



LEBTECH BERHAD

200201023282 (590945-H)

ANNUAL REPORT 2025

LEBTECH BERHAD Registration No: 200201023282 (590945-H)

www.lebtech.com.my

LEBTECH BERHAD 200201023282 (590945-H)

Wisma Lebar Daun

No. 2, Jalan Tengku Ampuan Zabedah J9/J

Seksyen 9, 40000 Shah Alam

Selangor Darul Ehsan

603 5511 1333

603 5511 6755

2025

ANNUAL REPORT

Developing A Sustainable Tomorrow

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CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' HAZLI BIN IBRAHIM

Non-Independent Non-Executive Chairman

DATO' AHMAD RIZAL BIN ABDUL RAHMAN

Independent Non-Executive Director

DATO' AZMI BIN MOHD ALI

Independent Non-Executive Director

**DATO' NOOR AZMAN @ NOOR HIZAM
B MOHD NURDIN**

Non-Independent Non-Executive Director

NORAZMI BIN MOHAMED NURDIN

Managing Director

KAREN YAP PIK LI

Independent Non-Executive Director

FAIZ ZUHDI ADRI BIN ROSLAN

Non-Independent Non-Executive Director

MUHAMMAD BIN NOOR AZMAN @ NOOR HIZAM

*Alternate Director to Dato' Noor Azman @ Noor Hizam
B Mohd Nurdin*



AUDIT AND RISK COMMITTEE

Dato' Ahmad Rizal Bin Abdul Rahman (*Chairman*)

Dato' Hazli Bin Ibrahim

Karen Yap Pik Li

Dato' Azmi Bin Mohd Ali

NOMINATION COMMITTEE

Dato' Ahmad Rizal Bin Abdul Rahman (*Chairman*)

Dato' Hazli Bin Ibrahim

Karen Yap Pik Li

REMUNERATION COMMITTEE

Dato' Ahmad Rizal Bin Abdul Rahman (*Chairman*)

Dato' Hazli Bin Ibrahim

Karen Yap Pik Li



CORPORATE INFORMATION

cont'd



GROUP COMPANY SECRETARY

Nor Hisyam Bin Ahmad Fodzi
(LS 0009957) SSM PC No: 202308000682

AUDITORS

Messrs. Jamal, Amin & Partners (AF 1067)
Chartered Accountants
No. 62-1, 1st Floor Jalan 2/23A,
Off Jalan Genting Klang,
Taman Danau Kota Setapak,
53300 Kuala Lumpur.

REGISTERED OFFICE

Wisma Lebar Daun
2, Jalan Tengku Ampuan Zabedah J9/J,
Seksyen 9, 40000 Shah Alam,
Selangor Darul Ehsan.
Tel : 603 5511 1333
Fax : 603 5511 6755
Website : www.lebtech.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor, Malaysia.
Tel : 603 7890 4700
Fax : 603 7890 4670

PRINCIPAL BANKER

CIMB Bank Berhad
Affin Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Code : 9628



WHERE IDEAS BECOME STRUCTURES

Built with Trust, Quality,
Care, and Lasting Excellence.

**When Innovation
Meets Construction**

*Turning bold
ideas into lasting
structures.*



PROFILE OF THE BOARD OF DIRECTORS

DATO' HAZLI BIN IBRAHIM

*Non-Independent
Non-Executive Chairman*

A 63-year-old Malaysian, he was appointed as an Independent Non-Executive Director of LEBTECH on 13 April 2010 and was subsequently re-designated as the Non-Independent Non-Executive Chairman on 29 May 2023. He also serves as a member of the Audit Committee as well as the Nomination and Remuneration Committees. He holds a Bachelor of Finance with Accounting from the University of East London and is a Fellow of the Association of Chartered Certified Accountants, in addition to a Master of Business Administration (Finance) from Bayes Business School, London. He began his career in London with several Chartered Accountant firms before returning to Malaysia in 1994, where he joined Aseambankers Malaysia Berhad, the investment banking arm of Malayan Banking Berhad, as Manager of Corporate Finance. In November 1996, he moved to Amanah Merchant Bank Berhad and later joined Pengurusan Danaharta Nasional Berhad ("Danaharta"), Malaysia's national asset management company, in September 1998 as Head of Corporate Planning in the Corporate Services Division. He left Danaharta in October 2002 to establish Hazli Capital Sdn. Bhd., a consultancy firm specialising in corporate finance advisory services, where he currently serves as Managing Director. He has extensive experience in investment banking and capital markets and currently sits on the boards of Muda Holdings Berhad, and several other private companies. He holds a total of 554,400 ordinary shares (direct and indirect) in LEBTECH and is deemed to have an interest in the shares of its subsidiary companies to the extent held by LEBTECH. He has no family relationship with any director and/or major shareholder of LEBTECH and has no conflict of interest with the company. During the financial year ended 31 December 2025, he attended all five Board meetings held.

DATO' AHMAD RIZAL BIN ABDUL RAHMAN

*Independent Non-Executive
Director*

Dato' Ahmad Rizal bin Abdul Rahman, Independent Non-Executive Director brings over 30 years of experience in business strategy, corporate finance and operations. He holds a Diploma and Advanced Diploma in Accountancy from MARA Institute of Technology, Shah Alam, and is a member of the Malaysian Institute of Accountants (MIA), an Associate and Fellow Chartered Global Management Accountant (CGMA/CIMA, UK). He also completed the Leaders in Development: Managing Change in a Dynamic World programme at Harvard University in 2017.

He began his career in audit and advisory, including roles at KPMG Peat Marwick and Commerce International Merchant Bankers Berhad, before advancing into senior leadership positions. He served as Group CEO of Perak State Agricultural Development Corporation (2010–2018) and CEO of Mardec Berhad (2021–2023). He currently sits on the boards of Turiya Berhad, Reservoir Link Berhad and Jentayu Sustainable Berhad.



PROFILE OF THE BOARD OF DIRECTORS

cont'd

DATO' AZMI BIN MOHD ALI

*Independent
Non-Executive Director*

Aged 66, Malaysian, he was appointed as an Independent Non-Executive Director of Lebttech Berhad on 1 August 2025. He is a Senior Partner of Messrs Azmi & Associates, one of the largest full-service corporate and commercial law firms in Malaysia, with approximately 100 lawyers based in Kuala Lumpur. Under his leadership, the firm has established a strong reputation locally and internationally, particularly in complex corporate and cross-border transactions.

Dato' Azmi graduated with a Bachelor of Laws (LL.B) (Honours) from the University of Malaya in 1984 and later obtained a Master of Laws (LL.M) in US & Global Business Law from the University of Suffolk, Boston, Massachusetts, United States, in 2011. He was admitted as an Advocate & Solicitor of the High Court of Malaya on 24 May 1991.

He began his legal career in corporate and commercial practice and has accumulated more than three decades of experience advising on mergers and acquisitions, corporate governance, regulatory compliance, listed company operations, energy and infrastructure projects, real estate, joint ventures, project finance, and cross-border transactions. His expertise is widely sought by public listed companies, multinational corporations, and government-linked entities.

In addition to his legal practice, Dato' Azmi holds numerous board and advisory positions across various sectors. He currently serves as Director of Sapura Energy Berhad, Pelaburan Hartanah Berhad, Worldwide Holdings Berhad, and Lhoist (Malaysia) Sdn Bhd, and is a Member of the Appeals Committee of Bursa Malaysia Berhad. He is also an Adjunct Professor of Law at Universiti Utara Malaysia.

Dato' Azmi has previously served on the boards of several major public listed and statutory bodies, including SP Setia Berhad, Maybank Islamic Berhad, UMW Holdings Berhad, Sime Darby Berhad and its related entities, Chemical Company of Malaysia Berhad, CCM Duopharma Biotech Berhad, Perbadanan Nasional Berhad, and Universiti Malaysia Kelantan. Internationally, he was appointed to the Board of TerraLex, a top global network of law firms, becoming the first lawyer from Southeast Asia to hold such position.

He has received numerous prestigious accolades, including being named Dealmaker of the Year by Asian Legal Business and being inducted into the Hall of Fame for Corporate and M&A by The Legal 500. He is consistently recognised as one of Malaysia's leading corporate and M&A lawyers by reputable international legal publications.

DATO' NOOR AZMAN @ NOOR HIZAM B MOHD NURDIN

*Non-Independent
Non-Executive Director*

Aged 64, Malaysian, he was appointed as a Non-Independent Non-Executive Director of LEBTECH on 7 January 2004. He holds an Honours degree in Business Management from the University of Kebangsaan Malaysia. He began his career in 1985 as a Corporate and Retail Banking Executive with MUI Bank Berhad and left in 1988 to establish Lebttech Construction Sdn. Bhd. He also serves on the boards of several other private companies but does not hold any directorships in other public companies. He is the father of Muhammad Bin Noor Azman @ Noor Hizam, a major shareholder of LEBTECH, and the brother of Norazmi bin Mohamed Nurdin, the Managing Director and a shareholder of LEBTECH. He has no conflict of interest with the Company except for recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of the LEBTECH Group and for which he is deemed to be interested, as disclosed on page 56 of this Annual Report. During the financial year ended 31 December 2025, he attended all five Board Meetings held.

PROFILE OF THE BOARD OF DIRECTORS

cont'd

NORAZMI BIN MOHAMED NURDIN

*Managing
Director*

Aged 60, Malaysian, he was appointed as the Managing Director of Lebttech Berhad ("LEBTECH") on 7 January 2004. He holds a Degree in Civil Engineering and a Degree in Engineering Management from the University of Portland, USA. He began his career with Petronas Berhad in November 1992 as a Senior Executive in the Tender and Contract Division and remained with the company until 1996. Prior to joining the LEBTECH Group, he served as the General Manager of Putrajaya Holdings Sdn. Bhd. and held various senior positions in several other private companies under Putrajaya Holdings Sdn. Bhd. He is a key member of the management team responsible for overseeing the day-to-day operations of the LEBTECH Group and also sits on the board of several private companies. He does not hold any other directorships in public companies. He holds a total of 2,016,000 ordinary shares (direct and indirect) in LEBTECH and is deemed to have an interest in the shares of its subsidiary companies to the extent held by LEBTECH. He is the brother of Dato' Noor Azman @ Noor Hizam B Mohd Nurdin, a Non-Independent Non-Executive Director. He has no conflict of interest with the Company except for the recurrent related party transactions of a revenue or trading nature necessary for the day-to-day operations of the LEBTECH Group, for which he is deemed to be interested as disclosed on page 56 of this Annual Report. During the financial year ended 31 December 2025, he attended all five Board Meetings held.

KAREN YAP PIK LI

*Independent
Non-Executive Director*

Aged 53, Malaysian, she was appointed as an Independent Non-Executive Director of Lebttech Berhad on 4 June 2025. She is a Chartered Accountant with over 30 years of experience in financial management, accounting, business operations and corporate exercise. She brings strong senior management expertise having served as the Chief Financial Officer of a Public Listed Government-Linked Company for 12 years, where she provided strategic financial and operational leadership while balancing the interests of multiple stakeholders.

She holds professional qualifications from the Chartered Institute of Management Accountants (CIMA) and is a Chartered Accountant of the Malaysian Institute of Accountants (MIA). She is also a Chartered Global Management Accountant (CGMA) and was admitted as a Fellow Member of CIMA in 2024.

She began her career in the Finance Department of the former Lityan Holdings Berhad in 1995 as an Accounts Executive and in the ensuing years held various positions including General Manager of Corporate Services.

From January 2010 to January 2022, she served as the Chief Financial Officer of Theta Edge Berhad. Functionally as Head of the Group's Shared Services function, she oversaw the day-to-day operations of the finance, procurement and warehousing, human resources and administration and corporate services department.

Her responsibilities included statutory financial reporting, the preparation and issuance of annual reports and circular to shareholders, general meetings and corporate exercises, board-related matters, corporate governance and regulatory compliance, as well as involvement in the commercial aspects of business development and operations.

She currently serves as an Independent Non-Executive Director of Microlink Solutions Berhad (since November 2024) and ICT Zone Asia Berhad (since February 2024). She previously served as an Independent Non-Executive Director of Tricubes Berhad from September 2022 to January 2024.

PROFILE OF THE BOARD OF DIRECTORS

cont'd

FAIZ ZUHDI ADRI BIN ROSLAN

*Non-Independent
Non-Executive Director*

Mr. Faiz Zuhdi Adri Bin Roslan holds a degree in Accounting and Finance from Durham University. He commenced his career with Deloitte Malaysia, where he was involved in audit and financial-related assignments, including exposure to financial reporting and compliance matters.

He was subsequently attached to Malaysian Global Innovation & Creativity Centre (MaGIC), an agency under the Ministry of Finance Malaysia, where he served in a consulting capacity. In this role, he was involved in policy-related work, including initiatives relating to entrepreneurship development, startup ecosystem support, and broader ecosystem-building efforts.

Thereafter, he was involved in the technology and healthcare sector, where he held roles covering operational functions, coordination of strategic partnerships, and business-related activities. His experience includes involvement in organisational operations, stakeholder engagement, and implementation of business initiatives.

MUHAMMAD BIN NOOR AZMAN @ NOOR HIZAM

*Alternate Director to Dato' Noor Azman
@ Noor Hizam B Mohd Nurdin*

Aged 34, Malaysian, was appointed as Alternate Director to Dato' Noor Azman @ Noor Hizam B Mohd Nurdin of LEBTECH on 4th June 2025. He holds a Bachelor of Laws from the University of the West of England, United Kingdom, obtained in 2014. He also obtained a Postgraduate qualification in International Commercial Law from Cardiff University, United Kingdom, in 2015. He completed his secondary education at Scotch College Melbourne, Australia, in 2009 and furthered his legal studies at City St George's, University of London in 2018.

He began his career as a Special Officer at the Ministry of Urban Wellbeing, Housing and Local Government (KPKT) from June 2016 to May 2018. He later underwent his pupillage at Azmi & Associates from May 2019 to January 2020. Subsequently, he served as Special Officer to the Minister at the Ministry of Youth and Sports from March 2020 to August 2021 and later at the Ministry of Housing and Local Government from September 2021 to November 2022. He attended all two (2) out of two (2) Board Meetings held during the financial year ended 31 December 2025.



THE CHAIRMAN'S MESSAGE

Dear Shareholders and Stakeholders,

The year under review was marked by macroeconomic uncertainties, rising cost pressures and broader industry challenges. Despite these headwinds, the Group remained resilient and continued to deliver strong operational performance. Supported by the commitment of our team and disciplined execution, the Group achieved record earnings in FY2025.

THRIVING DESPITE CHALLENGES

FY2025 commenced against a backdrop of economic headwinds, marked by elevated interest rates, volatile foreign exchange movements, and persistent inflationary pressures. These conditions created ripple effects across industries, including our own. Notwithstanding these challenges, I am pleased to report that the Group demonstrated commendable resilience and adaptability throughout the year. Our teams responded with agility and discipline, ensuring that ongoing projects remained on schedule and that we continued delivering sustainable value to our stakeholders.

Encouragingly, we witnessed a notable recovery in the property market in the later half of the year, supported by pent-up demand, a more stable interest rate outlook, and improving consumer sentiment. This rebound reinforces our confidence in the long-term fundamentals of the markets in which we operate.

Despite global economic uncertainty, including trade tensions and U.S. tariffs, the Group remained resilient. Through proactive risk management and disciplined execution of our strategic priorities, we navigated a challenging environment and continued delivering value to our stakeholders.

These challenges strengthened our operational discipline and sharpened our focus on efficiency and cost optimisation. More importantly, they reinforced our commitment to sustainable growth and long-term value creation.



THE CHAIRMAN'S MESSAGE

cont'd



DELIVERING PERFORMANCE, SUSTAINING PROGRESS

Throughout FY2025, we remained focused on strengthening our core construction business, the backbone of our operations, which offers significant opportunities for long-term value creation.

Our ongoing projects progressed steadily, driven by focus on quality execution, timely delivery, and client satisfaction. We also enhanced our internal capabilities through improved project management, digital integration, and talent development.

Financially, despite tight margins from input cost pressures, we maintained disciplined cost management and proactive risk mitigation. Our healthy balance sheet provides a solid foundation for sustainable growth.

DIVIDEND

The Board does not recommend any dividend for FY2025.

COMMITMENT TO QUALITY, EQUALITY, AND INNOVATION

As Chairman, I bring to this role a deep passion for advancing quality, equality, and innovation across all facets of our business. These principles are not only embedded in our corporate values, but also reflected in how we plan, build, and engage.

Quality: We uphold the highest standards in our construction practices, from material selection to project delivery.

Equity: We are committed to fostering a workplace where diversity is celebrated and everyone's voice matters.

Innovation: We continue to explore and adopt modern construction methods and digital tools to enhance efficiency, safety, and sustainability.

I would like to take this opportunity to express my deepest gratitude to our Board of Directors for their wise counsel and unwavering support. To our management and staff—your dedication, resilience, and hard work are the cornerstone of our achievements.

To our valued shareholders, clients, business partners, and stakeholders, thank you for your continued trust and confidence in Lebtech Berhad.

Together, we will continue to shape and build communities, infrastructure, and spaces that matter—for today and for generations to come.

DATO' HAZLI BIN IBRAHIM

Chairman

Lebtech Berhad
30 April 2026

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING AND BUSINESS OVERVIEW

As we review our performance and strategic priorities for the year, we take pride in the milestones achieved and the lessons learned. FY2025 was marked by perseverance, strategic recalibration, and ongoing transformation. While global economic uncertainties and evolving market dynamics tested our resilience, they also highlighted the strength of our business fundamentals and the adaptability of our teams.

The year unfolded against a backdrop of persistent global inflation, tighter monetary policies, geopolitical instability, and slowing economic growth. Together, these factors created a challenging environment for businesses worldwide.

Our steadfast commitment to quality and sustainability allowed us to navigate the downturn effectively, even as cash flows from operating activities temporarily declined to RM 6.05 million, compared with RM 7.69 million in FY2024.

Looking ahead, our strategic direction remains focused on enhancing value creation through disciplined balance sheet management, prudent investments, and operational efficiencies. We are actively pursuing initiatives to optimise cost structures, accelerate project execution, and strengthen stakeholder relationships. Through these efforts, Lebttech Berhad is well-positioned for long-term resilience and growth, regardless of market cycles.

REVIEW OF FINANCIAL RESULTS

The Group recorded total revenue of RM 17.43 million, a 12.23% increase from RM 15.53 million in FY2024. This was mainly due to better project billings and site progress, influenced by market, client-side deferments, and a more cautious investment climate.

Correspondingly, the Group's profit before tax increased by 66.66%, from RM0.36 million in FY2024 to RM0.60 million in FY2025. The increase was primarily attributable to higher revenue, notwithstanding the cost-containment measures implemented across operations.

Furthermore, operating cash flow registered a net outflow of RM6.05 million, reversing from a net inflow of RM7.69 million in the previous year, mainly due to the timing of collections, project expenditures, and working capital fluctuations during project execution phases.

DIVERSITY AND INCLUSION

We have taken deliberate steps to cultivate a diverse and inclusive culture. At both the Board and organisational levels, efforts are made to ensure representation across age, gender, and background, thereby enhancing innovation, fostering creativity, and strengthening stakeholder representation in decision-making processes.

GOVERNANCE EXCELLENCE

Strong governance remains the foundation of sustainable growth. In FY2025, Lebttech Berhad reinforced its governance framework to uphold the highest standards of accountability, transparency, and ethical conduct across its operations.

BOARD OVERSIGHT AND ETHICAL CONDUCT

The Board of Directors exercises oversight of the Group's ESG initiatives, ensuring they are embedded within the overall corporate strategy. A formal Code of Ethics and Conduct governs employee behaviour, reinforced by structured whistleblowing mechanisms and conflict-of-interest policies to safeguard transparency and ethical standards.

RISK AND COMPLIANCE MANAGEMENT

We have embedded ESG-related risks into our broader enterprise risk management framework. This includes climate-related risks, human rights considerations, and supply chain transparency—ensuring we are prepared for regulatory shifts and stakeholder expectations.

MANAGEMENT DISCUSSION AND ANALYSIS

cont'd

LOOKING FORWARD

Our ESG journey is ongoing and dynamic. We recognise that long-term value creation goes beyond financial metrics—it encompasses how we care for the environment, empower our people, and lead with integrity. Moving forward, Lebtech Berhad will continue to:

Set measurable ESG performance targets,

Explore green building certifications (e.g. GreenRE, GBI),

Deepen community partnerships, and

Expand Board-level ESG oversight.

By embedding sustainability into the fabric of our operations, we are not only contributing to a more equitable and resilient future but also enhancing the Group's ability to deliver enduring value to our shareholders, clients, employees, and the communities we serve.

MARKET OUTLOOK & PROSPECTS

As we look ahead into FY2026, Lebtech Berhad is positioned to capitalise on emerging opportunities in the construction despite an operating environment that remains marked by global uncertainty and structural challenges. The Group's performance in FY2025, while shaped by economic headwinds and market volatility, affirms that we are on the right strategic path. Our resilience in navigating a difficult year is not just a reflection of sound financial stewardship—it is a testament to the strength of our business fundamentals, our people, and our long-term vision.

COMMITMENT TO STAKEHOLDERS

The journey ahead will not be without challenges. Volatility in material prices, labour availability, and potential regulatory shifts remain key watch points. However, Lebtech Berhad is confident that its strategic foundation, coupled with a disciplined and agile execution approach, will enable us to overcome these hurdles and seize new growth opportunities.

As we embark on the next chapter of our long-term journey, we would like to extend our sincere gratitude to our shareholders, customers, business partners, financiers, and the members of our dedicated team. Your continued trust and support remain the bedrock of our progress.

We look forward to another year of collaboration, innovation, and sustainable growth—driving Lebtech Berhad toward greater heights and delivering lasting value to all our stakeholders.

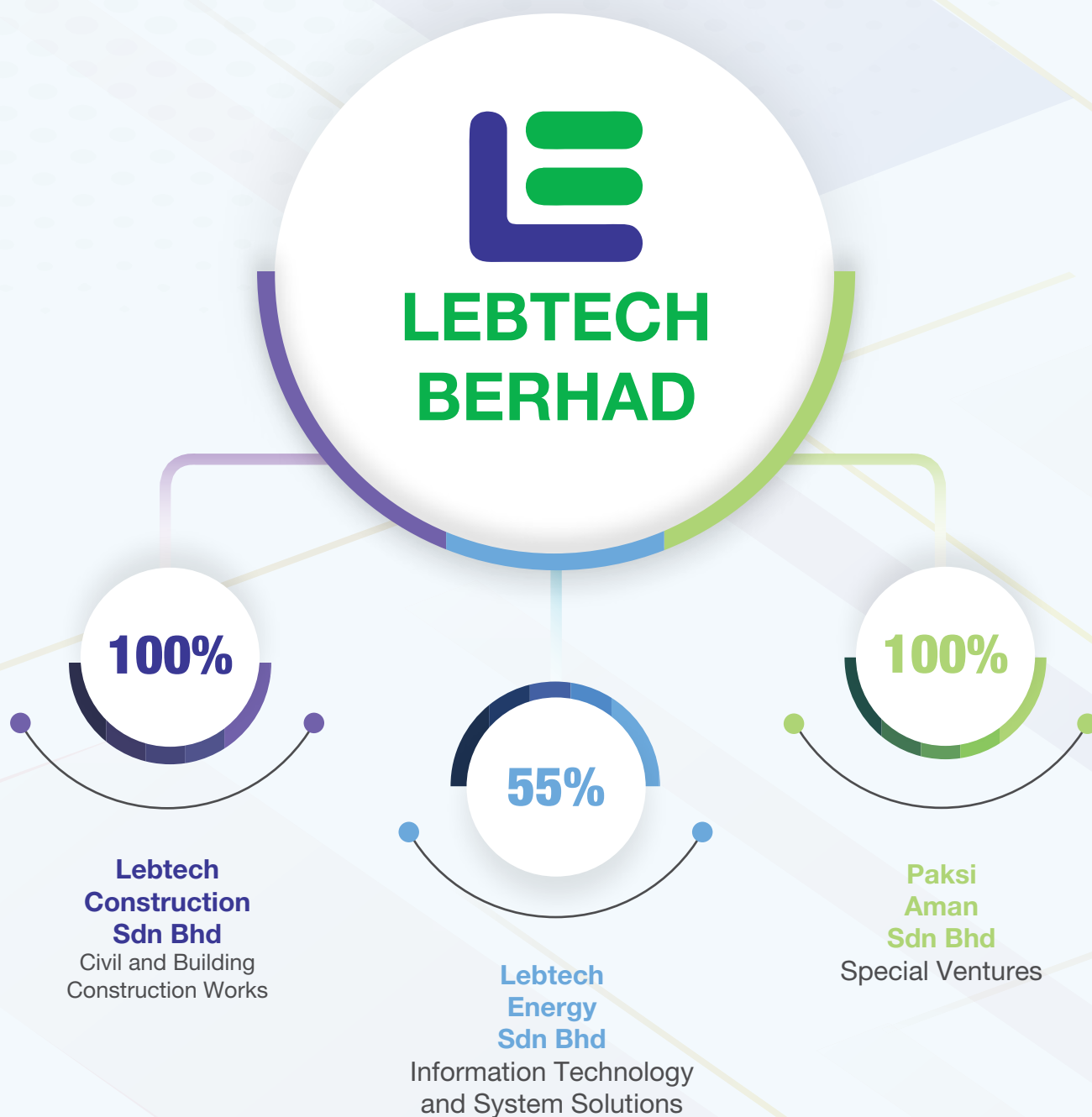
Thank you.

NORAZMI BIN MOHAMED NURDIN

Group Managing Director

30 April 2026

CORPORATE STRUCTURE



SUSTAINABILITY STATEMENT

GROUP MANAGING DIRECTOR'S MESSAGE

Dear Valued Stakeholders,

At LEBTECH Berhad, sustainability is guided by careful planning, measured action, and ongoing reflection. As we present our Sustainability Statement 2025, we reflect with appreciation on the progress achieved, the lessons learned, and the responsibilities we continue to uphold as we move forward.

Our sustainability journey has evolved steadily from foundational efforts to a more structured, measurable, and outcome-driven approach. While we take pride in our progress, we remain mindful that there is always room for improvement as we strive to create long-term value.

People and Communities at the Core

The strength of our sustainability initiatives lies in our people and the communities we serve. Every member of the LEBTECH team plays a vital role in translating sustainability principles into meaningful action.

Through continuous engagement, education, and collaboration, we empower our employees to contribute positively to our sustainability agenda. At the same time, we remain guided by the needs and expectations of our stakeholders, ensuring that our initiatives deliver genuine value not merely metrics, but meaningful and lasting impact.

Our sustainability journey is firmly anchored in a set of core values that shape our decisions, operations, and long-term vision. We are committed to building a lasting Legacy by creating sustainable practices that deliver enduring value for future generations, while upholding Excellence through the highest standards of quality, innovation, and efficiency. We continue to Build strong communities and meaningful partnerships that foster shared growth, guided by Trust through integrity, transparency, and accountability in all that we do. By prioritising Efficiency, we optimise resources and embrace innovation to support sustainable development, while our dedication to Craftsmanship ensures quality is delivered through precision and expertise. Above all, we uphold Honor, acting responsibly and ethically in every aspect of our business conduct over 30 years of experience and a strong ethical foundation, we are committed to building a resilient and sustainable future that delivers enduring value for generations to come.

A Shared Responsibility

We extend our sincere appreciation to our stakeholders for their continued trust and support. Sustainability is a shared responsibility, and through collaboration, commitment, and continuous improvement, we will continue to grow responsibly and create a meaningful legacy.

Thank you for being part of this journey with us.

NORAZMI BIN MOHAMED NURDIN

Group Managing Director

SUSTAINABILITY STATEMENT

cont'd

ABOUT THIS STATEMENT (Basis of This Report)

Lebtech Berhad's Sustainability Statement details our approach to sustainability, commitment to long-term value, and adherence to responsible business practices. The statement highlights our strategy, achievements, and future goals in line with national and global agendas, demonstrating compliance, stakeholder engagement, and dedication to transparency, accountability, and ongoing improvement.

REPORTING SCOPE & BOUNDARIES

The reporting period for this statement covers 1 January 2025 to 31 December 2025 ("FY2025"), unless specified otherwise. Where applicable, we have provided historical data from the past three years to enable comparative and trend analysis. This statement covers all of our domestic operation, where the Group has direct control and holds a majority stake.

REPORTING GUIDELINES, GUIDING PRINCIPLES, FRAMEWORKS,

This statement has been prepared in accordance with the following framework:

- Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa");
- Sustainability Reporting Guide 2022, 3rd Edition and Toolkits issued by Bursa;
- Malaysian Code on Corporate Governance ("MCCG") of Securities Commission Malaysia;
- Alignment with United Nations Sustainable Development Goals ("UN SDGs") Reporting frameworks;
- Global Reporting Initiative (GRI)

We recognise the importance of adapting to evolving reporting frameworks and stakeholder expectations.

Accordingly, we are progressively aligning our disclosures with the National Sustainability Reporting Framework and the IFRS Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures and have initiated steps to ensure compliance.

REPORT AND DATA QUALITY

This Sustainability Statement has been prepared in alignment with widely recognised principles of good reporting practice and the Bursa Malaysia Sustainability Reporting Guidelines (3rd Edition). The disclosures presented are balanced, comparable, and meaningful, reflecting our current progress as Lebtech advances through the early stages of its sustainability journey. All information contained in this Statement has been internally sourced and validated by the respective business divisions to ensure completeness, accuracy, and reliability. We acknowledge that certain indicators require further data development, and we remain committed to strengthening our data governance and management processes to enhance the quality and depth of future reporting.

ASSURANCE STATEMENT

This statement has not been assured by internal audit or any independent provider. To increase credibility, we have created a sustainability database for the Bursa Common Indicators in FY2025 and are automating data collection with an audit trail. We are committed to improving our disclosures and may seek external assurance in the future if needed.

SUSTAINABILITY STATEMENT

cont'd

SUSTAINABILITY JOURNEY & ROADMAP

Lebtech has prioritised sustainability from the start, integrating environmental care, social wellbeing, and responsible governance into our values. As ESG requirements grow, we see it as a continuous process for improvement, not just compliance.

Phase	Enhanced, Value-Driven Language	Key Actions
Phase 1: (2018-2023)	Compliance Journey	Initiated our sustainability journey in 2019 by aligning with Bursa's requirements and embedding sustainability principles into operations. • Institutionalised Board oversight to ensure top-level commitment to the ESG agenda. • Established a foundation for sustainability reporting and initiatives.
Phase 2 (2024-2025)	Strategic Integration & Capability Building	Developed Sustainability Framework and Policy. • Enhanced disclosure practices in line with Bursa Malaysia's updated sustainability reporting requirements. • Established and realigned ESG-related performance KPIs and targets.
Phase 3 (2026-2027)	Integrated & Value Driven Sustainability	Sustainability Recognition • Continue strengthening of ESG initiatives and performance. • Enhanced disclosure practices in line with updated sustainability requirements in line with National Sustainability Reporting Framework.

Our sustainability journey has progressed steadily over the years, guided by the requirements of Bursa Malaysia and our own commitment to doing better. In **Phase 1 (2018–2023): Compliance Journey**, we began by aligning with regulatory expectations and gradually embedding sustainability considerations into our operations. During this period, we established Board oversight to ensure accountability at the highest level and laid the groundwork for our sustainability reporting and initiatives.

In **Phase 2 (2024–2025): Strategic Integration & Capability Building**, we are taking more deliberate steps to strengthen our approach. This includes developing a Sustainability Framework and Policy, improving our disclosures in line with Bursa Malaysia's enhanced requirements, and putting in place clearer ESG-related KPIs and targets to guide our progress.

Looking ahead to **Phase 3 (2026–2027): Integrated & Value-Driven Sustainability**, we aim to continue building on these foundations in a practical and measured way. Our focus will be on strengthening our ESG performance, improving the quality and transparency of our disclosures, and aligning with the National Sustainability Reporting Framework. While we recognise there is still more to be done, we remain committed to progressing responsibly and creating long-term value for our stakeholders.

SUSTAINABILITY STATEMENT

cont'd

Sustainability Roadmap for year 2025–2027

Area	2025	2026	2027
ESG Data	• Baseline established	• Reporting initiated	• Data Optimised
Energy	• Q Monitoring	• Reduction actions	• Efficiency maximised
Carbon	• Awareness campaign	• Measurement tools	• Reduction targets
OSH	• Strengthened policies	• Tracking improvement	• Benchmark achieved
Governance	• Compliance met	• Integration underway	• Leadership in ESG

FORWARD LOOKING STATEMENTS

We advise stakeholders that forward-looking statements in this statement regarding future plans, targets, and expectations are made with reasonable assumptions based on current business trajectories. Actual results may vary as we adapt our business strategies and operational decisions to respond to emerging risks, opportunities, and changing circumstances. As the Group seeks to improve its sustainability reporting to deliver a meaningful disclosure of its sustainability performance, we appreciate questions, comments, and suggestions from our stakeholders.

Sustainability Governance

Lebtech Berhad has established a strengthened and structured sustainability governance framework to ensure effective oversight, strategic direction, and disciplined execution of ESG initiatives across the Group. This governance model reflects the Board's commitment to embedding sustainability into long-term value creation, in line with Bursa Malaysia's enhanced sustainability reporting requirements and the National Sustainability Reporting Framework (NSRF).

Board Leadership and Oversight

The Board of Directors holds ultimate responsibility for the Company's sustainability direction, consistent with the Malaysian Code of Corporate Governance which states that "the Board is collectively responsible for the long-term success of a company and the delivery of sustainable value to its stakeholders."

The Board provides strategic guidance, approves key sustainability policies, and monitors progress to ensure that ESG considerations are integrated into corporate strategy, risk management, and operational decision-making.

ESG Committee Mandate and Authority

To operationalise this commitment, Lebtech Berhad has formally established an ESG Committee chaired by the Group Managing Director and supported by senior leadership. As stated in the Board Paper, the Committee is "granted the authority to set objectives, approve plans, allocate resources, review progress and make binding decisions within the scope of its mandate."

The Committee reports to the Board on a quarterly basis, ensuring continuous oversight and alignment with regulatory expectations, including Bursa Malaysia's Main Market Listing Requirements and IFRS S1/S2 climate-related disclosures.

SUSTAINABILITY STATEMENT

cont'd

Clear Roles, Responsibilities and Governance Structure

Lebtech's sustainability governance is anchored on a multi-tier structure that ensures accountability and coordinated execution:

- Board of Directors – Provides oversight, approves policies, and ensures alignment with governance and regulatory requirements.
- ESG Committee – Oversees strategy, implementation, and performance monitoring of sustainability matters.
- Working Committee – Comprised of management representatives responsible for executing approved sustainability masterplans, monitoring progress, and reporting to the ESG Committee.
- Taskforces (Technical & Non-Technical) – Cross-functional teams that address specific Environmental and Social focus areas, ensuring operational integration across the Group.

This structure reflects the Board emphasis that “sustainability governance is fundamental to provide strategic direction and instil value proposition to drive LEBTECH long-term success.”

Policies, Standards and Ethical Conduct

Lebtech's Sustainability Policy articulates the Group's commitment to responsible business practices, stating:

“At LEBTECH Group, we are committed to embedding sustainability across all our business entities. We recognise our responsibility to balance environmental stewardship, social responsibility, economic success and ethical conduct to create long-term value for our stakeholders”.

This policy is supported by key governance instruments including the Anti-Bribery & Corruption Policy, Code of Ethics & Conduct, Whistleblowing Procedures, and other integrity-related frameworks.

Monitoring, Reporting and Continuous Improvement

Lebtech adopts a structured approach to monitoring and reporting, consistent with Bursa Malaysia's Sustainability Reporting Guide. The ESG Committee ensures that the Sustainability Statement includes “actions taken (not just policies) and performance data in relation to material sustainability matters.”

Regular assessments, internal reviews, and stakeholder engagement mechanisms are used to track progress, identify gaps, and drive continuous improvement. This includes alignment with ISO 31000:2018 risk management principles and the Group's materiality assessment covering eight sustainability focus areas.

Vision 2026 and Beyond

Looking ahead, LEBTECH Berhad is committed to strengthening its leadership in sustainable construction and property development, guided by responsibility, purpose, and a commitment to creating lasting value for our people, communities, and the environment.

We aim to:

- **Integrate** sustainability into every aspect of our operations and projects.
- **Drive** innovation with a focus on efficiency, environmental responsibility, and social impact.
- **Foster** a culture of continuous learning, empowering employees to champion sustainability.

With over 30 years of experience and a strong ethical foundation, we are dedicated to building a resilient and sustainable future for generations to come. Our sustainability strategy is structured and practical, linking key inputs to targeted actions and long-term outcomes aligned with LEBTECH Berhad's Vision 2026 and beyond, while remaining open to continuous learning, stakeholder feedback, and improvement.

SUSTAINABILITY STATEMENT

cont'd

Inputs	Strategic Actions	Outcomes
Board and Leadership Commitment	- Strengthen sustainability governance. - Integrate ESG into business strategy.	Strong foundation for sustainable growth.
Stakeholder Expectations	- Conduct stakeholder engagement. - Regularly assess material issues.	Enhanced stakeholder trust and loyalty.
Sustainability Awareness and Education	- Launch employee awareness and training programmes. - Foster a sustainability-driven culture.	Empowered workforce supporting sustainability goals.
Regulatory Requirements and Best Practices	- Align with Bursa Malaysia ESG disclosures. - Benchmark against industry standards.	Improved compliance, reputation, and competitiveness
Resource Optimization and Innovation	- Drive operational efficiency. - Embrace green technologies and innovation.	Reduced environmental impact and enhanced business resilience.

Stakeholder Engagement

We actively engage with our stakeholders to understand their expectations and incorporate their feedback into our sustainability strategy:

Stakeholder Group

- Employees
- Clients and Business Partners
- Investors and Shareholders
- Government and Regulatory Authorities
- Suppliers and Contractors
- Local Communities
- Non-Governmental Organizations (NGOs)
- Financial Institutions

Engagement methods:

We actively engage with our stakeholders through regular communication channels, such as meetings, surveys, workshops, project collaborations, and feedback mechanisms. Their insights help guide our sustainability priorities, ensuring that we remain responsive to emerging expectations, challenges, and opportunities.

By listening and responding to our stakeholders, we strengthen trust, collaboration, and accountability reinforcing our commitment to sustainable growth and shared value creation.

Materiality Assessment

At Lebtech Berhad, understanding what matters most to our stakeholders and our business is central to driving sustainable value. Our materiality assessment helps us focus on ESG topics that are critical to both our operations and the communities we serve.

Since 2024, we have been conducting a **comprehensive, ongoing materiality assessment**, following recognized frameworks such as **GRI Standards** and the **Bursa Malaysia Sustainability Reporting Guide**. This structured process includes:

- **Stakeholder Surveys and Interviews** – capturing insights from employees, clients, investors, communities, and partners.
- **Internal Management Workshops** – aligning sustainability priorities with strategic and operational objectives.
- **Review of Industry Trends and Best Practices** – ensuring our focus remains current and relevant.
- **Benchmarking Against Peers and International Standards** – validating our approach against global ESG expectations.

SUSTAINABILITY STATEMENT

cont'd

The outcomes of this process are evaluated based on **two key dimensions**: significance to stakeholders and potential impact on business success. Findings are reviewed and endorsed by the **Sustainability Committee** and the **Board of Directors**, reinforcing strong governance and accountability.

As of 2025, this assessment remains ongoing, allowing us to **continuously refine our priorities** and respond to emerging ESG trends, risks, and stakeholder expectations. By maintaining this consistent approach, we ensure that our sustainability strategy remains **focused, credible, and aligned with both international ESG standards and our organizational goals**.

Recognizing that sustainability is multidimensional, we have **mapped our key sustainability matters across the ESG framework**. This approach enables us to systematically address the **environmental, social, and governance impacts** of our operations while creating **long-term value for all stakeholders**.

At **Lebtech Berhad**, sustainability is deeply embedded in how we operate and grow. We have identified key sustainability matters that are critical to our **long-term success, stakeholder trust, and positive impact on society and the environment**.

Based on our ongoing assessment and stakeholder engagement, **our priority sustainability matters are:**

ESG Pillar	Sustainability Matter	Focus Area	Strategic Action	Stakeholder Expectations
<i>Environmental (E)</i>	Environmental Stewardship	Minimizing environmental impacts, promoting sustainable construction, managing waste and emissions	Implement sustainable practices, monitor emissions and resource usage, and drive eco-friendly innovation	Sustainable growth; Positive environmental impact
<i>Social (S)</i>	Occupational Safety and Health (OSH)	Ensuring a safe, healthy, and secure work environment for all	Safety protocols, training programs, and continuous monitoring	Safe and resilient workforce; Stakeholder trust
<i>Social (S)</i>	Employee Talent and Development	Investing in our people through training, career advancement, and inclusive workplace initiatives	Learning and development programs, mentorship, and inclusive HR policies	Skilled, motivated, and engaged workforce
<i>Social (S)</i>	Supply Chain Management	Partnering with suppliers to uphold ethical, social, and environmental standards	Supplier engagement, audits, and ethical sourcing programs	Responsible supply chain; Stakeholder confidence
<i>Social (S)</i>	Community Engagement	Building positive relationships with local communities and contributing to social development	Community programmes, CSR initiatives, stakeholder engagement, and local partnerships	Positive social impact; Strong community relationships; Social licence to operate
<i>Governance (G)</i>	Operational Excellence	Ensuring efficiency, quality, and resilience across all business processes	Standardized processes, continuous improvement initiatives, and performance monitoring	Reliable operations; Stakeholder satisfaction
<i>Governance (G)</i>	Anti-Bribery and Anti-Corruption	Strengthening corporate governance through transparency, integrity, and compliance	Policies, training, monitoring, and reporting	Enhanced ESG governance; Trust and loyalty

SUSTAINABILITY STATEMENT

cont'd

ESG Pillar	Sustainability Matter	Focus Area	Strategic Action	Stakeholder Expectations
Governance (G)	Technology, Innovation, and Digitalisation	Driving innovation to improve performance, transparency, and sustainable practices	Adoption of new technologies, process automation, and digital tools	Enhanced operational efficiency and transparency
Governance (G)	Data and Information Management	Safeguarding data privacy, cybersecurity, and promoting responsible information management	Policies, security systems, and continuous audits	Data integrity; Stakeholder trust

Materiality Assessment and Strategic Focus

Our **2024–2025 Materiality Assessment** identifies and prioritizes the sustainability matters most critical to **Lebtech Berhad’s long-term value creation** and **stakeholder trust**. These matters **guide our ESG strategy, key performance indicators (KPIs), and public disclosures**, ensuring that our sustainability efforts are purposeful, measurable, and aligned with stakeholder expectations.

Each topic is assessed based on two dimensions:

- Importance to Stakeholders – understanding the expectations, needs, and concerns of employees, clients, investors, communities, and partners.
- Impact on Business Success – assessing how each matter influences operational performance, risk management, and long-term growth.

Topics are also assessed in relation to:

- Regulations & Best Practices** – ensuring alignment with local and international standards.
- Innovation & Resources** – evaluating opportunities to drive efficiency and sustainable practices.
- ESG Alignment** – integrating environmental, social, and governance considerations into decision-making.
- Efficiency & Innovation** – optimizing resources while fostering creative solutions.
- Compliance & Reputation** – maintaining integrity, transparency, and trust.
- Environmental and Business Resilience** – strengthening our ability to adapt and thrive in a changing landscape.

The **materiality matrix** below categorizes these matters into **High** and **Medium priority areas**, guiding our sustainability strategy, stakeholder engagement, and ESG reporting.

Materiality Matrix: Prioritisation of Sustainability Matters

The materiality matrix below categorises identified ESG matters based on their significance to stakeholders and impact on Lebtech Berhad's business, guiding strategic focus and resource allocation.

Priority Level	Sustainability Matter	ESG Pillar	Impact to Business	Importance to Stakeholders	Strategic Focus
High Priority	Operational Excellence	Governance (G)	High	High	Strengthen operational efficiency, quality control, and resilience
High Priority	Occupational Safety and Health (OSH)	Social (S)	High	High	Enhance safety culture, compliance, and incident prevention
High Priority	Anti-Bribery and Anti-Corruption	Governance (G)	High	High	Reinforce governance, ethics, and regulatory compliance

SUSTAINABILITY STATEMENT

cont'd

Priority Level	Sustainability Matter	ESG Pillar	Impact to Business	Importance to Stakeholders	Strategic Focus
Medium Priority	Supply Chain Management	Social (S)	Medium	High	Promote responsible sourcing and supplier engagement
Medium Priority	Employee Talent and Development	Social (S)	Medium	High	Build workforce capability, engagement, and retention
Medium Priority	Environmental Stewardship	Environmental (E)	Medium	High	Improve resource efficiency and environmental performance
Medium Priority	Technology and Innovation	Governance (G)	Medium	Medium	Drive digitalisation and operational innovation
Medium Priority	Data and Information Management	Governance (G)	Medium	High	Strengthen cybersecurity and data governance practices

The materiality matrix categorises sustainability matters into High and Medium priority areas, forming the foundation of Lebttech Berhad's sustainability strategy, stakeholder engagement approach, and ESG disclosures.

The following High-Priority matters represent the "License to Operate" for LEBTECH Berhad. Their effective management is critical to our financial stability and competitive advantage.

High-Priority Sustainability Matter	Link to Core Values	Why it Matters for Business Resilience
Operational Excellence	Excellence, Efficiency, Craftsmanship	As a CIDB Grade G7 certified contractor, our ability to deliver high-quality structures with precision is our primary competitive edge. Operational excellence minimizes resource wastage and prevents costly project overruns, directly protecting our profit margins and ensuring we remain the partner of choice for large-scale national projects.
Occupational Safety and Health (OSH)	Honor, Trust	In the high-risk construction industry, OSH is non-negotiable. Beyond the moral obligation to protect our people, maintaining Zero Fatalities prevents work-stop orders from authorities (DOSH), legal liabilities, and financial penalties. A safe site is a productive site, ensuring project timelines are met without the disruption of workplace incidents.
Anti-Bribery and Anti-Corruption	Trust, Legacy, Honor	Integrity is the bedrock of our PKK Class A (Bumiputera) status. This status is vital for our eligibility to bid for significant government tenders. Upholding 100% training compliance and strict ethical standards safeguards us against reputational damage and the risk of license revocation, ensuring LEBTECH's longevity in the Malaysian market.

For Medium Priority matters, including Supply Chain Management, Employee Talent and Development, Environmental Stewardship, Technology and Innovation, and Data and Information Management, the Group remains committed to embedding sustainability practices across all operations. Through continuous improvement initiatives, strategic investments, stakeholder engagement, and capability development, these areas will be progressively enhanced to support long-term value creation.

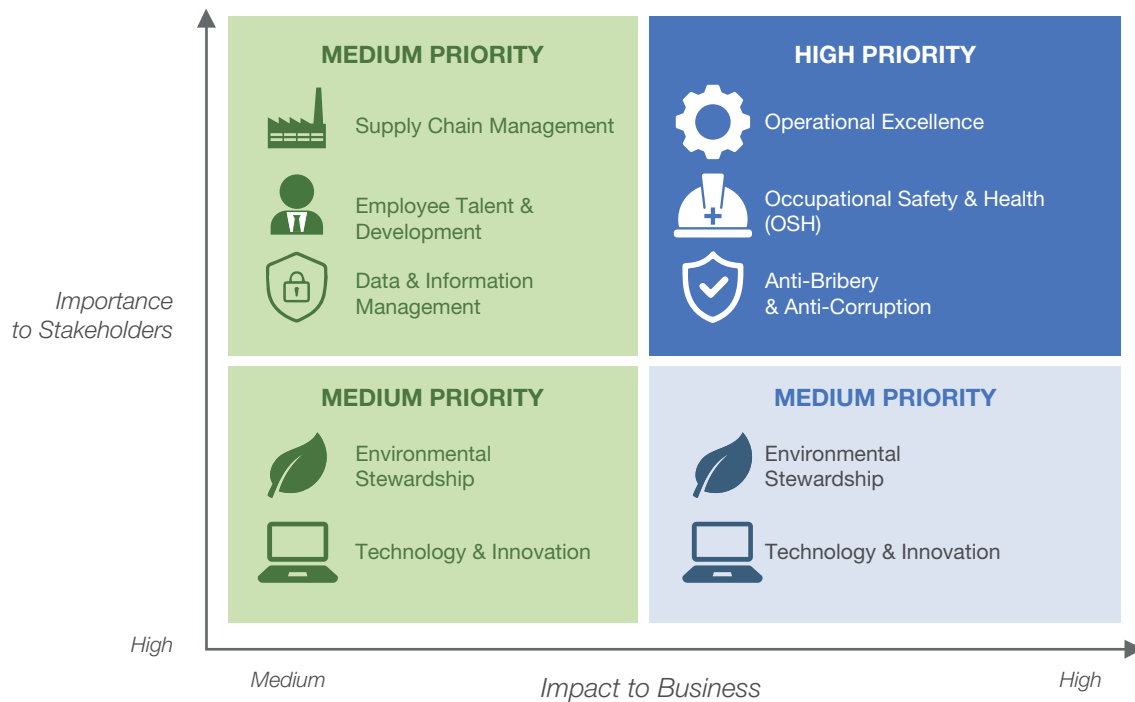
Recognising that sustainability is an evolving journey, Lebttech Berhad will periodically review and update its material matters to reflect emerging risks, industry developments, and stakeholder expectations. This ensures that the Group's sustainability approach remains relevant, responsive, and forward-looking.

SUSTAINABILITY STATEMENT

cont'd

Prioritizing Sustainability Actions

Materiality Matrix



In alignment with our **Vision**, Lebttech Berhad will focus on driving actions for the sustainability matters identified as **High Priority** namely:

- Operational Excellence
- Occupational Safety and Health (OSH)
- Anti-Bribery and Anti-Corruption

We are committed to **strengthening governance frameworks, enhancing workplace safety culture, and driving operational improvements**, ensuring that we uphold the **highest standards of integrity, quality, and performance**.

For **Medium Priority matters**, including:

- Supply Chain Management
- Employee Talent and Development
- Environmental Stewardship
- Technology and Innovation
- Data and Information Management

We remain committed to **integrating sustainability across all operations**. Through **continuous improvement, strategic investments, stakeholder engagement, and capacity-building initiatives**, we aim to **gradually elevate the impact** of these focus areas and embed **sustainable practices throughout our value chain**.

We recognize that **sustainability is a dynamic journey**. Our material matters will be **regularly reviewed and updated** to reflect emerging risks, opportunities, and stakeholder expectations, ensuring that our approach remains **responsive, responsible, and forward-looking**.

SUSTAINABILITY STATEMENT

cont'd

Sustainability Performance 2025

At Lebtech Berhad, we recognize that sustainability is a journey that requires dedication and continuous learning. As we are currently in the early stages of formalizing and embedding sustainability practices across our operations, this report focuses on our sustainability strategy, governance frameworks, and foundational initiatives, with specific performance indicators and measurable targets to be progressively introduced in future reporting cycles.

The Group has refined its sustainability matters from the initial risk-based assessment conducted in 2024, which identified key focus areas including Operational Efficiency, Occupational Safety and Health, Anti-Bribery and Anti-Corruption, Supply Chain Practices, Talent Development, Technological Innovation and Digital Transformation. This refinement was undertaken to align the identified matters with Bursa Malaysia's sustainability reporting framework and industry-recognised ESG themes, ensuring greater clarity, consistency, and comparability in disclosures. The underlying risks and priorities remain unchanged, and the refined sustainability matters represent a structured grouping of the same key focus areas as previously endorsed by the Board.

Key Area	Target / Initiative	Timeline	Progress / Status
Energy Efficiency	Reduce building energy intensity year-on-year	Begin in 2024	Track energy consumption annually; measure % reduction
OSH	Achieve zero fatal accidents annually	Ongoing	Monitor incident reports, safety audits, and training completion
Anti-Bribery & Compliance	Maintain 100% staff completion of anti-corruption training	Annual	Track training completion rates and compliance records
Employee Development	Launch Sustainability Education & Support Programme for all staff	2024 roll-out	Track participation, feedback, and program outcomes
Community Engagement	Launch annual Blood Donation Campaign Community Partnership & Social Contribution Initiative	First campaign in 2024 2025	Record number of participants and beneficiaries
Environmental Stewardship	Launch company-wide 3R Campaign	Launch in 2025	Monitor waste reduction and recycling rates
Supply Chain ESG Screening	Implement ESG criteria for 50% of key suppliers	By 2027	Track supplier compliance and ESG certification progress
ESG Data Disclosure	Establish full ESG data baseline and publish annual reports	First full report by 2026	Track data collection, reporting, and publication timelines
Technology Integration	Pilot digital monitoring tools for project efficiency and environmental tracking	Start by 2026	Track adoption, system performance, and operational impact
Carbon Awareness	Conduct carbon footprint assessment for main operational sites	Initial study by 2027	Track study completion, baseline emissions, and mitigation plans

SUSTAINABILITY STATEMENT

cont'd

ESG Pillar

ESG Pillar	Indicator / Area	2024 Baseline / Status	2025 Performance / Status	Key Initiatives / Enhancements	Target / Next Steps
Environmental (E)	Energy Consumption	90,631 kWh	-92,016 kWh	Energy monitoring system introduced	Reduce energy intensity year-on-year
	BEI Rating	5-Star	Maintained	-	Continuous improvement of building efficiency
	Waste Management	Limited tracking	3R Programme implemented	3R campaign implemented across operations	Expand 3R and waste reduction initiatives
Social (S)	Occupational Safety & Health (OSH) – Fatalities	0	0	Proactive safety audits; strengthened toolbox briefings	Achieve zero fatalities annually
	OSH – Lost Time Injury Frequency Rate (LTIFR)	0.00	0.00	Proactive safety audits; strengthened toolbox briefings	Maintain zero LTIFR
	OSH – Safety Training Hours per Employee	16 hours	16 hours	Regular training sessions and briefings	Continue annual safety training
	Employee Development – Training Hours per Employee	16 hours	16 hours	ESG & sustainability training programs	Increase ESG training hours progressively
	Employee Development – ESG Training Coverage	100%	100%	Sustainability Education & Support Programme	Maintain 100% coverage and expand advanced modules
	Community Engagement	1	3		
	Anti-Bribery & Anti-Corruption – Training Completion	100%	100%	Strengthened whistleblowing policy; periodic ethics training	Maintain 100% training compliance
Governance (G)	Anti-Bribery & Anti-Corruption – Reported Cases	0	0	Strengthened whistleblowing policy; periodic ethics training	Maintain zero cases
	ESG-Compliant Suppliers	-	ESG screening initiated	Supplier Code of Conduct introduced	50% ESG-compliant suppliers by 2027

SUSTAINABILITY STATEMENT

cont'd

ENERGY PERFORMANCE DISCLOSURE (HQ) – FY2025

The Group recorded total electricity consumption of **92,016 kWh** for its headquarters (HQ) operations in 2025, compared to **90,631 kWh** in 2024.

This represents an **increase of 1,385 kWh**, equivalent to a **1.5% increase year-on-year**.

Key Performance Summary

Metric	2024	2025	Change
Total Energy (kWh)	90,631	92,016	+1.5%
Monthly Average (kWh)	7,553	7,668	+1.5%

The Group recorded a **marginal increase of 1.5% in electricity consumption** in 2025 compared to 2024, reflecting higher operational intensity during the year. Notwithstanding this increase, energy usage remains actively monitored as part of the Group's commitment to operational efficiency and environmental responsibility.

The Group will continue to enhance energy performance through:

- Implementation of **energy intensity metrics** to better track efficiency relative to operational output
- Deployment of **enhanced monitoring systems** for real-time energy tracking
- Identification and execution of **targeted energy efficiency initiatives** across key consumption areas

Way Forward

Overall, despite navigating a period of **operational transition**, management remains **committed to sustainability as a strategic priority**, recognizing that meaningful progress is made **step by step**. Embedding sustainable practices is a gradual journey that requires **collaboration and continuous improvement**, as we work to create **long-term value and positive impact for our stakeholders and the communities we serve**.

Looking ahead, as the company enters a **recovery and growth phase from 2025 onwards**, we aim to:

- Gradually **strengthen and formalize sustainability initiatives** across all business functions.
- Develop **measurable ESG targets** to track and improve performance.
- **Progressively disclose key ESG performance indicators** in future reporting cycles.

This approach reflects our commitment to **responsible growth, transparent governance, and long-term value creation** for our stakeholders. By remaining humble yet steadfast, we ensure that **every step forward in our sustainability journey is deliberate, meaningful, and accountable**.

Risk Management

Risk management is an important component of the Group's corporate governance framework and supports its objective of achieving sustainable and resilient operations.

At the current stage of its sustainability journey, the Group is **progressively strengthening its approach to risk management**, including the identification, assessment, and monitoring of key risks across financial, operational, environmental, and reputational areas.

While formal integration of sustainability-related risks is still evolving, the Group has begun to **incorporate ESG considerations into its risk awareness and decision-making processes**, particularly in areas such as operational efficiency, workplace safety, and regulatory compliance.

Risk mitigation efforts are primarily focused on:

- Maintaining appropriate internal controls
- Enhancing management oversight
- Promoting awareness of risk and accountability across business functions

The Group will continue to **enhance its risk management practices over time**, with the aim of strengthening its ability to identify, assess, and respond to emerging ESG-related risks in a structured and consistent manner.

CORPORATE SOCIAL RESPONSIBILITY

Our Commitment: Building Communities & Creating Legacies



At Lebtech Berhad, we believe that true success is measured by the positive impact we leave on the communities where we operate. Guided by our Mission to “Care for our communities and respect and protect our environment,” our CSR initiatives for 2025 transitioned from internal planning to active community-led revitalization.

The D’ Kayangan Revitalization Initiative

On 13 July 2025, Lebtech Berhad served as a key partner for the “Gotong-Royong D’ Kayangan” program at Tasik D’ Kayangan, Shah Alam. This initiative was a practical application of our Core Value of **BUILD** creating strong relationships and a resilient foundation for shared success.

Key Pillars of Engagement:-

- **Environmental Stewardship & Restoration:**

In line with our 2025 environmental targets, the Group participated in an **urban greening and cleanup drive**. This included a dedicated **tree-planting session** and the **clearing of pedestrian walkways** to ensure a safe, clean, and healthy recreational environment for the public.

- **Infrastructure & Community Beautification:**

We focused on the **beautification of the lakeside gazebos and tree-planting drive**, restoring these shared social spaces to enhance community interaction. This effort reflects our commitment to **Excellence** setting high standards for the quality of local infrastructure and landscape.

- **Social Welfare & Philanthropy:**

Lebtech Berhad facilitated a financial contribution to the **Surau Nuruddin** fund to support local welfare and religious services. To encourage volunteerism and build a shared identity, trust & honor.

CORPORATE SOCIAL RESPONSIBILITY

cont'd



Urban Greening: Volunteers participated in a **tree-planting drive** and a thorough **cleanup of pedestrian walkways**, ensuring the recreational area remains a clean, safe, and green environment.



Beautification of Public Spaces: We undertook the revitalization of lakeside gazebos, restoring these shared structures to enhance the quality of life for the community.

CORPORATE SOCIAL RESPONSIBILITY

cont'd

2025 CSR Impact Summary

As part of our commitment to transparent ESG disclosure, we have quantified the impact of this CSR flagship program:

Focus Area	Initiative Highlights	Core Value Alignment
Philanthropy	Donation to Surau Nuruddin	Supported local religious, welfare fund, Trust & Honor
Environment	Tree Planting & Walkway Cleanup	Legacy & efficiency, restored 0.7km of public recreational paths
Infrastructure	Gazebo refurbishment & Beautification	Craftsmanship, Excellence Enhanced community social hubs
Engagement	Sponsored	Mobilized 100+ community volunteers
Governance	Audit Reference “GR”	100% Transparency in charitable spending

Moving Forward: A Legacy of Responsibility

This initiative marks the successful realization of our Community Engagement goals established in the 2024 Sustainability Roadmap. As we move forward, Lebttech Berhad remains dedicated to embedding sustainability and social responsibility into every facet of our operations, building a lasting legacy that future generations can be proud of.

CSR: Majlis Berbuka Puasa with Local School Communities

In line with the Group's ongoing commitment to creating sustainable value for the communities in which it operates, the Company organised a Majlis Berbuka Puasa Programme on 22 March 2025 and 23 March 2025 as part of its annual Corporate Social Responsibility ("CSR") initiatives during the holy month of Ramadan. The programme reflects the Group's dedication to fostering meaningful community relationships while promoting inclusivity, compassion and social well-being among local stakeholders.

The initiative involved participation from 185 students and 21 teachers representing five neighbouring primary schools, namely Sekolah Kebangsaan Sungai Binjai, Sekolah Kebangsaan Sungai Serdang, Sekolah Kebangsaan Tok Muda, Sekolah Kebangsaan Telok Gadong, and Sekolah Kebangsaan Sungai Udang. The programme was designed to provide an opportunity for students and educators to experience the spirit of Ramadan through a shared iftar session, while strengthening engagement between the Company and the surrounding educational communities.

The event commenced with the arrival and registration of invited guests, followed by a communal iftar session that encouraged interaction and relationship-building between participants and representatives of the Group. The programme continued with the performance of Maghrib prayers and a friendly ramah mesra session, creating a warm and inclusive environment that reflected the values of togetherness and mutual respect. Through these activities, the Company sought to cultivate stronger bonds with local institutions while reinforcing its role as a responsible corporate citizen within the community.



CORPORATE SOCIAL RESPONSIBILITY

cont'd

To ensure the comfort, accessibility and safety of all participants, the Company arranged dedicated transportation for students and teachers travelling from their respective schools. This initiative enabled broader participation and demonstrated the Group's commitment to delivering inclusive community programmes that are accessible to beneficiaries from diverse backgrounds.

Beyond providing a platform for social interaction, the programme also aimed to uplift the morale of participating students and encourage a sense of belonging within the wider community ecosystem. The Company recognises that engagement with educational institutions plays an important role in nurturing future generations and strengthening long-term community resilience. As such, initiatives of this nature form part of the Group's broader strategy to support youth development and promote positive social values through structured community outreach efforts.



The successful implementation of this programme underscores the Group's continued focus on strengthening stakeholder relationships and delivering meaningful community contributions beyond its core business operations. Moving forward, the Company remains committed to expanding its CSR initiatives in ways that generate positive social impact and contribute towards the long-term sustainability of the communities it serves.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Lebttech Berhad presents this statement to provide shareholders and investors with an overview of the Company's Corporate Governance ("CG") practices for the financial year ended 31 December 2025.

The Company has applied the principles and practices as set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"), covering all applicable practices up to Practice 13.6.

Whilst the Company has largely complied with the MCCG 2021, there are certain departures from the recommended practices. These departures, together with the explanations and justifications, are disclosed in the Corporate Governance Report.

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

Principle A	Board Leadership And Effectiveness
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A. ROLES AND RESPONSIBILITIES OF THE BOARD

The Board of Directors of Lebttech Berhad ("LB" or "the Company") remains steadfast in its commitment to maintaining the highest standards of corporate governance. The Board strives to uphold the core principles of good governance, namely transparency, accountability, and the maximization of shareholder's value. As ultimate decision-making body for the Company's business and strategic direction, the Board plays a pivotal role in ensuring the sustainability and long-term growth of the Group. These objectives can only be achieved through the consistent adherence to and practice of sound corporate governance principles.

All Board members are expected to act in accordance with the principles of good corporate governance, as outlined in the Malaysian Code on Corporate Governance and the Listing Requirements of Bursa Malaysia Securities Berhad, as well as their common law duties and responsibilities as stipulated in the Company's Constitution, the Companies Act 2016 ("CA 2016"), and other relevant laws and guidelines. Accordingly, the Board should collectively possess the appropriate skills, experience, and knowledge to enable effective governance and oversight.

The Board acts as the main decision-making body at the Group level and is responsible for the overall strategic management and direction of the Group's business and activities. It approves expenditures that exceed specified limits related to the Group's main businesses, sets the Group's strategic goals, and oversees capital raising and allocation. In fulfilling its duties, the Board ensures that the Group's operations are managed effectively and prudently through proper planning, maintaining adequate accounting and record-keeping systems, establishing strong internal control frameworks, and ensuring full compliance with all legal and regulatory requirements.

In carrying out its duties, the Board determines and regularly reviews the Group's strategic direction, including strategies for its principal business units, and sets key financial and operational objectives. The Board considers emerging issues that may materially impact the Group and maintains oversight of the Group's capital and liquidity positions. It also approves the allocation of capital and other resources, as well as material acquisitions, disposals, joint ventures, strategic partnerships, and alliances. In addition, the Board approves the annual capital and revenue budgets and any significant revisions thereto, reviews periodic business and financial reports, monitors performance against approved strategies and budgets, and ensures that appropriate risk management policies and procedures are in place.

The Board is also responsible for approving the Annual Report and financial statements, determining the dividend policy, and overseeing arrangements for general meetings of shareholders. It receives and reviews high-level reports on matters relating to regulatory compliance, human resources, information systems, insurance coverage, disaster recovery planning, litigation, premises, investor relations, and corporate social responsibility initiatives. Furthermore, the Board establishes appropriate accounting policies and internal controls, approves key appointments and remuneration arrangements, reviews report from subsidiary boards and Board Committees, and endorses changes to the Terms of Reference of subsidiary boards and Board Committees where appropriate. To facilitate the effective discharge of its responsibilities, the Board may delegate specific functions and authority to Committees established as and when required. The functions and duties of the Board shall be read together with Section 56 of the Financial Services Act 2013 and Section 65 of the Islamic Financial Services Act 2013.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

A. ROLES AND RESPONSIBILITIES OF THE BOARD *cont'd*

The Board's detailed responsibilities include determining and reviewing the Group's strategic direction and key financial objectives, as well as considering emerging issues that may materially affect the Group's business. The Board oversees the Group's capital and liquidity positions, approves the allocation of resources, and reviews material acquisitions, disposals, joint ventures, and strategic partnerships. It also reviews and approves the Group's annual budgets, monitors performance through periodic business and financial reports, ensures appropriate risk management and internal control systems are in place, and approves the Annual Report and financial statements. Additionally, the Board receives reports on key operational and regulatory matters, reviews report from subsidiary boards and Board Committees and approves significant appointments and changes to governance structures where appropriate.

B. BOARD MEMBERSHIP GUIDELINE

i. Composition

The Board, upon the recommendation of the Nomination and Remuneration Committee, selects qualified individuals from diverse areas of expertise who are capable of contributing to the Group's growth and well-being. In accordance with Paragraph 15.02 of the Bursa Malaysia Listing Requirements ("BMLR"), at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must comprise Independent Directors, and at least one member of the Board must be a woman, Director. The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years unless the Director is redesignated as a Non-Independent Director, or the Board provides proper justification and obtains shareholders' approval at the Annual General Meeting to retain the Director as independent. Prior to accepting an appointment to the Board, a candidate must acknowledge the responsibility to devote sufficient time and commitment to effectively discharge their duties and attend to the Group's matters.

ii. Chairman's Role

The principal role of the Chairman is to provide leadership to the Board of Directors and to ensure the effective functioning of the Board in discharging its responsibilities. The Chairman plays a key role in promoting sound corporate governance practices and ensuring that appropriate governance processes are established and maintained. The Chairman is accountable to the Board and acts as a liaison between the Board and the Management of the Group to facilitate effective communication and collaboration.

In discharging these responsibilities, the Chairman shall act as the primary link between the Board and Management and provide independent advice and counsel to the Group Chief Executive Officer or Managing Director ("MD"). The Chairman is also responsible for keeping abreast of the activities and performance of the Group and its Management to ensure that sufficient, timely and relevant information is provided to the Board to enable Directors to make informed decisions. The Chairman shall set the agenda for Board meetings, preside over meetings of the Board, and ensure that discussions are conducted in an effective and orderly manner.

In addition, the Chairman shall recommend, in consultation with the MD and the Company Secretary, the annual schedule for the date, time and venue of Board and Board Committee meetings, review and sign the minutes of Board meetings, and call special meetings of the Board when necessary. The Chairman shall also determine, in consultation with the MD and the Company Secretary, the date, time and venue of the Annual General Meeting ("AGM"), develop the agenda for the meeting, and preside as Chairman at the AGM.

The Chairman shall further recommend to the Board, after consultation with the Directors and upon the recommendation of the Nomination Committee, the appointment of members to the Board Committees. Additionally, the Chairman shall assess and make recommendations to the Board annually on the effectiveness of the Board as a whole, the Board Committees, and the performance of individual Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

B. BOARD MEMBERSHIP GUIDELINE *cont'd*

iii. Managing Director

The Board may, from time to time, appoint one or more of its members as Managing Director(s) of the Company and may, subject to the terms of any contract entered between the individual(s) and the Company, remove or dismiss such person(s) from office and appoint a replacement where necessary.

A Managing Director shall, while holding office, be subject to retirement by rotation and shall be considered in determining the rotation or retirement of Directors. Subject to the provisions of any contract between the Managing Director and the Company, the Managing Director shall be subject to the same provisions relating to removal as other Directors. Upon ceasing to hold office as a Director, the individual shall automatically and immediately cease to hold the position of Managing Director.

The Managing Director shall at all times remain subject to the control and supervision of the Board. The Board may, from time to time, entrust to and confer upon the Managing Director such powers exercisable by the Directors under the Company's Constitution as it considers appropriate. Such powers may be granted for a specified period, subject to such terms, conditions, and restrictions as the Board deems fit, and may be exercised concurrently with, or to the exclusion of, the powers of the Board. The Board reserves the right to revoke, withdraw, amend, or vary any such powers at any time.

iv. New Board Members

All newly appointed Directors are provided with a formal induction and briefing covering the terms of their appointment, roles, duties and responsibilities, as well as an overview of the Group's operations and governance framework. Newly appointed Directors are also furnished with relevant documents and information to facilitate their understanding of the Group's business and enable them to effectively discharge their responsibilities.

v. Matters Reserved for the Board

The following matters, including any amendments thereto, are reserved for the approval of the Board, unless expressly delegated by the Board to a Board Committee, the Chairman, or authorised members of Management:

- a) Approval of the Group's corporate strategies, strategic directions, plans, and key programmes.
- b) Approval of annual budgets, including significant capital commitments and capital expenditure plans.
- c) Approval of new major business ventures or strategic investments.
- d) Approval of material acquisitions and disposals of businesses, undertakings, or properties, as well as any significant expenditure of the Group.
- e) Approval of changes to the management and control structure of the Company and its subsidiaries, including key policies and limits of delegated authority.
- f) Appointment of Directors and members of Board Committees.
- g) Approval of matters and transactions reserved for the Board under the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Constitution, the Terms of Reference of the respective Board Committees, and any other applicable laws or regulatory requirements.
- h) Ensuring annual disclosure on the independence composition of the Board and approving the Corporate Governance Overview Statement and Corporate Governance Report in accordance with the Malaysian Code on Corporate Governance.
- i) Ensuring that each item of special business included in the notice of an Annual General Meeting is accompanied by a clear explanatory statement outlining the effect of the proposed resolution.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

C. REINFORCE INDEPENDENCE

The Board took note of the Recommendations 3.2 and 3.3 of the Code that the tenure of an Independent Director should not exceed a cumulative term of 9 years. The Nomination Committee and the Board have determined at the annual assessment carried out, that all the three (3) Independent Non-Executive Directors continue to demonstrate behaviours that reflect their independence and provide the objective judgement to Board deliberations and decision making

D. BOARD COMMITTEES

The Board has delegated certain functions to the Committees it established to assist in the execution of its responsibilities. The Committees operate under clearly defined terms of reference. The Chairman of the respective Committees report to the Board on the outcome of the Committees meetings, and such reports are included in the Board Papers.

BOARD AND BOARD COMMITTEES



As depicted in the illustration above, Board Committees have been established to assist the Board in its oversight function, with each Board Committee having specific areas of responsibility. However, it should be noted that the Board always retains collective oversight over the Board Committee.

NOMINATION COMMITTEE (“NC”)

The Nomination Committee was established on 12 May 2004.

Chairman

Dato' Ahmad Rizal Bin Abdul Rahman (Appointed as Chairman w.e.f. 4/6/2025)

Members

Dato' Hazli Bin Ibrahim (Redesignated from Chairman to a member w.e.f. 4/6/2025)

Karen Yap Pik Li (Appointed w.e.f. 4/6/2025)

Jamil Bin Saimon (Resigned w.e.f. 4/6/2025)

Tan Sri Datuk Adzmi Bin Abdul Wahab (Resigned w.e.f. 4/6/2025)

The Nomination Committee is responsible for making recommendations to the Board on all new Board and Board Committees appointments, re-appointments and re-elections. The Nomination Committee will also review during the annual assessment, the required mix of skills and experience of the directors of the Board in determining the appropriate Board balance and size of non-executive participation. During the financial year ended 31 December 2025, a formal evaluation process has been carried out to assess the effectiveness of the Board, Board Committees and individual Directors. Based on the result of the annual review, the Nomination Committee is satisfied with the performance and contribution of each individual Director and the Board Committees.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

D. BOARD COMMITTEES *cont'd*

The Nomination Committee meets at least once in each financial year and whenever required.

Re-election of Directors

In accordance with the Company's Constitution, one-third of the Directors for the time being, or, if their number is not three, or a multiple of three, then the number nearest to one-third shall retire from office and be eligible for re-election provided always that all Directors including a Managing Director shall retire from office once at least in every three years but shall be eligible for re-election. A retiring Director shall retain office until the close of the Annual General Meeting at which he retires.

Directors who are appointed by the Board during the year under review before the Annual General Meeting are also required to retire from office and shall seek re-election by the shareholders at the first opportunity after their appointment.

The Articles of Association also provide that any Director who is appointed from time to time shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-election but shall not be considered in determining the Directors who are to retire by rotation at that meeting.

The Board does not fix a tenure limit for Directors as there are significant advantages to be gained from the long serving Directors who possess greater insight and knowledge of the Company's affairs.

REMUNERATION COMMITTEE ("RC")

The Remuneration Committee was established on 12 May 2004 and comprises of the following members: -

Chairman

Dato' Ahmad Rizal Bin Abdul Rahman (Appointed as Chairman w.e.f. 4/6/2025)

Members

Dato' Hazli Bin Ibrahim (Redesignated from Chairman to a member w.e.f. 4/6/2025)

Karen Yap Pik Li (Appointed w.e.f. 4/6/2025)

Jamil Bin Saimon (Resigned w.e.f. 4/6/2025)

Tan Sri Datuk Adzmi Bin Abdul Wahab (Resigned w.e.f. 4/6/2025)

The Company supports levels of remuneration and compensation necessary to attract, retain and motivate quality people required to lead, manage and serve the Company in a competitive environment. The appropriate levels of remuneration and compensation are essential to enhance the long-term interests of stakeholders and shareholders.

The Remuneration Policy of the Company provides clear and guiding principles for determining the remuneration of the Board and senior management and to align their interests with the interests of shareholders and with the business strategies of the Group.

DIRECTORS' REMUNERATION

The objective of the Company's policy on Directors' remuneration is to attract and retain experienced and capable Directors to lead and manage the Group effectively. In the case of Executive Directors, the remuneration structure is designed to link rewards to both corporate and individual performance. For Non-Executive Directors, the level of remuneration reflects the experience, knowledge, skills and responsibilities undertaken by the respective Director. The scheme and amount of remuneration payable to Directors are determined by the Board based on the recommendations of the Nomination and Remuneration Committee. In discharging its duties, the Nomination and Remuneration Committee periodically reviews and benchmarks the Group's Board remuneration against comparable peer companies to ensure that the remuneration remains competitive and appropriate. Such benchmarking is also applied in reviewing the Group's executive remuneration framework. Independent Directors of the Group shall not receive, directly or indirectly, any consulting, advisory or other compensatory fees from the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

D. BOARD COMMITTEES *cont'd*

REMUNERATION AS AT FYE 30/12/2025

Name of Director	Remuneration (RM)
DATO' HAZLI BIN IBRAHIM	50,000
DATO' AHMAD RIZAL BIN ABDUL RAHMAN	30,000
FAIZ ZUHDI ADRI BIN ROSLAN	30,000
DATO' AZMI BIN MOHD ALI (Appointed w.e.f. 1/08/2025)	12,500
KAREN YAP PIK LI (Appointed w.e.f. 4.06.2025)	15,000
MUHAMMAD BIN NOOR AZMAN @ NOOR HIZAM (Appointed w.e.f. 5/06/2025)	15,000
TAN SRI DATUK ADZMI BIN ABDUL WAHAB (Resigned w.e.f. 4/06/2025)	15,000
JAMIL BIN SAIMON (Resigned w.e.f. 4/06/2025)	15,000
IR. CHE FISOL BIN ABDUL HAMID (Resigned w.e.f. 4/06/2025)	15,000
DR. RIDZUAN BIN YACOB (Resigned w.e.f. 4/06/2025)	15,000
NORAISHAH BINTI IDRIS (Resigned w.e.f. 4/06/2025)	15,000

FOSTER COMMITMENT

The Board meets on a scheduled basis at least four (4) times a year, with additional meetings convened when necessary. Directors are required to attend at least 50% of Board Meetings and during the financial year, five (5) Board Meetings were held. The details of attendance of each Director at the Board meetings are as follows: -

Name of Director	Meetings attended	Percentage of attendance (%)
DATO' HAZLI BIN IBRAHIM	5/5	100
DATO' AHMAD RIZAL BIN ABDUL RAHMAN	5/5	100
DATO' NOOR AZMAN @ NOOR HIZAM B MOHD NURDIN	5/5	100
NORAZMI BIN MOHAMED NURDIN	5/5	100
FAIZ ZUHDI ADRI BIN ROSLAN	5/5	100
DATO' AZMI BIN MOHD ALI (Appointed w.e.f. on 1/08/2025)	2/2	100
KAREN YAP PIK LI (Appointed w.e.f. on 4/06/2025)	2/2	100
JAMIL BIN SAIMON (Resigned w.e.f. 4/06/2025)	3/3	100
IR. CHE FISOL BIN ABDUL HAMID (Resigned w.e.f. 4/06/2025)	3/3	100
DR. RIDZUAN BIN YACOB (Resigned w.e.f. 4/06/2025)	3/3	100
NORAISHAH BINTI IDRIS (Resigned w.e.f. 4/06/2025)	3/3	100

Prior to each Board meeting, all Directors are provided with a set of board papers with details on matters to be discussed at the meeting.

All members of the Board have unrestricted access to the advice and services of the Senior Managers and the Company Secretary. The Company Secretary is responsible for ensuring that all Board Meetings procedures are followed and that all applicable rules and regulations are complied with. Directors may obtain independent professional advice in furtherance of their duties, at the Company's expense.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

D. BOARD COMMITTEES *cont'd*

Dato' Hazli bin Ibrahim

- Attended Audit Committee Conference 2025 organised by MIA (Malaysia Institute of Accountants) and IIA (The Institute of Internal Auditors) at KL Convention Centre on 29 September 2025 to enhance knowledge on audit committee practices and governance.
- Participated in Fortune Innovation Forum 2025 held at Shangri-La Kuala Lumpur from 17–18 November 2025, focusing on innovation trends, leadership, and strategic business insights.
- Joined an online session titled “Conversation with Audit Committee” organised by the Audit Oversight Board (AOB) and Securities Commission on 25 November 2025 to strengthen understanding of audit oversight and regulatory expectations.
- Attended “AI Powered Leadership” programme organised by Asia School of Business on 2 December 2025 in Kuala Lumpur to gain insights into the application of artificial intelligence in leadership and decision-making.

Karen Yap Pik Li

- Attended “Boardroom Blindspots: How our Perceptions of Risk Influence our Boardroom Effectiveness” programme organised by the Institute of Corporate Directors Malaysia on 3 September 2025 to enhance awareness of cognitive biases and risk perception in board decision-making.
- Participated in “Taklimat Pelaksanaan e-Invois di Malaysia” organised by LHDN on 18 August 2025 to gain insights into the implementation framework and regulatory requirements of e-invoicing in Malaysia.
- Attended ICDM BNRC Dialogue & ADIP Graduation Ceremony titled “Future Ready Boards: Implementing Strategies with Skills Matrix” organised by the Institute of Corporate Directors Malaysia on 8 July 2025 to strengthen understanding of board composition and strategic competency planning.
- Participated in “ICDM Advocacy: E-Invoicing for Directors – MyInvois & MyTax Portal Walkthrough with Ernst & Young” organised by the Institute of Corporate Directors Malaysia on 26 June 2025 to enhance practical knowledge of digital tax systems and compliance processes.
- Attended “Mastering the E-Invoice System Training – Briefing on MyInvois & MyTax Portal Walkthrough by LHDN” organised by Xcel Solutions Sdn Bhd on 17 June 2025 to develop hands-on understanding of e-invoicing systems and operational procedures.

Principle B	Effective Audit and Risk Management
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AUDIT COMMITTEE (“AC”)

Directors:-

Chairman

Dato' Ahmad Rizal bin Abdul Rahman

Members

Dato' Hazli Bin Ibrahim
Karen Yap Pik Li (Appointed w.e.f. 4/06/2025)
Dato' Azmi Bin Mohd Ali (Appointed w.e.f. 1/08/2025)
Jamil Bin Saimon (Resigned w.e.f. 4/06/2025)
Tan Sri Datuk Adzmi Bin Abdul Wahab (Resigned w.e.f. 4/06/2025)
Ir. Che Fisol Bin Abdul Hamid (Resigned w.e.f. 4/06/2025)

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

AUDIT COMMITTEE ("AC") cont'd

The AC takes on a role of assisting the Board in the discharge of its fiduciary duties, the responsibility of overseeing the financial reporting process and ensuring that the results of the Company's operations are fairly presented in its financial statements. The members of the AC possess the necessary financial knowledge and commercial experience to meet the needs of the Board and the Group's business. This ensures that the Board discharge its fiduciary responsibility to present a shareholders a clear, balanced and meaningful evaluation of the Group's financial position, performance and prospects.

Both the external and internal auditors are given full and unrestricted access to all employees, records and systems as necessary to undertake their activities.

Further information on the above activities and their efficiency is set out in the AC Report below.

Whistleblowing

The company had established a Whistleblowing Policy and it provides an avenue for all employees of the Group and all agents, vendors, contactors, suppliers, consultants and customers of the Group and members of public to raise concerns about any improper conduct within the Group without fear of retaliation and to offer protection for such persons (including the employees of the Group) who report such allegations. Our Whistleblowing Committee (WBC) was established to ensure independent, impartial and confidential handling of all whistleblowing reports related to corruption, fraud, misconduct or violations of the company's Code of Conduct and Anti-Bribery Management System. This policy is available on the Company's website at www.lebtech.com.my.

Anti-Bribery and Corruption

We have a zero-tolerance approach towards misconduct of any kind and will take disciplinary action in the event of a breach. The Group's Anti-Bribery and Anti-Corruption Policy ("the Policy") clearly outlines our commitment to zero tolerance of bribery or corruption in any form. This policy applies to all employees, management and directors of the Group and its subsidiaries. All external parties conducting business on behalf of the Group or under its name, including suppliers, agents and consultants, subcontractors and service providers and joint venture or consortium partners (if any). This policy is available on the Company's website at www.lebtech.com.my.

Directors' Responsibility for Preparing the annual Audited Financial Statements

The Directors are required by the Companies Act, 2016 ("the Act") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of the results of the operations, changes in equity and the cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgements and estimates. The Directors also have a general responsibility for taking such steps to safeguard the assets of the Group and to prevent and detect fraud and irregularities.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and ensuring that the financial statements comply with the Act and the applicable approved Financial Reporting Standards in Malaysia.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

cont'd

Principle C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Communications with Shareholders and Investors

The Board acknowledges the need for shareholders to be informed on all material business matters affecting the Group. The Company through the Annual Report, Annual General Meeting, the Company's website at www.lebtech.com.my, and timely release of all corporate announcements and financial results, provides shareholders and the investing public with an overview of the Group's performance and operations.

In addition, the Board encourages full participation by shareholders at every Annual General Meeting and Extraordinary General Meeting of the Company, and opportunity is given to the shareholders to make relevant enquiries and seek clarification on the Group's business activities and financial performance.

Conduct of General Meetings

The Company's 24th Annual General Meeting ("AGM") will be held on 3rd June 2026 at Grand Patio, Level 2, Concorde Hotel Shah Alam, No.3, Jalan Tengku Ampuan Zabedah C9/C, 40100 Shah Alam, Selangor Darul Ehsan.

The Board ensures that the conduct of the General Meeting, whether held physically, virtually or in a hybrid manner, supports effective and meaningful engagement between the Board, senior management and shareholders. Appropriate arrangements are made to facilitate smooth proceedings of the meeting, including the provision of sufficient infrastructure and tools to enable shareholders' participation and interaction. Shareholders are given the opportunity to submit questions in advance or during the meeting, and the Board, together with senior management, provides meaningful responses to all queries raised. This ensures transparency, accountability and effective communication with shareholders during General Meetings. Shareholders, Corporate representatives and proxies had the option to attend the hybrid AGM physically in-person at the main venue or virtually via the remote participation and voting.

The Chairman ensures that the Annual General Meeting serve as an effective platform for meaningful engagement between the Board, senior management and shareholders. Shareholders are provided with sufficient opportunity to raise questions during the meeting, and the Board, together with senior management, responds to these queries in a transparent and meaningful manner. The Directors and key management personnel are present at the Annual General Meeting to facilitate open communication and provide clarifications on both financial and non-financial matters, including the Group's performance and strategic direction. This promotes active participation and supports informed decision-making by shareholders.

AUDIT AND RISK COMMITTEE REPORT

MEMBERS OF THE AUDIT AND RISK COMMITTEE

The Audit Committee presently comprises the following members:-

Chairman

Dato' Ahmad Rizal Bin Abdul Rahman

Members

Dato' Hazli Bin Ibrahim

Karen Yap Pik Li (Appointed w.e.f. 4/06/2025)

Dato' Azmi Bin Mohd Ali (Appointed w.e.f. 1/08/2025)

Jamil Bin Saimon (Resigned w.e.f. 4/06/2025)

Tan Sri Datuk Adzmi Bin Abdul Wahab (Resigned w.e.f. 4/06/2025)

Ir. Che Fisol Bin Abdul Hamid (Resigned w.e.f. 4/06/2025)

1. TERMS OF REFERENCE

- 1.1 This TOR establishes the objectives, responsibilities and powers of the Board Audit & Risk Committee (BARC) as well as the membership and the authority of the BARC.
- 1.2 The BARC is set up with the primary objective of assisting the Directors (the Board) in carrying out their duties and responsibilities in fulfilling its responsibility for oversight with respect to ensuring the integrity of the Company's financial statements, performance of the Company's independent auditors and internal audit function, risk management practices and internal control of the company.
- 1.3 The establishment of this committee is mandated for listed companies by Paragraph 15.09 of Bursa's Main Market Listing Requirements.

2. PURPOSE

- 2.1 The BARC must carry out the following roles and responsibilities:
 - i. To ensure openness, integrity and accountability in the Company's activities to safeguard the rights and interests of the shareholders.
 - ii. To provide assistance to the Board in fulfilling its fiduciary responsibilities relating to corporate accounting and reporting practices.
 - iii. To improve the Company's business efficiency, the quality of accounting and audit function and strengthening of public's confidence in the Company's reported results.
 - iv. To oversee overall risk management and compliance program of the Company.
 - v. To maintain a direct line of communication between the Board and the External and Internal Auditors.
 - vi. To enhance the independence of the external and internal audit functions; and
 - vii. To create a climate of discipline and control, this will reduce the opportunity for fraud.

3. COMPOSITION AND QUORUM

- 3.1 The BARC must be composed of not fewer than 3 members; all of whom must be non-executive directors. In the case of a listed company, most of the members must be independent directors.
- 3.2 The members of the BARC must be elected by the Board or the Board Nomination and Remuneration Committee (BNRC). In the case of a listed company, the Chairperson must be an independent director.
- 3.3 The Chairperson of BARC and the Chairperson of the Board must not be the same person to ensure separation of duties.

AUDIT AND RISK COMMITTEE REPORT

cont'd

3. COMPOSITION AND QUORUM *cont'd*

- 3.4 At least one (1) member of the BARC must be a member of the Malaysian Institute of Accountants ("MIA"); or if he is not a member of MIA, he must have at least 3 years of working experience and:-
- he/she must have passed the examinations specified in Part I of the 1st Schedule in the Accountants Act, 1967; or
 - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule in the Accountants Act, 1967; or
- 3.5 In the case of a listed company, a former partner of the external audit firm of the listed company observed a cooling-off period of at least three years before being appointed as a member of the BARC. This applies to all former partners of the audit firm and/or the affiliate firm (including those providing advisory services, tax consulting etc.)
- 3.6 No alternate directors should be appointed to the Committee.
- 3.7 The Committee Members shall collectively have:-
- knowledge of the industries in which the Company operates.
 - the ability to read and understand fundamental financial statements, including a company's balance sheet, income statement of cash flow and key performance indicators; and
 - the ability to understand key business and financial risks and related controls and control processes.
 - to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.
- 3.8 The quorum for the Committee shall be 2/3 of the members. In the case of a listed company, to form a quorum in respect of a meeting of the BARC, the majority of members present must be independent directors.
- 3.9 Any decision arising at the meeting shall be decided by a majority of votes, each Member having one vote and a determination by a majority of Member shall for all purposes be deemed a determination of the Members.
- 3.10 A resolution in writing, signed or approved by letter or electronic means by a majority of the BARC's members present in Malaysia for the time being entitled to receive notice of a meeting of the BARC, shall be as valid and effectual as if it had been passed at a meeting of the BARC duly convened and held.
- 3.11 In the event of equality of votes, the Chairperson of the Committee shall have a casting vote (except where 2 directors form the quorum, where the Board shall decide on the matter of issue).
- 3.12 In the event of any vacancy in a BARC resulting in the non-compliance of paragraphs 15.09(1) and 15.10 of the Main Market Listing Requirements, a listed company must fill the vacancy within 3 months.
- 3.13 The Board must review the term of office and performance of an audit committee and each of its members annually to determine whether such audit committee and members have carried out their duties in accordance with the Terms of Reference.
- 3.14 The BARC shall have no executive powers.

AUDIT AND RISK COMMITTEE REPORT

cont'd

4. MEETINGS

- 4.1 The Committee shall meet quarterly in a year and as when deemed necessary for the performance of its objectives. The Committee may invite any person to attend the meeting to attend its deliberations.
- 4.2 The Committee may invite any people, including but are not limited to other members of the Management or other executives of the Company, and/or any party which the Committee deems necessary. Participation in invites may not be required for the full duration of the Committee meeting.
- 4.3 Meetings shall be conducted face-to-face to enable effective discussion. However, members may attend the meeting remotely via any telecommunication tools. The member participating via such tool shall be counted in the quorum for such meeting. All decision and/or resolutions agreed by the member via such tool shall be deemed as effective as a resolution passed at the meeting in person of the members duly convened and held.
- 4.4 The Committee may also, from time to time and if deemed appropriate, consider and approve and/or recommend relevant matters via a Circular Resolution in writing, in lieu of formally convening a meeting. The Circular Resolution shall be as valid and effectual as if it has been passed by a meeting of the Committee duly convened. Approval of the Committee obtained by Circular Resolution must be signed or approved by all members.
- 4.5 The Notice of Meeting shall be issued to the Committee members at least fourteen (14) days prior to the scheduled meeting and the Chairperson of the Committee shall ensure proper agenda is prepared for the meeting.
- 4.6 The agenda and relevant papers for the Committee meeting shall be circulated no later than five (5) days prior to each Committee meeting.
- 4.7 The discussion and conclusions of the Committee meeting shall be minutes, in a clear and accurate manner.
- 4.8 Keeping up the minutes by the Secretary shall comply with the requirements of the relevant laws and regulations.

5. AUTHORITY

- 5.1 Have the authority to investigate any activity within its TOR.
- 5.2 Have the resources which are required to perform their duties.
- 5.3 Have full and unrestricted access to any employee and information pertaining to the Company. All documents of the Company shall be made accessible to the Committee.
- 5.4 Have direct communication channels with the External Auditors and people carrying out the internal audit function or activity for the Company.
- 5.5 Have the authority to direct the Internal Audit Department (both corporate, subsidiaries, associates, joint ventures, where applicable) in its activities, including approval of appointments of senior executives and budget in these functions; and
- 5.6 To be able to engage independent professional advisors or other advisors and to secure attendance of outsiders with relevant experience and expertise if it considers this necessary.
- 5.7 Meet exclusively among themselves, whenever necessary.

AUDIT AND RISK COMMITTEE REPORT

cont'd

6. FUNCTION AND DUTIES

6.1 Within the limits set in the LOA, the committee shall carry out the following responsibilities: -

6.1.1 Financial Statements

- (a) Evaluate and approve acceptance or otherwise of major accounting policies, principles and practices.
- (b) Evaluate and approve the Company's quarterly results and annual financial statements of the Company and the Company before submission to the Board. The review should focus primarily on:
 - any changes in our implementation of major accounting policy changes
 - major judgemental areas, significant and unusual events
 - significant adjustments resulting from audit
 - the going concern assumptions
 - compliance with accounting standards
 - compliance with stock exchange and legal requirements
- (c) Review with the Company's Counsel of any legal matter that could have a significant impact on the organization's financial statements.

6.1.2 Internal Control & Assurance

- (a) Assess the quality and effectiveness of the systems of internal control and the efficiency of the Company's operations, particularly those relating to areas of significant risks. To evaluate the process the Company has in place for assessing and continuously improving internal controls.
- (b) Assess the internal processes for determining and managing key risks other than those that are dealt with by other specific Board committees.
- (c) Review the scope of Internal and External Auditors' review of internal control over the Company.

6.1.3 Internal Audit

- (a) Approve the scope of the Internal Audit functions in the Company and ensure that the Internal Audit functions are adequately resourced and have appropriate standing in the Company. This includes a review of the organizational structure, resource budgets and qualifications of the internal audit functions.
- (b) Review the adequacy of the Internal Audit plans and the scope of audits and that the Internal Audit Department has the necessary authority, competency and resources to carry out its work.
- (c) Approve the scope and appointment of the Internal Audit functions in the Company and ensure that the Internal Audit functions are adequately resourced and have appropriate standing.
- (d) Review and approve the Internal Audit reports (including those of the Company) and the management's response and ensure that appropriate action is taken in respect of these reports and the Committee's resolutions. Where actions are not taken within adequate time frame by management, the Committee will report to the Board for its decision.
- (e) Review appraisals or assessments of members of the Internal Audit functions.
- (f) Inform itself of resignations of Internal Audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
- (g) Direct any special investigations to be carried out by the Internal Audit.

AUDIT AND RISK COMMITTEE REPORT

cont'd

6. FUNCTION AND DUTIES *cont'd*

6.1 Within the limits set in the LOA, the committee shall carry out the following responsibilities: - *cont'd*

6.1.4 External Audit

- (a) Review External Audit plans and scope of work before the audit commences.
- (b) Review and evaluate with management the external auditors, the results of the audit, including any difficulties encountered.
- (c) Discuss problems and reservations arising out of external audits, including assistance given by the employees and any matters the auditors may wish to discuss, in the absence of Management or Group CEO/Managing Director/Directors where necessary.
- (d) Review External Auditors and the management's response and ensure that appropriate action is taken with respect to these reports and the Committee's resolutions.
- (e) In the case of a listed company, review any letter of resignation from the external auditors; and whether there is reason (supported by grounds) to believe that the listed company's external auditor is not suitable for reappointment; and
- (f) Nominate and recommend the appointment of External Auditors together with such other functions as may be agreed to by the Committee and the Board and recommend for approval of the Board the external audit fees, and consider any questions of resignation or dismissal, experience, resources and capability.

6.1.5 Risk Management

- (a) Oversee and recommend appropriate risk management and measurement policies across the Company.
- (b) Review, approve and ensure adherence to the Company's risk management framework, policy and strategies.
- (c) Assess and recommend key business risks and review the extent to which key business risks are being managed.
- (d) Review and recommend changes as needed to ensure that the Company always has in place a risk management policy which addresses the strategic, operational, financial and compliance risks.
- (e) Review the Company's risks profile and determine the risks to be escalated to the Board on quarterly basis.
- (f) Review the appropriateness of management's response to key risk areas; and
- (g) Review and recommend the statement on risk management and internal control for Board approval.

6.1.6 Compliance

- (a) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of the management's investigation and follow-up of any instances of non-compliance.
- (b) Review the findings of any examinations by regulatory authorities.
- (c) Obtain regular updates from the management and legal counsel regarding compliance matters.
- (d) Review of any related party transactions in compliance with the Main Market Listing Requirements (in the case of a listed company).

AUDIT AND RISK COMMITTEE REPORT

cont'd

6. FUNCTION AND DUTIES *cont'd*

6.1 Within the limits set in the LOA, the committee shall carry out the following responsibilities: - *cont'd*

6.1.7 Integrity

- (a) Review the Anti-Bribery and Corruption Policy of the Company to ensure that the Lebttech Berhad and Anti-Bribery and Corruption Policy are aligned.
- (b) At planned intervals, to receive and to review information about the content and operation of the anti-bribery management system.
- (c) Review any related party transaction and conflict of interest's situation that may arise within the company including any transaction, procedure or course of conduct that raises questions of management integrity.
- (d) Requiring that adequate and appropriate resources need for effective operation of anti-bribery management system are allocated and assigned.
- (e) Chairperson of BARC shall be responsible for receiving Whistleblowing information and to be discussed with the members for the action to be taken. Each decision made by the BARC on Whistleblowing information shall be subject to the following actions:
 - To proceed with an investigation by the Investigation Team
 - Referring to the enforcement agency
 - To refer to the Human Resource Department or any other Division if the matter is considered as administrative or disciplinary offences
 - No further action required, if the information is inadequate or invalid in contradiction to the Anti-Bribery and Corruption Policy
 - Ensuring the mechanism of Whistleblowing is effective and efficient, which aims to provide protection and confidentiality
 - Ensuring timely action is taken in Whistleblowing information received including improving the internal control systems where there are shortcomings identified

6.1.8 Other Responsibilities

- (a) Review and reassess, with the assistance of the management, the External Auditors and legal counsel, the adequacy of the Terms of Reference of the Committee at least annually.
- (b) Review of the Statement of Risk Management and Internal Control Report as per Appendix 9C, Main Market Listing Requirements (in the case of a listed company) and audit committee report for inclusion in the Annual Report (in the case of a listed company as specified in Chapter 15.15 of the Main Market Listing Requirements).
- (c) Confirm annually that all responsibilities outlined in the Terms of Reference have been carried out.
- (d) Perform other duties as directed by the Board.

7. REPORTING

- 7.1 The Chairperson of the BARC shall report on each meeting to the Board on the nature and extent of the functions performed by BARC and may make such recommendations to the Board as it may think fit.
- 7.2 In the case of a listed company, where the BARC is of the view that a matter reported by it to the Board of Directors of a listed company has not been satisfactorily resolved, resulting in a breach of the Main Market Listing Requirements, the Committee must promptly report on such matter to the Exchange.

AUDIT AND RISK COMMITTEE REPORT

cont'd

8. CHAIRPERSON

8.1 The Chairperson of the BARC shall be appointed by the Board of Directors.

8.2 In the case of a listed company, the Chairman shall be an independent Director.

9. SECRETARY

9.1 The Secretary shall be the Company Secretary as appointed by the Board.

9.2 The Secretary shall be responsible for the following duties:-

- (a) To ensure meetings are arranged and held accordingly.
- (b) To assist the Chairperson of BARC in planning the Committee's activities.
- (c) To draw up meeting agendas in consultation with the Chairperson of the Committee as well as maintaining the minutes.
- (d) To ensure structured communication between the BOD and BARC through the Company Secretary; and
- (e) To maintain and hold a record of BARC submissions and papers, materials presented to the Committee, minutes of meetings, and make accessible to the members.

10. ATTENDANCE

10.1 Each individual member is required to attend at least 75% of the BARC meetings held in each financial year. The majority attendance at each meeting must be fulfilled by independent directors and at least 1 non-independent director.

10.2 Other directors' and employees' attendance at any BARC meeting must be only at the Committee's invitation, specifically to the relevant meeting.

10.3 The Chairperson may also invite any other officers of the Company or external consultants to attend any Committee meetings as the Chairperson deemed fit and proper, to provide detailed explanations or clarifications on any issues dealt with by the Committee. Such person, however, will not be a party to decisions made.

11. MINUTES OF MEETINGS

11.1 The Secretary shall minute the proceedings and resolutions of all meetings of the BARC.

11.2 The Secretary shall ascertain, at the beginning of the meeting, the existence of any conflicts of interest and minute them accordingly.

11.3 The Minutes of Meeting shall be issued to the Committee members no later than seven (7) business days after the conclusion of the meeting and the Chairperson of the Committee shall ensure proper agenda is prepared for the next meeting.

11.4 The minutes of the BARC meeting shall be approved by the Chairperson at its next meeting.

11.5 Minutes of meetings shall be submitted to the Board for notification.

11.6 Minutes and resolutions of meeting shall be circulated to respective division/ departments/ units for necessary action.

AUDIT AND RISK COMMITTEE REPORT

cont'd

12. CODE OF CONDUCT

- 12.1 In performing his/her duties, a BARC member is expected to possess good character and competence, diligence, capability and sound judgement.
- 12.2 Where members or invites at the BARC meetings are deemed to have a real or perceived conflict of interest, they will be excused from Committee discussions and deliberations on the issue where a conflict of interest exists. (Ref: Anti-Bribery and Whistleblowing Policy, Conflict of Interest Policy, Code of Ethics and Business Conduct)

13. REVIEW OF TERMS OF REFERENCE

- 13.1 These Terms of Reference may change or be reviewed by the Board from time to time to fulfill such other requirements as prescribed by the Bursa Malaysia (upon listing) and/or to align with recommended best practices and proper corporate governance.
- 13.2 The Board or the Nomination and Remuneration Committee must review the terms of office and performance of the BARC committee and each of its members annually to determine whether the committee and members have carried out their duties in accordance with their Terms of Reference.

No. of Meetings Attended	No. of Meetings Attended
Dato' Ahmad Rizal Bin Abdul Rahman	5/5
Dato' Hazli bin Ibrahim	5/5
Karen Yap Pik Li (Appointed w.e.f. 4/06/2025)	2/2
Dato' Azmi Bin Mohd Ali (Appointed w.e.f. 1/08/2025)	2/2
Jamil Bin Saimon (Resigned w.e.f. 4/06/2025)	3/3
Tan Sri Datuk Adzmi Bin Abdul Wahab (Resigned w.e.f. 4/06/2025)	3/3
Ir Che Fisol Bin Abdul Hamid (Resigned w.e.f. 4/06/2025)	3/3

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The Audit Committee has discharged its duties as set out in its Terms of Reference, which accompany this Report. During the year under review, the following were the activities of the Audit Committee: -

- i) Reviewed, discussed and approved the audit plans for the year for the Group and the Company presented by the internal auditor.
- ii) Reviewed the adequacy of the scope, functions and staffing requirements of Group's Internal Audit Department to ensure that it was adequately staffed by employees with the relevant skills, knowledge and experience to enable the Group's Internal Audit Department to perform its role and that it has the necessary authority to carry out its work.
- iii) Reviewed the internal audit reports. The Audit Committee was briefed on the audit reports issued and, on the issues, raised by the Internal Auditor on various aspects of the system in operation, practices and procedures and internal controls. Special notice was taken of significant issues raised in the audit reports and that adequate corrective actions have been taken by the Operating Management to rectify the weaknesses.
- iv) Reviewed the external auditors' scope of work and audit plan of the year.
- v) Reviewed the quarterly results and year-end financial statements prior to the approval by the Board of Directors focusing particularly on: -
 - changes in or implementation of major accounting policy changes.
 - significant and unusual events; and
 - compliance with accounting standards and other legal requirements.

AUDIT AND RISK COMMITTEE REPORT

cont'd

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR *cont'd*

- vi) Reviewed the related party transactions and conflict of interest situation that may arise within the Group including any transactions, procedures or course of conduct that raises questions of Management integrity.
- vii) Commissioned special reviews on specific areas of operations.

COMPOSITION AND QUORUM

The Board Audit and Risk Committee ("BARC") shall comprise not fewer than three (3) members, all of whom must be Non-Executive Directors. In the case of a listed company, the majority of the members shall be Independent Directors. Members of the BARC shall be appointed by the Board or the Board Nomination and Remuneration Committee ("BNRC"), and the Chairperson of the BARC shall be an Independent Director. To ensure proper separation of responsibilities, the Chairperson of the BARC shall not be the same person as the Chairperson of the Board.

At least one (1) member of the BARC must be a member of the Malaysian Institute of Accountants ("MIA"). Where the member is not a member of MIA, he or she must have at least three (3) years of working experience and must have either passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967 or be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967. In the case of a listed company, a former partner of the external audit firm of the Company must observe a cooling-off period of at least three (3) years before being appointed as a member of the BARC. This requirement applies to all former partners of the audit firm and/or its affiliate firms, including those providing advisory or tax consulting services.

No alternate director shall be appointed as a member of the Committee. Collectively, the members of the BARC shall possess sufficient knowledge of the industries in which the Company operates, the ability to read and understand fundamental financial statements, including the Company's balance sheet, income statement, cash flow statement and key performance indicators, as well as the ability to understand key business and financial risks together with the related controls and processes. The Committee members shall also be capable of assessing the suitability, objectivity and independence of the external auditors in order to safeguard the quality and reliability of the audited financial statements.

The quorum for meetings of the Committee shall be two-thirds (2/3) of its members. In the case of a listed company, the majority of members present at a meeting to form a quorum must be Independent Directors. Any decision arising at a meeting shall be determined by a majority of votes, with each member having one vote. In the event of an equality of votes, the Chairperson of the Committee shall have a casting vote, except where only two (2) directors form the quorum, in which case the matter shall be referred to the Board for determination.

A resolution in writing signed or approved by letter or electronic means by a majority of the BARC members present in Malaysia for the time being and entitled to receive notice of a meeting shall be as valid and effectual as if it had been passed at a duly convened meeting of the Committee. In the event of any vacancy in the BARC resulting in non-compliance with paragraphs 15.09(1) and 15.10 of the Main Market Listing Requirements, the Company must fill such vacancy within three (3) months.

The Board shall review the term of office and performance of the BARC and each of its members annually to determine whether the Committee and its members have carried out their duties in accordance with the Terms of Reference. The BARC shall not possess any executive powers.

INTERNAL AUDIT FUNCTION

The Group maintained an Internal Audit Department that operated independently of its activities and operations. This department provided the Audit Committee and the Board with significant assurance regarding the adequacy and integrity of the Group's internal controls.

Its principal responsibility is to carry out regular and systematic reviews of the system of internal control to provide reasonable assurance that the system operates satisfactorily and effectively throughout the Group, and to report its findings to the Audit Committee on a quarterly basis.

The internal audit strategy and detailed Audit Plan are submitted to the Audit Committee for approval. The internal audit function adopts a risk-based approach in formulating its strategy and plan, which are developed based on the Group's risk assessment. The Board ensures that appropriate management responses are provided for all key audit findings, and that the necessary corrective and/or preventive actions are implemented in a timely manner.

The Board, together with the Internal Audit Department and Management, takes the necessary measures to ensure the continuous improvement of the internal control environment.

During the financial year, the total cost incurred for the internal audit function amounted to RM108,819.42.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is committed to nurture and preserve, throughout Lebttech Berhad (“LB” or “the Company”) and its subsidiaries (“the Group”), a sound system of risk management and internal control and good corporate governance practices as set out in the Board’s Statement on Risk Management and Internal Control, made in compliance with Paragraph 15.26(b) of the Main Market Listing Requirements (“LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and guided by the Statement on Risk Management & Internal Control: for Directors of Listed Issuers.

RESPONSIBILITY

The Board affirms its responsibility for maintaining a sound risk management framework and internal control system to safeguard shareholders’ investments and the Group’s assets, as well as to discharge its stewardship responsibility in identifying principal risks and ensuring the implementation of an appropriate risk management and internal control system to manage those risks in accordance with Principal B of the Malaysian Code on Corporate Governance.

The Board continually articulates, implements and reviews the adequacy and effectiveness of the Group’s enterprise-wide risk management and internal control system which has been embedded in all aspects of the Group’s activities. The Board reviews the processes, responsibilities and assesses for reasonable assurance that risks have been managed within the Group’s risk appetite and tolerance, with a system that is viable and robust.

ASSURANCE MECHANISM

The duties of the Board are to recognize the ever-changing risk landscape, and the Group’s system is designed to manage effectively rather than eliminate the risks of failure to achieve the Group’s business objectives. Accordingly, such systems can only provide a reasonable and not absolute assurance against material misstatement, loss or fraud. The aim, however, is to ensure that any adverse impact arising from a foreseeable future event or situation on the Group’s objectives is identified, mitigated and managed.

RISK MANAGEMENT FRAMEWORK

The Group has adopted a structured Enterprise Risk Management (“ERM”) framework that is applied consistently across all Business Units and operations. Periodic risk assessments are conducted using both qualitative and quantitative methods, including scenario analysis and stakeholder interviews, to ensure a comprehensive evaluation of risks. This rigorous approach enables timely identification of emerging risks and facilitates their escalation to the Board where appropriate. The Group’s consistent application of the ERM framework enhances risk visibility and supports robust oversight, ensuring that critical risks are promptly addressed at the highest level and strengthening governance and accountability throughout the organisation.

Three Lines Model

Lebttech’s governance structure is aligned with the Three Lines Model, ensuring clarity of roles and accountability:

- First Line – Management: Responsible for identifying, assessing, and managing risks within day to day operations.
- Second Line – Risk & Compliance Functions: Provide oversight, develop risk policies, monitor compliance, and support risk reporting.
- Third Line – Internal Audit: Provides independent assurance on the adequacy and effectiveness of governance, risk management, and internal controls.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

ENTERPRISE RISK MANAGEMENT POLICY

The Board understands that the Group's core businesses expose it to various risks affecting performance and value. Managed effectively, these risks can become opportunities. The Enterprise Risk Management (ERM) Policy provides a structured framework supporting strategy and shareholder interests, outlining principles for risk identification, evaluation, and management across all Business Units. It encourages disciplined risk ownership and decision-making, with a proactive approach to mitigating threats and leveraging potential gains. Risk responses are tailored based on significance, balancing control and business effectiveness. Assessments are integrated into processes to ensure consistency and transparency, reinforced by governance for accountability. The policy aims to maintain a robust ERM framework aligned with risk tolerance limits.

INTEGRATION OF ESG RISKS

In recognition of evolving regulatory expectations and stakeholder priorities, the Group's risk management framework incorporates environmental, social, and governance ("ESG") considerations as core elements of enterprise risk management. These ESG factors are integrated with the Group's overall business strategies.

Key sustainability and ESG-related risks are identified at both the Business Unit and Corporate levels. These risks include climate-related issues, such as increased frequency of extreme weather events affecting supply chains, and regulatory changes, such as new carbon emission limits impacting operational costs. Other risks include social responsibilities, workforce requirements, like adapting to talent shortages or evolving employee expectations, and business ethics, such as adherence to anti-corruption and fair practice standards.

Each risk is assessed for its potential financial and operational impact. Once identified, risks are consolidated, tracked, and closely monitored. This integrated approach enables the Group to anticipate emerging risks, proactively manage their consequences, and build resilience across the organisation.

Further details on the Group's sustainability-related risks and opportunities ("SRO"), including climate-related considerations, are set out in the Sustainability Statement on pages 15 to 27.

ANTI BRIBERY AND CORRUPTION POLICY

The Group's internal policies are clearly documented to ensure compliance with internal controls, applicable laws, rules, and regulations. The Board has reviewed and approved the Anti-Bribery and Corruption ("ABAC") Policy, which outlines adequate procedures for appropriate actions to be taken by the Group. Adoption of the ABAC Policy was prompted by the introduction of Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, effective on **01 June 2025**.

The Board of Directors ("the Board") of "the Group" remains committed to maintaining a robust risk management framework and a strong internal control system to safeguard shareholders' investments and Group assets, ensure accuracy of financial reporting, and achieve strategic objectives.

The Board has approved the Anti-Bribery and Corruption ("ABAC") Policy for the Group, supported by practical measures to ensure compliance. Key guidelines include:

- Conflict of Interest
- Code of Conduct and Business Partner guidelines
- Whistleblowing Policy
- Gifts, hospitality, donations, sponsorships, and political contributions

In accordance with Bursa Securities' Main LR, these policies are accessible to the Public, Business Associates, and Team Lebtech via Lebtech's corporate website or Lebtech Intranet platforms, ensuring transparency and broad awareness.

To promote continuous awareness and effective implementation of the ABAC Policy, training sessions were conducted for all Lebtech staff in a hybrid format, accommodating both physical and online participation. Following these ABAC training sessions, staff demonstrated increased awareness of reporting procedures, resulting in improved compliance metrics and strengthened internal controls within the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

INTERNAL AUDIT FUNCTION

The Internal Audit team reviewed and evaluated the Group’s internal control systems. Periodic audits were carried out, focusing on risk-based areas. Identified weaknesses were addressed and reported directly to the BARC every quarter. The Internal Auditor created an Annual Internal Audit Plan, which was discussed and approved by the BARC after incorporating feedback from Management. Once approved, periodic reviews took place, highlighting the effectiveness and adequacy of the Group’s internal controls. Audit findings and Management’s responses, along with recommendations from the Internal Auditor, were compiled into Internal Audit Reports and presented quarterly to the BARC. All audit activities during the financial year are also documented in the BARC Report. The BARC has acknowledged the internal audit results, recommendations, and improvements to the internal control system, and shared them with Management.

FEATURES OF KEY INTERNAL CONTROLS IN LEBTECH

The Group has established an internal control system to help ensure business objectives are met, financial reports are reliable, and compliance with relevant laws and regulations is maintained. While it is designed to manage risks effectively, the system recognises its inherent limitations and does not aim to eliminate all risks entirely. Key aspects of the framework include:

- An organisational structure with well-defined roles, responsibilities, and delegated authority limits
- Detailed policies, procedures, and guidelines that govern operational, financial, and compliance matters
- Robust management and committee arrangements that provide oversight and encourage accountability
- Integrated information systems that facilitate timely and accurate reporting
- Independent risk management and internal audit functions operating throughout the Group

Together, these features strengthen a control environment that encourages ethical behaviour, transparency, and accountability at every level of the organisation.

Lebtech’s internal control system comprises the following key components:-

Key Internal Control System	Assurance Mechanism
Policies, Guidelines and Procedures	We drive excellence throughout our property development lifecycle by integrating a Quality Management System (“QMS”), Product Quality, and Service Quality. QMS establishes consistent, compliant procedures from design through delivery; Product Quality guarantees structurally robust and carefully constructed projects that align with market demands and sustainability principles; Service Quality provides attentive, customer-focused support—from sales to post-handover assistance. Collectively, these elements reinforce our dedication to trust, value, and lasting satisfaction among residents and stakeholders. Group Health, Safety & Environment (“GHSE”) GHSE drives our commitment to responsible property development by protecting people, communities, and the environment. It sets strict standards and proactive practices throughout all project phases, ensuring safety for workers, wellbeing for residents, and reduced environmental impact via sustainable design and construction. Integrating health, safety, and environmental stewardship into our operations allows us to meet regulations and advance our vision for resilient, livable, and sustainable developments. Group Finance Discretionary Authority Limits (“DAL”) The DAL document is crucial to ensure there is an optimal balance between strong corporate governance practices and operational efficiency. It is a written delegation of authority by the Board to the respective Board Committees and Management within the Group. Its key objectives are to provide a holistic view of the authority limits set, to encourage delegation, empowerment and accountability, and to eliminate guesswork, confusion and to provide clarity. The DAL document is subject to periodical review to incorporate any changes that affect the authority limits.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

FEATURES OF KEY INTERNAL CONTROLS IN LEBTECH *cont'd*

Lebtech's internal control system comprises the following key components:- *cont'd*

Key Internal Control System	Assurance Mechanism
Financial Performance Tracking and Monitoring	Group financial planning and budgeting, monitoring, reviewing, and reporting of the Group financial performance via periodic reviews of actual performance versus targets, and ensuring initiatives and mitigating action are taken. The review and deliberation of financial performance of the Business Units in the Group are conducted monthly. Quarterly updates will be made in the Audit Committee, and the Board of Directors meeting, as appropriate.
Manpower & Talent Management	Human Resource Department ensures our People Agendas align with business goals through policies and actions across the entire employee life cycle, including workforce planning, talent acquisition, performance management, engagement, talent development, succession planning, and compliance. This integrated approach supports effective workforce management and long-term business success. Details of these initiatives are in the ESG Report, pages 15 to 27.
Governance & Compliance	Internal Audit Department (IAD) serves as an independent and objective internal audit function, providing assurance on the adequacy and effectiveness of the Group's internal control systems. IAD's processes and activities are governed by the following frameworks: • The Global Internal Audit Standard ("GIAS"), including the International Professional Practices Framework ("IPPF") • Committee of Sponsoring Organisations of the Treadway Commission ("COSO") Internal Control Framework • Internal Audit Charter IAD is a vital component of the Group's governance, internal control system, and risk management processes, led by the Chief Internal Auditor. To maintain impartiality and objectivity, IAD submits its plans and reports directly to the BARC. Audit reviews are conducted based on a risk-based annual audit plan approved by the BARC. IAD adopts a systematic and disciplined methodology to assess and enhance the design and effectiveness of governance, risk, and internal controls within the auditable entity. Each internal audit report issued by IAD contains key findings, recommendations, and action plans aimed at strengthening the Group's internal controls. The BARC evaluates these reports, which include opinions on the adequacy and effectiveness of governance, risk management, and internal controls, as well as recommended corrective actions for management. The status of recommendations and action plans is reported to the BARC quarterly. IAD actively supports and contributes to the Group's initiatives to promote awareness of the importance of maintaining high standards of governance culture.
Vendor Pre-Qualification and Registrations	The Purchasing Unit ensures vendors meet Lebtech Berhad's policies, including Anti-Bribery and Corruption standards, financial stability, and operational resilience through a thorough due diligence process. • Risk Assessment & Compliance: Vendors are evaluated for regulatory and internal compliance. • Due Diligence: Background checks address integrity, financial, and operational risks. • Performance Monitoring: Ongoing review of vendor reliability, contract adherence, and performance.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

cont'd

FEATURES OF KEY INTERNAL CONTROLS IN LEBTECH *cont'd*

Lebtech's internal control system comprises the following key components:- *cont'd*

Key Internal Control System	Assurance Mechanism
Procurement Process	Group Contract and Purchasing roles in internal control relates to establishing governance frameworks for tenders and contracts, implementing robust procurement policies for conducting tender exercise. It manages contract risk, ensures alignment with Lebtech's legal and regulatory standards, and enforces ethical sourcing practices.

MONITORING, REPORTING AND REVIEWING

The Group's risk management and internal control systems within Lebtech Berhad are continuously monitored and evaluated through structured reviews of financial and operational performance, business processes, internal control effectiveness, sustainability, and the overall risk profile across both the Corporate Office and its Business Units. These matters are regularly reported to the BARC for oversight.

The Board is also updated on the Group's performance. In addition, periodic reviews to assess the effectiveness of control implementation at each business unit. The findings from these reviews are reported regularly to Management and BARC for further consideration and follow-up actions.

Management Assurance

For the financial year under review, the Management of Lebtech Berhad, including the Managing Director/Chief Executive Officer and the Chief Financial Officer, has provided assurance that the Group's enterprise risk management framework and internal control systems were operating adequately and effectively in all material respects.

Management has further confirmed that there were no material internal control weaknesses or significant compliance breaches during the year that resulted in any material loss to the Group.

BOARD COMMENTARY AND OPINION

For the financial year under review and up to the date of this statement, the Board is pleased to report that the Group's risk management and internal control system are operating adequately and effectively through assurance by the Group Managing Director and Chief Financial Officer to the Board. The Board has received assurance from management team that the Group's enterprise risk management and internal control systems, in all material aspects, are operating adequately and effectively. There were no material control failures or adverse compliance events that directly resulted in any material loss to the Group. The system provides reasonable assurance in safeguarding the Group's assets, shareholders' investments, as well as the interests of customers, employees, and other stakeholders. No material losses, contingencies, or uncertainties were identified during the reviews. This statement has been made in accordance with the resolution of the Board of Directors dated 28 April 2026.

The Board remains committed to continuously monitoring key risks affecting the Group and will take appropriate measures to mitigate these risks, while further enhancing the adequacy and effectiveness of the Group's risk management and internal control framework.

REVIEW OF EXTERNAL AUDITOR

Pursuant to Paragraph 15.23 of the LR of Bursa Main Market, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 31 December 2025. Their review was carried out in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (AAPG3) – Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report. Based on their review, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the Statement on Risk Management and Internal Control (SORMIC) Guide 2025: Guidelines for Directors of Listed Companies, nor is factually inaccurate.

DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Net profit for the financial year	117,574	(375,815)
Amount attributable to:		
Equity holders of the Company	572,857	(375,815)
Non-controlling interest	(455,283)	-
	117,574	(375,815)

In the opinion of the Directors, the results of the operations of the Group and the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been declared or paid by the Company since the end of previous financial year. The Directors do not recommend any payment of dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

SHARE AND DEBENTURES

During the financial year, no new issuance of shares or debentures was made by the Company.

DIRECTORS' REPORT

cont'd

DIRECTORS OF THE COMPANY

The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Dato' Noor Azman @ Noor Hizam B Mohd Nurdin **	
Dato' Ahmad Rizal bin Abdul Rahman	
Dato' Hazli bin Ibrahim	
Norazmi bin Mohamed Nurdin **	
Faiz Zuhdi Adri bin Roslan**	
Dato' Azmi bin Mohd Ali	Appointed on 1.08.2025
Muhammad bin Noor Azman @ Noor Hizam	Appointed on 5.06.2025
Karen Yap Pik Li	Appointed on 4.06.2025
Tan Sri Datuk Adzmi bin Abdul Wahab	Resigned on 4.06.2025
Jamil bin Saimon	Resigned on 4.06.2025
Che Fisol bin Abdul Hamid	Resigned on 4.06.2025
Ridzuan bin Yacob	Resigned on 4.06.2025
Noraishah binti Idris	Resigned on 4.06.2025

** These Directors are also the directors of certain subsidiaries of the Company.

DIRECTORS OF THE SUBSIDIARIES OF LEBTECH BERHAD

The Director who held office in the subsidiaries of the Company during the financial year end up to the date of this report (not including those Directors listed above) is:

Nor Syafiqah binti Noor Azman @ Nor Hizam

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	As at 1.1.2025	Bought	Sold	As at 31.12.2025
Shareholdings in which Directors have direct interests				
Dato' Hazli bin Ibrahim	554,400	-	-	554,400
Shareholdings in which Directors have deemed interests				
Dato' Noor Azman @ Noor Hizam B Mohd Nurdin	44,243,000	-	-	44,243,000
Norazmi bin Mohamed Nurdin	2,016,000	-	-	2,016,000

DIRECTORS' REPORT

cont'd

DIRECTORS' INTERESTS *cont'd*

By virtue of their interests in the shares of the Company, Dato' Noor Azman @ Noor Hizam B Mohd Nurdin, Norazmi bin Mohamed Nurdin and Dato' Hazli bin Ibrahim are also deemed to have interest in the shares of the subsidiaries during the financial year to the extent that Lebtech Berhad has an interest.

Other than disclosed above, none of the other Directors in office at 31 December 2025 had any interest and deemed interest in the ordinary shares of the Company or of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Group and the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in the Note 17 to the financial statements or the fixed salary of a full time employee of the Company) 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 except as disclosed in Note 17 to the financial statements.

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

DIRECTORS' REMUNERATION

The amounts of remuneration of the Directors of the Group and the Company comprising remuneration received or receivable from the Group and the Company during the year are disclosed in the Note 17 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

No indemnities have been given or insurance premiums paid, during or since end of the year, for any person who is or has been the Directors and officers of the Group and the Company.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for expected credit losses and satisfied themselves that there are no known bad debts and that adequate allowance had been made for expected credit losses; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) its necessary to write off any bad debts or the amount of the allowance for expected credit losses in the financial statements of the Group and the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and the Company misleading.

DIRECTORS' REPORT

cont'd

OTHER STATUTORY INFORMATION *cont'd*

- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group and the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
 - (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and the Company to meet their obligations as and when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

AUDITORS

The auditors, Messrs. Jamal, Amin & Partners have indicated their willingness to accept the re-appointment in accordance with section 267 (4) of the Companies Act, 2016.

The details of auditors' remuneration are disclosed in Note 16 to the financial statements.

There were no indemnity given or insurance effected for the auditors of the Group and the Company during the financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 28 April 2026.

NORAZMI BIN MOHAMED NURDIN

Director

Kuala Lumpur

DATO' NOOR AZMAN @ NOOR NIZAM B MOHD NURDIN

Director

STATEMENTS BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, **NORAZMI BIN MOHAMED NURDIN** and **DATO' NOOR AZMAN @ NOOR HIZAM B MOHD NURDIN**, being two of the Directors of **LEBTECH BERHAD**, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016, in Malaysia so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2025 and of the changes in equity, the results and statement of cash flows of the Group and the Company for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated on 28 April 2026.

NORAZMI BIN MOHAMED NURDIN

Director

Kuala Lumpur

DATO' NOOR AZMAN @ NOOR HIZAM B MOHD NURDIN

Director

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **VEERAPPAN V. SENTHILNATHAN**, being the officer primarily responsible for the financial management of **LEBTECH BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared)
by the abovenamed at **Kuala Lumpur**)
in the state of **Federal Territory**)
on 28 April 2026.)

VEERAPPAN V. SENTHILNATHAN
(CA 28908)

Group Financial Controller

Before me,

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF LEBTECH BERHAD
(INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lebttech Berhad (“the Group and the Company”), which comprise the statements of financial position as at 31 December 2025 of the Group and 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 the Company for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on the pages 65 to 104.

In our opinion, the accompanying financial statements of the Group and the Company give a true and fair view of the financial position of the Group and the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants (“ByLaws”) 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 the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
1. Revenue and cost of sales recognition from construction contract In accordance with MFRS 15 Revenue from <i>Contracts with Customers</i>, the analysis of whether the contracts comprise one or more performance obligations, allocation of transaction prices to one or more performance obligations and the determination whether the performance obligations are satisfied over time or at a point in time are areas requiring significant management judgement. There is a risk of error in the measurement and timing of revenue recognition due to either inappropriate assessment of the performance obligations and/or inaccurate allocation of transaction price to various performance obligations.	• We have obtained and understanding on policies and procedures applied to revenue as well as compliance therewith, including analysis of the effectiveness of internal controls related to revenue recognition by the Group. • We read selected contracts entered with customers and sub-contractors to obtain an understanding on the terms of contracts. For subsequent variation in contract works and claims for cost not included in the initial contracts, we agreed the amounts to approved variation order forms and/or correspondences with the customers and sub-contractors. • We assessed the reasonableness of the estimated total costs by agreeing to supporting documentation, i.e. approved budgets, quotations, correspondences, letters of award and contracts with sub-contractors.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LEBTECH BERHAD
(INCORPORATED IN MALAYSIA)
cont'd

Key Audit Matters cont'd

Key audit matters	How our audit addressed the key audit matters
1. Revenue and cost of sales recognition from construction contract <i>cont'd</i> We identified the revenue and cost of sales from construction contract recognised on the stage of completion of the contract method or over time as matters requiring audit focus as these are areas involved significant management's judgement. Furthermore, significant judgements are required in estimating the cost to complete the performance obligation satisfied over time using the input method. The Group's accounting policies, significant accounting estimates and judgements and disclosures on revenue recognition based on stage of completion of the contracts method are disclosed in Note 2.18, 3.1 (iii) and 14 to the financial statements respectively.	• We examined a sample of actual costs incurred by agreeing to progress claims certificate from sub-contractors and invoices from suppliers. • We have discussed with management, key project team members and professionals employed by the Group to understand the overall progress claims and physical progress of the construction and corroborate with the stage of completion computed based on extent of costs incurred. • We recomputed the revenue recognised during the reporting period using the input method by reference to the percentage of the costs incurred over estimated total costs of selected contracts project. • We reviewed the adequacy of the disclosures included in the notes to the financial statements.
2. Recoverability of amount due from related parties As at 31 December 2025, the net carrying value of amount due from related parties of the Group amounted to RM69,109,169, as discussed in Note 7 to the financial statements. During the current financial year, the allowance for expected credit losses on trade receivables recognised is amounting to RM60,549. As a results, as at 31 December 2025, the accumulated allowance for expected credit losses on trade receivables amounted to RM7,796,813. The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the Group contractual entitlement to a debt, the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. The recoverability of receivables from related parties, allowance for expected credit losses are considered to be a significant risk due to the pervasive nature of these balances to the financial statements and affect the working capital management of the business. We focused our testing of the impairment and recoverability of trade receivables on the key assumptions made by the management.	• We have an understanding of the Group's internal control over the receivables approval and collection process. We assessed the validity of material long outstanding receivables by obtaining third parties confirmation. • We have reviewed and verified the collections received during the reporting period and subsequent to the reporting period to bank records. • We have assessed the adequacy of impairment assessment performed by management on overdue receivables. For a balance where no allowance for impairment was made, we obtained evidence in the form of subsequent receipts, historical payment trends, customer's financial position and customer's correspondences. • We tested the adequacy of the allowance of expected credit losses made by management through challenging the relevant assumptions and data applied in making the estimates. • We verified receipts from trade receivables subsequent to year-end; and • We assessed the completeness and accuracy of disclosures.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LEBTECH BERHAD
(INCORPORATED IN MALAYSIA)
cont'd

Key Audit Matters *cont'd*

Key audit matters	How our audit addressed the key audit matters
2. Recoverability of amount due from related parties <i>cont'd</i> Refer to Note 2.10 on Group's accounting policies, Note 3.1 (iv) on significant accounting estimates and judgements and disclosures in Note 7, 21 (c) and 23 to the financial statements.	We have reviewed the adequacy of the policy disclosed to determine the accounting estimates for the impairment of receivables as disclosed in Note 3.1(iv).
3. Impairment of financial asset on trade and other receivables Under MFRS 9, the Group is required to apply an expected credit loss (ECL) model to measure impairment of trade and other receivables. This represents a significant change from the previous incurred loss model, as recognition of credit losses is now required regardless of whether a credit event has occurred. The determination of ECL involves significant management judgment in assessing historical credit loss experience, forward-looking information, and the credit risk of individual customers. As at the reporting date, the Group is also required to update its assumptions to reflect current and forecasted economic conditions. Given the complexity of the ECL model, the level of estimation involved, and the significance of the balances of trade and other receivables to the financial statements, we considered this a key audit matter. Refer to Note 2.9, 3.1 (iv), 7 and Note 21 (c).	- We reviewed the Group's trade and other receivables schedule and the impairment assessment prepared by management. - We evaluated the reasonableness of the methods, key assumptions, and judgments applied by management in estimating expected credit losses in accordance with MFRS 9. - We checked outstanding invoices and verified subsequent collections up to the date of our audit procedures to assess the recoverability of balances. - We performed tests on the accuracy and completeness of the data used by management in their impairment assessment. - We verified the movement of receivables throughout the year and identified the length of time the entities have remained in the receivables ledger. - We assessed management's recoverability plans for significant trade and other receivables, including long-outstanding balances.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Group and the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Group and the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Annual Report 2025, which is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements of the Group and the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement of the Group and the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate action.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LEBTECH BERHAD
(INCORPORATED IN MALAYSIA)
cont'd

Directors' Responsibilities for the Audit of the Financial Statements

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and 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.

Auditors' Responsibilities for the Audit of the 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 the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and 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 and 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 the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LEBTECH BERHAD

(INCORPORATED IN MALAYSIA)

cont'd

Auditors' Responsibilities for the Audit of the Financial Statements *cont'd*

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 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 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 report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

This report is made solely to the members of the Group and 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.

JAMAL, AMIN & PARTNERS

(No : AF 1067)

Chartered Accountants

MOHD FIRDAUS BIN NASIR

(No : 3843/07/2026(J))

Chartered Accountant

Dated: 28 April 2026

Kuala Lumpur

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		Group		Company	
		2025	2024	2025	2024
Note		RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	2,159,757	2,262,745	-	-
Investment properties	5	33,882,831	31,380,680	-	-
Investment in subsidiaries	6	-	-	87,640,002	87,640,002
Total non-current assets		36,042,588	33,643,425	87,640,002	87,640,002
Current assets					
Trade and other receivables	7	80,803,160	48,915,025	-	-
Amount due from contract customers	8	39,787,259	67,012,479	-	-
Fixed deposit with licensed banks	9	-	7,000,000	-	-
Cash and bank balances	10	1,653,193	3,206,350	4,291	13,351
Total current assets		122,243,612	126,133,854	4,291	13,351
TOTAL ASSETS		158,286,200	159,777,279	87,644,293	87,653,353
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	11	78,719,784	78,719,784	78,719,784	78,719,784
Retained earnings/(Accumulated losses)	12	38,815,008	38,242,151	(5,202,533)	(4,826,718)
		117,534,792	116,961,935	73,517,251	73,893,066
Non-controlling interest		(490,672)	(35,389)	-	-
TOTAL EQUITY		117,044,120	116,926,546	73,517,251	73,893,066
Current liabilities					
Trade and other payables	13	40,520,810	42,420,596	14,127,042	13,760,287
Provision for taxation		721,270	430,137	-	-
TOTAL LIABILITIES		41,242,080	42,850,733	14,127,042	13,760,287
TOTAL EQUITY AND LIABILITIES		158,286,200	159,777,279	87,644,293	87,653,353

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	14	17,431,515	15,528,810	-	-
Cost of sales	15	(13,324,510)	(11,749,650)	-	-
Gross profit		4,107,005	3,779,160	-	-
Other income		1,142,229	790,490	-	-
Administrative expenses		(4,653,902)	(4,206,416)	(375,815)	(386,413)
Profit/(loss) before taxation	16	595,332	363,234	(375,815)	(386,413)
Taxation	18	(477,758)	(338,832)	-	(22)
Profit/(loss) for the year, representing total comprehensive income/(loss) for the financial year		117,574	24,402	(375,815)	(386,435)
Attributable to:					
Equity holders of the Company		572,857	281,122	(375,815)	(386,435)
Non-controlling interest		(455,283)	(256,720)	-	-
		117,574	24,402	(375,815)	(386,435)
Basic earning per ordinary share attributable to equity holders of the Company (cent)	19	0.09	0.02		

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

Group

	Note	Non-distributable share capital RM	Distributable retained earnings RM	Equity attributable to equity holders of the Company RM	Non- controlling interest RM	Total Equity RM
2025						
At 1 January 2025		78,719,784	38,242,151	116,961,935	(35,389)	116,926,546
Total comprehensive income for the year		-	572,857	572,857	(455,283)	117,574
At 31 December 2025		78,719,784	38,815,008	117,534,792	(490,672)	117,044,120
2024						
At 1 January 2024		78,719,784	37,961,029	116,680,813	221,331	116,902,144
Total comprehensive income for the year		-	281,122	281,122	(256,720)	24,402
Balance as at 31 December 2024		78,719,784	38,242,151	116,961,935	(35,389)	116,926,546

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

Company

	Non- distributable share capital RM	Distributable accumulated losses RM	Equity attributable to equity holders of the Company RM
2025			
At 1 January 2025	78,719,784	(4,826,718)	73,893,066
Total comprehensive loss for the year	-	(375,815)	(375,815)
At 31 December 2025	78,719,784	(5,202,533)	73,517,251
2024			
At 1 January 2024	78,719,784	(4,440,283)	74,279,501
Total comprehensive loss for the year	-	(386,435)	(386,435)
At 31 December 2024	78,719,784	(4,826,718)	73,893,066

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash flows from operating activities				
Profit/(loss) before taxation	595,332	363,234	(375,815)	(386,413)
Adjustments for :				
Expected credit losses on:				
- Trade receivables	60,549	50,000	-	-
Depreciation of property, plant and equipment	148,947	102,378	-	-
Interest income	(53,108)	(32,903)	-	-
Operating profit/(loss) before changes in working capital	751,720	482,709	(375,815)	(386,413)
(Increase)/Decrease in trade and other receivables	(31,948,684)	15,241,463	366,755	11,443
(Decrease)/Increase in trade and other payables	(1,899,786)	(7,887,199)	-	13,083,957
Increase in amount due from contract customers	27,225,220	-	-	-
Cash generated from/(used in) operating activities	(5,871,530)	7,836,973	(9,060)	12,708,987
Tax paid	(186,625)	(139,584)	-	(22)
Net cash (used in) / generated from operating activities	(6,058,155)	7,697,389	(9,060)	12,708,965
Cash flows from investing activities				
Acquisition of property, plant and equipment	(45,959)	(147,054)	-	-
Interest received	53,108	32,903	-	-
Investment in subsidiary	-	-	-	(12,700,000)
Investment In properties	(2,502,151)	-	-	-
Disposal of investment properties	-	1,450,000	-	-
Net cash (used in) / generated from investing activities	(2,495,002)	1,335,849	-	(12,700,000)
Cash flow from financing activity				
Placement in pledged deposits	-	(7,000,000)	-	-
Withdrawal of pledged deposits	7,000,000	-	-	-
Net cash generated from / (used in) financing activity	7,000,000	(7,000,000)	-	-
Net (decrease) / increase in cash and cash equivalents	(1,553,157)	2,033,238	(9,060)	8,965
Cash and cash equivalents at beginning of the year	3,206,350	1,173,112	13,351	4,386
Cash and cash equivalents at end of the year	1,653,193	3,206,350	4,291	13,351

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

1. CORPORATE INFORMATION

Lebtech 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 registered office and principal place of business is located at No.2, Jalan Tengku Ampuan Zabedah J9/J, Seksyen 9, 40000 Shah Alam, Selangor Darul Ehsan.

The Company is principally engaged in investment holding whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There has been no significant changes in the nature of these activities during the financial year.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

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

The financial statements have been prepared under the historical cost convention except as disclosed in the respective material accounting policy information.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies.

These financial statements are presented in Ringgit Malaysia (RM).

For the financial year ended 31 December 2025, the Group derived 5.56% of its revenue from related parties and at the statement of financial position date, 85.52% of the Group's trade and other receivables are due from related parties.

The Group will continue to pursue government/government linked companies ("GLC") tender in infrastructure projects. Furthermore, we will explore on the possibility of private finance initiative projects in 2026. The Group will move forward with future projects with third party mainly on housing development projects.

The Group and the Company are aware of the new tariffs in the global market and has proactively taken precautionary measures to navigate this challenging environment and ensure business sustainability.

2.2 Changes in accounting policies arising from adoption of new MFRS, amendments to MFRS and IC Interpretations

The accounting policies adopted are consistent with those of the previous financial year except as follows:

The Group and the Company adopted the following new and amended MFRS and Interpretations Committee ("IC") Interpretations mandatory for annual financial periods beginning on or after 1 January 2025.

Descriptions	Effective for annual periods beginning on or after
MFRS 121 Lack of Exchangeability (Amendments to MFRS 121)	1 January 2025

The adoption of the above standards did not have any material impact on the Group's and the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025
cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description		Effective for annual periods beginning on or after
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Amendments to MFRS 1)	1 January 2026
MFRS 7	Financial Instruments Disclosures (Amendments to MFRS 7)	1 January 2026
MFRS 9 and MFRS 7	Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2026
MFRS 9	Financial Instruments Disclosures (Amendments to MFRS 9)	1 January 2026
MFRS 10	Consolidated Financial Statements (Amendments to MFRS 10)	1 January 2026
MFRS 107	Statement Cash Flows (Amendments to MFRS 107)	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements (Amendments to MFRS 18)	1 January 2026
MFRS 19	Subsidiaries without Public Accountability: Disclosures (Amendments to MFRS 19)	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027

The Directors expect that the adoption of the above standards and interpretations will have no material impact on the Group's and the Company's financial statement in the year of initial application.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.4 Basis of consolidation *cont'd*

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- (i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (ii) Potential voting rights held by the Company, other vote holders or other parties;
- (iii) Rights arising from other contractual arrangements; and
- (iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intragroup transactions are eliminated in full.

Profit or loss within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisition of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9, is measured at fair value with the changes in fair value recognised in profit or loss or changes to other comprehensive income in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.4 Basis of consolidation *cont'd*

Business combinations *cont'd*

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

Business combinations involving entities under common control are accounted for by applying the pooling-of-interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the acquired entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities had always been combined since the date the entities had come under common control. No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities. No additional goodwill is recognised as a result of the combination.

2.5 Subsidiaries

A subsidiary is an entity over which the Group has all the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.6 Transactions with non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial position, separately from parent shareholders' equity. Transactions with non-controlling interests are accounted for using the entity concept method, whereby, transactions with non-controlling interests are accounted for as transactions with owners. On acquisition of non-controlling interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

2.7 Property, plant and equipment

(i) Recognition and measurement

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

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour and, for qualifying assets, borrowing costs are capitalised in accordance with the Group's and the Company's accounting policy. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation and impairment

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives.

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

Items:	Useful lives (years)
Leasehold land and building	50 years
Motor vehicles	5 years
Plant and equipment	2.5 - 10 years
Fixtures and fittings	8 - 10 years
Renovation	5 years

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.7 Property, plant and equipment *cont'd*

(iii) Depreciation and impairment *cont'd*

Depreciation methods, useful lives and residual values are reassessed at each financial year-end and adjusted prospectively, if appropriate.

Freehold land is not depreciated.

The carrying value of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If such indication exists, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. Likewise, when the conditions for impairment no longer exist after considering indications from both external and internal sources, a write-back on the asset values will be performed. The impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to the revaluation surplus as stated in accounting policy Note 2.10.

(iv) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other expenses" respectively in the profit or loss.

2.8 Investment properties

Investment properties are properties which are owned to earn rental income or for capital appreciation or for both. These include land held for a currently undetermined future use. Properties that are occupied by the companies in the Group are accounted for as owner-occupied rather than as investment properties.

(i) Investment property carried at fair value

Investment properties which are owned are measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs. Right-of-use asset held under a lease contract that meets the definition of investment property is initially measured similarly as other right-of use assets.

Subsequently, investment properties are measured at fair value with any changes therein recognised in profit or loss for the period in which they arise. Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

The fair value of investment properties held by the Group as a right-of-use asset reflects the expected cash flows. Accordingly, where valuation obtained for a property is net of all payments expected to be made, the Group added back any recognised lease liability to arrive at the carrying amount of the investment property using the fair value model.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the item is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.9 Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial statements.

(i) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables of the Group and the Company do not contain a significant financing component and therefore are measured at the transaction price determined under MFRS 15 Revenue from Contracts with Customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains or losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains or losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.9 Financial assets *cont'd*

(ii) Subsequent measurement *cont'd*

Financial assets at fair value through OCI (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains or losses are recognised in statements of comprehensive income when the asset is derecognised, modified or impaired.

The Group and the Company's financial assets at amortised cost include trade and other receivables and cash and bank balances.

The Group and the Company measure debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statements of comprehensive income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group and the Company have no financial assets at fair value through OCI (debt instruments) at the reporting date.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group and the Company can elect to classify irrevocably their equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains or losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statements of comprehensive income when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and the Company have no financial assets at fair value through OCI (equity instruments) at the reporting date.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.9 Financial assets *cont'd*

(ii) Subsequent measurement *cont'd*

Financial assets at fair value through profit or loss *cont'd*

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in statements of comprehensive income.

This category includes derivative instruments and listed equity investments which the Group and the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statements of comprehensive income when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in statements of comprehensive income. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

(iii) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either the Group and the Company have transferred substantially all the risks and rewards of the asset, or the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.10 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group and the Company may consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three (3) months or less.

Cash and cash equivalents (other than bank overdrafts) are categorised and measured as loans and receivables in accordance with policy Note 2.9.

2.12 Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial statements.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group and the Company's financial liabilities include trade and other payables and loan and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.12 Financial liabilities

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group and the Company that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statements of comprehensive income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

Amortised costs

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in statements of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method ("EIR") amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statements of comprehensive income.

This category generally applies to interest-bearing loans and borrowings.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statements of comprehensive income.

2.13 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.14 Contract assets

A contract asset is the right of the Group and the Company to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Group and the Company has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is presented as the excess of cumulative revenue earned or recognised in comprehensive income over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance of MFRS 9: Financial Instruments.

2.15 Impairment of non-financial assets

(i) Other assets

The carrying amounts of other assets (except for assets arising from construction contract and deferred tax asset) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

Impairment losses are recognised in the comprehensive income. Impairment losses recognised in respect of cash generating unit are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of other assets in the units (group of units) on a prorata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.16 Employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group and the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group and the Company's contributions to statutory pension funds are charged to profit or loss in the year to which they relate. Once the contributions have been paid, the Group and the Company has no further payment obligations.

2.17 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as financing cost.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where the Group and the Company enter into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Group and the Company consider these to be insurance arrangements, and accounts for them as such. In this respect, the Group and the Company treat the guarantee contract as a contingent liability until such time as it becomes probable that the Group and the Company will be required to make a payment under the guarantee.

2.18 Revenue recognition

(i) Revenue from construction contracts

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Revenue from contract with customers may includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, revenue and expenses are recognised in statement of comprehensive income in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. When the outcome of a revenue from contract customers cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.18 Revenue recognition *cont'd*

The revenue recognition of other classes of revenue that are not within the scope of MFRS 15 are set out below:

(ii) Rental income

Rental income from investment property is recognised in statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(iii) Interest income

Interest income is recognised on accrual basis, using the effective interest method in statement of comprehensive income.

2.19 Income tax

(i) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.19 Income tax *cont'd*

(ii) Deferred tax *cont'd*

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.20 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

2.21 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

2.22 Share capital

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost incurred directly attributable to the issuance of shares are accounted for as a deduction from share premium. Otherwise they are charged to profit or loss. Dividends to shareholders are recognised in equity in the period in which they are declared and approved.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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2. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

2.23 Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the respected amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Key sources of estimation uncertainty

(i) Useful lives of property, plant and equipment

The estimated for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The carrying amount of the Group's and the Company's property, plant and equipment at the reporting date is disclosed in Note 4.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS *cont'd*

3.1 Key sources of estimation uncertainty *cont'd*

(ii) Taxation

There are certain transactions computations for which the ultimate tax determination may be different from the initial estimate. The Group recognised tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's and the Company's taxation at the reporting date is disclosed in Note 18.

(iii) Measurement of progress when revenue is recognised over time

For those contracts involving the system application and development revenue and engineering works that meet the over time criteria of revenue recognition, the Group's performance is measured using an input method, by reference to the inputs towards satisfying the performance obligation relative to the total expected inputs to satisfy the performance obligation. The Group generally uses the costs incurred method as a measure of progress for its contracts because it best depicts the Group's performance. Under this method of measuring progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. When costs are incurred, but do not contribute to the progress in satisfying the performance obligation (such as unexpected amounts of wasted materials, labour or other resources), the Group excludes the effect of those costs. Also, the Group adjusts the input method for any cost incurred that are not proportionate to the Group's progress in satisfying the performance obligation.

The carrying amounts of amounts due from contract customers and revenue recognised over time of the Group are disclosed in Note 8 and 14 respectively.

(iv) Impairment of loans and receivables

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group and the Company consider factors such as the Group and the Company's contractual entitlement to a debt, the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. The carrying amount of the Group's and the Company's trade and other receivables at the reporting date is disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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4. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold land and building RM	Motor vehicles RM	Plant and equipment RM	Fixtures and fittings RM	Renovation RM	Total RM
2025						
Cost						
At 1 January 2025	3,566,004	2,214,439	1,358,775	236,228	48,733	7,424,179
Additions	-	-	44,651	1,308	-	45,959
At 31 December 2025	3,566,004	2,214,439	1,403,426	237,536	48,733	7,470,138
Accumulated depreciation						
At 1 January 2025	1,497,722	2,214,419	1,178,960	221,600	48,733	5,161,434
Charge for the year	71,320	-	76,057	1,570	-	148,947
At 31 December 2025	1,569,042	2,214,419	1,255,017	223,170	48,733	5,310,381
Net carrying amounts						
At 1 January 2025	2,068,282	20	179,815	14,628	-	2,262,745
At 31 December 2025	1,996,962	20	148,409	14,366	-	2,159,757
2024						
Cost						
At 1 January 2024	3,566,004	2,214,439	1,224,321	223,628	48,733	7,277,125
Additions	-	-	134,454	12,600	-	147,054
At 31 December 2024	3,566,004	2,214,439	1,358,775	236,228	48,733	7,424,179
Accumulated depreciation						
At 1 January 2024	1,426,402	2,214,419	1,148,463	221,039	48,733	5,059,056
Charge for the year	71,320	-	30,497	561	-	102,378
At 31 December 2024	1,497,722	2,214,419	1,178,960	221,600	48,733	5,161,434
Net carrying amounts						
At 1 January 2024	2,139,602	20	75,858	2,589	-	2,218,069
At 31 December 2024	2,068,282	20	179,815	14,628	-	2,262,745

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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5. INVESTMENT PROPERTIES

Group	2025	2024
Cost	RM	RM
At 1 January	31,380,680	32,830,680
Addition of investment properties	2,502,151	-
Disposal of investment properties	-	(1,450,000)
At 31 December	33,882,831	31,380,680
Net carrying amounts		
At 31 December	33,882,831	31,380,680

Investment properties are located in Malaysia and comprise:

Property	Title	Approximate net lettable area
i) Lot 9024, Lot 9026 & Lot 9028 At Jalan Mahang 1, Taman Meru Utama, Klang	Freehold	Land – 468 sq meter Building – 1,809 sq meter
ii) No 2 & No 44 At Jalan Gunung Nuang U11/31, Bukit Bandaraya, Shah Alam	Leasehold	Land - 3,562 sq feet Building - 1,890 sq feet
iii) No 41 At Jalan Gunung Nuang U11/26, Bukit Bandaraya, Shah Alam	Leasehold	Land - 1,399 sq feet Building - 1,822 sq feet
iv) No 6, No 8 & No 10 At Jalan Gunung Tahan U11/10A, Bukit Bandaraya, Shah Alam	Leasehold	Land - 3,196 sq feet Building - 2,648 sq feet
v) No 3 At Jalan Gunung Tahan U11/10C, Bukit Bandaraya, Shah Alam	Leasehold	Land - 10,050 sq feet Building - 3,505 sq feet
vi) No 4 At Jalan Gunung Tahan U11/10C, Bukit Bandaraya, Shah Alam	Leasehold	Land - 3,196 sq feet Building - 2,648 sq feet
vii) No 12, No 14, No 16 & No 17 At Jalan Gunung Tahan U11/10A, Bukit Bandaraya, Shah Alam	Leasehold	Land - 3,196 sq feet Building - 2,648 sq feet
viii) No 19 At Jalan Gunung Tahan U11/10A, Bukit Bandaraya, Shah Alam	Leasehold	Land - 7,467 sq feet Building - 2,648 sq feet
ix) No 20 At Jalan Gunung Tahan U11/10A, Bukit Bandaraya, Shah Alam	Leasehold	Land - 10,502 sq feet Building - 2,648 sq feet

NOTES TO THE FINANCIAL STATEMENTS

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5. INVESTMENT PROPERTIES *cont'd*

Investment properties are located in Malaysia and comprise: *cont'd*

Property	Title	Approximate net lettable area
x) No 6 At Jalan Gunung Tahan U11/10C, Bukit Bandaraya, Shah Alam	Leasehold	Land - 3,196 sq feet Building - 2,648 sq feet
xi) No 35, No 41 & No 43 At Jalan Akuatik 13/77J D'Kayangan, Seksyen 13 Shah Alam	Leasehold	Land - 2,240 sq feet Building - 3,085 sq feet
xii) No 1 At Jalan Akuatik 13/77J D'Kayangan, Seksyen 13 Shah Alam	Leasehold	Land - 5,541 sq feet Building - 3,270 sq feet
xiii) No 1 Jalan DD 3A/10 Taman Dato Demang Seri Kembangan	Leasehold	Land - 2,604 sq feet Building - 2,185 sq feet
xiii) No 21 Jalan DD 3A/11 Taman Dato Demang Seri Kembangan	Leasehold	Land - 3,346 sq feet Building - 2,185 sq feet

The following amounts have been recognised in profit or loss:

	Group	
	2025	2024
	RM	RM
Rental income	770,020	585,320
Direct operating expenses arising from investment properties that generate rental income	(43,171)	(44,943)

The fair value of investment properties is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location category of property being valued. The valuation company provides the fair value of the Group's investment property portfolio every year. Changes in Level 3 fair values are analysed by the management every year after obtaining valuation report from the valuation company.

6. INVESTMENT IN SUBSIDIARIES

	Company	
	2025	2024
	RM	RM
At cost		
Unquoted shares, at cost	87,840,002	87,840,002
Less: Accumulated impairment losses	(200,000)	(200,000)
	87,640,002	87,640,002

NOTES TO THE FINANCIAL STATEMENTS

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6. INVESTMENT IN SUBSIDIARIES *cont'd*

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2025 %	2024 %
Lebtech Construction Sdn. Bhd.	Malaysia	Civil and building construction	100	100
Lebtech Energy Sdn. Bhd.	Malaysia	Information technology and system solutions	55	55
Paksi Aman Sdn. Bhd.	Malaysia	Dormant	100	100

7. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Trade					
Third parties		5,557,667	4,727,425	-	-
Amount due from related parties	a	76,905,982	47,602,402	-	-
		82,463,649	52,329,827	-	-
Less: Expected credit losses (Note 21 (c))		(7,796,813)	(7,736,264)	-	-
		74,666,836	44,593,563	-	-
Non-Trade					
Other receivables		591,064	508,863	-	-
Deposits		574,011	254,980	-	-
Prepayments		19,553	19,552	-	-
Amount due from affiliated companies	b	4,951,696	3,538,067	-	-
		6,136,324	4,321,462	-	-
		80,803,160	48,915,025	-	-

Trade receivables of the Group are 92.55% (2024: 89.39%) derived from the projects being awarded by Basco Sdn. Bhd. ("Basco") as well as Lebar Daun Development Sdn. Bhd. ("LDD") to the Group.

The Group credit policy provides trade receivables with credit period of up to 60 days (2024: 60 days). Significant credit and recovery risks associated with receivable have been provided for in the financial statement.

The ageing of receivables as at the end of the reporting period is disclosed in Note 21 (c).

NOTES TO THE FINANCIAL STATEMENTS

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7. TRADE AND OTHER RECEIVABLES *cont'd*

- a) Amount due from related parties

The trade amounts due from related parties are mainly derived from issuance of progress billings. The amounts are unsecured and subject to the normal trade terms. Included in progress billings receivables as at 31 December 2025 are retention sums of 20,656,354 (2024: RM20,656,354) relating to amount due from contract customers.

- b) Amount due from subsidiaries/affiliated companies

The non-trade amount due from subsidiaries and affiliated companies are unsecured, interest-free and repayable on demand.

8. AMOUNT DUE FROM CONTRACT CUSTOMERS

	Note	Group		Company	
		2025	2024	2025	2024
		RM	RM	RM	RM
Trade					
Amount due from contract customers	a	39,787,259	67,012,479	-	-

- a) Amount due from contract customers

The amounts represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts. The amounts are transferred to receivables when the rights to economic benefits become unconditional.

	Group	
	2025 RM	2024 RM
Aggregate costs incurred to date	50,905,470	770,145,743
Add: Attributable profits	8,778,220	99,595,969
	59,683,690	869,741,712
Less: Progress billings	(19,896,431)	(802,729,233)
	39,787,259	67,012,479

9. FIXED DEPOSITS WITH LICENSED BANKS

Fixed deposits with licensed banks of the Group bear effective interest rates of 2.55% (2024: 3.55%) per annum as at the financial year with maturity of 365 days (2024: 365 days).

NOTES TO THE FINANCIAL STATEMENTS

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10. CASH AND BANK BALANCES

The Group's cash management policy is to use cash and bank balances to manage cash flows to ensure sufficient liquidity to meet the Group's obligations.

11. SHARE CAPITAL

	Group and the Company			
	2025	2024	2025	2024
	Unit	Unit	RM	RM
Issued and fully paid:				
At 1 January/At 31 December	136,483,676	136,483,676	78,719,784	78,719,784

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

12. RETAINED EARNINGS/(ACCUMULATED LOSSES)

The retained earnings may be distributed as dividend under the single tier system.

13. TRADE AND OTHER PAYABLES

		Group		Company	
		2025	2024	2025	2024
	Note	RM	RM	RM	RM
Trade					
Trade payables	a	38,086,256	39,623,706	-	-
Non-trade					
Other payables		1,885,284	1,881,817	767,789	690,289
Accruals		180,000	180,000	40,000	40,000
Amount due to affiliated companies		369,270	735,073	13,319,253	13,029,998
		2,434,554	2,796,890	14,127,042	13,760,287
		40,520,810	42,420,596	14,127,042	13,760,287

a) Trade payables

- The normal trade terms granted to the Group range from 30 days to 90 days (2024: 30 days to 90 days).
- Included in the trade payables are retention sums amount totalling RM15,233,411 (2024: RM14,578,713).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

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14. REVENUE

	Group	
	2025	2024
	RM	RM
Construction related activities	17,431,515	15,528,810
Timing of revenue recognition		
- Services transferred over time	17,431,515	15,528,810

a) Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have a duration of more than one year.

	Group		Total
	2026	2027	
	RM	RM	RM
Over time			
Revenue from construction contracts	20,500,000	26,000,000	46,500,000

b) Nature of services

Timing of recognition or method used to recognised revenue	Significant payment terms	Warranty
Revenue is recognised over time using the cost incurred method	Based on agreed milestone certified by Architects, Engineers	Defect liability period 2 years

15. COST OF SALES

	Group	
	2025	2024
	RM	RM
Construction contract costs	13,324,510	11,749,650

NOTES TO THE FINANCIAL STATEMENTS

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16. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation has been determined after charging/(crediting) the following items:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Auditors' remuneration				
- Statutory audit	180,000	186,000	40,000	46,000
Depreciation of:				
- Property, plant and equipment	148,947	102,378	-	-
Interest income	(53,108)	(32,903)	-	-
Rental income from:				
- Property leases	(185,220)	(185,220)	-	-
- Equipment leases	(48,960)	(48,960)	-	-
- Residential houses	(584,800)	(400,100)	-	-
Expected credit losses on trade receivables	60,549	50,000	-	-
Writeback old project cost	117,009	-	-	-
Employees' information:				
Salaries and allowances	2,361,949	2,055,725	-	-
Contribution to:				
- Employee Provident Fund ("EPF")	264,620	247,612	-	-
- Social Security contributions ("SOC SO")	35,144	30,253	-	-
Other benefits	28,996	25,028	-	-
	2,690,709	2,358,618	-	-

17. KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Directors' remuneration	431,500	451,500	227,500	247,500

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2025	2024
Non-executive Directors		
RM0 to RM50,000	7	8

NOTES TO THE FINANCIAL STATEMENTS

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18. TAXATION

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Malaysian income tax expense				
Malaysian				
- Current year	477,758	338,832	-	22
- Under / (Over) provision of tax in prior year	-	-	-	-
	477,758	338,832	-	22
Total tax expense	477,758	338,832	-	22

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and the Company are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit/(Loss) before taxation	595,332	363,234	(375,815)	(386,413)
Taxation at Malaysian statutory tax rate of 24% (2024: 24%)	142,880	87,176	(90,196)	(92,739)
Expenses not deductible for tax purposes	334,878	251,656	90,196	92,761
	477,758	338,832	-	22

Subject to the agreement by Inland Revenue Board, has against future taxable profit for a maximum period of ten (10) years of assessment as follows:

Deferred tax assets of the Company have not been recognised in respect of the following items:

	2025	2024
	RM	RM
Other temporary differences	7,140,858	-

NOTES TO THE FINANCIAL STATEMENTS

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19. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 December 2025 and 31 December 2024 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shareholders outstanding, calculated as follows:

	Group	
	2025	2024
	RM	RM
Profit attributable to ordinary shareholders	117,574	24,402

	Group	
	2025	2024
	Unit	Unit
Weighted average number of ordinary shares at 1 January/31 December	136,483,676	136,483,676

	Group	
	2025	2024
	RM	RM
Basic earnings per ordinary shares (sen)	0.09	0.02

20. SEGMENTAL REPORTING

Segmental reporting is not presented as the Group is principally engaged in civil and building construction works which are substantially within a single business segment and this is consistent with the current practice of internal reporting. The Group operates primarily in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

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21. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 December 2025 measured as amortised cost ("AC") and fair value through profit or loss designated upon initial recognition (FVTPL – DUIR). The details are as follows:

Group	Carrying amount RM	AC RM
2025		
Financial assets		
Trade and other receivables	80,803,160	80,803,160
Financial liabilities		
Trade and other payables	40,520,810	40,520,810
2024		
Financial assets		
Trade and other receivables	48,915,025	48,915,025
Financial liabilities		
Trade and other payables	42,420,596	42,420,596
Company		
2025		
Financial assets		
Trade and other receivables	-	-
Financial liabilities		
Trade and other payables	14,127,042	14,127,042
2024		
Financial assets		
Trade and other receivables	-	-
Financial liabilities		
Trade and other payables	13,760,287	13,760,287

NOTES TO THE FINANCIAL STATEMENTS

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21. FINANCIAL INSTRUMENTS *cont'd*

(a) Categories of financial instruments *cont'd*

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

- (i) Loans and receivables (L&R); and
- (ii) Other liabilities (OL)

Group	Carrying amount RM	L & R RM	OL RM
2025			
Financial assets			
Trade and other receivables	80,803,160	80,803,160	-
Financial liabilities			
Trade and other payables	40,520,810	-	40,520,810
2024			
Financial assets			
Trade and other receivables	48,915,025	48,915,025	-
Financial liabilities			
Trade and other payables	42,420,596	-	42,420,596
Company	Carrying amount RM	L & R RM	OL RM
2025			
Financial assets			
Trade and other receivables	-	-	-
Financial liabilities			
Trade and other payables	14,127,042	-	14,127,042
2024			
Financial assets			
Trade and other receivables	-	-	-
Financial liabilities			
Trade and other payables	13,760,287	-	13,760,287

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

(b) Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

(c) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers.

Receivables

Risk management objectives, policies and processes for managing the risk.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Exposure to credit risk, credit quality and collateral

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

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due, which are deemed to have higher credit risk, are monitored individually.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

(c) Credit risk *cont'd*

Expected credit losses cont'd

The ageing of receivables of the Group as at the end of the reporting date was:

	Gross RM	Collective Expected Credit Losses RM	Net RM
2025			
Not past due	-	-	-
Past due 61-90 days	-	-	-
Past due 91-180 days	16,667,835	-	16,667,835
Past due 181-364 days	-	-	-
Past due more than 365 days	65,795,814	(7,796,813)	57,999,001
	82,463,649	(7,796,813)	74,666,836
2024			
Not past due	-	-	-
Past due 61-90 days	-	-	-
Past due 91-180 days	1,508,480	-	1,508,480
Past due 181-364 days	-	-	-
Past due more than 365 days	50,821,347	(7,736,264)	43,085,083
	52,329,827	(7,736,264)	44,593,563

The movements in the allowance for expected credit losses of trade receivables for the Group during the year were:

	2025 RM	2024 RM
At 1 January	7,736,264	7,686,264
Charge for the year	60,549	50,000
At 31 December	7,796,813	7,736,264

The allowance account in respect of receivables is used to record expected credit losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Concentration risk

A significant portion of the Group's trade receivables arises from transactions with related companies, which contributed only 5.56% of the total net revenue for the current financial year. Additionally, these two largest customers accounted for 85.52% of the accounts receivables as of 31 December 2025 (2024: 89.39%).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

(d) 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.

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

Maturity analysis

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

	Carrying amount RM	Contractual cash flows RM	Under 1 year RM
2025			
Financial liabilities			
Trade and other payables	40,520,810	40,520,810	40,520,810
2024			
Financial liabilities			
Trade and other payables	42,420,596	42,420,596	42,420,596

(e) Market risk

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

Interest rate risk

The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investment on equity securities and short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk.

In managing the risks, the Group maintains a balanced portfolio of fixed and floating rate instruments. All interest rate expenses are monitored and managed proactively by the management.

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(f) Fair value information

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

The Directors believe that there is no significant difference between the fair value and the carrying amount of the financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

21. FINANCIAL INSTRUMENTS *cont'd*

(f) Fair value information *cont'd*

(i) 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.

There were no transfers between levels during current and previous financial year.

(ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(iii) 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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Non-derivative financial instruments

Fair value which is determined for disclosure purposes, is calculated based on the present value of the future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

(iv) Level 3 fair value

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

The fair value of finance lease liabilities is calculated using discounted cash flows where the market rate of interest is determined by reference to similar lease arrangements.

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

	Fair value of financial instruments not carried at fair value	
	Level 3	Carrying amount
	RM	RM
2025		
Financial liabilities		
Trade and other payables	40,520,810	40,520,810
2024		
Financial liabilities		
Trade and other payables	42,420,596	42,420,596

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

22. RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company either directly or indirectly. The key management personnel include all the directors of the Company.

The Company has related party transactions with the following companies, which are deemed related to the directors as follows:

- i) Lebar Daun Development Sdn. Bhd. in which the directors of the Company are common directors; and
- ii) Basco Sdn. Bhd. is deemed related to all the directors of the Company.

The Group has a related party relationship as follows:

	Transaction value for the year ended 31 December		Balance outstanding as at 31 December	
	2025	2024	2025	2024
	RM	RM	RM	RM
Revenue	968,748	130,955	69,109,169	41,608,537
Rental income	234,180	234,180	-	-
Expected credit loss recognised for the year	(60,549)	(50,000)	-	-

All outstanding balances with these related parties are to be settled in cash and repayable upon demand. None of the balances are secured.

23. 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 Group monitors capital using a gearing ratio, which is the net debt divided by total equity plus net debt. The Group includes within its net debt, term loan, payables, less cash and bank balances and short term deposits. Capital of the Group represents total equity.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

cont'd

23. CAPITAL MANAGEMENT
cont'd

The debt to equity ratio as at 31 December 2025 and 31 December 2024 are as follows:

	Note	2025 RM	2024 RM
Cash and bank balances	10	(1,653,193)	(3,206,350)
Total equity		117,044,120	116,926,546
Equity and net debt		115,390,927	113,720,196
Gearing ratio		-	-

24. SUBSEQUENT EVENTS

Subsequent to the financial year ended 31 December 2025, Lebtech Construction Sdn. Bhd. (“LCSB”), a wholly-owned subsidiary of the Company, is evaluating feasible proposed settlement options to amounts owing by Lebar Daun Development Sdn. Bhd. (“LDD”) and Basco Sdn. Bhd. (“Basco”).

25. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements have been authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on

ADDITIONAL COMPLIANCE INFORMATION

Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the following additional information is provided: -

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals during the financial year.

2. SHARE BUYBACKS

The Company did not have a share buyback program in place during the financial year.

3. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

The Company did not issue any options, warrants or convertible securities during the financial year.

4. DEPOSITORY RECEIPT PROGRAM

The Company did not sponsor any Depository Receipt program during the financial year.

5. IMPOSITION OF SANCTIONS/PENALTIES

There were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management by the relevant regulatory bodies during the financial year.

6. AUDIT AND NON-AUDIT FEES

A breakdown of fees for statutory audit and non-audit services incurred by Lebtech Berhad and on a group basis for the financial year ended 31 December 2025 is set out on page 90 of the Financial Statements.

7. VARIATION IN RESULTS

The Company did not issue any profit estimates, forecasts or projections for the financial year and there was no material variance between the audited results for the financial year and the unaudited results previously announced.

8. PROFIT GUARANTEES

There were no profit guarantees given by the Company during the financial year.

9. MATERIAL CONTRACTS

There were no material contracts entered into by the Group involving the interests of Directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2025 or entered into since the end of the previous financial year.

ADDITIONAL COMPLIANCE INFORMATION

cont'd

10. RELATED PARTY TRANSACTIONS (RPTS)

An internal compliance framework exists to ensure that Lebttech Berhad meets its obligations under Bursa Malaysia Securities Berhad MAIN Market Listing Requirements and other applicable guidelines/standards in connection with related party transactions.

Details of RPTs entered into by Lebttech Berhad Group are as set out in Note 22 on page 99 of the Financial Statements.

11. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

		Group	
		2025	2024
Total Income	Remarks	(RM)	(RM)
Revenue		17,431,515	15,528,810
Other Income		985,989	757,587
Total		18,417,504	16,286,397
Total Assets		158,286,200	159,777,279

(b) Business Activities

		Group	
		2025	2024
Shariah Non-Compliant Activities	Remarks	(RM)	(RM)
Interest income	Fixed Deposit	156,240	32,903
Total		156,240	32,903

(c) Component of Financial Position

		Group	
		2025	2024
Islamic Account/Instruments	Remarks	(RM)	(RM)
Cash at bank		955	1,000
Total		955	1,000
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)	Current Account	1,650,232	3,193,344
Deposits with licensed bank	Fixed Deposit	-	7,000,000
Total		1,650,232	10,193,344

ANALYSIS OF SHAREHOLDINGS

AS AT 24 APRIL 2026

Class of Securities	:	Ordinary Shares
Issued and Paid-up Share Capital	:	RM 107.822 million with total number of paid-up capital 136.483 million ordinary shares.
Voting Rights	:	One vote per ordinary shares
Number of Shareholders	:	2,342

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 to 99	1,393	59.479	28,112	0.020
100 to 1,000	838	35.781	137,325	0.101
1,001 to 10,000	55	2.349	192,455	0.141
10,001 to 100,000	25	1.068	995,679	0.730
100,001 to 6,824,183 ^(*)	29	1.238	56,313,104	41.260
6,824,184 and above ^(**)	2	0.085	78,817,000	57.748
TOTAL	2,342	100	136,483,675	100

Remark : * Less than 5% of issued shares

** 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS

No.	Name of Director	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1.	Dato' Ahmad Rizal Bin Abdul Rahman	-	-	-	-
2.	Dato' Hazli Bin Ibrahim	554,400	0.406	-	-
3.	Dato' Noor Azman @ Noor Hizam B Mohd Nurdin	-	-	44,243,000	32.416
4.	Faiz Zuhdi Adri Bin Roslan	-	-	-	-
5.	Norazmi Bin Mohamed Nurdin	-	-	2,016,000	1.477

ANALYSIS OF SHAREHOLDINGS

AS AT 24 APRIL 2026

cont'd

SHAREHOLDERS WITH HOLDING OF 5% AND ABOVE

No.	Name of Shareholders	No. of Shares	%
1.	Muhammad Bin Noor Azman @ Noor Hizam	39,574,000	28.995
2.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB For Noor Azman @ Noor Hizam B Mohd Nurdin (PB)</i>	39,243,000	28.753

LIST OF THIRTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1.	Muhammad Bin Noor Azman @ Noor Hizam	39,574,000	28.995
2.	CIMSEC Nominees (Tempatan) Sdn Bhd <i>CIMB For Noor Azman @ Noor Hizam B Mohd Nurdin (PB)</i>	39,243,000	28.753
3.	Shah Rudin Bin Mohammed Miskun	6,500,004	4.762
4.	Mohd Nasir Bin Mohd Miskun	5,800,000	4.250
5.	Mustafa Bin Mohammed Miskun	5,800,000	4.250
6.	Nor Lia Binti Johan	5,300,000	3.883
7.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Noor Azman @ Noor Hizam B Mohd Nurdin (8037673)</i>	5,000,000	3.663
8.	Anuar Bin Abd Malik	4,500,000	3.297
9.	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt An for OCBC Securities Private Limited (Client A/C-NR)</i>	3,665,700	2.686
10.	Mustapah Bin Mohamed	3,168,600	2.322
11.	Perbadanan Setiausaha Kerajaan Selangor	2,819,800	2.066
12.	CGS International Nominees Malaysia (Asing) Sdn. Bhd. <i>Exempt An for CGS International Securities Singapore Pte. Ltd. (Retail Clients)</i>	2,387,900	1.750
13.	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt An for Bank of Singapore Limited (Foreign)</i>	1,943,600	1.424
14.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Norazmi Bin Mohamed Nurdin (8038654)</i>	1,800,000	1.319
15.	Syariman Bin Hamzah	1,406,400	1.030
16.	Abu Sujak Bin Mahmud	1,174,600	0.861
17.	MHD Omar Bin Abdul Hamid	854,600	0.626
18.	RHB Nominees (Tempatan) Sdn Bhd <i>RHB Islamic International Asset Management Berhad for Perbadanan Kemajuan Negeri Selangor (C)</i>	854,300	0.626
19.	Hazli Bin Ibrahim	499,400	0.366
20.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Mohd Johar Bin Ismail</i>	484,900	0.355
21.	Jamil Bin Saimon	406,400	0.298

ANALYSIS OF SHAREHOLDINGS

AS AT 24 APRIL 2025
cont'd

LIST OF THIRTY LARGEST SHAREHOLDERS *cont'd*

No.	Name of Shareholders	No. of Shares	%
22.	Ikmal Bin Ibrahim	391,000	0.286
23.	Lai Thiam Poh	286,300	0.210
24.	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Noorazhar Bin Mohamed Nurdin (CEB)</i>	254,800	0.187
25.	Ambank (M) Berhad <i>Pledged Securities Account for Norazmi Bin Mohamed Nurdin (SMART)</i>	216,000	0.158
26.	Faizal Bin Abdullah	186,700	0.137
27.	Cherry Vista Sdn Bhd	157,000	0.115
28.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Exempt An for CIMB Bank Bhd (ESOS Legacy)</i>	140,000	0.103
29.	RHB Capital Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for AB Ghaus Bin Ismail (551010)</i>	105,900	0.078
30.	Anuar Bin Abd Malik	105,400	0.077
TOTAL		135,026,304	98.915

LIST OF PROPERTIES

AS OF 31 DECEMBER 2025

Location	Tenure	Description/ Existing Use	Approximate Age of Buildings (Years)	Land Area/ Built-up Area (Sq. m.)	Net Book Value at 31.12.2025 (RM'000)	Date of Acquisition
No. 2, Jalan Tengku Ampuan Zabedah J9/J, Section 9, 40000 Shah Alam, Selangor Darul Ehsan	99 years leasehold, expiring on 20/12/2100	3½ Storey Corner Shop/Office Building	15	254/935	1,551	14/10/2002
No. 4, Jalan Tengku Ampuan Zabedah J9/J, Section 9, 40000 Shah Alam, Selangor Darul Ehsan	99 years leasehold, expiring on 20/12/2100	3½ Storey Intermediate Shop/Office Building	15	153/599	1,159	14/10/2002
Lot 9024, Jalan Mahang Satu, Taman Meru Utama, 41050 Klang, Selangor Darul Ehsan	Freehold	4 Storey (end lot) Shop Office	24	156/603	155	09/12/1996
Lot 9026, Jalan Mahang Satu, Taman Meru Utama, 41050 Klang, Selangor Darul Ehsan	Freehold	4 Storey Intermediate Shop Office	24	156/603	155	09/12/1996
Lot 9028, Jalan Mahang Satu, Taman Meru Utama, 41050 Klang, Selangor Darul Ehsan	Freehold	4 Storey Intermediate Shop Office	24	156/603	155	09/12/1996

Note: - The above properties were registered under the name of Lebtech Construction Sdn. Bhd., a wholly owned subsidiary of the Company.

NOTICE OF 24TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Four Annual General Meeting of Lebtech Berhad will be conducted at Grand Patio, Level 2, Concorde Hotel Shah Alam, No.3, Jalan Tengku Ampuan Zabedah C9/C, 40100 Shah Alam, Selangor Darul Ehsan on Wednesday, 3 June 2026 at 11.00 a.m. for the following purposes: -

AGENDA

As Ordinary Business

- | | |
|--|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. | (Please refer to
Explanatory Note A) |
| 2. To approve the payment of Directors' fees and meeting allowances for the financial year ended 31 December 2025. | (Resolution 1) |
| 3. To approve the payment of Directors' fees and meeting allowances to the Directors for the period from 1 January 2026 until 30 May 2027. | (Resolution 2) |
| 4. To re-elect Dato' Ahmad Rizal Bin Abdul Rahman who retires by rotation in accordance with Article 88 of the Company's Constitution and being eligible, offer himself for re-election. | (Resolution 3) |
| 5. To re-elect Faiz Zuhdi Adri Bin Roslan who retires by rotation in accordance with Article 88 of the Company's Constitution and being eligible, offer himself for re-election. | (Resolution 4) |
| 6. To re-elect Dato' Azmi Bin Mohd Ali who is retiring in accordance with Article 91 of the Company's Constitution and, being eligible, have offered himself for re-election. | (Resolution 5) |
| 7. To re-elect Karen Yap Pik Li who is retiring in accordance with Article 91 of the Company's Constitution and, being eligible, have offered herself for re-election. | (Resolution 6) |
| 8. To re-appoint Messrs Jamal, Amin & Partners (JAP) as Auditors of the Company and to authorise the Directors to fix their remuneration. | (Resolution 7) |

NOTICE OF 24TH ANNUAL GENERAL MEETING

cont'd

9. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"THAT subject to the Companies Act, 2016 ("Act"), the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiary to enter into recurrent related party transactions of a revenue or trading nature with the related parties ("Recurrent Related Party Transactions") as set out in Section 2.3 of the Company's Circular to Shareholders dated 30 April 2025, subject further to the following:-

- (i) the Recurrent Related Party Transactions are entered into in the ordinary course of business on terms not more favourable to the related parties than those generally available to the public, and the Recurrent Related Party Transactions are undertaken on arm's length basis and are not to the detriment of the minority shareholders of the Company.
- (ii) the disclosure is made in the Annual Report of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the shareholders' mandate during the financial year, amongst others, based on the following information:-
 - (a) the type of Recurrent Related Party Transactions made; and
 - (b) the names of the related parties involved in each type of Recurrent Related Party Transactions made and their relationship with the Company.
- (iii) the shareholders' mandate is subject to annual renewal and this shareholders' mandate shall only continue to be in full force until: -
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which this shareholders' mandate will lapse, unless by a resolution passed at the said AGM, such authority is renewed.
 - (b) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Recurrent Related Party Transactions contemplated and/or authorised by this Ordinary Resolution."

- 10. To transact any other ordinary business of the Company of which due notice shall have been given in accordance with the Company's Articles of Association and the Act.

By Order of the Board

NOR HISYAM BIN AHMAD FODZI
(LS 0009957) SSM PC No: 202308000682
Group Company Secretary

Shah Alam
30th April 2026

NOTICE OF 24TH ANNUAL GENERAL MEETING

cont'd

Notes:

- A. *This item in the agenda is meant for discussion only as under the provisions of Section 248(2) of the Companies Act, 2016 and Company's Constitution, the audited financial statements do not require the formal approval of the shareholders. As such, this matter will not be put forward for voting.*
1. *A proxy may but need not be a member of the Company.*
2. *To be valid this form duly completed must be deposited at the registered office of the Company at Wisma Lebar Daun, No. 2, Jalan Tengku Ampuan Zabedah J9/J, Seksyen 9, 40000 Shah Alam, Selangor Darul Ehsan not later than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.*
3. *A member shall be entitled to appoint not more than two (2) proxies to vote at the meeting.*
4. *Where a member appoints two (2) proxies the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.*
5. *Where a member is an authorised nominee as defined under the securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*
6. *If the appointer is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.*

Explanatory Note on Special Business

7. **Resolution 4 - Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed ordinary resolution under item 6, if passed, will allow the Company and/or its subsidiary to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are in the ordinary course of business and on terms that are not more favorable to the related parties than those generally available to the public. This would avoid any delay and cost involved in convening separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur. This authority, unless revoked or varied by the Company at a General Meeting, will expire at the conclusion of the next Annual General Meeting of the Company or will subsist until the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, there is no individual standing for election as a Director, save for Directors who are standing for re-election.

FORM OF PROXY



I/We _____ NRIC No./Company No. _____

of _____

being a member/members of **LEBTECH BERHAD**, hereby appoint _____

of _____

or _____

of _____

or failing him/her, the Chairman of the Meeting, as my/our proxy, to vote for me/us and on my/our behalf at the 24th Annual General Meeting of Lebttech Berhad to be held at Grand Patio, Level 2, Concorde Hotel Shah Alam, No.3, Jalan Tengku Ampuan Zabedah C9/C, 40100 Shah Alam, Selangor Darul Ehsan on Wednesday 3 June 2026 at 11.00 a.m. and at any adjournment thereof, for/against the resolution(s) to be proposed thereat.

Please indicate with an "X" in the appropriate box provided how you wish your vote to be cast. Unless voting instructions are specified herein, the proxy will vote or abstain from voting as he thinks fit.

Resolution	For	Against
No. 1 To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon.		
No. 2 To approve the payment of Directors' fees and meeting allowances for the financial year ended 31 December 2025. (Resolution 1).		
No. 3 To approve the payment of Directors' fees and meeting allowances to the Directors for the period from 1 January 2026 until 30 May 2027. (Resolution 2)		
No. 4 To re-elect Dato' Ahmad Rizal Bin Abdul Rahman who retires by rotation in accordance with Article 88 of the Company's Constitution and being eligible, offer himself for re-election. (Resolution 3)		
No. 5 To re-elect Faiz Zuhdi Adri Bin Roslan who retires by rotation in accordance with Article 88 of the Company's Constitution and being eligible, offer himself for re-election. (Resolution 4)		
No. 6 To re-elect Dato' Azmi Bin Mohd Ali who is retiring in accordance with Article 91 of the Company's Constitution and, being eligible, have offered himself for re-election.		
No. 7 To re-elect Karen Yap Pik Li who is retiring in accordance with Article 91 of the Company's Constitution and, being eligible, have offered herself for re-election.		
No. 8 To re-appoint Messrs Jamal, Amin & Partners (JAP) as Auditors of the Company and to authorise the Directors to fix their remuneration.		

As witness my/our hand this _____ day of _____ 2026

No. of shares held: _____

CDS Account No. _____

Signature/Common Seal

Notes:-

1. A proxy may but need not be a member of the Company.
2. To be valid this form duly completed must be deposited at the registered office of the Company at Wisma Lebar Daun, No. 2, Jalan Tengku Ampuan Zabedah J9/J, Seksyen 9, 40000 Shah Alam, Selangor Darul Ehsan not later than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.
3. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting.
4. Where a member appoints two (2) proxies the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
5. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. If the appointer is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.

Fold This Flap For Sealing

Then Fold Here

AFFIX
STAMP

Group Company Secretary

LEBTECH BERHAD 200201023282 (590945-H)

Wisma Lebar Daun
No. 2, Jalan Tengku Ampuan
Zabedah J9/J
Seksyen 9, 40000 Shah Alam
Selangor Darul Ehsan

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