN BLOCK LETTERS)

.....
(FULL ADDRESS)

Telephone No.: and, Email address:

being a member/members of **JCBNEXT BERHAD ("Company")**, hereby appoint
(NAME IN FULL AND BLOCK LETTERS)

NRIC/Passport No.: of
(FULL ADDRESS)

..... Telephone No.:

and, Email address:and/or failing him/her,
(NAME IN FULL AND BLOCK LETTERS)

NRIC/Passport No.: of
(FULL ADDRESS)

..... Telephone no.:

and, Email address: or failing him/her, *THE CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us and on my/our behalf at the Twenty-First ("21st") Annual General Meeting ("AGM") of the Company, to be held at Wilayah 1, 1st Floor, Prescott Hotel Kuala Lumpur – Medan Tuanku, 23 Lorong Medan Tuanku 1, Off Jalan Sultan Ismail, 50300 Kuala Lumpur on **Wednesday, 18 June 2025 at 2.00 p.m.** and at any adjournment thereof.

* Please delete the words "THE CHAIRMAN OF THE MEETING" if you wish to appoint some other person to be your proxy.

My/our proxy is to vote as indicated below:-

No.	Resolution	For	Against
Ordinary Resolution 1	Approval of Directors' Fees for the financial year ending 31 December 2025 and Benefits Payable to the Non-Executive Directors for the period from the 21 st AGM until the next AGM of the Company in year 2026 and the payment thereof.		
Ordinary Resolution 2	Re-election of Datuk Ali Bin Abdul Kadir as Director pursuant to Clause 96 of the Constitution of the Company.		
Ordinary Resolution 3	Re-election of Ms Tan Beng Ling as Director pursuant to Clause 96 of the Constitution of the Company.		
Ordinary Resolution 4	Re-election of Ms Chua Bee Ai as Director pursuant to Clause 103 of the Constitution of the Company.		
Ordinary Resolution 5	Re-appointment of Messrs. KPMG PLT as Auditors of the Company.		
Ordinary Resolution 6	Authority for Mr Teo Koon Hong to continue in office as Senior Independent Non-Executive Director.		
Ordinary Resolution 7	Proposed Renewal of Authority for the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
Ordinary Resolution 8	Proposed Renewal of Authority for the Company to purchase its own Ordinary Shares of up to 10% of the total number of issued shares.		

(Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.)

Signed this day of 2025

The proportion of my/our shareholdings to be represented by my/our proxies are as follows:-

First Proxy	%
Second Proxy	%
Total	<u>100%</u>

.....
Signature of Member(s)^

^ Manner of execution:-

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the Constitution/ Memorandum and Articles of Association of your corporation.
- If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your corporation (if any) and executed by:-
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any Director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

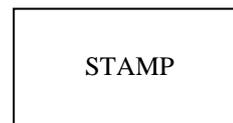
NOTES:

1. In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at **11 June 2025** shall be eligible to participate or appoint proxy(ies) to participate and vote on his/her behalf.
2. A member (other than an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991) entitled to attend and vote at the meeting is entitled to appoint a maximum of two (2) proxies to participate on his (her) behalf. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
3. Where a member appoints two (2) proxies, the appointments shall be invalid unless he (she) specifies the proportion of his (her) holdings to be represented by each proxy.
4. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The Proxy Form shall be signed by the appointer or his (her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its Common Seal or by its duly authorised attorney or officer.
6. The instrument appointing a proxy by a member who is entitled to participate at the 21st AGM, shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
7. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 21st AGM or at any adjournment thereof, as follows:-
 - (i) **In hard copy form**
The original instrument appointing a proxy ("**Proxy Form**") must be deposited at the Company's Share Registrar's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (ii) **By electronic means**
The Proxy Form can also be lodged electronically with the Share Registrar of the Company through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or email to bsr.helpdesk@boardroomlimited.com.
8. If you have submitted your proxy form(s) and subsequently decide to appoint another person or wish to participate in the 21st AGM yourself, please revoke the appointment of the earlier appointed proxy(ies) forty-eight (48) hours before the 21st AGM through the following options:
 - Hardcopy Form
 - Write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy(ies)
 - eProxy Form
 - Go to "**Submitted eProxy Form list**" and click "**View**";
 - Click "**Cancel/Revoke**" at the bottom of the eProxy Form; and
 - Click "**Proceed**" to confirm.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM will be put to vote by way of poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to Personal Data Protection Act, 2010.

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BOARDROOM SHARE REGISTRARS SDN. BHD.
[Registration No. 199601006647 (378993-D)]
11TH FLOOR, MENARA SYMPHONY
NO. 5, JALAN PROF. KHOO KAY KIM
SEKSYEN 13
46200 PETALING JAYA
SELANGOR DARUL EHSAN
MALAYSIA

-----Please fold here to seal-----

