



T7 GLOBAL BERHAD

Registration No. 200401023809 (662315-U)

Making a
DIFFERENCE



ENVIRONMENTAL STABILITY



PEOPLE FIRST



VALUE CREATION

ANNUAL REPORT 2023

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VISION

To be a trusted partner which make a difference on the global stage.

WHO WE ARE

T7 Global Berhad (known as “**T7 Global**” or “**The Group**”) is a public listed company listed on the Main Market of Bursa Malaysia Securities Berhad since 2005. The company has roots in the oil and gas business since 1990 and is well known as an integrated energy solutions provider. The Group’s experience in complex projects and innovative solutions proved to be invaluable in the increasingly challenging landscape.

With decades of industry experience, this allows the Group to expand its footprint into the international markets and T7 Global has grown to become a trusted brand. The Group continues to expand business expertise and diversify into different portfolios such as aerospace and construction through strategic acquisitions and smart partnerships.

T7 Global Berhad focuses on making a difference in the industries we serve. As a leading solutions provider in Asia, we offer support to industry leaders and organisations around the world.

MISSION & *Philosophy*

To support the different industries we serve by becoming the preferred integrated service provider through continuous innovation, smart partnerships and value creation.



CORPORATE INFORMATION

BOARD OF DIRECTORS

**Tan Sri Datuk Seri Dr. Nik Norzrul Thani
Bin N. Hassan Thani**
Acting Executive Chairman

Tan Sri Datuk Seri Tan Kean Soon, J.P.
Executive Deputy Chairman

Tan Sam Eng
Independent Non-Executive Director

Tan Kay Vin
Executive Director

**Admiral Tan Sri Dato' Seri Panglima Ahmad
Kamarulzaman Bin Hj Ahmad Badaruddin (R)**
Independent Non-Executive Director

CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd
Independent Non-Executive Director

Tan Sri Dato' Sri Koh Kin Lip, J.P.
Independent Non-Executive Director

Datuk Seri Rahim Bin Ismail
Independent Non-Executive Director

COMPANY SECRETARIES

Chua Siew Chuan
(MAICSA 0777689)
(SSM PC NO. 201908002648)

Tan Loo Ee
(MAICSA 7063694)
(SSM PC NO. 201908002686)

REGISTERED OFFICE

Level 7, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara, Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel : 03-2084 9000
Fax : 03-2094 9940
Email : info@sshbsb.com.my

HEAD / MANAGEMENT OFFICE

C-16-01, Level 16, KL Trillion Corporate Tower,
338 Jalan Tun Razak,
50400 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel : 03-2785 7777
Fax : 03-2785 7778

AUDITORS / REPORTING ACCOUNTANTS

Grant Thornton Malaysia PLT
(Audit Firm No. 201906003682 & AF 0737)
Level 11, Sheraton Imperial Court,
Jalan Sultan Ismail,
50250 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel : 03-2692 4022
Fax : 03-2732 1010

PRINCIPAL BANKERS

**AI Rajhi Banking & Investment Corporation
(Malaysia) Berhad**
GF, Mezzanine & Basement, East Block,
Wisma Golden Eagle Realty 142-C Jln Ampang,
50450 Kuala Lumpur
Wilayah Persekutuan, Malaysia

Malayan Banking Berhad
No. 2 Wisma Prima Peninsular,
Jalan Setiawangsa II, Taman Setiawangsa,
54200 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

United Overseas Bank (Malaysia) Berhad
UOB Plaza 1 KL,
7, Jalan Raja Laut,
50350 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur,
Wilayah Persekutuan, Malaysia
Tel : 03-2783 9299
Fax : 03-2783 9222
Email : is.enquiry@my.tricorglobal.com
Website : www.tricorglobal.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK INFORMATION

Stock Name and Code:
T7GLOBAL (7228)

Warrant Name and Code:
T7GLOBAL-WC (7228WC)

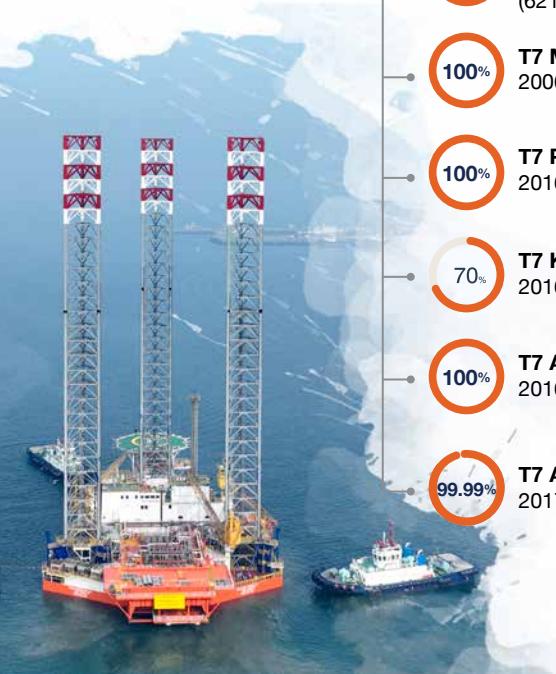
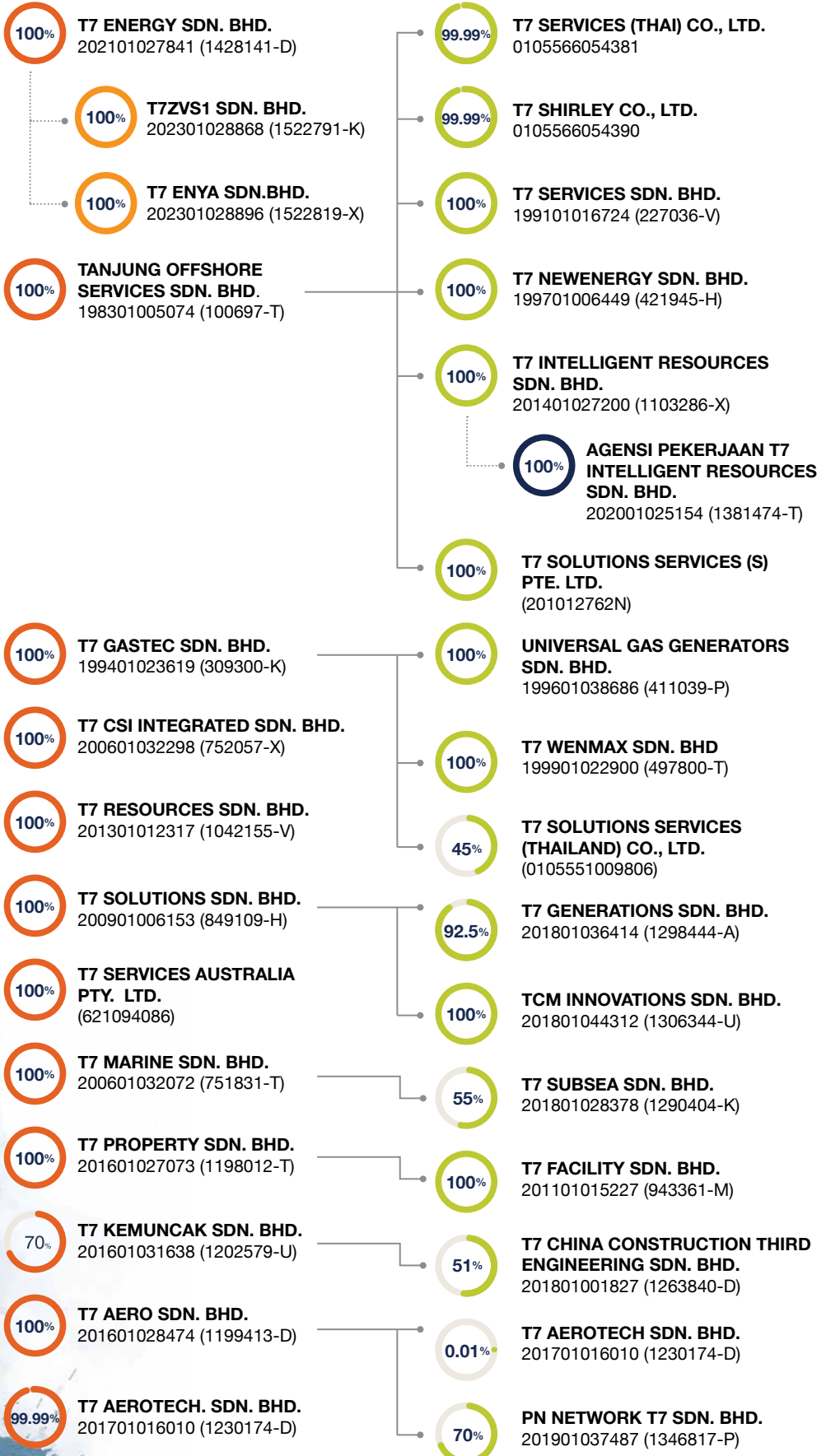
Bloomberg Ticker:
T7G:MK | 7228WC:MK



GROUP CORPORATE STRUCTURE



T7 GLOBAL BERHAD
Registration No. 200401023809 (662315-U)



WHAT WE DO

T7 Global Berhad (“T7 Global”) is an investment holding company with three principal businesses namely Energy, Aerospace & Defence and Construction.

ENERGY

- Engineering, Procurement, Construction (EPC)
- Operation and Maintenance (O&M)
- Offshore Construction Services (OCS)
- Integrated Well Services (IWS)
- Specialist Products and Technology (SPT)
- Recruitment and Manpower Services (RMS)

AEROSPACE & DEFENCE

- **Aerospace Metal Surface Treatment**
 - Surface Enhancement and Cleaning
 - Non-Destructive Testing (NDT)
 - Chemical Processing
 - Painting and Part-Marking
 - Laboratory Testing
- **Marine Services, Naval and Security Technology**
 - Integrated Bridge System (IBS) and Combat Management System (CMS)
 - Commercial and Naval Ship Maintenance

CONSTRUCTION

- Infrastructure and Building Construction
- Specialised Facility Construction

ENERGY

T7 Global's Energy Division (“**T7 Energy**”) is an integrated solution provider capable of serving across the energy value chain, in particular Upstream Oil & Gas business.

T7 Energy possess in-house capability and technology to engineer solutions that is fit-for-purpose for our customers.

Detailed description for Energy Division:-

Engineering, Procurement and Construction (EPC)

T7 Energy is in the EPC business of offshore oil & gas structures for complex greenfield and brownfield projects with vast experience beyond the turnkey EPC from design, construction, commissioning to operation and maintenance of the asset.

Notably, T7 Energy specializes in the mobile offshore facility such as the Mobile Offshore Production Unit (MOPU). In most cases, the MOPU is a Build-Own-Operate (BOO) concept, the MOPU will be leased to the customer and operated by T7 Energy. This present a plug & play solution which enable the commercial viability of marginal and/or remote fields.

Over the years, T7 Energy has delivered a variety of mobile offshore facility such as accommodation jack-up, early production facility, water injection facility, and gas compression MOPU.

Operation and Maintenance (O&M)

In the brownfield segment, T7 Energy possesses a reliable asset management solution which can be customised to align with the customer's operating philosophy. The objective is to help the customer to achieve an optimal operating efficiency along with a reduction in operating downtime and to maintain a safe working environment.

The O&M team's main activities consist of maintenance, construction and modification (MCM), offshore splash zone maintenance and brownfield hookup and commissioning (HUC).

T7 Energy recognizes the importance of brownfield rejuvenation as there are many matured assets in the region which require proper maintenance. Therefore, an integrated approach to facility operations and maintenance is crucial to ensure good production uptime.

Offshore Construction Services (OCS)

T7 Energy provides offshore construction services related to offshore transportation and installation of offshore structures. This includes activities such as offshore logistics, jacket and topside installation, underwater intervention works and offshore decommissioning.

The OCS team is well known for platform-based underwater intervention services via diving and remotely operated vehicle (ROV) solutions.



WHAT WE DO

Integrated Well Services (IWS)

T7 Energy possesses the right assets and expertise to execute integrated well services for well production enhancement and well abandonment activities. The scope ranges from well work-over, and well intervention to well plug and abandonment.

The IWS team collaborate with renowned well services companies to execute complex projects in a cost effective manner, while ensuring the optimisation of well performance. The team offers services across the decommissioning and abandonment value chain from concept study, and engineering to project execution.

Specialist Products and Technology (SPT)

T7 Energy offers a wide range of specialist products and technology across the oil and gas, oleo-chemical, marine, petrochemical and general industries. Exclusive partnerships with reputable technology companies enable T7 Energy to leverage on their knowledge and expertise to provide high-value integrated engineering solutions to our customers:-

- On-Site Gas Generation Package (available on BOT and BOO basis)
- Water Injection Module (available on BOT and BOO basis)
- Automation, ICSS, SIS and FGS Solution
- Integrated Metering Solution
- Lifecycle Services

In addition, T7 Energy offers a wide range of engineered products comprising:-

- Gas Processing Technology
- Rotating Equipment (API Compressors and Pumps)
- Field Instrument, Gauges, Valves and Fittings
- Flow Measurement Equipment
- Piping Valves (SBB, DBB, MonoFlange and Needles) and Subsea Valves
- Manual Valves (Ball, Gate, Globe, Check and Butterfly)
- Interlocking Devices and Power Tools
- Marine Hoses, Special Piping and Fittings
- Control and Automation Equipment

Recruitment and Manpower Services (RMS)

T7 Energy via T7 Intelligent Resources Sdn. Bhd. provides a full suite of skilled recruitment and manpower services to a variety of industries, upstream and downstream Oil & Gas, ICT, Renewable Energy, Rail and Infrastructure.

Since inception the RMS team has specialized in providing technical resources to our customers for various projects and development. Additionally, the team possess a strong track record in senior corporate hiring with a number of customers opting for the team's services time and again.

In the RMS business, it is the people that make the difference. The team's focus is to identify, attract and onboard the very best people for the customers and to provide the highest level of service.

AEROSPACE AND DEFENCE

In line with the Malaysia Aerospace Industry Blueprint 2030, we have established T7 AeroTech Sdn. Bhd. to pursue high-value manufacturing in the Aerospace industry. The team aims to become the preferred treatment house in the Southeast Asia region and to provide world-class services to the Aerospace industry and other related industries.

The team offers a wide range of special processes which comply with the highest standards and quality-related approvals (Nadcap & AS9100), along with approvals from prime customers and aerospace Original Equipment Manufacturers (OEMs). The list of special processes are as follows:-

- Surface Enhancement and Cleaning
- Chemical Processing
- Painting and Park Marking
- Non-Destructive Testing (NDT)
- Laboratory Testing

T7 Aero Sdn. Bhd. and T7 Marine Sdn. Bhd. are integrated engineering solutions providers primarily involved in the Aerospace and Defence Industry. Both have strategic partnerships with international OEMs to support the industry in terms of niche technology and digital solutions for the Malaysian armed forces and other government agencies. The team products and services include commercial and naval ships Maintenance, Repair and Overhaul (MRO), Integrated Vessel System for naval ships and Security Solutions.

CONSTRUCTION

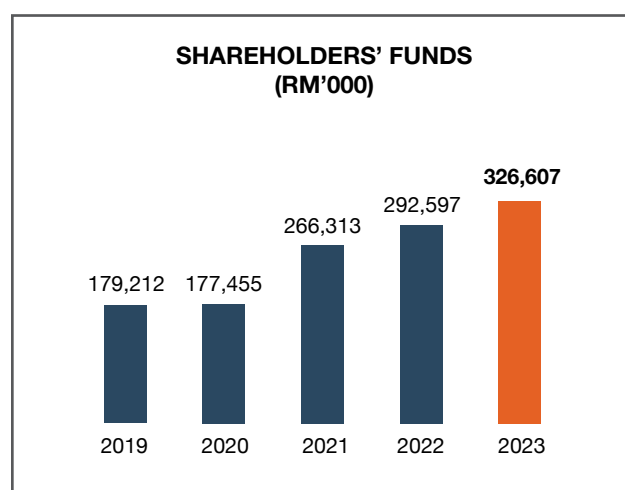
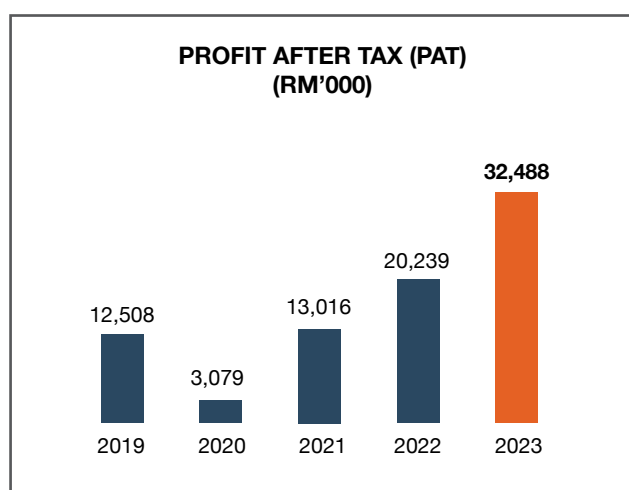
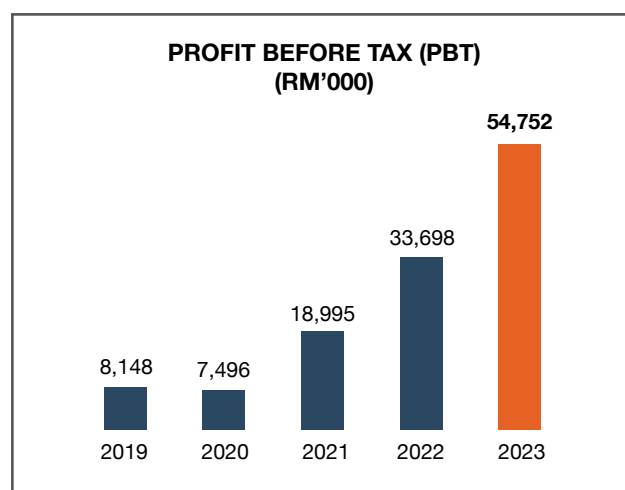
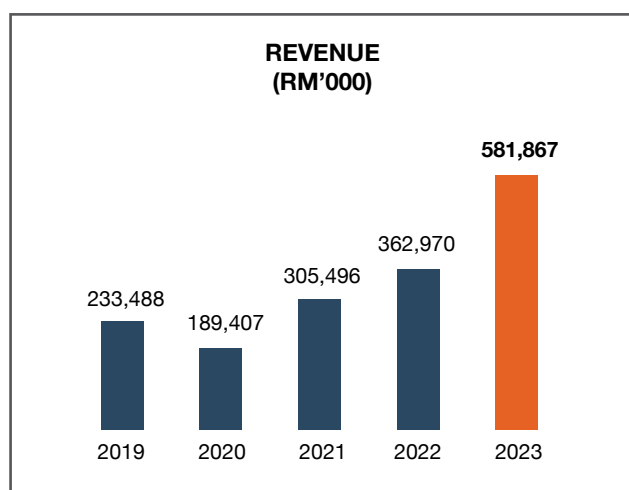
T7 Global's Construction Division ("T7 Construction") via T7 Kemuncak Sdn. Bhd. offers various general construction and infrastructure works. The entity is registered under category G7 with the Construction Industry Development Board (CIDB). The business objective is to develop sustainable construction opportunities with the local government and corporations.

T7 Construction focuses on infrastructure and building works, which entail the following:-

- Design, construction and completion of railway, water infrastructure, roads, bridges and other infrastructure construction;
- Construction of specialised buildings and facilities.

FIVE YEARS FINANCIAL HIGHLIGHTS

Financial Year(s) ended 31 December	2019 RM'000	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000
Revenue	233,488	189,407	305,496	362,970	581,867
Profit before Tax (PBT)	8,148	7,496	18,995	33,698	54,752
Profit after Tax (PAT)	12,508	3,079	13,016	20,239	32,488
PBT Margin (%)	3.5%	3.9%	6.2%	9.3%	9.4%
PAT Margin (%)	5.4%	1.6%	4.3%	5.6%	5.6%
Basic Earnings Per Share (Sen)	1.68	1.54	1.68	2.75	4.38





CHAIRMAN'S STATEMENT



Dear Esteemed Shareholders,

On behalf of the Board of Directors (“**Board**”), I am pleased to present to you the Annual Report and Audited Financial Statements of T7 Global Berhad (“**T7 Global**” or “**the Group**”) for the financial year ended 31 December 2023 (“**FYE 2023**”).

The global economy is in a state of expansion, driven by domestic demand amid robust labor market conditions. Although there are indications of recovery in the electrical and electronics (E&E) sector, global trade remains soft, partially due to the ongoing shift from goods to services in consumer spending and persistent trade restrictions. China’s economy shows signs of improvement, albeit with modest recovery due to weaknesses in the property market. Global headline and core inflation have slightly decreased in recent months but continue to exceed average levels. While most central banks have reached the peak of their tightening cycles, the monetary policy stance is likely to remain tight in the near term globally. The growth outlook faces downside risks, primarily from geopolitical tensions, unexpected inflation increases, and heightened volatility in global financial markets.

Regarding the Malaysian economy, the fourth-quarter advance estimates for GDP confirm that overall growth for 2023 aligned with expectations. Looking ahead, growth is anticipated to strengthen in 2024, supported by export recovery and resilient domestic expenditure. Ongoing employment and wage growth contribute to robust household spending, and improvements are expected in tourist arrivals and spending. Investment activity will benefit from the continued progress of multi-year projects in the private and public sectors, along with the implementation of catalytic initiatives under national master plans. However, downside risks to growth stem from weaker-than-expected external demand and significant declines in commodity production. Upside risks include increased spillover from the tech upcycle, stronger-than-expected tourism activity, and faster implementation of existing and new projects.

As anticipated, both headline and core inflation moderated in the fourth quarter, primarily due to lower cost pressures amid stabilizing demand conditions. Overall, both headline and core inflation for 2023 align with expectations, averaging 2.5% and 3.0%, respectively. In 2024, inflation is projected to remain moderate, reflecting stable cost and demand conditions. Risks to the inflation outlook are contingent on changes to domestic policies regarding subsidies and price controls, as well as global commodity prices and financial market developments. Notably, the government’s intention to review price controls and subsidies in 2024 will impact the inflation and demand outlook.

National energy company Petroliam Nasional Berhad (“**PETRONAS**”) announced that as we enter the year 2024, the energy sector has undergone swift changes amid the evolving energy landscape and the demand for cleaner energy solutions, all while managing the energy trilemma of security, affordability, and sustainability. This involves considering the collective impact of geopolitical conflicts, increasing living costs, and the climate crisis, which compounds the already uncertain economic environment.

CHAIRMAN'S STATEMENT

In August 2023, the government introduced the National Energy Transition Roadmap (NETR), establishing the foundation for Malaysia to progress in this transformative journey. The industry should align itself with the energy transition by embracing lower-carbon initiatives, pursuing zero emissions, and exploring renewable energy sources. Through collaborative experiences, insights, and knowledge across industries, we believe co-creation can elevate our capabilities and skills, opening up new frontiers for the Oil and Gas, Services and Equipment ("OGSE") industry.

In line with the above, the Board is committed to prioritizing safety as our foremost concern, taking precedence as we navigate challenges and propel progress.

Despite the above, T7 Global remains optimistic about surpassing FYE 2023's stellar performance, with a strategic focus on diversifying revenue streams beyond the energy division. Targeting opportunities in aerospace and infrastructure segments, the Group aims to secure additional projects to bolster FYE 2024 performance. Notably, T7 Global is poised to capitalize on O&G services from major clients such as Petronas and Hibiscus, aligning with projects conducive to the Group's expertise, thereby projecting a promising outlook for FYE 2024.

For the FYE 2023, the Group had showcased robust financial growth, with fiscal year ending 2023 saw even more impressive results, with full year revenue and profit after tax of RM581.9 million and RM32.5 million respectively, marking a historic high for T7 Global.

The Group has strong commitment to our businesses, improving our operating efficiencies across our portfolio, turning the Company around and delivering steady growth. We took appropriate and deliberate actions to drive performance. With a fair balance of strength and resilience, prudence and sound enterprise risk management, we continue to navigate our way through challenges and intensify progression of the Group's various businesses. It is the staunch faith and commitment that keep T7 Global going and progressing to where it is today.

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG)

As ESG is becoming increasingly important in today's operating landscape, T7 Global recognizes that contributions made through our ESG programs and initiatives have significant impacts on the environment and communities. The Group strives to sustain a balanced approach in fulfilling its key objectives of sustainable shareholder returns and caring for the environment and its people. For the year 2023, the Group committed noteworthy time and effort in ESG programs in order to offer meaningful contributions to various stakeholders.

As a responsible corporate citizen, we firmly believe in progressing with the society and embedding it as part of our DNA and corporate culture. In this regard, the Group had focused its resources in developing well plug and abandonment and facility decommissioning solutions for its clients.

APPRECIATION

On behalf of the Board, I would like to extend my deepest appreciation to the Directors, our management, employees and business associates for their staunch faith and commitment that have kept T7 Global going and progressing to where it is today.

I would also like to express my gratitude to our valued shareholders for their unwavering support. My heartiest appreciation to my fellow Directors, for their constant support and utmost contribution to the Group throughout the years which has enabled the Group to achieve strong performance in FYE 2023.

We remain focused in project execution and will continue to deliver higher shareholders' return in the year ahead.

Yours sincerely,

Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani
Acting Executive Chairman



MANAGEMENT DISCUSSION AND ANALYSIS' STATEMENT



To our valued shareholders,

T7 Global is a Malaysia-based leading integrated energy solutions provider in the oil and gas industry with strong and growing presence over Southeast Asia serving diverse range of customers that include multinational and national oil companies. Over the years, T7 Global has grown both organically and through strategic acquisitions, alliances with local and international renowned technology partners. T7 Global is committed to deliver sustainable long-term growth for our shareholders and becoming a net-zero carbon emissions upstream player by 2050.



INDUSTRY REVIEW

In conjunction with PETRONAS' ongoing effort to increase engagement with the OGSE sector, we are continuously upgrading our capabilities with technologies to offer the solutions needed to meet the world's growing demand for energy services.

In addition, as the industry is faced with greater demands for sustainable environmental solutions, we are pushing forward our IWS and Decommissioning solutions with cost competitiveness to ensure projects are feasible.

At the same time, PETRONAS is expected a steady outlook for the next three years covering drilling rigs, fixing structures (wellhead platform application and CPP applications), installation, and projects. A significant increase is expected for plug and abandon (P&A) activities in 2024 to honour commitment made by the regulator. Whilst a relatively robust and promising three-year outlook has been posted in the Outlook Report, the ever-changing market dynamics and operational demand continue to dictate the industry needs in the OGSE sector.

MANAGEMENT DISCUSSION AND ANALYSIS' STATEMENT

FINANCIAL PERFORMANCE

The Group delivered a record performance for the FYE 2023. Revenue increased by approximately 60% from RM363.0 million in FYE 2022 to RM581.9 million in FYE 2023, while profit after tax and minority interest increased by 61% from RM20.2 million to RM32.5 million. The increase was mainly due to the success of TSEVEN ELISE in achieving a good 6 months of operations from first gas in July 2023. The stabilized oil prices and aging offshore infrastructure also played a vital role in the increase of revenue. The management is confident in delivering a better financial performance for the year 2024 due to its resilient orderbook and the current favourable industry outlook.

As at 31 December 2023, T7 Global reported a healthy balance sheet with total assets of approximately RM1.4 billion and shareholders' equity of approximately RM325.3 million.

BUSINESS MILESTONES

During the FYE 2023, the Group has announced several significant contracts awarded and achievements:-

1. Successful commencement of gas production by the TSEVEN ELISE Mobile Offshore Production Unit (MOPU) for the Bayan Field.
2. Tenaga Nasional Berhad, for the supply and delivery of Smart Meters

ADAPTING TO NEW NORMS AND REMAIN AGILE DURING MARKET VOLATILITY

Over the last 5 years, the Board of Directors and management team have strategised the Group's business plans to align the corporate structure and enhance the operation's efficiency. We have taken initiatives to refine our internal operations to deliver long-term and sustainable growth. In line with these initiatives, we have our vision and business development to achieve our goals.

1. Cost Control Program

The Group has initiated a cost control exercise with the aim to transform the Group into a leaner organisation. We have reviewed all operating, administrative control, supply chain and management activities and their related cost across the Group. This is to ensure that we are able to control our operating costs during industry downturns. By implementing these strategies, we should be more competitive and be able to pass these benefits to our customers and ultimately improve earnings for the Group.

2. Risk Management Team

The Group has formed a risk management team comprising independent Directors and top management personnel. Proactively addressing the challenges and opportunities of our business will ensure that every aspect of our business and/or investment opportunities brought up by any stakeholders of the Group will be carefully assessed and assuring proper due diligences are carried out professionally.

The Group's most immediate concern was the health and welfare of the employees and stakeholders affected by COVID-19 which we will handle with utmost care and professionalism. Standard operating procedures and policies were put in place to ensure minimal interruption to operations.

In addition, the risk management team has paid attention towards the Group's financial risk and gearing levels since the commencement of the Bayan Mobile Offshore Production Unit project in FYE 2020. The risk management team has put in place measures and monitoring systems to ensure the project is delivered on time and with minimal cost variations.

Together with the ongoing initiatives and diversification of our business model, we are confident that T7 Global will be more competitive moving forward which will create sustainable long-term growth and value for our shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS' STATEMENT

RISK MANAGEMENT AND INTERNAL CONTROL

The overall risk management objective of T7 Global is to identify potential problems before they occur so that risk handling activities may be planned and invoked as needed across our business divisions. The Group seeks to minimize potential adverse effects on its financial performance through proper risk management planning and controls. Risk management is carried out through regular risk review analysis, internal control systems and adherence to Group's risk management policies. The Board of Directors of T7 Global regularly reviews these risks and approves the appropriate control environment frameworks.

Dependence on skilled professionals/engineers is one of the key risk factors. As an oil and gas services group in providing maintenance services to customers in oil and gas, we require certified, skilled, and experienced technical professionals to execute the projects and contracts awarded to our Group.

Due to supply and demand conditions and competition among other companies, the number of personnel with the relevant qualifications and experience in the industry may be limited. Our cost of operations may be higher if we are required to compete for such skilled and experience technical professionals. Nonetheless, in line with our continuous requirements for skilled-based human resources, we also provide technical training as part of our other products and services segment.

Legal risk is the risk of financial loss or damage to the Group's reputation arising from failure to comply with contractual terms or the Group's interest is not properly protected. The Group's Legal Department has assessed and identified the key terms and conditions of the existing major contracts for ongoing monitoring and management of the contracts by the respective business units.

The safety of people and assets is of utmost priority in the oil and gas industry and any adverse incident could result in significant financial loss and damage to the Group. T7 Global has established comprehensive safety policies and processes that clearly set out the safety measures which must be strictly adhered to by our employees and contractors. Periodic audits of our health and safety procedures and practices, drills, continuous health and safety meetings and reviews are conducted internally and externally.

We are mindful of risks that are inherent in the business environment. Hence, our focus is to mitigate these risk factors through best practices and good corporate governance.

DIVIDEND

During FYE 2023, the Group did not declare any dividend as the Group is conserving cashflow for expansion purposes.

BUSINESS OUTLOOK AND PROSPECTS

While the industry currently shows signs of a promising outlook, the Group is constantly mindful of all events such as micro and macro-economic factors and geopolitical risks which may impact us in any way and we will continue to strive to secure valuable opportunities on win-win terms for both the Group and our clients through entering into longer term contracts with reputable and financially sound clients.

For T7 Global, the Energy Division will remain as the Group's core business. The Group continues to pursue new works and to look for industry opportunities where we possess the relevant expertise and experience to venture into. We will utilise our existing technical expertise and track record to secure a diversified client base for the sustainability of our businesses.

As at 31 December 2023, T7 Global's order book stood at approximately RM2.0 billion, which provides a visibility of 10 years to the Group. T7 Global will continuously tender for more projects, both locally and overseas. We are optimistic that we will be able to replenish our order book and maintain the Group's growth momentum moving forward. Barring any unforeseen circumstances, the Group expects to grow its profitability for the forthcoming financial year 2023. The Group will focus on, amongst others, the completion of the Mobile Offshore Production Unit (MOPU) project for Busrakham G11 Limited, which is expected to be operational by 2024.

MANAGEMENT DISCUSSION AND ANALYSIS' STATEMENT

BUSINESS OUTLOOK AND PROSPECTS (CONT'D)

We have commenced our aerospace business in 2020, providing surface metal treatment services to serve the local and regional markets. Although the industry was hit hard by the COVID-19 pandemic in FYE 2020, we persevered and had obtain full certification for our metal surface treatment facility in Serendah. We are optimistic of the recovery journey ahead given the fully reopened global economies and positive outlook of the aerospace industry.

For the Infrastructure Construction Division, the Group clinched a 3-year baggage handling system (BHS) replacement program for KLIA Terminal 1 as part of a consortium with Siemens Logistics Pte. Ltd., the world's leading BHS solutions provider. This is our maiden project for the airport logistic industry and we will be lookout locally and in the region for similar projects.

Whilst aware of both challenges and opportunities going forward, we welcome 2024 with a clear business strategy, staying committed towards achieving our business objectives and delivering greater value to our shareholders. We continue to align our business strategies with our sustainability plans to continue to grow the business in the long term.

APPRECIATION

As we conclude the year 2023, I would like to convey my heartfelt appreciation to the management team and to my fellow board members for your utmost dedication to the Group through these difficult times. I sincerely express appreciation to all our employees for the dedication and commitment to the Group, all of you have played a pivotal role in the Group's continuous growth.

On behalf of the Board, I would also like to express our gratitude to our stakeholders, clients, partners and customers for your continuous support and loyalty to our group. To our shareholders who have supported us, they have further motivated us to strive for another year of positive performance to create sustainable and growing value for all our stakeholders.

Yours sincerely,

Tan Sri Datuk Seri Tan Kean Soon, J.P.
Executive Deputy Chairman





DIRECTORS' PROFILE



TAN SRI DATUK SERI DR. NIK NORZRUL THANI BIN N. HASSAN THANI

*Acting Executive Chairman
Member of Share Issuance Scheme Committee*

NATIONALITY | Malaysian **AGE** | 64 **GENDER** | Male

Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani (“Tan Sri Datuk Seri Dr. Nik”) holds a Ph.D. in Law from the School of Oriental and African Studies, University of London and a Masters in Law degree from Queen Mary College, University of London. He read law at the University of Buckingham, United Kingdom. Tan Sri Datuk Seri Dr. Nik also holds a Post-Graduate Diploma in Syariah Law and Practice (with Distinction) from the International Islamic University of Malaysia. He is a Barrister of Lincoln’s Inn and an Advocate and Solicitor of the High Court of Malaya. He was called to the Bar of England and Wales in 1985 and to the Malaysian Bar in 1986. He was a Visiting Fulbright Scholar, Harvard Law School from 1996 to 1997, Chevening Visiting Fellow at the Oxford Centre of Islamic Studies, Oxford University and was formerly the Acting Dean/Deputy Dean of the Faculty of Laws, International Islamic University Malaysia. He is also a Fellow of the Financial Services Institute of Australasia (FINSIA) and a member of Chartered Institute of Marketing (United Kingdom) and has also been admitted as a Practising Member of the Chartered Institute of Islamic Finance Professionals (CIIF).

Tan Sri Datuk Seri Dr. Nik serves in the following prominent associations/bodies/corporations:

- Chairman of Malaysia-Singapore Business Council (MSBC) (appointed by the Minister of International Trade & Industry)
- Non-Independent Non-Executive Chairman of Sime Darby Plantation Berhad
- Independent Non-Executive Chairman of Malaysian Rating Corporation Berhad
- Independent Non-Executive Director of Amanah Saham Nasional Berhad (ASNB)
- Independent Non-Executive Director of Cagamas Holdings Berhad
- Independent Director of MUFG Bank (Malaysia) Berhad
- Council Member of National Unity Advisory Council (appointed by the Prime Minister of Malaysia)

Tan Sri Datuk Seri Dr. Nik is practising with Malaysia’s largest law firm, Zaid Ibrahim & Co. (in association with KPMG Law). The firm is also a member of KPMG’s Global Legal Services network, spanning across 84 jurisdictions and comprise of 3,200 lawyers with deep expertise and experience to provide top quality legal advice as part of an integrated solution. Prior to joining Messrs Zaid Ibrahim & Co., he was practising with the international law firm, Messrs Baker & McKenzie.

Tan Sri Datuk Seri Dr. Nik was appointed to the Board of T7 Global Berhad on 23 March 2015.

DIRECTORS' PROFILE



TAN SRI DATUK SERI TAN KEAN SOON, J.P.

Executive Deputy Chairman

Member of Share Issuance Scheme Committee

NATIONALITY | Malaysian **AGE** | 60 **GENDER** | Male

Tan Sri Datuk Seri Tan Kean Soon, J.P. ("Tan Sri Tan") has more than 30 years of experience in leading various oil and gas upstream and downstream companies with a track record of outstanding performance in this highly competitive industry. Tan Sri Tan is the Chairman and Chief Executive Officer of CP Energy & Services Sdn. Bhd., a corporation founded by Tan Sri Tan in 1992. Under Tan Sri Tan's helm, the company grows steadily and has rapidly expanded its presence in the ASEAN region.

Tan Sri Tan also serves in the following prominent associations/bodies/corporations:-

- Life Honorary Advisor & Treasurer of Federation of Chinese Associations Malaysia (Huazong)
- Member of National Council for Occupational Safety & Health (NCOSH) / Majlis Negara bagi Keselamatan dan Kesihatan Pekerjaan (MNKKP)
 - Chairman of International Cooperation in NCOSH
- Director of Malaysia-China Business Council (MCBC)
 - Chairman of MCBC Sub-Committee on "Construction & Development"
- Member of Malaysia Singapore Business Council (MSBC)
- Exco Member of Malaysia Crime Prevention Foundation (MCPF) 2023-2026
- Ordinary Life Member of Malaysia Crime Prevention Foundation (MCPF)
- Member of The Malaysian Oil & Gas Services Council (MOGSC) and Malaysian Petroleum Club

Tan Sri Tan was appointed to the Board of Directors of T7 Global Berhad on 23 June 2014 and he is the father of Tan Kay Vin, an Executive Director of T7 Global Berhad and Tan Kay Zhuin, the Group Chief Executive Officer, as well as the brother of Datuk Tan Kean Seng, the Deputy Head of Energy Division, Tanjung Offshore Services Sdn. Bhd.



TAN SAM ENG

Independent Non-Executive Director

Chairperson of Audit and Risk Management Committee

Member of Remuneration Committee

NATIONALITY | Malaysian **AGE** | 72 **GENDER** | Female

Tan Sam Eng is a Chartered Accountant and a Chartered Secretary. She is a member of the Malaysian Institute of Accountants (MIA), a Fellow Member of the Association of Chartered Certified Accountants (ACCA), and also a Member of the Chartered Tax Institute of Malaysia (CTIM). She has more than 30 years of professional experience which involves in all aspects of financial practice such as auditing, taxation, corporate finance and advisory works. Her auditing experience covers practically the whole spectrum of Malaysian business environment including property development, engineering, communications, transportation, plantations, manufacturing and trading.

Tan Sam Eng does not have any directorships in other public companies and public listed companies.

She was appointed to the Board of T7 Global Berhad on 23 March 2015.



DIRECTORS' PROFILE



TAN KAY VIN

Executive Director

NATIONALITY | Malaysian **AGE** | 33 **GENDER** | Male

Tan Kay Vin ("Kay Vin") is currently heading the Aerospace and Defence division and the corporate affairs department of T7 Global Berhad Group. He joined T7 Global Berhad in 2015 as Manager of Group Corporate Finance and subsequently heading the Corporate Finance Department in 2017.

Kay Vin holds a Bachelor of Commerce, majors in actuarial science and finance from University of New South Wales, Sydney. Prior joining T7 Global Berhad, Kay Vin has various working experiences with financial institutions and insurance companies including Maybank Investment Berhad and Malayan Banking Berhad, Mitsui Sumitomo Insurance Group and PricewaterhouseCoopers Malaysia.

He is currently a Director of Malaysian Aerospace Industry Association.

Kay Vin was appointed to the Board of Directors of T7 Global Berhad on 5 March 2018. He is the son of Tan Sri Datuk Seri Tan Kean Soon, J.P, the Executive Deputy Chairman and the major shareholder of T7 Global Berhad, the brother of Mr. Tan Kay Zhuin, the Group Chief Executive Officer and nephew of Datuk Tan Kean Seng, the Deputy Head of Energy Division, Tanjung Offshore Services Sdn. Bhd.



ADMIRAL TAN SRI DATO' SERI PANGLIMA AHMAD KAMARULZAMAN BIN HJ AHMAD BADARUDDIN (R)

Independent Non-Executive Director

Chairman of Nomination Committee

Member of Audit and Risk Management Committee

NATIONALITY | Malaysian **AGE** | 65 **GENDER** | Male

Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R) is an alumni of the Harvard Business School having attended the Advanced Management Program (AMP) in Boston. He obtained his Master in Business Administration from the University of Strathclyde Business School, Scotland and Master of Arts in International Relations from the National University of Malaysia. He also completed the Executive Business Management Program at the Kenan-Flagler Business School, University of North Carolina. He is also a Distinguished Graduate in Political Warfare of the Fu Hshing Kang College, Republic of China as well as the US Naval War College, Newport, Rhode Island, United States of America. He has served the King and Country for 42 years and has held numerous positions in the Malaysian Armed Forces. He achieved the peak in his career when he assumed command of the Royal Malaysian Navy as Chief on 18 November 2015. He is the Chairman of Lagenda Properties Berhad and Director of TRC Synergy Berhad as well as other private companies.

He was appointed to the Board of Directors of T7 Global Berhad on 15 April 2019.

DIRECTORS' PROFILE



CP (R) DATO' SRI WAN AHMAD NAJMUDDIN BIN MOHD

*Independent Non-Executive Director
Member of Audit and Risk Management Committee
Chairman of Remuneration Committee
Member of Nomination Committee*

NATIONALITY | Malaysian **AGE** | 66 **GENDER** | Male

CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd has served in the police force for more than 40 years and in March 2019, retired as the Director of Criminal Investigation Department (CID) at the Royal Malaysia Police (PDRM).

Prior to this, he was the Chief of Police for the state of Johor. He also has the privilege to serve as the Special Officer to the Minister of Home Affairs and Aide De Camp (ADC) to his Royal Highness Yang Di-Pertuan Agong.

He holds a Degree in Law from International Islamic University Malaysia (IIUM) followed by a Master of Science (Police Studies) from University Kebangsaan Malaysia (UKM). He is currently the Managing Partner at Messrs. Wan & Ting and serves as an Advocates and Solicitors of High Court of Malaya.

In 19 June 2023, he was appointed as the Chairman of Netx Holdings Berhad.

He was appointed to the Board of Directors of T7 Global Berhad on 28 June 2019.



TAN SRI DATO' SRI KOH KIN LIP, J.P.

Independent Non-Executive Director

NATIONALITY | Malaysian **AGE** | 75 **GENDER** | Male

Tan Sri Dato' Sri Koh Kin Lip, J.P. ("Tan Sri Richard Koh") graduated from Plymouth Polytechnic (now known as Plymouth University), United Kingdom with a Higher National Diploma in Business Studies and a Council's Diploma in Management Studies.

He began his career in Standard Chartered Bank, Sandakan in 1977 as a trainee assistant. In 1978, he joined his family business and was principally involved in administrative and financial matters. In 1985, he assumed the role as Chief Executive Officer of his family business. In 1987, he was pivotal and instrumental in the formation of Rickoh Holdings Sdn. Bhd., the flagship company of the family businesses. Rickoh Holdings Sdn. Bhd. and group of companies had since continued to grow via diversifying their business activities which comprise, among others, properties investments/holdings, properties letting, property development, securities investments, oil palm plantations, sea and land transportation for crude palm oil and palm kernel, information technology, hotel business, car park operator, insurance agency, trading in golf equipment and accessories, river sand mining, bricks manufacturing, and quarry operations.

Tan Sri Richard Koh does not have any directorships in other public companies and public listed companies.

He was appointed to the Board of Directors of T7 Global Berhad on 2 September 2020.

DIRECTORS' PROFILE



DATUK SERI RAHIM BIN ISMAIL

Independent Non-Executive Director

NATIONALITY | Malaysian **AGE** | 65 **GENDER** | Male

Datuk Seri Rahim Bin Ismail (“**Datuk Seri Rahim Ismail**”) has over 39 years of experience in the oil and gas industry. He was the Senior Advisor and a member of Extended Leadership Team at Repsol Oil and Gas Malaysia Ltd. (previously known as Talisman Energy), a Multinational Oil and Gas Company. His vast network in the industry has enabled him to successfully perform key strategic and advisory roles in supporting Repsol’s business growth and sustainability in Malaysia and globally.

He started his career in January 1982 with Malayan Banking Berhad (Maybank) and later joined Petroliaam Nasional Berhad (PETRONAS) in August the same year. Throughout his 27 years with PETRONAS, he held multiple managerial and leadership roles including in Corporate, Upstream and Downstream sectors, Work Programme and Budget (WPB) & Planning, Supply Chain Management Entrepreneur Management and Development, Education and Human Resource and Downstream Commercial and Marketing. He also played an instrumental role in representing the industry to chart strategies and policies through various Government initiatives under the Economic Planning Unit (EPU), Prime Minister Department and Ministry of Finance (MOF).

Datuk Seri Rahim Ismail graduated from University of Malaya in 1982 and holds a degree in Economics (Honours). In 1992, he enrolled in International Contract Law and Contract programme at Georgetown University, Washington DC, USA. He also attended Senior Management Programme at INSEAD France in 2003 and MBA programme for CEO and Senior Executive organised by Uni Strategic of Singapore in 2014.

He retired from PETRONAS in 2007, and subsequently joined Talisman Energy (now known as Repsol) as Senior Advisor, providing key strategic advice and direction for the company in Malaysia, before officially retiring in 2020. He currently serves as Senior Advisor of Country Star Sdn. Bhd. a renewable energy solutions provider. He is also a co-founder of Borealis Healthcare Sdn. Bhd., a pharmaceutical and medical products distributor in Malaysia.

Datuk Seri Rahim Ismail was appointed to the Board of T7 Global Berhad on 1 March 2023.

NOTES:

Save as disclosed above, none of the Directors has:

1. any family relationship with any directors and/or major shareholders of the Company unless otherwise stated;
2. any conflict of interest with the Company unless otherwise stated;
3. any conviction for offences (other than traffic offences) within the past five (5) years; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT PROFILE

Please refer to the profile of **Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani** (Acting Executive Chairman), **Tan Sri Datuk Seri Tan Kean Soon, J.P.** (Executive Deputy Chairman) and Tan Kay Vin (Executive Director) for their profile on pages 14 to 16, respectively.



TAN KAY ZHUIN

Group Chief Executive Officer, T7 Global Berhad

Malaysian, Age 35, Male

Tan Kay Zhuin has been the Group Chief Executive Officer of T7 Global Berhad since 5 September 2022. He oversees the Group's operations and manages all 3 divisions. He first joined T7 Global's subsidiary, Tanjung Offshore Services Sdn. Bhd. in 2016, heading the offshore construction and maintenance segment.

He started his career as a production engineer with KrisEnergy Limited in Singapore in 2014. He later joined Toyo Engineering Corporation in Japan as a petroleum engineer.

He holds a Bachelor's degree in Petroleum Engineering (Hons) from University of New South Wales, Sydney.

He is the son of Tan Sri Datuk Sri Tan Kean Soon, J.P., the Executive Deputy Chairman and major shareholder of the Company and brother of Tan Kay Vin, the Executive Director of the Company, as well as the nephew of Datuk Tan Kean Seng, the Deputy Head of Energy Division, Tanjung Offshore Services Sdn. Bhd.



ONG FEE PENG

Group Chief Financial Officer, T7 Global Berhad

Malaysian, Age 58, Male

Ong Fee Peng, an accountant by profession, was appointed as Group Chief Financial Officer of T7 Global Berhad on 31 July 2015. He is primarily responsible for the Group's overall financial and accounting functions.

He is a registered Chartered Accountant with the Malaysian Institute of Accountant and has more than 27 years of working experiences across the full spectrum of the areas of Investment bank, accounting, audit, manufacturing, construction, stock broking, building management system and corporate finance.



KEY SENIOR MANAGEMENT PROFILE



AZMAN YAKIM

Chief Executive Officer, Tanjung Offshore Services Sdn. Bhd. ("TOS")

Malaysian, Age 47, Male

Azman Yakim is the Chief Executive Officer of TOS and is currently leading the Group's Energy Division, serving all sectors in upstream, midstream and downstream.

Previously, he was the Senior Vice President, Oil & Gas Business for Siemens Malaysia and Global Corporate Account Manager for Siemens AG. He holds a Bachelor's Degree in CAD/CAM Engineering from the University of Malaya and Masters Degree in Business Administration (MBA) minor in Finance from the University of Derby.

He has more than 20 years of professional experience in the Energy, Oil & Gas and Utilities Sector, where he has worked with reputable names in the industry such as General Electric (GE), Dresser-Rand (D-R) and Emerson prior to working in Siemens AG.



ALAHDAL A. HUSSEIN

Chief Operating Officer, Tanjung Offshore Services Sdn. Bhd. ("TOS")

Yemen, Age 35, Male

Alahdal A. Hussein is the Chief Operating Officer of Tanjung Offshore Services Sdn. Bhd. (Energy Division), overseeing TOS's operations and responsible for 3 key divisions namely, Integrated Production Solutions (IPS), Offshore Services (OS) and Wells & Decommissioning (W&D).

Hussein joined T7 back in 2017, since then he has held various roles in Integrated Well Services (IWS), Well Workover & Abandonment. He led the establishment of T7's Integrated Wells Services division back in 2019 and oversaw the division development and successful execution of various integrated Well Services Projects for Well Workover and Plug and Abandonment.

In 2016, Hussein founded Oil Industry Insight, where he served as the Founder. He then joined Well Experts Services (WES) in 2017 as the General Manager, specializing in subsurface technical studies and well services. Prior to that, Hussein gained technical experience during his time at Schlumberger as field engineer trainee where he gained hands-on experience in MWD/LWD field engineering and worked on land drilling projects with Total E&P Yemen and OMV.

Hussein holds a Bachelor Degree (Honors) in petroleum engineering from Universiti Teknologi Malaysia. He specialized in enhanced oil recovery (EOR), particularly in the field of gas-flooding enhanced oil recovery.

KEY SENIOR MANAGEMENT PROFILE



DATUK TAN KEAN SENG

Deputy Head of Energy Division, Tanjung Offshore Services Sdn Bhd (“TOS”)

Malaysian, Age 53, Male

Datuk Tan Kean Seng is currently the Director of T7 Gastec Sdn. Bhd. He joined the Group in 2015, heading the specialist products and technology (SPT) segment of the Energy Division.

He has more than 20 years of experience in operations, products and business development in the oil and gas industry. He holds a Bachelor of Science in Business Administration from Central Missouri State University, United States of America.

He is the brother of Tan Sri Datuk Seri Tan Kean Soon, J.P., the Executive Deputy Chairman and major shareholder of the Company and the uncle of Mr. Tan Kay Vin, the Executive Director and Mr. Tan Kay Zhuin, the Group Chief Executive Officer.



NOOR HANIZA BINTI ZAINUDDIN

Head of Group Quality, Health, Safety and Environment (“QHSE”)

Malaysian, Age 44, Female

Noor Haniza Binti Zainuddin is currently the Head of Group QHSE. She joined Tanjung Offshore Services Sdn. Bhd. in 2007 as a Health, Safety and Environment Executive.

She holds a Bachelor’s Degree in Chemical Engineering from the Universiti Sains Malaysia (USM) and Executive Master in Safety, Health and Environment from Universiti Malaysia Pahang (UMP).

She has more than 17 years of experience in Quality, Health, Safety and Environment and now lead the Group of T7 Global Licensing. She progressed through various projects onshore & offshore in HSE roles, set up the ISO 9001, ISO 45001 and ISO 14001 for the Group of T7 Global since 2007 and appointed as a Management Representative (MR) for the QHSE Management System. She is Certified Safety, Health & Officer (SHO) by DOSH, Certified Environmental Professional in Scheduled Waste Management (CepSWaM) by EiMAS, Quality Management System (QMS) Lead Auditor, Train the Trainer (TTT) and also a member of Board of Engineers Malaysia.

NOTES:

Save as disclosed above, none of the members of the senior management team has:

1. any directorship in public companies and listed issuers;
2. any family relationship with any directors and/or major shareholders of the Company unless otherwise stated;
3. any conflict of interest with the Company;
4. any conviction for offences (other than traffic offences) within the past five (5) years; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



MESSAGE FROM GROUP CHIEF EXECUTIVE OFFICER



I am honored to present our 2023 Sustainability Statement reflecting our commitment to responsible practices and transparent communication in the current year and our ongoing sustainability journey.



In year 2023, our industry is called upon to adapt and innovate. At T7 Global, we recognize the imperative to not only meet the energy demands of today but to do so in a manner that preserves the planet for future generations. Our Sustainability and ESG efforts are integral to our corporate strategy, as we strive to achieve our business objectives while minimizing our environmental footprint and maximizing positive social impact. Consequently oil & gas activities remained robust during the year and the Group recorded 4 million manhours without loss time due to injury. We remain absolutely committed to the wellbeing of our employees and our contractors. I am proud of our teams for keeping health and safety our top priority.

There are increasing calls for action on better ESG practices and governance to address ongoing issues such as rising material costs and better environmental practices. In this regard, we have further embedded ESG practices into our operations.

We engage regularly with our stakeholders to understand their ESG related initiatives, commitments and targets. With that in mind, we have set out an integrated approach to balance our passion and to create a positive environment within our community, whilst also delivering on our promise of value creation for our shareholders. Our decision making now factors in several ESG criteria, with the objective of having a responsible assessment of our activities.

With the Nong Yao Mobile Offshore Production Unit (MOPU) (named TSEVEN SHIRLEY) safely delivered at Nong Yao oilfield in the Gulf of Thailand, our focus in 2024 will be on the Integrated Well Services which was the major revenue contributor to Energy division in FY 2024. Our priority is to ensure that our projects have minimal impact to the environment, yet remaining practical and economical. We will continue to do our part to preserve the planet and people with our continuous ESG efforts.

Our objective is to manage our business to achieve sustainable growth which is in line with our sustainability framework and to meet the expectations of regulatory bodies to ensure transparent ESG disclosures. This year, sustainability key performance indicators (“KPIs”) were introduced to guide our ESG initiatives and measure our progress. Additionally, we expanded our adoption of the United Nations Sustainability Development Goals (“UN



SDGs”) to include UN SDG 7 (Affordable and Clean Energy) and 16 (Peace, Justice and Strong Institutions).

We will continue to adhere to all applicable laws and regulations in our businesses in order to maintain high standards of corporate governance with zero tolerance against bribery, corruption and unethical conduct. Our whistleblowing functions are robust with zero legal action on anti-competitive behaviour and zero violation of legislations recorded in 2023.

Looking ahead, we are fully committed to advancing our sustainability agenda and embracing the opportunities and challenges that lie ahead. We recognize that our industry plays a pivotal role in the transition to a low-carbon future, and we are determined to lead by example.

As we move into a new year, we value the strong support from various stakeholders. My appreciation goes to our Board, management and employees as well as all stakeholders for their continuous support and dedication throughout the year. I believe that our future generation will have a better future if we all prioritise sustainability in our practices.

Tan Kay Zhuin
Group Chief Executive Officer
T7 Global Berhad

ABOUT THIS SUSTAINABILITY REPORT

FROM ENERGY TO EFFICIENCY, EMPOWERING PROGRESS

A Foreword on the T7 Global Sustainability Statement

As an integrated solutions provider in the Energy, Aerospace & Defence and Construction sectors, T7 Global Berhad (“T7 Global” or “the Group”) is dedicated to delivering exceptional solutions while integrating sustainability considerations into our operations.

In line with this commitment, we present our sustainability statement for 2023, providing a concise overview of our environmental, social and governance (“ESG”) performance across all business segments.

Pursuing Continued Excellence

In FY 2023, T7 Global fortified our governance framework with the implementation of four new policies and the provision of anti-bribery and anti-corruption training to all employees. Concurrently, we enhanced our climate-related disclosures and initiated Scope 3 greenhouse gas (“GHG”) emissions tracking to strengthen our approach towards addressing climate change.

This year, sustainability key performance indicators (“KPIs”) were introduced to guide our ESG initiatives and measure our progress. Additionally, we expanded our adoption of the United Nations Sustainability Development Goals (“UN SDGs”) to include UN SDG 7 (Affordable and Clean Energy) and 16 (Peace, Justice and Strong Institutions).

Recognising the value of our workforce, T7 Global enhanced our employee benefits to attract fresh talent and retain our valued workforce. We also increased investments in employee training to nurture a skilled and resilient team.

T7 Global’s energy division secured two major projects which include a large-scale decommissioning service involving an innovative rig-to-reef initiative. The initiative works to repurpose the structure into an artificial reef, creating a suitable habitat that attracts a wider variety of marine species, leading to a more biodiverse ecosystem.

Looking forward, our Aerospace Division plans to install solar panels across its operations in FY 2024, allowing it to generate renewable energy and reduce our reliance on purchased energy. Through these efforts, we aim to reduce our greenhouse gas (“GHG”) emissions, further solidifying our decarbonisation efforts.

Setting the Scope and Boundaries of the Statement

Disclosures within this statement encapsulate our activities for the financial year from 1 January 2023 to 31 December 2023 (“FY 2023”). The scope encompasses the business operations of our head office at T7 Global Berhad and our three divisions.

1. **T7 Global Berhad (Head Office)**
2. **T7 Energy (Energy Division)**
 - Engineering, Procurement, Construction (EPC)
 - Operation and Maintenance (O&M)
 - Offshore Construction Services (OCS)
 - Integrated Well Services (IWS)
 - Specialist Products and Technology (SPT)
 - Recruitment and Manpower Services (RMS)
3. **T7 AeroTech (Aerospace and Defence Division)**
 - Treatment House at Serendah
4. **T7 Construction (Construction Division)**
 - Baggage Handling System Asset Replacement Programme Project at Terminal 1, Kuala Lumpur International Airport



ABOUT THIS SUSTAINABILITY REPORT

Navigating Sustainability Reporting with Global Frameworks

The sustainability statement references the Bursa Malaysia Main Market Listing Requirements, Sustainability Reporting Guide (3rd Edition) to ensure quality reporting. We also integrated the Global Reporting Initiative (“GRI”) Standards and aligned with the United Nations Sustainable Development Goals (“UN SDGs”).



Your Input, Our Improvement

We value feedback from stakeholders to continuously improve our sustainability reporting. For any comments or suggestions, please do not hesitate to contact us at corpcomm@t7global.com.my.

Statement of Assurance

This Sustainability Statement has not been subjected to external assurance. However, internal validation by division heads and data owners ensures accuracy. The group is actively working towards implementing an assurance process aligned with industry standards to enhance the accuracy and reliability of our sustainability reporting. Recognising the importance of transparent and credible sustainability reporting, there is a commitment to collaborating closely with relevant parties to achieve this goal.

Data Validation

To ensure transparency and accountability, all pertinent division heads and information owners have internally validated the accuracy of data disclosed in our FY 2023 sustainability statement.

HIGHLIGHTING OUR CURRENT ACHIEVEMENTS

VALUE CREATION	ENVIRONMENT	PEOPLE FIRST
<p>Employees Received Anti-Bribery and Anti-Corruption Training 100%</p> <hr/> <p>Reported Cases of Whistleblowing ZERO</p> <hr/> <p>Reported Cases of Privacy Breaches and Data Loss ZERO</p> <hr/> <p>Reported Cases of Bribery and Corruption ZERO</p>	<p>Reduction in Fuel Consumption 24%</p> <hr/> <p>Reduction in Total Scope 1 GHG Emission 24%</p> <hr/> <p>Initiated Scope 3 GHG Emission in FY 2023</p>	<p>Increase in Training Hours Per Employee 67%</p> <hr/> <p>Allocation of Procurement Budget on Local Suppliers 74%</p> <hr/> <p>Total Contribution to the Community RM 34,720</p> <hr/> <p>Total Number of Individuals Impacted by the Community Programme 1,485</p>

ABOUT THIS SUSTAINABILITY REPORT

COVERING 7 YEARS OF MILESTONES

2020

- Introduced the Anti-Bribery and Anti-Corruption Policy
- Enhanced the Whistleblowing Policy and Procedure
- Distributed 63,000 pieces of masks during the height of the COVID-19 pandemic

2019

- Launched an environmental campaign to strongly emphasise the importance of recycling waste material
- Successfully migrated to ISO 45001:2018 from OSHAS 18001:2007
- Launched an environmental awareness campaign – “Throw in the Right Bin” in July 2019

2018

- Launched an environmental awareness campaign – “Bring Your Own Bag” on April 23, 2018
- Launched a cancer awareness campaign in October 2018 with the National Cancer Council Malaysia (“MAKNA”)

2017

- Published our first Sustainability Statement
- Identified 6 Stakeholder Groups
- Converted a submerged structure into an artificial reef and installed it at a designated coastal area near Pulau Kapas in Marang, Terengganu through the Rig-To-Reef Programme
- Donated RM 200,000 to SK Orang Asli Sungai Berua in Hulu Terengganu
- Successfully accredited with ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certification



ABOUT THIS SUSTAINABILITY REPORT

COVERING 7 YEARS OF MILESTONES (CONT'D)

2023

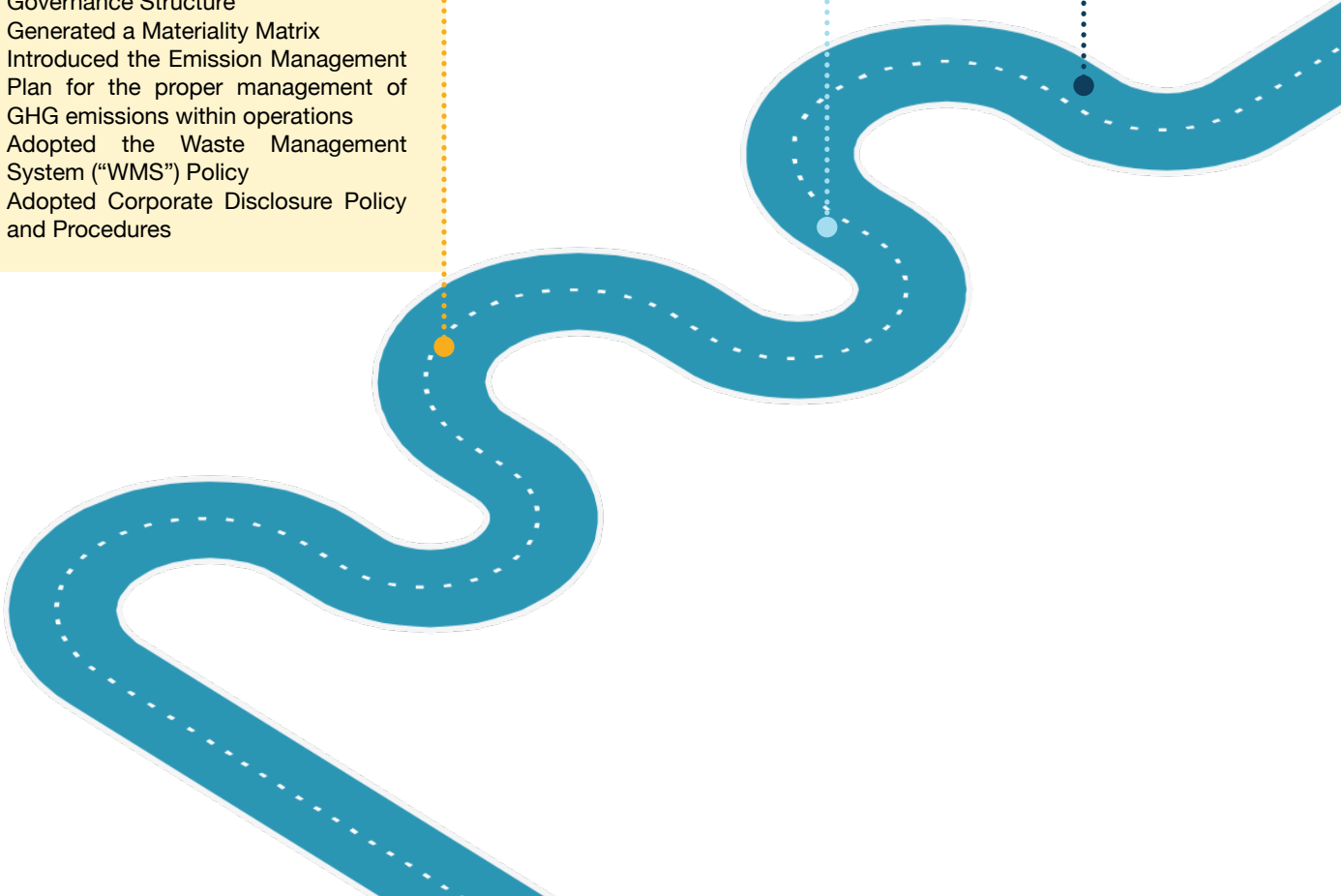
- Adopted Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- Adopted UN SDG 7: Affordable and Clean Energy and UN SDG 16: Peace, Justice and Strong Institutions
- Implemented TCFD Recommendation Disclosures and identified key climate-related risks and opportunities
- Initiated monitoring and reporting of Scope 3 GHG Emission
- Introduced four new policies: Drug and Alcohol Policy, Fatigue Management Policy, Sexual Harassment Policy and Stop Work Policy
- Incorporated KPIs for performance tracking

2022

- Adopted UN SDG 13: Climate Action to reflect the Group's Commitment to reach Net-Zero Carbon Emissions by 2050.
- Conducted a Gap Analysis against GRI Standards
- Established a Sustainability Policy
- Developed a Terms of Reference for the Sustainability Committee
- Conducted a Materiality Assessment and identified 4 new Material Sustainability Matters

2021

- Adopted 4 UN SDGs
- Established Sustainability Framework
- Established 3-tiered Sustainability Governance Structure
- Generated a Materiality Matrix
- Introduced the Emission Management Plan for the proper management of GHG emissions within operations
- Adopted the Waste Management System ("WMS") Policy
- Adopted Corporate Disclosure Policy and Procedures




















ABOUT THIS SUSTAINABILITY REPORT

FOCUSING ON OUR SUSTAINABILITY APPROACH

The T7 Global ESG Guideline

Built on three sustainability pillars aligned with the UN SDGs and material sustainability matters, our ESG framework facilitates the integration of sustainable considerations throughout our corporate strategy, fostering responsible business practices.

Vision	To be a trusted partner which makes a difference on the global stage		
Mission	To be an integrated solution provider for the industries we serve		
Commitment	To be a net-zero carbon emissions company by 2050		
Focus	To enhance shareholder values while being conscious of the environment and our people's development		
ESG Pillars	Value Creation	Environment	People First
Commitment Statement	Drive profitable performance to create value and sustainable returns for our shareholders.	Adopt a sustainable approach to ensure the efficient use of natural resources and minimize our environmental impact.	Promoting responsible corporate citizenship through a safe working environment and meaningful contributions to the community.
Material Sustainability Matters	<ol style="list-style-type: none"> 1) Reliable & Efficient Operations 2) Corporate Governance & Anti-Corruption 3) Economic Performance & Impact 4) Data Privacy & Security 5) Digital Transformation 	<ol style="list-style-type: none"> 1) Waste Management 2) GHG & Climate Resilience 3) Biodiversity 4) Energy Management 5) Water Management 	<ol style="list-style-type: none"> 1) Occupational Health & Safety 2) Supply Chain Management 3) Community & Social Development 4) Workforce Diversity & Inclusivity 5) Employee Recruitment, Development & Retention
Contribution to the UN SDGs	 	  	 
Stakeholder Groups	 Shareholder/Investor  Government & Regulators	 Employees  Customers  Suppliers	 Business Partner  Local Community
Alignments with Frameworks and Guidelines	  		

Advancing Sustainability with Our Guiding Policy

Aligned with international sustainability principles, our Sustainability Policy drives a Group-wide collaborative effort towards achieving our sustainability goals. It strategically positions us to address emerging risks and capitalise on opportunities, advancing our ESG progress.

An Overview of T7 Global's Sustainability Policy

Value Creation	T7 Global is committed to sustaining excellence in our everyday operations, creating confidence in the Group's governance systems and social license to operate. The Group is committed to upholding the highest levels of integrity, ethical behaviour and good corporate governance procedures.
Environment	T7 Global acknowledges the significance of operating in an environmentally responsible way and aims to reduce our environmental impact through efficient energy management and sustainable water and material use. We are committed to incorporating monitoring systems to identify climate-related risks and consequently evaluate and improve our environmental performance to build climate resilience across our operations.
People First	T7 Global upholds universal human rights by harmonising our practices with international standards such as the Universal Declaration of Human Rights and the ILO Declaration. We prioritise employee well-being through the implementation of health and safety best practices and promotion of diversity and inclusivity.

Adherence to the policy is obligatory for all T7 Global business divisions and related third parties. The policy is a living document that may undergo changes to sustain its relevance within our operations and reflect updates in our sustainability practices.

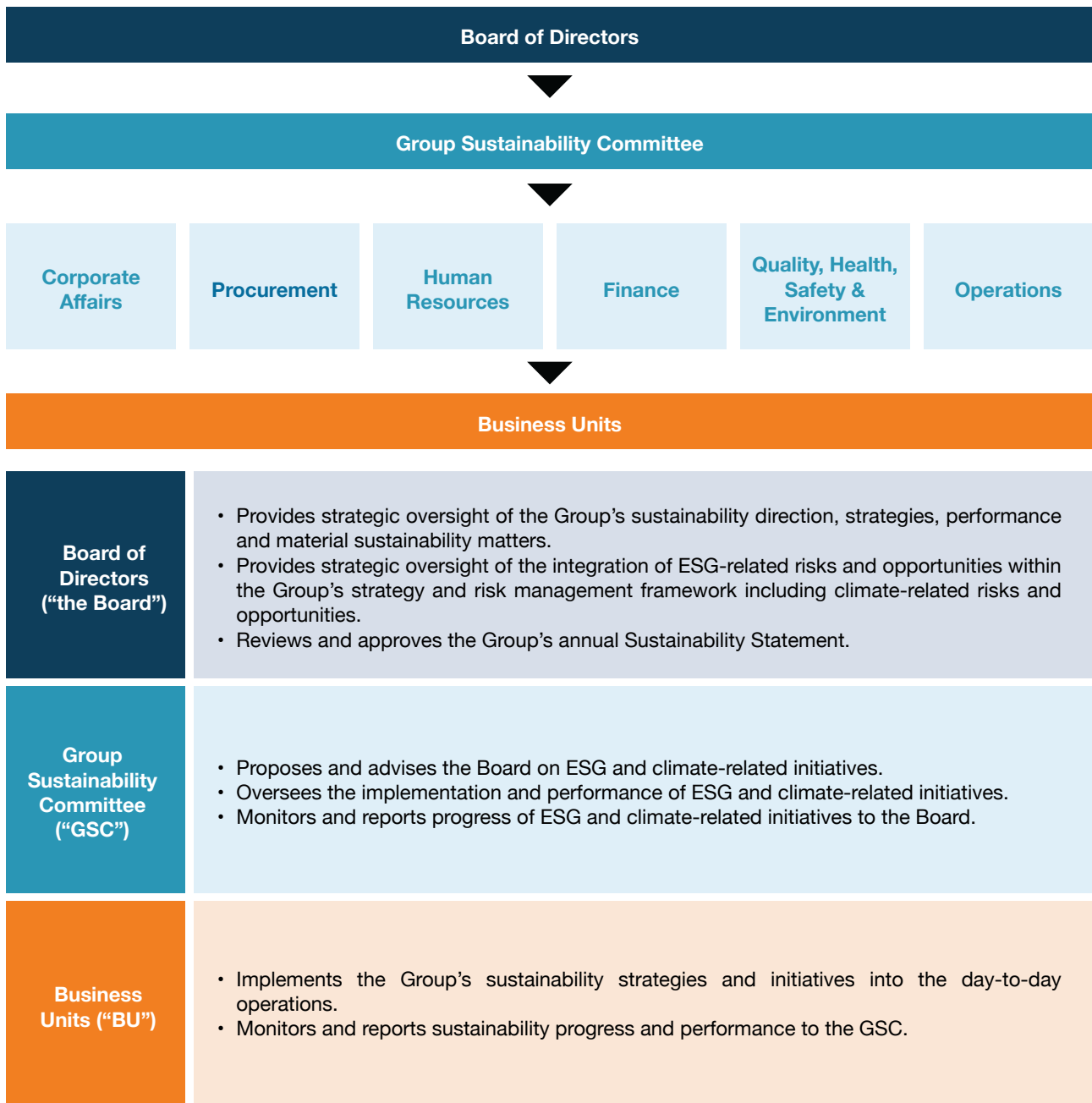
ABOUT THIS SUSTAINABILITY REPORT

Upholding Exemplary Governance

At T7 Global, our Board of Directors (“BoD” or “the Board”) spearheads our sustainability agenda. Assisted by the Group Sustainability Committee (“GSC”), the Board enacts the systematic implementation of ESG initiatives and supporting a complete approach to managing sustainability performance.

Five out of the eight members of the Board are designated as Independent Directors. Our selection of Independent Directors adheres to the criteria for independence outlined in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

The three-tiered structure below outlines our sustainability governance and the respective responsibilities of each tier.



ABOUT THIS SUSTAINABILITY REPORT

Strategic Contributions Toward a Global Agenda

The UN SDG comprise 17 interconnected objectives that represent a universal call to address the world's most pressing challenges. They serve to guide a collective humanitarian effort to address these issues, paving the way for a prosperous future.

This year, we adopted two additional SDGs: UN SDG 7 (Affordable and Clean Energy) and UN SDG 16 (Peace, Justice and Strong Institutions), furthering our contributions towards global sustainable development.



UN SDG 3.8: **Achieve access to quality essential healthcare services**

- Conducted medical fitness campaigns and health screening programs.
- Conducted Foreign Workers Medical Examination Monitoring Agency ("FOMEMA") health inspections to ensure our foreign workers are fit for duty.



UN SDG 5.5: **Ensure women's full and effective participation in leadership**

- Provided equal recruitment, promotions and training opportunities.
- Increased women representation in management positions.



UN SDG 7.3: **Improvement in energy efficiency**

- Launched an Energy Efficient Policy to guide the Group in energy management initiatives, including the reduction of energy consumption and implementation of energy efficiency measures.
- Explored potential areas for the integration of clean energy such as solar panel systems.



UN SDG 8.8: **Protect labour rights and promote safe and secure working environments**

- Regularly update and review the QSHE Manual and Policy to ensure the latest practices and processes are in place.
- Implemented ISO 45001:2018 into the Group's Occupational Health and Safety Management System to manage potential occupational risks.

ABOUT THIS SUSTAINABILITY REPORT

Strategic Contributions Toward a Global Agenda (cont'd)



UN SDG 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters

- Initiated monitoring and reporting of Scope 1, 2 and 3 GHG Emissions.
- Improved risk management processes including the identification and management of climate-related matters.



UN SDG 14.2: Sustainably manage and protect marine and coastal ecosystems

- Implemented rig-to-reef initiatives which repurposes decommissioned offshore platforms into artificial reefs which supports marine biodiversity.



UN SDG 16.5: Reduce bribery and corruption

- Adopted Anti-Bribery and Anti-Corruption Policy in line with the enforcement of the new provision, Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018).
- Performed regular review of our anti-bribery and anti-corruption management systems, policies and procedures to evaluate their comprehensiveness.
- Adopted a zero-tolerance approach to all forms of corruption and bribery.

Navigating Stakeholder Expectations and Meeting Requirements

Meeting stakeholder expectations necessitates a thorough understanding of their concerns. By actively soliciting feedback through diverse engagement platforms, we gather valuable suggestions which enable us to formulate responsive actions aligned with their needs.



ABOUT THIS SUSTAINABILITY REPORT

Navigating Stakeholder Expectations and Meeting Requirements (cont'd)

	Shareholders / Investors	Government & Regulators
Why They Matter?	Shareholders and investors provide financial support necessary for the Group's operations and growth. Engaging with them ensures goal alignment, fosters trust and attracts ongoing support for sustainable business practices.	Government and regulators shape legal and regulatory landscape. Engaging with them ensures understanding of regulations, effective risk management and contributions to economic and societal objectives.
How We Engage?	<ul style="list-style-type: none"> Annual Report ◆ Annual General Meetings ◆ Investor Relations Website ◆◆ Press Releases ◆ 	<ul style="list-style-type: none"> Regular Reporting ◆ Regulatory Affairs and Compliance Teams ◆ Regular Communications via Phone Calls, Emails / In-Person Meetings ◆◆
Areas of Concern	<ul style="list-style-type: none"> Financial Performance Governance and Management Corporate Social Responsibility Regulatory Compliance Dividend Policy 	<ul style="list-style-type: none"> Legal Compliance Transparency Ethic and Social Responsibility
Response to Concerns	<ul style="list-style-type: none"> Regular announcements or reports on financial and economic performance on an annual and quarterly basis. Established a corporate governance structure and provided a corporate governance overview statement. Published the Corporate Governance Report annually. Contributed to community engagement programmes annually. Ensured compliance with relevant industry laws and regulations, including the timely renewal of licenses and certifications. Provided annual announcements and updates on distribution of dividends. Published minutes of the Annual General Meeting on the corporate website. 	<ul style="list-style-type: none"> Established a compliance management system to monitor and ensure compliance with relevant laws and regulations. Conducted regular internal audits and assessments to identify and rectify any compliance gaps. Engaged proactively with regulatory authorities to stay informed about changes in legislation and ensure timely adjustments to business practices. Communicated regularly with government and regulators through clear and accessible channels. Conducted regular audits and independent assessments to verify and validate reported data. Established and implemented a code of ethics and conduct for employees. Engaged in corporate social responsibility (CSR) initiatives that positively impact local communities and align with social and environmental goals.
<p>◆ Regularly ◆ Daily ◆ Weekly ◆ Bi-Weekly ◆ Monthly ◆ Quarterly ◆ Annually</p> <p>◆ Throughout the year ◆ As when required ◆ According to regulatory inquiries</p>		

	Employees	Customers	Suppliers, Contractors and Vendors
Why They Matter?	Employees contribute their skills and expertise to achieving the Group's goals. Engaging with them ensures a positive work environment, enhancing productivity and business resilience.	Customers drive revenue and growth for the company. Engaging with them enables us to understand their needs and build lasting relationships that contribute to customer loyalty and brand reputation.	Reliable suppliers, contractors and vendors are critical for the Group's project execution. Engaging with them ensures a steady and quality supply of materials and services.
How We Engage?	<ul style="list-style-type: none"> Training and Development Programmes ◆ Employee Feedbacks and Survey ◆ In-Person Meetings ◆ Employee Feedbacks and Survey ◆ 	<ul style="list-style-type: none"> Communication via Email, Phone and Social Media ◆◆ 	<ul style="list-style-type: none"> Suppliers Portals ◆◆ Regular Communications via Phone Calls, Emails or Video Conferencing ◆◆ Suppliers Event ◆ Annual Performance Review ◆
Areas of Concern	<ul style="list-style-type: none"> Opportunities for Growth and Development Work-Life Balance Workplace Culture Communication and Feedback 	<ul style="list-style-type: none"> Quality of the Products and Services Customer Support Transparency 	<ul style="list-style-type: none"> Payment Terms Communications Quality Standards Production Schedule
Response to Concerns	<ul style="list-style-type: none"> Established professional development programmes such as trainings and workshops for skill enhancement ranging from health and safety, soft skills to technical development. Fostered a positive and inclusive workplace culture that values diversity and promotes collaboration. Established open communication channels to encourage employees to share their ideas and concerns. Established a structured feedback system that allows employees to provide input and feedback. 	<ul style="list-style-type: none"> Established stringent quality control measures to ensure the highest standards in production and delivery of products or services. Ensured compliance with ISO 9001:2015 (Quality Management System) and AS9100D Standard. Provided easily accessible customer support channels, including phone, email and online chat. Implemented regular communication channels such as newsletters or updates on the corporate website to keep customers informed about any changes, upgrades or improvements. 	<ul style="list-style-type: none"> Established transparent and fair payment terms in contractual agreements. Clearly communicate payment schedules and adhere to agreed-upon timelines. Established designated communication portals for suppliers, contractors and vendors. Implemented regular quality checks and audits to ensure adherence to agreed-upon standards. Provided feedback and collaborate with suppliers, contractors and vendors for continuous improvement. Communicated production schedules in advance to allow for adequate planning. Regularly reviewed and updated production schedules to accommodate changes and optimise efficiency.
<p>◆ Regularly ◆ Daily ◆ Weekly ◆ Bi-Weekly ◆ Monthly ◆ Quarterly ◆ Annually</p> <p>◆ Throughout the year ◆ As when required ◆ According to regulatory inquiries</p>			

ABOUT THIS SUSTAINABILITY REPORT

Navigating Stakeholder Expectations and Meeting Requirements (cont'd)

	Business Partners	Local Communities
Why They Matter?	Business partners contribute to the Group's capabilities and overall success. Engaging with business partners fosters mutually beneficial relationships, enhances operational efficiency and achieves shared success.	The Group's operations impact local communities. Engaging with local communities and addressing their concerns build trust, contribute to local development which influence the Group's social license to operate and overall sustainability.
How We Engage?	<ul style="list-style-type: none"> Business Review Meeting ◆ Survey and Feedback Mechanism ◆ Joint Innovation ◆ Joint Sustainability Initiatives ◆ 	<ul style="list-style-type: none"> Sustainability Report ◆ Community Engagement Programme ◆ Social Media ◆
Areas of Concern	<ul style="list-style-type: none"> Contract Terms Quality and Consistency Business Compliance Brand Reputation 	<ul style="list-style-type: none"> Environmental Impact Social Impact
Response to Concerns	<ul style="list-style-type: none"> Clearly defined and communicated contract terms, including deliverables, responsibilities and payment terms. Clearly communicated quality standards and expectations for products or services. Implemented quality control process, including regular inspections and audits. Ensured adherence to all relevant industry laws and regulations, including the timely renewal of licenses and certifications. Collaborated with business partners who share similar values and commitments. Communicated the importance of brand reputation and ethical business practices to all stakeholders. 	<ul style="list-style-type: none"> Aligned and complied with the International Maritime Organisation and ISO 14001:2015 (Environmental Management System) Standards. Established the Waste Management System Policy. Conducted Environmental Impact Assessment prior to the development of new projects. Developed Environmental Management Plan for managing environmental matters throughout the project's execution and operation phases. Engaged in social initiatives and contributed to donations and community programmes.
<p>◆ Regularly ◆ Daily ◆ Weekly ◆ Bi-Weekly ◆ Monthly ◆ Quarterly ◆ Annually</p> <p>◆ Throughout the year ◆ As when required ◆ According to regulatory inquiries</p>		

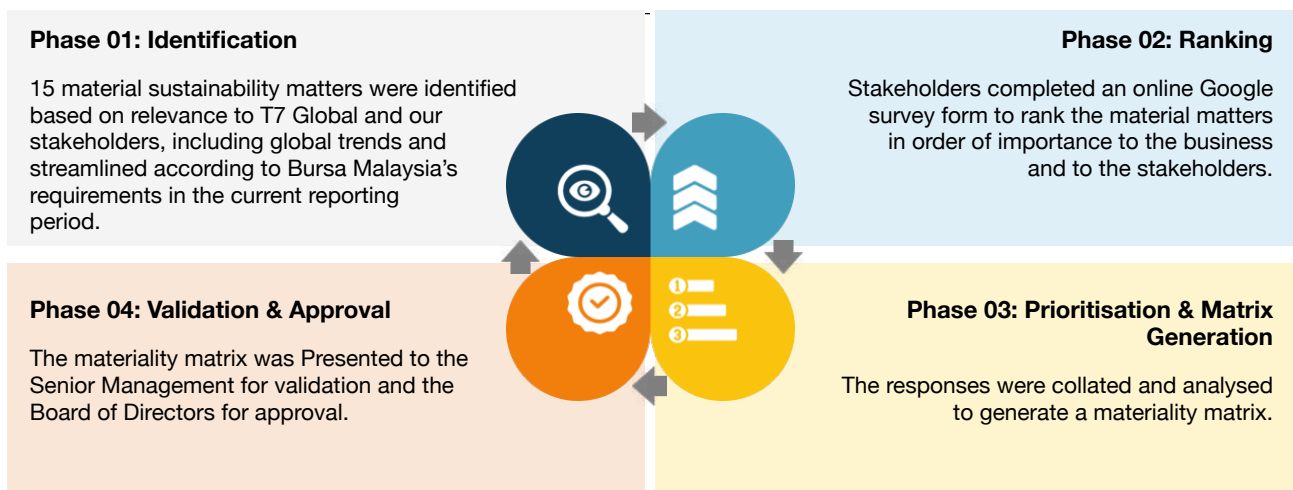
IDENTIFYING MATTERS OF SIGNIFICANCE

Conducting the Assessment

Materiality evaluations are pivotal to our sustainability strategy, guiding us to identify the most critical sustainability issues. These evaluations keep us attuned to current industry trends and legislative adjustments, positioning us to navigate industry challenges and capitalise on emerging opportunities.

Guided by Bursa Malaysia's Sustainability Reporting Guide (3rd Edition), we ascertained the topics most relevant to T7 Global and our key stakeholders.

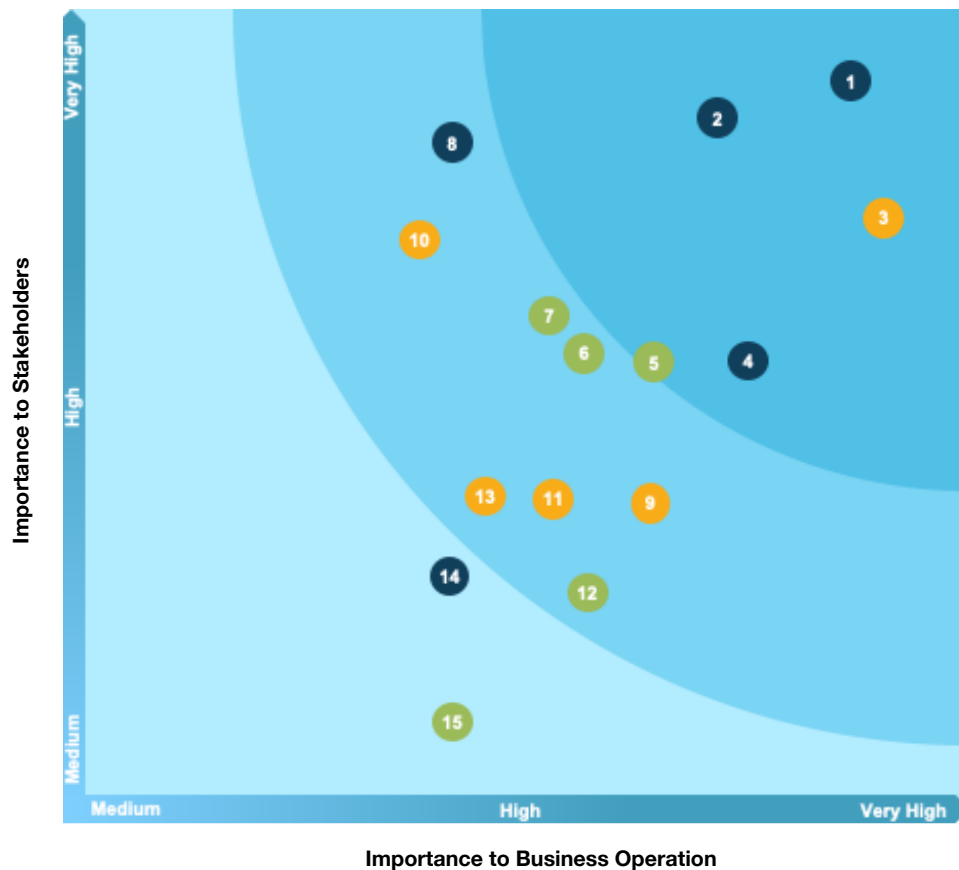
The Materiality Assessment Process



ABOUT THIS SUSTAINABILITY REPORT

Plotting the Matrix

We retained our materiality matrix to illustrate the significance of our 15 material matters to both stakeholders and business operations. Our top five material matters are **Reliable and Efficient Operation, Governance and Business Ethics, Occupational Health and Safety, Economic Performance and Impact** and **Waste Management**.



Value Creation	Environment	People First
<ul style="list-style-type: none"> 1) Reliable and Efficient Operation 2) Governance and Business Ethics 4) Economic Performance 8) Data Privacy and Security 14) Digital Transformation 	<ul style="list-style-type: none"> 5) Waste Management 6) GHG and Climate Resilience 7) Biodiversity 12) Energy Management 15) Water Management 	<ul style="list-style-type: none"> 3) Occupational Health and Safety 9) Supply Chain Management 10) Community Development and Investment 11) Workforce Diversity and Inclusivity 13) Employee Recruitment, Development and Retention

ABOUT THIS SUSTAINABILITY REPORT






Bridging Material Matters and Strategic Direction

Our material sustainability matters are interconnected with the interests of our key stakeholder groups and adopted UN SDGs. This provides insights into the alignment of our sustainability initiatives, ensuring a holistic understanding of our support for the global goals and meeting our stakeholders' needs.

Value Creation			
Material Sustainability Matters	Our Approach	Stakeholders	UN SDGs
Reliable and Efficient Operation	We established a Risk Management Framework, providing a systematic approach in identifying and managing business risks to maintain high performance levels.		
Governance and Business Ethics	We established clear corporate governance structures and policies, ensured adherence to the Group's code of conduct and implemented whistleblowing reporting channels to promote transparency, accountability and ethical behaviour.		
Economic Performance	We developed long-term sustainability business strategies and monitored key financial metrics and indicators to assess and track economic performance over time.		
Data Privacy and Security	We implemented data privacy and security measures to safeguard sensitive information from unauthorised access or disclosure.		
Digital Transformation	We invested in digitalisation to optimise processes, centralise human resource management and implemented a document management system to ensure accessibility and security of critical information.		

ABOUT THIS SUSTAINABILITY REPORT

Bridging Material Matters and Strategic Direction (cont'd)

Environment			
Material Sustainability Matters	Our Approach	Stakeholders	UN SDGs
Waste Management	We established a waste management system policy, conducted waste awareness campaign and ensured compliance with waste management regulations to effectively manage our waste.		
GHG and Climate Resilience	We established an Emissions Management Plan to track and monitor the Group's GHG emissions, integrated climate-related considerations into business operations and developed strategies to mitigate climate change and reduce emissions.	 	
Biodiversity	We conducted biodiversity assessments to understand the ecological impact of operations on local habitats and species and implemented measures such as habitat restoration and conservation initiatives to minimize habitat disruption and protect biodiversity.		
Energy Management	We established energy efficiency policy, monitored energy consumption and implement measures to improve energy efficiency.		
Water Management	We monitored and managed water consumption throughout our operations and are committed to exploring measures to achieve efficient water consumption.		

People First			
Material Sustainability Matters	Our Approach	Stakeholders	UN SDGs
Occupational Health and Safety	We implemented comprehensive health and safety policies and procedures, as well as provided trainings and awareness programs to promote safety culture.		
Supply Chain Management	We established procurement policies, selected suppliers that align with the Group's sustainability goals and supported local procurement to promote local economic development.		
Community Development and Investment	We participated in community outreach programs and contributed to social development projects.		
Workforce Diversity and Inclusivity	We established support mechanisms to foster an inclusive workplace, implemented fair recruitment practices and provided equal opportunities.		
Employee Recruitment, Development and Retention	We provided competitive compensation, benefits packages, ongoing training opportunities to support career growth for our employees.		

ABOUT THIS SUSTAINABILITY REPORT

MEASURING PROGRESS AGAINST OUR TARGETS

Key Performance Indicators (“KPIs”) serve as quantifiable indicators that evaluate the effectiveness of our sustainability initiatives and practices. Tracking these metrics also helps us identify possible areas for improvement, encouraging strategic-decision making that furthers our ESG objectives.

This year, we established a set of KPIs aligned with our material sustainability matters to ensure continued improvement in these areas.

Target	FY 2023 Progress
● Achieved ● In Progress	
Reliable and Efficient Operation	
100% project delivery rate within the required delivery time	●
Achieved Annual Customer Satisfaction above 80%	●
Occupational Health and Safety	
Achieve Zero (0) Fire Incidents	●
Achieve Zero (0) cases of Lost of Primary Containment (“LOPC”)	●
Ensure that the Total Recordable Case Frequency (“TRCF”) is below 1.2	●
Achieve Zero (0) interested parties' complaint related to QHSE	●
Employee Recruitment, Development and Retention	
Achieve 80% completion of the annual training plan	●

TRANSITIONING TOWARDS CARBON NEUTRALITY

In FY 2022, we commenced our reporting on climate-related disclosures, establishing the foundation for future development. This year, we expanded on our disclosure efforts to provide more comprehensive insights into climate-related matters and further contribute to our decarbonisation initiatives.

Governance

The Board of Directors is responsible for providing strategic oversight of climate-related risks and opportunities while the management team assists the Board by evaluating and strategically managing issues related to climate change.

Board of Directors	Management
<ul style="list-style-type: none"> The Board provides strategic oversight regarding the Group’s sustainability strategies, policies and performance, encompassing climate-related matters. 	<ul style="list-style-type: none"> The Group Sustainability Committee (“GSC”) recommends sustainability strategies and initiatives to the Board, including climate-related aspects.
<ul style="list-style-type: none"> The Board reviews and approves ESG KPIs, as well as climate-related indicators. 	<ul style="list-style-type: none"> The GSC assesses and oversees the execution of sustainability initiatives and performance, including climate-related considerations.

ABOUT THIS SUSTAINABILITY REPORT

Strategy

T7 Global identified material climate-related risks and opportunities, categorised into transition and physical risks. Transition risks entail challenges encountered during the shift towards a low-carbon economy, driven by regulatory and market shifts. Physical risks arise from direct impacts of climate change, such as extreme weather events and temperature rises, resulting in asset damages, business interruptions and supply chain disruptions.

Transition Risks

Risks	Potential Impacts	Arising Opportunities
Policy and Legal	<ul style="list-style-type: none"> Implementation of more stringent environmental regulations, leading to higher operational costs and potentially impacting competitiveness. Potential legal liabilities associated with climate change impacts. 	<ul style="list-style-type: none"> Advocate for policies and practices that support a transition towards a low-carbon economy, minimising disruptions and creating opportunities for all business units. Stay informed about and align with environmental regulations to address potential legal challenges, enhance reputation and facilitate access to new business opportunities.
Technology	<ul style="list-style-type: none"> Incurred costs from investment and integration of new technologies. Emerging skills gap as the Group transitions towards cleaner technologies and greener practices. 	<ul style="list-style-type: none"> Collaborate with industry partners, research institutions and government agencies to accelerate innovation to address sustainability challenges effectively. Invest in low-carbon technology research and development while reskilling and upskilling the workforce will position the Group as a leader in sustainable solutions.
Market	<ul style="list-style-type: none"> Changing investor and consumer preferences towards low-carbon alternatives may impact the Group's financial performance. 	<ul style="list-style-type: none"> Offer sustainable solutions and services by catering to the growing demand for low-carbon alternatives.
Supply Chain	<ul style="list-style-type: none"> Extreme weather events or resource scarcity may cause disruptions and cost increases in the supply chain, resulting in delays, shortages and increased costs for materials and resources. 	<ul style="list-style-type: none"> Diversify sourcing options, establish contingency plans and foster partnerships with reliable suppliers to mitigate risks and ensure continuity of operations.
Reputation	<ul style="list-style-type: none"> Association with fossil fuels may lead to negative public perception, impacting customer loyalty and talent attraction. Increased pressure from stakeholders to improve environmental performance and transparency. 	<ul style="list-style-type: none"> Implement strong ESG practices which enhances the Group's performance and reputation. Communicate T7 Global's commitment to a sustainability and engage in open dialogue with stakeholders.

ABOUT THIS SUSTAINABILITY REPORT

Strategy (cont'd)

Physical Risk

Risks	Potential Impacts	Arising Opportunities
Acute	<ul style="list-style-type: none"> Severe weather events or natural disasters may cause disruptions to operations, impacting project timelines and costs due to aging infrastructure or inadequate maintenance. Decreased revenue and increased costs resulting from negative impacts on the workforce. 	<ul style="list-style-type: none"> Conduct regular inspections and maintenance of infrastructure assets, invest in updates and leverage technology solutions to improve reliability and resilience. Implement health and safety programmes, provide training on hazard identification and mitigation strategies, invest in safety equipment and develop emergency response plans to ensure the safety of workers during climate-related emergencies.
Chronic	<ul style="list-style-type: none"> Prolonged climatic changes such as rising sea levels, increased temperatures and altered precipitation patterns provide challenges that may impact workers' health, infrastructure and resource availability. 	<ul style="list-style-type: none"> Integrate climate risk considerations into project planning to ensure long-term sustainability and resilience. Diversify sourcing options and explore alternative materials to mitigate impacts from resource scarcity.

Risk Management

We establish our objectives and outline measures to mitigate potential financial impacts, incorporating processes for identifying, assessing and managing climate-related risks into our existing risk management practices. Risk management is conducted through regular review analysis, internal control systems and adherence to the Group’s risk management policies. The Board of Directors consistently evaluates these risks and endorses suitable control frameworks.

Metrics & Targets

T7 Global measures carbon emissions, waste, energy and water usage, quantifying carbon emissions in tCO₂e, electricity in kWh, water in m³ and waste in tonnes. We track and disclose emissions under Scope 1, Scope 2 and limited Scope 3. Our Scope 3 coverage encompasses emissions from land and air travel for business purposes as well as employee commute.

We established an Emissions Management Plan in which we set KPIs, formed baselines, tracked daily emissions and developed emission reduction strategies.

Additional details regarding our management approach and performance data can be found in the “Energy Management” and “GHG and Climate Resilience” sections in page 47-49.

ABOUT THIS SUSTAINABILITY REPORT

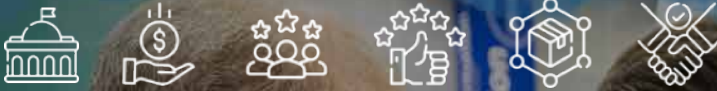
VALUE CREATION

T7 Global's governance framework, policies, management system and code of conduct delineate our ethical principles, ensuring the maintenance of high ethical standards throughout our operations. Sound corporate governance policies and practices are crucial for achieving sustainable growth, establishing us as a respected entity in the business landscape.

Material Sustainability Matters

- Reliable and Efficient Operations
- Corporate Governance and Anti-Corruption
- Economic Performance and Impact
- Data Privacy and Security
- Digital Transformation

Stakeholder Groups

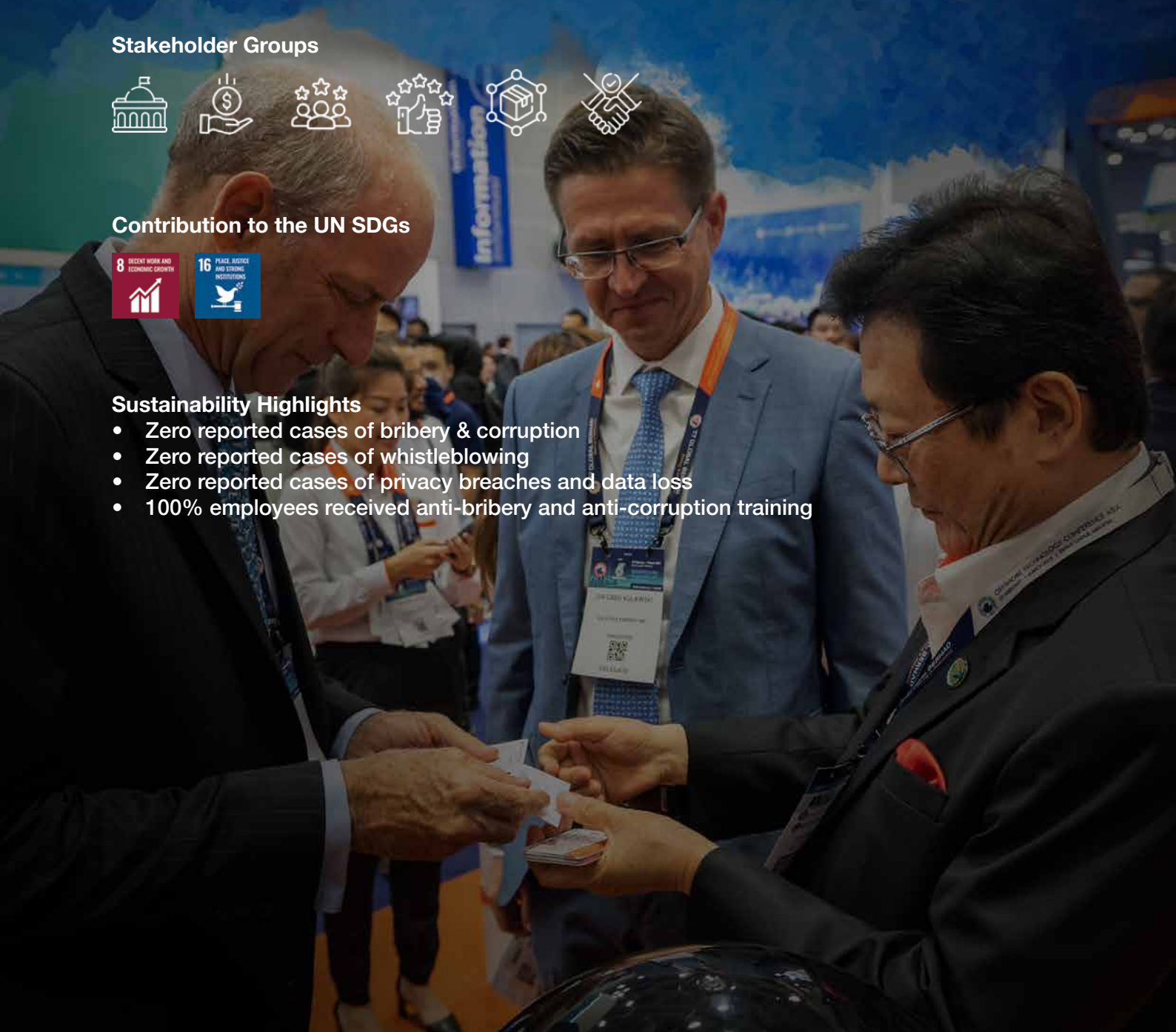


Contribution to the UN SDGs



Sustainability Highlights

- Zero reported cases of bribery & corruption
- Zero reported cases of whistleblowing
- Zero reported cases of privacy breaches and data loss
- 100% employees received anti-bribery and anti-corruption training





ABOUT THIS SUSTAINABILITY REPORT

Corporate Governance and Anti-Corruption

Why this is Important

Ethical business practices and compliance foster trust, maintain integrity and ensure sustainable operations. Adhering to ethical standards, laws and regulations safeguard our reputation and establish a foundation for responsible business conduct.

Our Approach

T7 Global has zero tolerance for bribery, corruption or fraud. We advanced our ethics and compliance programme by regularly conducting targeted training sessions for corporate functions and business units. These efforts emphasise compliance with our work health and safety policies which are mandatory for all employees across our divisions. The Group also introduced four new policies that strengthen our alignment with the latest industry standard for ethical governance.

Drug & Alcohol Policy

Sets the guidelines and expectations regarding the use and possession of drugs and alcohol within the workplace.

Fatigues Management Policy

Outlines the strategies and procedures that prevent and manage fatigue among employees.

Sexual Harassment Policy

Describes what constitutes sexual harassment and the procedures for reporting, investigating and addressing sexual harassment complaints.

Stop Work Policy

Defines the procedures for employees to stop any activity they believe poses danger to themselves, company assets or the environment.

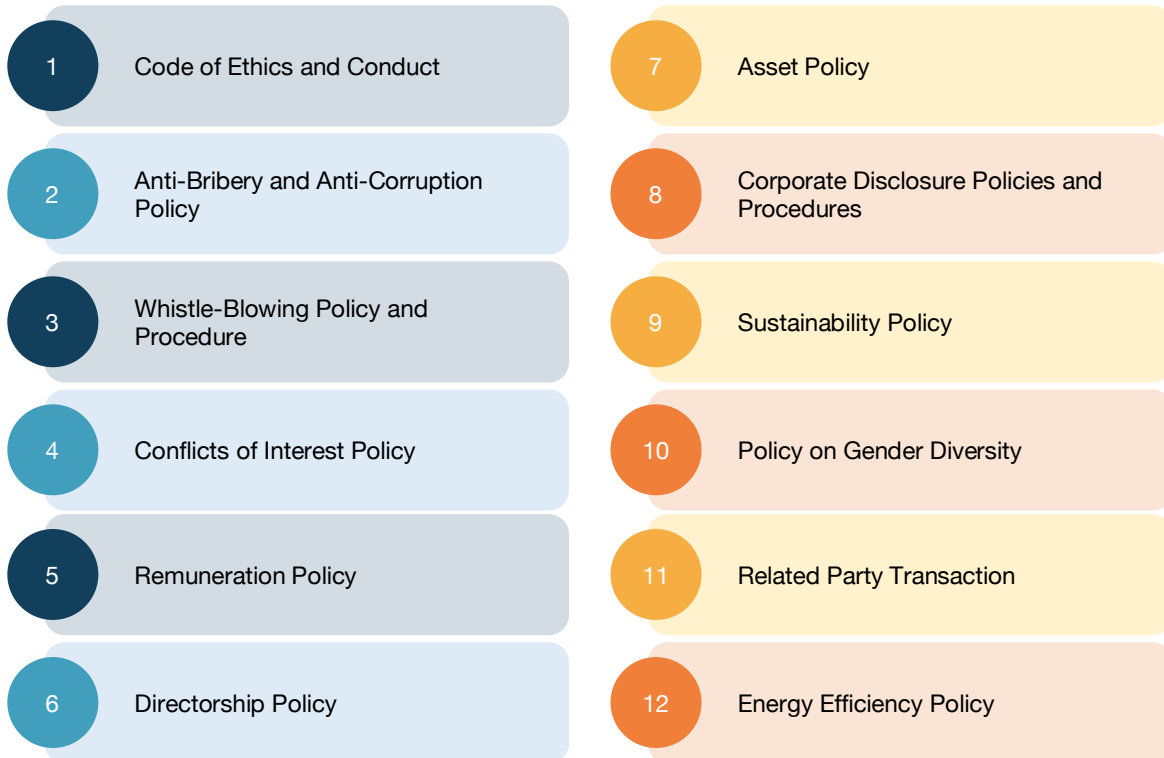
Our existing policies are effectively implemented and enforced across the Group, instilling a culture where high standards of business ethics are upheld by employees in their daily operations.

ABOUT THIS SUSTAINABILITY REPORT

Corporate Governance and Anti-Corruption (cont'd)

Our Approach (cont'd)

T7 Global's Policies

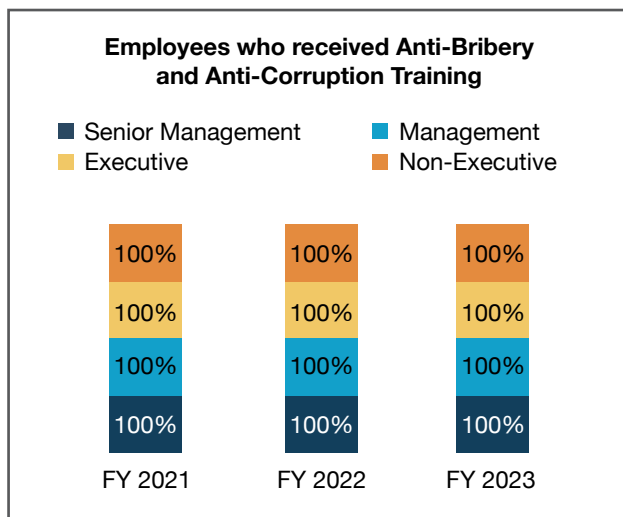


For further details on T7 Global Berhad's corporate governance, please visit <https://t7global.com.my/governance/>.

Our Performance

We are proud to report zero bribery and corruption cases in FY 2023. Additionally, 100% of our employees received anti-bribery and anti-corruption training.

	FY 2021	FY 2022	FY 2023
Percentage of operations assessed for corruption related risks	100%	100%	100%
Confirmed incidents of bribery and corruption	0	0	0



ABOUT THIS SUSTAINABILITY REPORT





Reliable and Efficient Operations

Why this is Important

Reliable and efficient operations maximise uptime and streamline business processes to foster productivity. In today’s dynamic business landscape, the assurance of reliable operations upholds business resilience amid change and competition, safeguarding business continuity.

Our Approach





Given the multifaced nature of our Energy, Aerospace and Construction business operations, we recognise the presence of inherent risks under various categories. To accurately identify and mitigate such risks, T7 Global employs a systematic risk assessment approach that enables us to address emerging risks, ensuring the well-being of our employees and enhancing our credibility. Our Systematic Risk Management approached is focused on safeguarding our People, Environment, Asset and Reputation (“PEAR”).

	Workplace Safety and Health Risks	Environmental Risks
Description	Working with hazardous materials and heights, dealing with hot surfaces and electricity, as well as exposure to radiation and toxic substances pose significant safety and health risks to workers in the workplace.	Improper handling of refined hydrocarbons and toxic substances, boar collisions, gas leaks and inadequate training can lead to severe environmental hazards, emphasising the need for appropriate safety measures.
Control Barriers	<p>Risk Mitigation Strategies and Procedures:</p> <ul style="list-style-type: none"> • Training Programmes • Equipment Inspections • Supervisions • Safe Storage • Permit-to-work System • Buddy System • Personal Protective Equipment (PPE) • Stop Work Policies • Medical Fitness Checks • Hygiene Practices 	<p>Risk Prevention and Procedures:</p> <ul style="list-style-type: none"> • Risk Assessment • Housekeeping • Segregation of Storage Areas • Warning Signage & Barriers • Regular Supervision • Awareness Training • Maintenance & Inspection • Collision Avoidance
Recovery Barriers	<p>Emergency Preparedness and Response Plan:</p> <ul style="list-style-type: none"> • Alarm System • Life Buoys • Lifesaving Appliances • Site Medical Facilities • Marked Evacuation Routes • Accessible Firefighting Systems • On-Site Medical Response • Portable Eyewash Stations 	<p>Incident Recovery & Impact Minimisation:</p> <ul style="list-style-type: none"> • Emergency Spill Kit • Secondary Containment • Proper Waste Disposal
UN SDGs	 	 

ABOUT THIS SUSTAINABILITY REPORT

Reliable and Efficient Operations (cont'd)

Our Approach (cont'd)

	Risks to our Assets	Reputational Risks
Description	Improper training and extreme weather conditions can result in structural, component and equipment damage which poses a significant risk to both people and the environment. Additionally, data privacy and security risks may lead to the loss of sensitive data, intellectual property and financial losses.	Reduced investor confidence and legal action may arise from workplace hazard, such as fires, COVID-19 infections, toxic pollution and unsafe conditions, underscoring the importance of implementing risk management strategies.
Control Barriers	Control Barriers and Procedures: <ul style="list-style-type: none"> Regular Supervision Proper Awareness Training Routine Equipment Inspections Weather Monitoring Secondary Communication Channels Planned Maintenance System Security Surveillance Data Privacy & Security System 	Risk Management Strategies and Procedures: <ul style="list-style-type: none"> Code of Conduct Regulatory Compliance Stakeholder Communication
Recovery Barriers	Risk Monitoring & Response: <ul style="list-style-type: none"> Proactive Monitoring Security Checks Prompt Response Recovery Plan 	Rebuilding Trust & Reputation: <ul style="list-style-type: none"> Transparent and Clear Communication Channels Root Cause Analysis Preventive Measures and Corrective Actions
UN SDGs	  	

Economic Performance and Impact

Why this is Important

Our economic performance reflects our success in achieving operational excellence through strategic and efficient resource allocation. Economic growth secures our ability to attract capital from investors and demonstrates our adaptability in responding to the evolving market, including the challenges of climate change.

Our Approach

Our business strategy drives sustainable economic performance. We stay ahead of market trends, embrace technology, mitigate risks and pursue strategic expansion, ensuring both financial strength and positioning us for long-term success.

Our Performance

The Group's economic performance in FY 2023:

	Amount (RM)
Economic value generated (revenue)	581,867,016
Payments to government (taxes)	22,263,747
Community investments	34,720
Economic value retained (profits)	32,488,451

ABOUT THIS SUSTAINABILITY REPORT

Data Privacy and Security

Why this is Important

Cybersecurity is essential to protect the privacy of personal and confidential data against the growing complexity and frequency of cyber threats. Implementing stringent cybersecurity measures strengthens our defences against security risks such as information leaks, threats and loss, safeguarding information and upholding stakeholder trust.

Our Approach

Our business depends on reliable Information Technology (“IT”) operations and we continually review data privacy and security capabilities to stay ahead of emerging threats. In the current financial year, the Group has taken several steps to enhance our security measures.

Data Loss Prevention

Monitor and block unauthorised access to sensitive data using machine learning and Artificial Intelligence (AI)

Data Erasure

Ensure sensitive data is securely deleted

Endpoint Protection

Centralised management console and data loss prevention features

Encryption

Strong encryption algorithms, hardware-based encryption and key management practices to ensure data protection

Storage with Built-in Data Protection

Storage with built-in data protection features like Redundant Array of Independent Dicks (“RAID”), checksums and mirroring

Backup, Snapshots & Replication

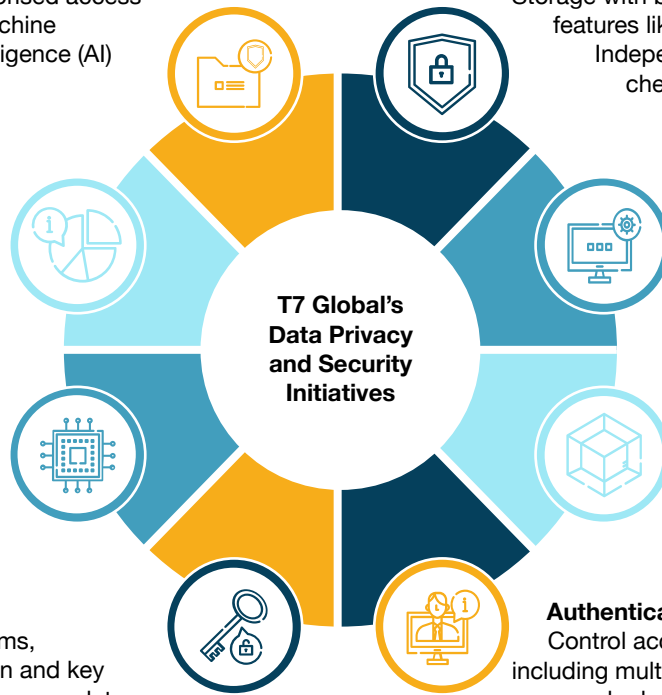
Ensure data can be recovered in the event of a disaster or loss

Firewalls

Allow only trusted sources and implement intrusion prevention to respond to attacks

Authentication & Authorisation

Control access to sensitive data, including multi-factor authentication and role-based access control



Our Performance

In FY 2023, we are pleased to announced that zero complaints concerning breaches of customer privacy or losses of customer data was reported.

	FY 2021	FY 2022	FY 2023
Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	0	0	0

ABOUT THIS SUSTAINABILITY REPORT

Digital Transformation

Why this is Important

The proliferation of digital technologies has propelled us to integrate digital infrastructure into our service provision processes and stakeholder interaction, positioning us for competitiveness in this digital era. Embracing these technologies also enhances our operational efficiency.

Our Approach

In FY 2023, we adopted several digital applications to further streamline our daily operations.

Initiatives	Objectives
Microsoft BC NAV	Connecting and managing all processes
BossNet (HR System)	Centralised System for HR Management (Payrol, e-Clock Attendance, e-Leave & etc.)
EDMS M-Files	A document management system
Primavera 6	For project planning
Microsoft project software	To developing a schedule, assign resources to tasks, track progress, manage the budget, and analyse workloads
Bi Software	To collect and process large amounts of unstructured data
Adobe Acrobat License	To amend and comment PDF documents
VISIO Software	To transform complicated text and tables into visual diagrams
Microsoft Azure	To manage databases
Autocad Software	A design and drafting software
Vincere Core Software	Recruitment Operating Software

ABOUT THIS SUSTAINABILITY REPORT

ENVIRONMENT

Acutely aware of the potential environmental impacts associated with our energy, aerospace and construction operations, T7 Global strives to minimize these impacts across our diverse operations. Our drive extends to prioritising efficient resource consumption, minimising waste generation and fostering a positive impact on local biodiversity.

Material Sustainability Matters

- GHG and Climate Resilience
- Waste Management
- Biodiversity
- Energy Management
- Water Management

Stakeholder Groups



Contribution to the UN SDGs



Sustainability Highlights

- 24% Reduction in Fuel Consumption
- 24% Reduction in Scope 1 GHG Emissions
- Initiated Scope 3 GHG Emissions in FY 2023

CO₂

ABOUT THIS SUSTAINABILITY REPORT

Energy Management

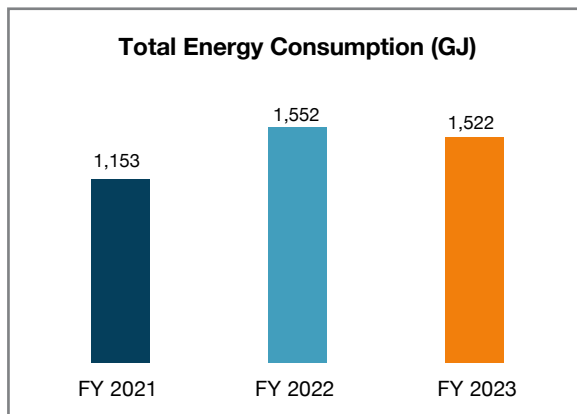
Why this is Important

Rising global energy demand coupled with environmental concerns necessitates efficient energy management for sustainable growth. By implementing these effective measures, the Group can benefit from cost savings, boost operational efficiency and reduce environmental footprint.

Our Approach

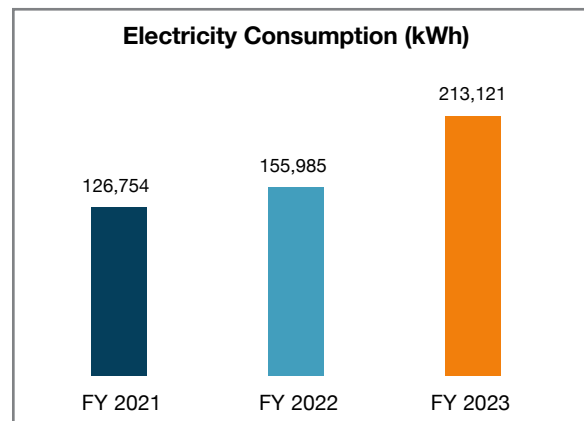
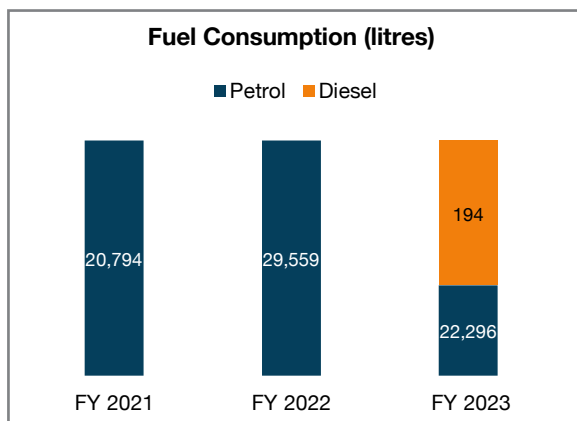
In FY 2022, we implemented an Energy Efficient Policy Plan to guide our energy management initiatives and optimise energy use across the Group. Looking forward, our Aerospace Division plans to install solar panels across its operations in FY 2024, aiming to utilise green energy and reduce reliance on conventional energy sources that contribute to our environmental footprint.

Our Performance



In FY2023, our energy consumption totaled 1,522 GJ, comprising 755 GJ from fuel and 767 GJ from electricity.

T7 Global consumed a total of 22,296 litres of fuel. Petrol consumption exhibited a 24% decrease, accompanied by an increase in diesel usage. We also recorded 213,121 kWh of electricity consumed in FY 2023, which showed an increase of 37%.



ABOUT THIS SUSTAINABILITY REPORT







GHG and Climate-Resilience

Why this is Important

In light of climate change and its potential risks to our assets and interruption of our operations, consistent GHG emissions monitoring has become an important aspect of our business model. Consistent monitoring allows us to mitigate climate-related risks that arise from our operations, contributing to the global goal of net-zero by 2050 across our operations.

Our Approach

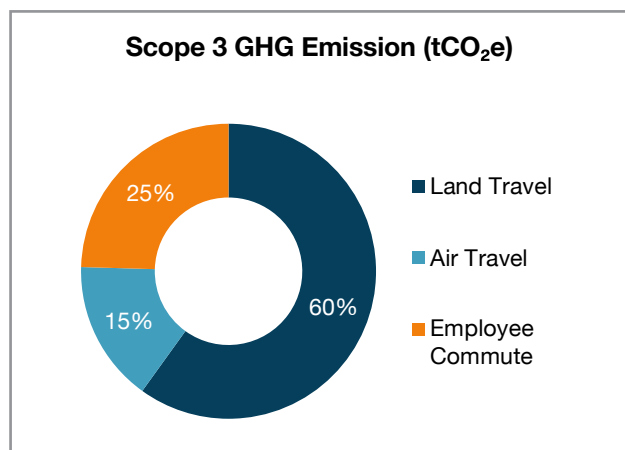
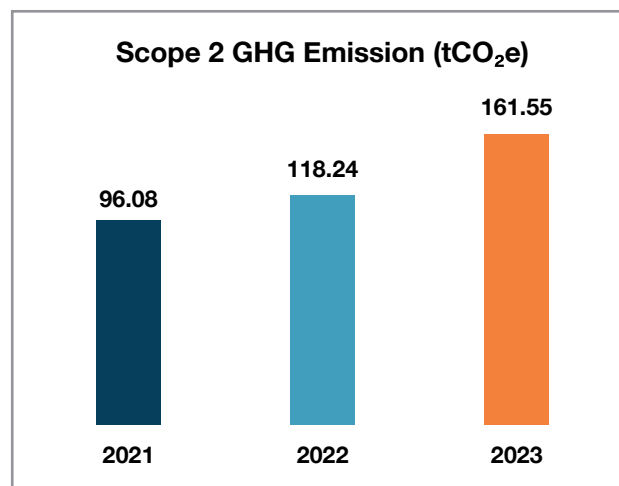
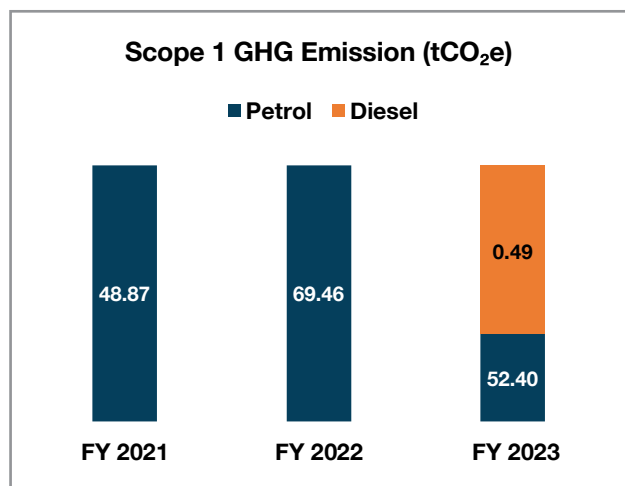
Striving to reduce our environmental footprint, we launched our Emission Management Plan in FY 2022 that established clear objectives and guidelines, providing a roadmap to track our decarbonisation efforts.

 <p>Leadership</p> <ul style="list-style-type: none"> Recognise emissions as part of our business Setting the tone right from the top Include ESG in decision-making criteria Prioritise and focus on sustainability 	 <p>Strategy</p> <ul style="list-style-type: none"> Minimise and justify all GHG emissions Invest in net zero projects
 <p>Planning</p> <ul style="list-style-type: none"> Monthly environmental meetings with senior management Set KPIs for environmental performance Set a 5-Year plan addressing environmental sustainability 	 <p>Culture</p> <ul style="list-style-type: none"> Increase focus on curbing emissions Use cost and economic parameters Use CO₂ cost in operational decisions Engage environmental teams offshore to reduce waste
 <p>Monitoring</p> <ul style="list-style-type: none"> Digital dashboard Daily emissions monitoring and management Analysis as part of normal business Offshore surveillance Measuring flare/CO₂ losses Establish optimal performance as baseline 	 <p>Capital Investment</p> <ul style="list-style-type: none"> Identification, assessment and implementation of opportunities to change the carbon intensity of our operations
 <p>Improve Operational Efficiencies</p> <ul style="list-style-type: none"> Review and reduce generator spinning reserve Reassess operational parameters for generator load Incremental reduction in power demand 	 <p>Reduce Venting / Flaring</p> <ul style="list-style-type: none"> Reduce trips Improve generator reliability Improve compressor reliability Manage single point failure systems

ABOUT THIS SUSTAINABILITY REPORT

GHG and Climate-Resilience (cont'd)

Our Performance



In FY 2023, T7 Global recorded a total of 652.06 tCO₂e GHG emissions, with 8% from Scope 1, 25% from Scope 2 and 67% from Scope 3.

Note:

- Our calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standard.
- Scope 1 and 3 GHG emission factors were sourced from the UK Government's GHG Conversion Factor 2023.
- Scope 2 GHG emission factors were sourced from the National Energy Commission: Grid Emissions Factor (GEF) in Malaysia 2021.

	FY 2021	FY 2022	FY 2023
Scope 1 GHG Emission (tCO ₂ e)	48.87	69.46	52.89
Scope 2 GHG Emission (tCO ₂ e)	96.08	118.24	161.55
Scope 3 GHG Emission (tCO ₂ e)	–	–	437.62
Total GHG Emission (tCO₂e)	144.95	187.70	652.06



ABOUT THIS SUSTAINABILITY REPORT

Waste Management

Why this is Important

T7 Global recognizes the pivotal role of responsible waste management. We uphold waste management practices that are compliant with environmental regulations to minimize our environmental footprint. Such measures contribute to environmental preservation and bolster our long-term success.

Our Approach

In our Energy Division, we adopt a multi-pronged approach aligned with the International Maritime Organisation (“IMO”) standards to mitigate waste pollution associated with both offshore and onshore operations.

We also enhanced our waste management practices by implementing an internal Waste Management System Policy aligned with ISO 14001:2015 (Environmental Management System) Standards. This policy provides clear guidelines that ensure our waste management practices align with industry best practices.

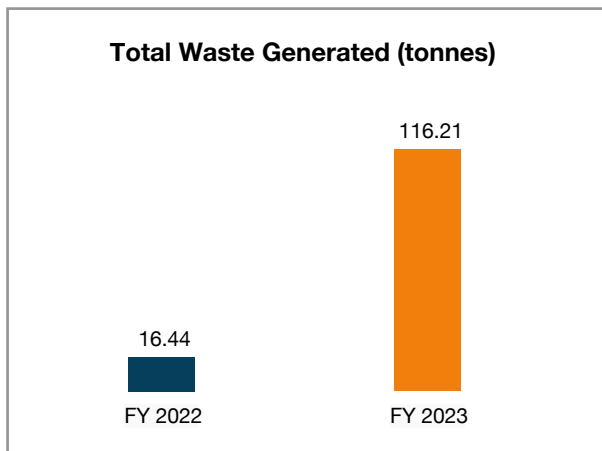
For the responsible collection and management of scheduled waste, we partnered with licensed third-party contractors in compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005 requirements set by the Department of Environment (DOE).

The principles of Reduce, Reuse and Recycle (“3R”) are central to our waste management strategy. Through regular communication with employees and organising annual waste awareness campaigns, we embed a culture of responsible waste management across the Group.



- Reduce**
Reduce consumption and eliminate unnecessary usage
- Reuse**
Prioritise reusable items across the Group
- Recycle**
Provide appropriate bins to ensure materials are sorted before handling to recycling centres

Our Performance



In FY 2023, we generated a total of 116.21 tonnes of waste, consisting of both scheduled and non-scheduled waste. Waste generation saw a rise in FY 2023, driven by the increase of projects and services during that period.

ABOUT THIS SUSTAINABILITY REPORT

Waste Management (cont'd)

Our Performance (cont'd)

Scheduled Waste by Division

We monitor and track our scheduled waste to ensure proper disposal.

Scheduled Waste	Scheduled Waste Generated (tonnes)	
	Energy	Aerospace
SW104 (Dust containing arsenic, mercury, lead, etc.)	1.65	0.00
SW204 (Encapsulated chemical sludge)	0.00	1.80
SW206 (Spent inorganic acids)	0.00	13.50
SW305 (Spent lubricating oil)	0.65	0.00
SW306 (Spent hydraulic oil)	6.70	0.00
SW309 (Oil-water mixture such as ballast water)	1.00	0.00
SW322 (Non-halogenated organic solvents)	0.00	11.87
SW323 (Halogenated organic solvents)	10.00	0.00
SW401 (Spent alkalis containing heavy metals)	10.00	0.00
SW409 (Disposed contaminated chemical containers)	0.82	0.00
SW410 (Contaminated rags or plastic)	3.80	0.10
SW417 (Waste of inks, paints, etc.)	0.20	0.00
SW418 (Disposed organic solvent)	17.10	0.37
Total	51.92	27.64

Note:

1. Waste data excludes Construction Division due to data limitation.

ABOUT THIS SUSTAINABILITY REPORT

Water Management

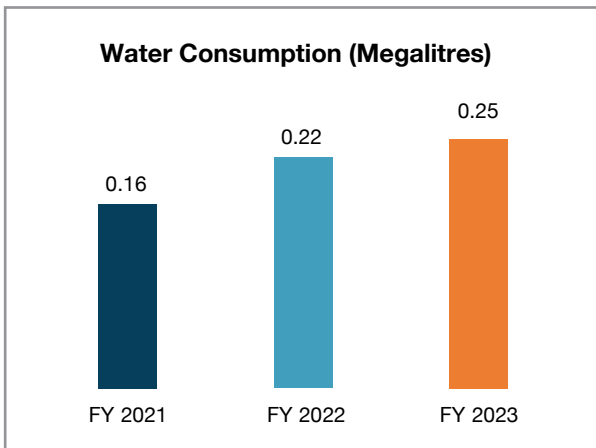
Why this is Important

Efficient water management minimizes waste, optimises water consumption and maintains seamless operations. These efforts contribute to the Group’s commitment as a responsible and environmentally-focused corporation.

Our Approach

Through regular analysis to identify areas for improvement, we advocate for responsible water usage and implement water treatment technologies, further enhancing operational efficiency. This is particularly critical in our Energy Division’s Bayan Mobile Offshore Production Units (“MOPUs”) where a consistent supply of fresh water is important in remote locations. To address this challenge, we implemented a reverse osmosis (“RO”) water maker capable of producing 20m³ of fresh water daily.

Our Performance



In FY 2023, the Group utilised a total of 0.25 megalitres of water, reflecting a 14% increase compared to FY 2022.

Biodiversity

Why this is Important

Preserving biodiversity within the natural environment surrounding our business operations sustain local ecosystems and the diversity of flora and fauna. We take proactive measures to mitigate potential environmental risks to minimize potential impacts to ensure the health of the environments in which we operate.

Our Approach

We strive to operate all our business activities in an environmentally responsible manner, minimising any potential harm to the environment. In FY 2023, T7 Global secured a project to execute offshore facility decommissioning for the South Angsi Alpha platform off the east coast of Peninsular Malaysia. It involves the responsible decommissioning of the platform while contributing to the environment through a unique initiative: the rig-to-reef programme. This programme repurposes decommissioned structures into artificial reefs, transforming them into thriving marine habitats. By doing so, we mitigate the ecological impact of decommissioning and contribute positively to marine biodiversity.

ABOUT THIS SUSTAINABILITY REPORT

PEOPLE FIRST

T7 Global strives to align with the needs of the people from our dedicated workforce to the diverse communities where we operate. We aim to engage and collaborate with people, gaining insight into their unique needs and aspirations, endeavouring to create positive impacts that resonate both within and outside the Group.

Material Sustainability Matters

- Occupational Health and Safety
- Supply Chain Management
- Community and Social Development
- Workforce Diversity and Inclusivity
- Employee Recruitment, Development and Retention

Stakeholder Groups

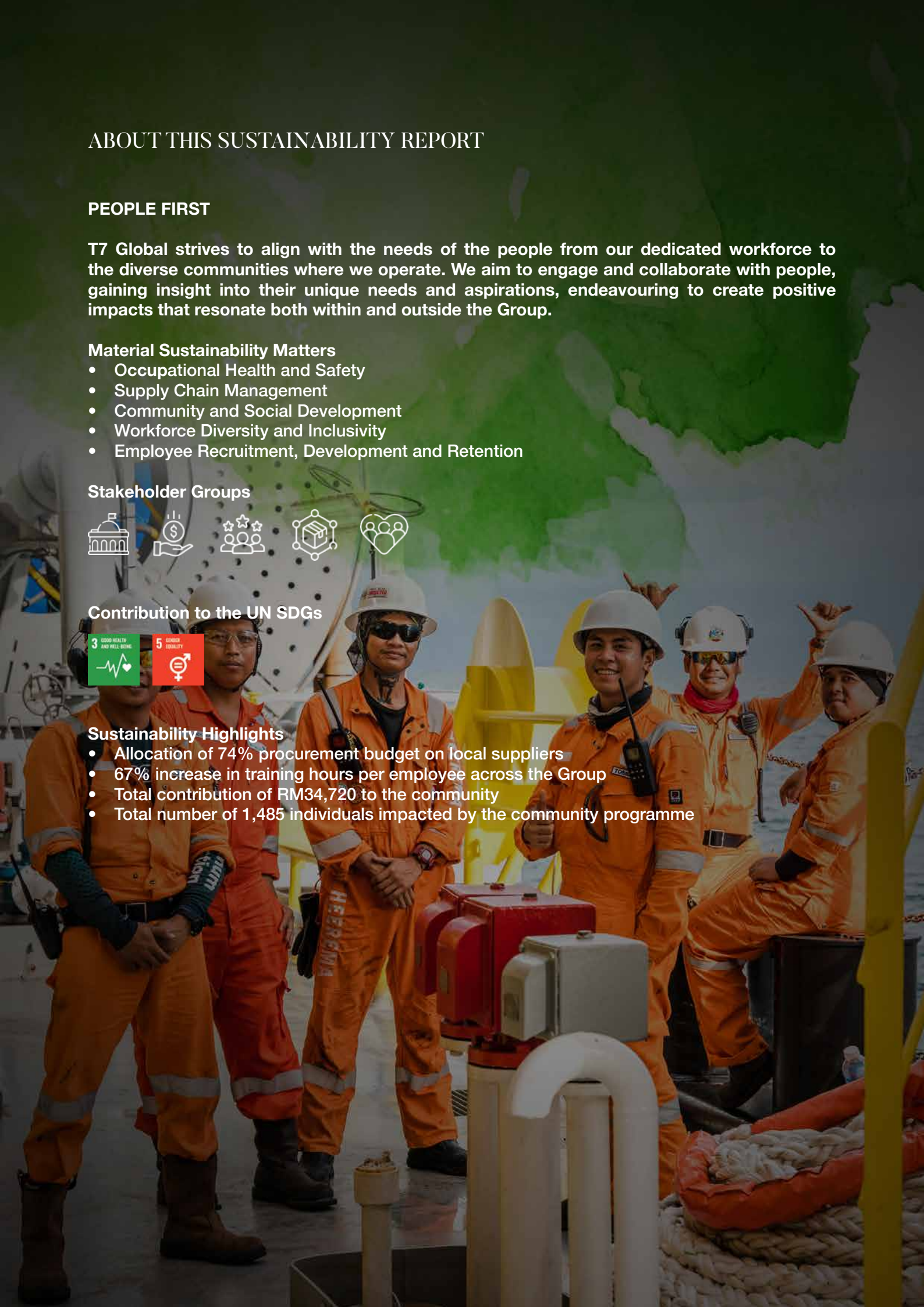


Contribution to the UN SDGs



Sustainability Highlights

- Allocation of 74% procurement budget on local suppliers
- 67% increase in training hours per employee across the Group
- Total contribution of RM34,720 to the community
- Total number of 1,485 individuals impacted by the community programme



ABOUT THIS SUSTAINABILITY REPORT

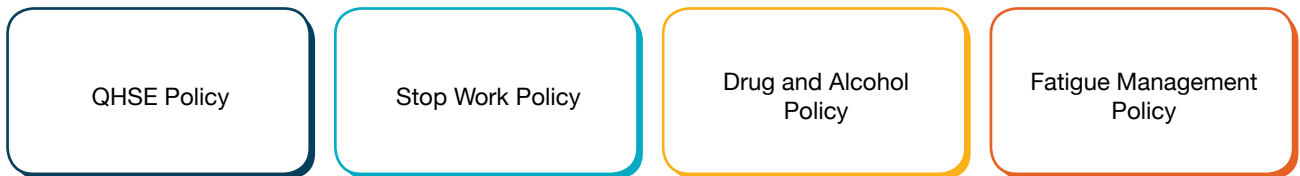
Occupational Health and Safety

Why this is Important

The energy, construction and aerospace industries must uphold stringent occupational health and safety (“OHS”) due to the inherent risks associated with working at heights, at sea and in complex environments. Ensuring good occupational health and safety is important to protect the well-being of all personnel, including engineers, technicians and construction crews.

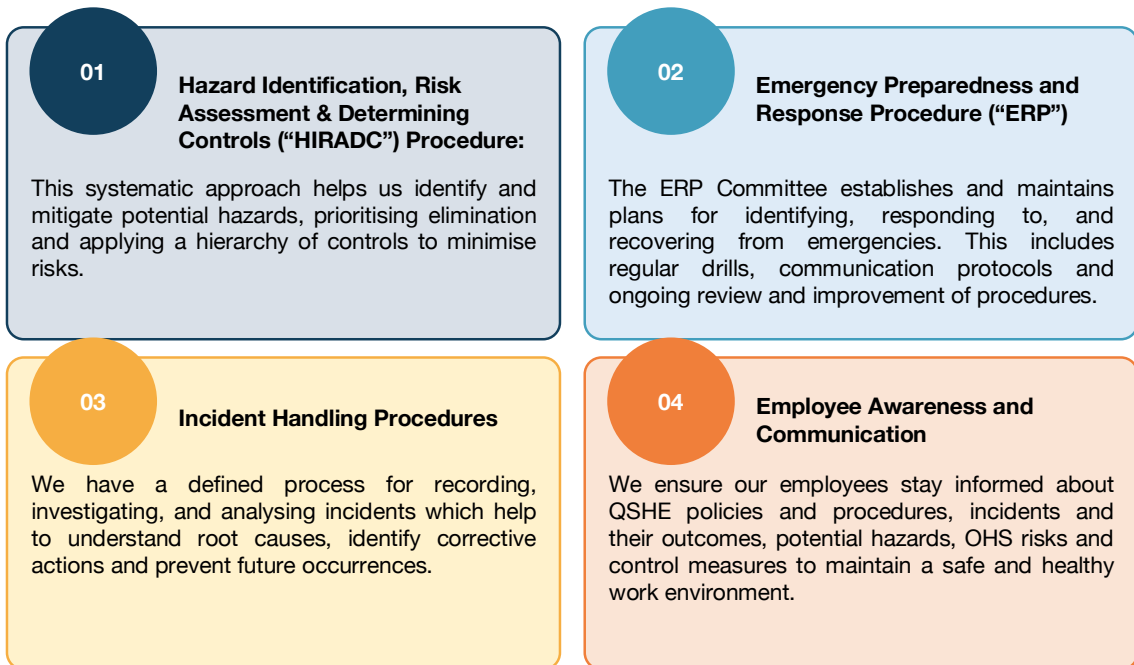
Our Approach

T7 Global strives to apply best safety practices as well as implement management programs that will contribute to increased efficiency and compliance with industry safety standards. These goals are underpinned by our Quality, Health, Safety & Environment (“QSHE”) Manual and the establishment of an Integrated Management System (“IMS”) Committee that oversees QSHE matters, supported by the following policies.



The manual defines the minimum standards for QSHE management at T7 Global and has been reviewed by the Chief Executive Officer (“CEO”) and approved by the Executive Deputy Chairman.

Key OHS elements of our QSHE Manual



Additionally, the Group values continuous training to enhance employee and contractor awareness of OHS practices, fostering a consistent safety culture across our operations.

ABOUT THIS SUSTAINABILITY REPORT

Occupational Health and Safety (cont'd)

Our Performance







T7 Global adheres to several international standards in managing, planning and delivering our products and services, which includes ISO 9001:2015 (Quality Management System), ISO 45001:2018 (Occupational Health and Safety Management System), ISO 14001:2015 (Environmental Management System) and AS9100D (Quality Management System) for the aerospace industry.

Operations		Certifications
<ul style="list-style-type: none"> • T7 Global Berhad. • Tanjung Offshore Services Sdn. Bhd. ("TOSSB") • T7 Gastec Sdn. Bhd. 	<ul style="list-style-type: none"> • ISO 9001:2015 • ISO 14001:2015 • ISO 45001:2018 	
<ul style="list-style-type: none"> • T7 Wenmax Sdn. Bhd. 	<ul style="list-style-type: none"> • ISO 9001:2015 	
<ul style="list-style-type: none"> • T7 Kemuncak Sdn. Bhd. 	<ul style="list-style-type: none"> • ISO 9001:2015 	
<ul style="list-style-type: none"> • T7 AeroTech Sdn. Bhd. 	<ul style="list-style-type: none"> • AS 9100 D 	

In FY 2023, we provided over 60 health and safety training programs, with a total of 2,431 attendees in total.

Examples of Health and Safety Training Programs

Examples of Health and Safety Training Programs

 <p>Airside Safety Briefing</p>	 <p>Excavation Safety Training</p>	 <p>Pre-Mob Briefing</p>
 <p>Safety Standdown</p>	 <p>Grand Toolbox Meeting</p>	 <p>Working at Height Campaign</p>

FY 2023 saw both zero fatalities and a low Lost Time Injury Rate ("LTIR") of 0.31, demonstrating the effectiveness of our safety measures.

ABOUT THIS SUSTAINABILITY REPORT

Occupational Health and Safety (cont'd)

Our Performance (cont'd)

OHS Information	FY 2021	FY 2022	FY 2023
Total number of hours worked	3,488,965	4,399,833	9,175,283
Number of fatalities as a result of work-related injury	0	0	0
Number of recordable work-related injuries	0	2	14
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Lost time injury rate (LTIR)	0.00	0.09	0.31

* LTIR is calculated as per Bursa Sustainability Reporting Guideline, per 200,000 hours worked per year.

Supply Chain Management

Why this is Important

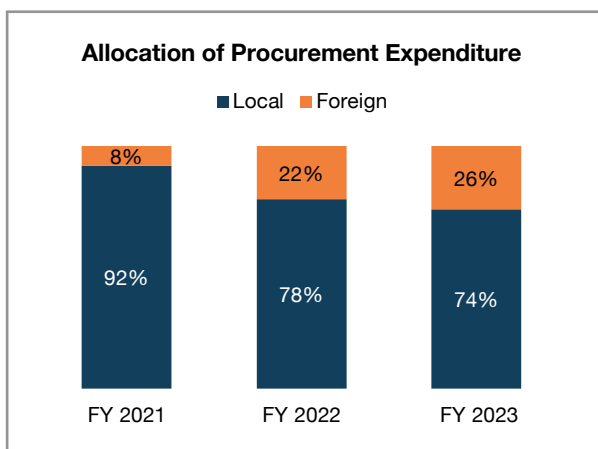
Efficient supply chain management streamlines operations, reduces costs and strengthens our overall competitiveness. This approach extends beyond our immediate operations, fostering local economic development and serving as a strategic driver for sustainability.

Our Approach

T7 Global partner with local suppliers who share our commitment to ethics, sustainability and social responsibility. The Group integrates sustainability principles and ESG targets into our procurement policies to uphold responsible supply chain management, recognising that ethical operations among our suppliers are fundamental to our business success.

We also screen new suppliers according to social and environmental criteria through our supplier selection, qualification and evaluation procedure, ensuring our partners and contractors adhere to our QHSE Management System and Code of Conduct and Ethics.

Our Performance



We prioritise the allocation of a specific portion of our procurement budget to support local suppliers. In FY 2023, 74% of our total spending was directed towards local suppliers.

ABOUT THIS SUSTAINABILITY REPORT

Workforce Diversity and Inclusivity

Why this is Important

A workforce with diverse individuals provides fresh perspectives and innovative ideas that empowers the Group to adapt to new challenges and seize emerging opportunities, providing the agility essential in the current dynamic environment.

Our Approach

We believe in fostering a culture where employees feel valued and supported, enabling them to perform at their best. Our commitment to equity is core to our values, supported by our Policy on Gender Diversity and Sexual Harassment Policy. We also implemented various measures to uphold equal opportunity and non-discrimination across our operations, as well as offering job opportunities to individuals of all races, including foreigners.



Our Performance

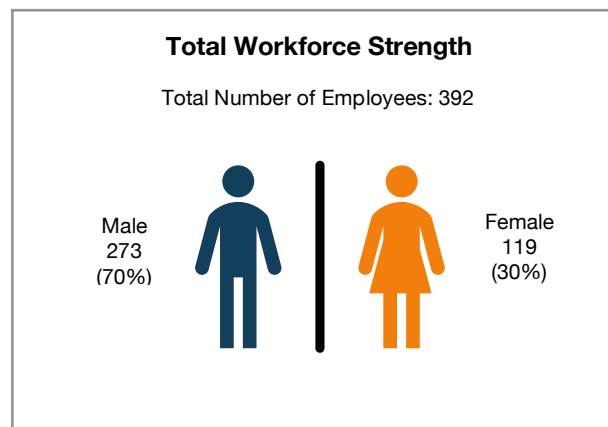
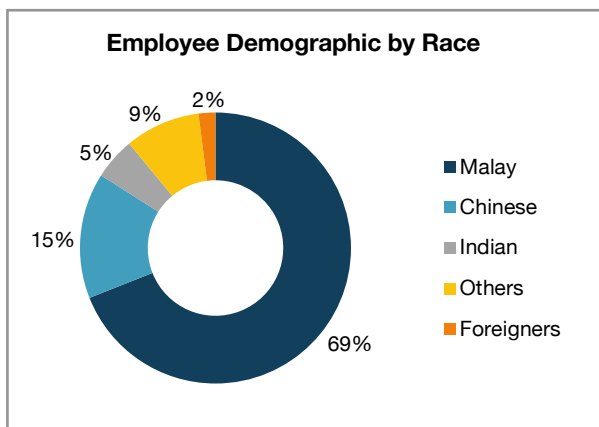
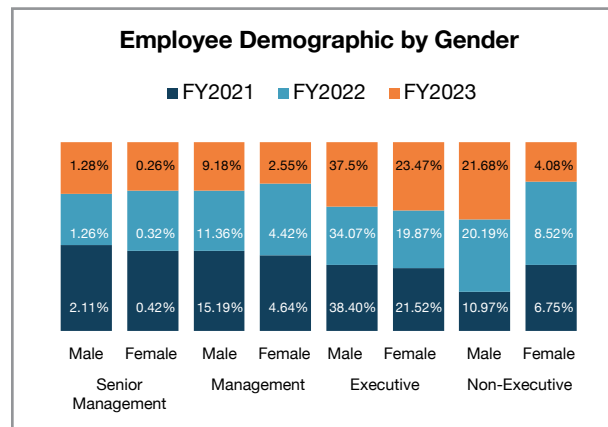
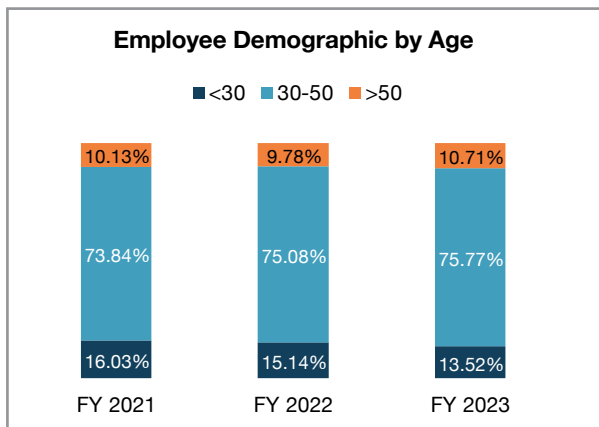
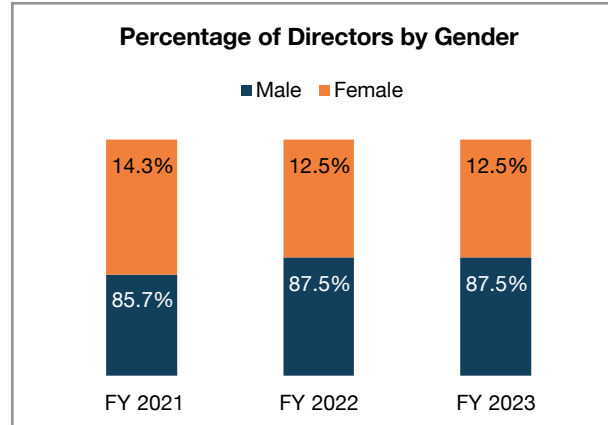
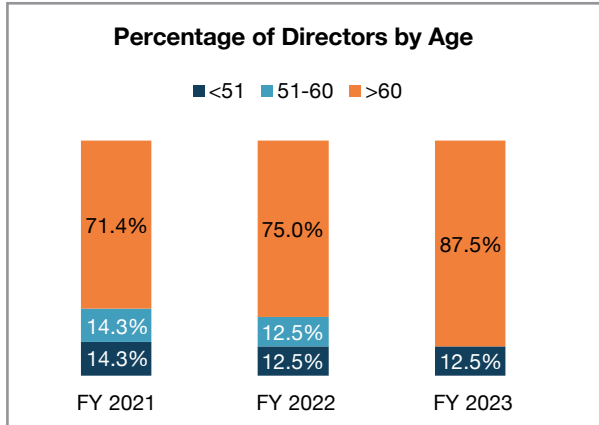
We are proud to announce that zero reported cases of discrimination were recorded in FY 2023. T7 Global experienced steady workforce growth throughout the years, documenting a 23% increase compared to FY 2022.

In our construction and aerospace divisions, T7 Global provides accommodation for our foreign workers in compliance with Malaysian Department of Labour (Jabatan Tenaga Kerja Malaysia) specifications, conducting regular inspections to maintain standards and address issues promptly. Our human resource department manages working permits, including new applications and renewals. Furthermore, Foreign Workers Medical Examination Monitoring Agency ("FOMEMA") health inspections were conducted to ensure our workers are fit for duty.

ABOUT THIS SUSTAINABILITY REPORT

Workforce Diversity and Inclusivity (cont'd)

Our Performance (cont'd)



Employee Recruitment, Development and Retention

Why this is Important

Building a sustainable future relies on cultivating a thriving workforce. Through strategic talent management practices, we attract and retain valuable employees, fostering a skilled and high-performing workforce that drives the Group's success.

Our Approach

At T7 Global, we nurture a rewarding work environment founded on equitable compensation, comprehensive benefits as well as opportunities for professional development and career advancement. Upholding these values, we actively promote equal employment opportunities, promotions and training across all levels of the Group.

ABOUT THIS SUSTAINABILITY REPORT

Employee Recruitment, Development and Retention (cont'd)

Our Approach (cont'd)

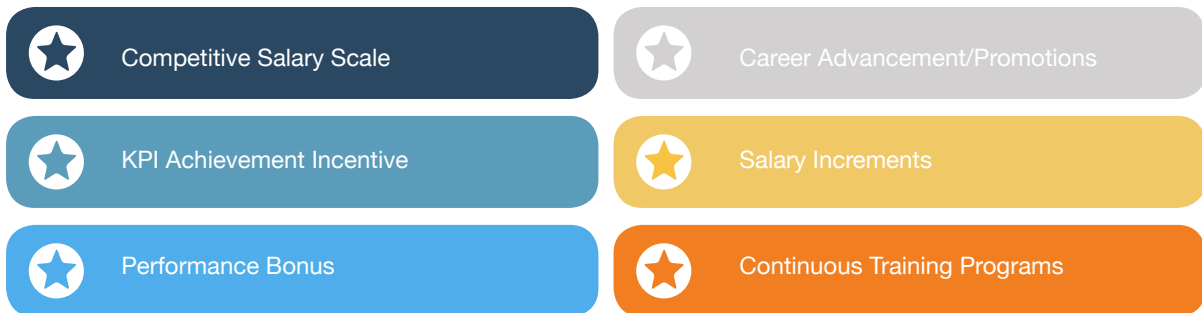
In FY 2023, we conducted several employee engagement programs to foster a productive work environment, strengthening the connection between employees and the Group.



We offer employee benefits that encompass various aspects beyond financial incentives to support our full-time staff throughout their career at T7 Global.



Several initiatives have also been established in FY 2023 to attract new talents and retain our existing employees.



Our Performance

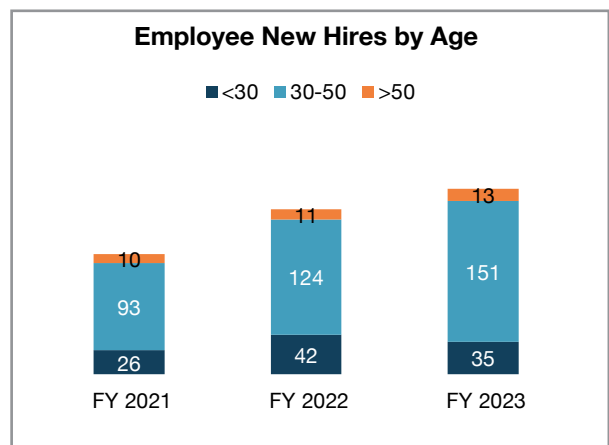
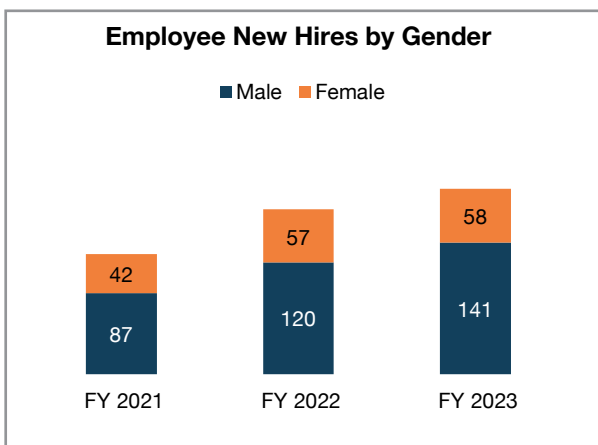
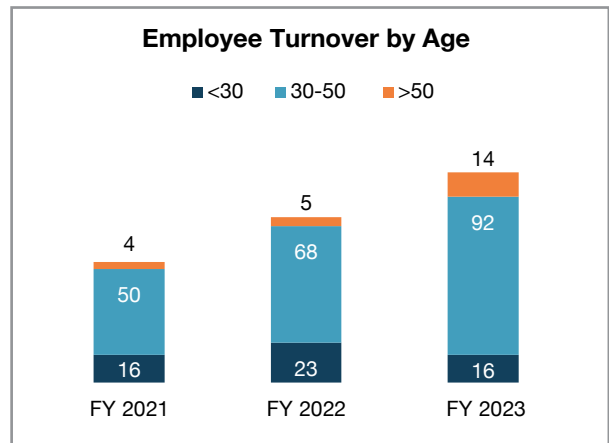
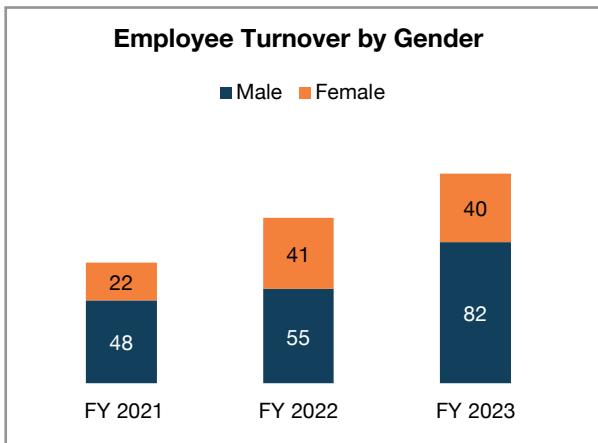
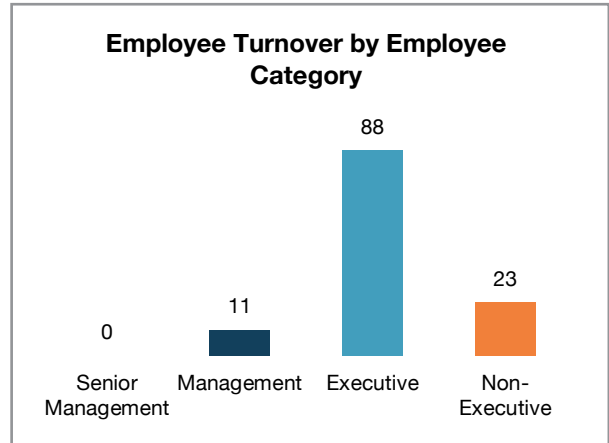
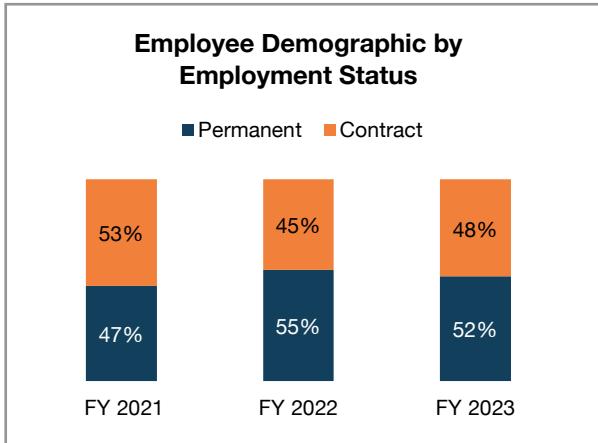
In FY 2023, zero human rights violations were reported across the Group. Our workforce composition maintained a healthy balance, with 52% permanent employees and 48% contract staff. We also saw growth, achieving a 50.77% new hire rate, while recording a 31.38% turnover rate.

	FY 2021	FY 2022	FY 2023
New Hire Rate (%)	54.43	55.84	50.77
Turnover Rate (%)	29.54	30.28	31.38

ABOUT THIS SUSTAINABILITY REPORT

Employee Recruitment, Development and Retention (cont'd)

Our Performance (cont'd)



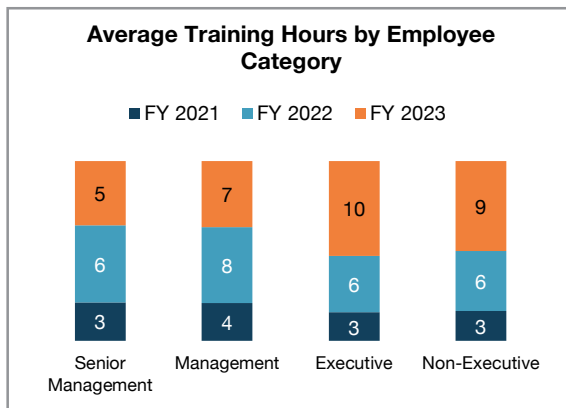
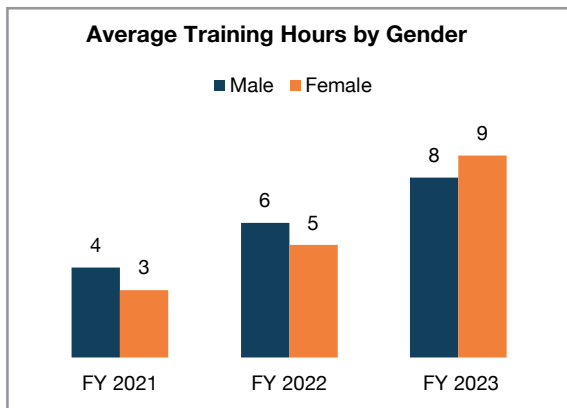
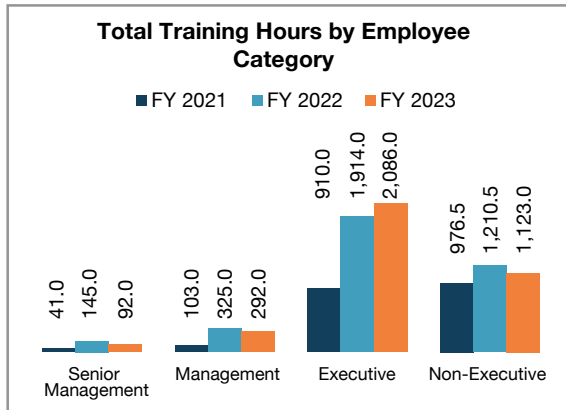
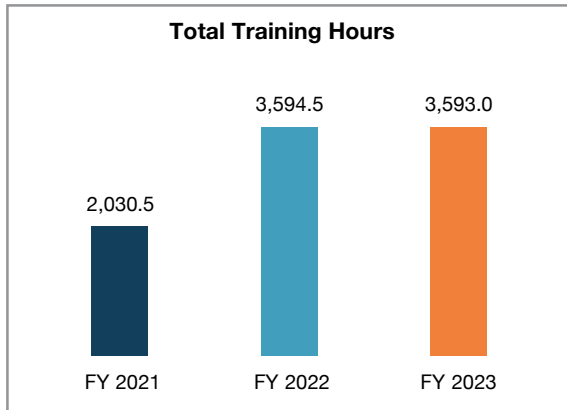
Parental Leave	Gender	FY 2021	FY 2022	FY 2023
Number of employees that took Parental Leave	Male	3	2	8
	Female	3	14	9
Number of employees that returned after Parental Leave	Male	2	1	8
	Female	1	4	2
Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Male	3	1	8
	Female	1	3	2

ABOUT THIS SUSTAINABILITY REPORT

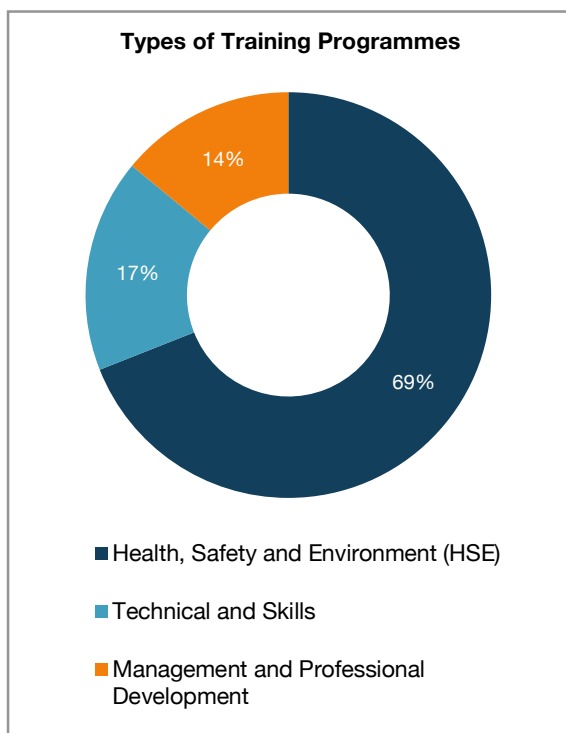
Employee Recruitment, Development and Retention (cont'd)

Our Performance (cont'd)

In FY 2023, we delivered a total of 92 training programmes, investing 3,593 hours in employee development. Approximately 69% of these programmes focused on Health, Safety, and Environment (“HSE”) to encourage a safe and responsible work environment, while the remaining 30% consisted of Technical and Skills Training (17%) and Management and Professional Development (14%).



Health, Safety and Environment
<ul style="list-style-type: none"> • Damage Control Team with Rescue Initial Training • Tropical FOET with CAEBS & FTSBB • Emergency Pipeline Repair System Subsea Accumulator (EPRD SAA) Decommissioning Project Team Building • Working at Height • HSE Awareness campaign “PPE SAVE LIVES”
Technical and Skills
<ul style="list-style-type: none"> • Mobile Project Unit (MOPU) Recovery Workshop • Basic Rigging & Slings / Banksman • Sustainability Training • Building Information Modelling (BIM) ISO 19650 Part 2 : Project Delivery Training
Management and Professional Development
<ul style="list-style-type: none"> • Emergency Pipeline Repair System Subsea Accumulator (EPRD SAA) Decommissioning Project Team Building • Human Resource Orientation • ISO 9001 Operations Procedures





ABOUT THIS SUSTAINABILITY REPORT

Community and Social Development

Why this is Important

By actively partnering with local communities, T7 Global works to uplift their quality of life and enable them to thrive. Upholding our Corporate Social Responsibility also fosters positive relationships that unlock long-lasting social inclusion and mutual benefits.

Our Approach

We identify focus areas for our community investments through a systematic process. By following these steps, T7 Global ensures that our community investments are purposeful, strategic and make a positive impact where it matters most.



Belief in People

The Group recognizes that people are fundamental to our success and believes in empowering individuals and fostering positive change.



Corporate Social Responsibility ("CSR")

The Group prioritises CSR initiatives, emphasising the value of giving back to society and creating shared value.



Strategic Planning

The Group conducts strategic planning sessions to pinpoint priority areas that align with its corporate values and objectives.



Community Needs Assessment

The Group conducts assessments to understand the needs and challenges faced by communities in our operational areas.



Stakeholder Engagement

The Group engages with our stakeholders, including local communities to gather insights and ensure investments address pertinent issues.

Understanding that engaged employees are good for both the company and the community, we implemented several strategies to encourage employee participation in CSR and volunteering events.

ABOUT THIS SUSTAINABILITY REPORT

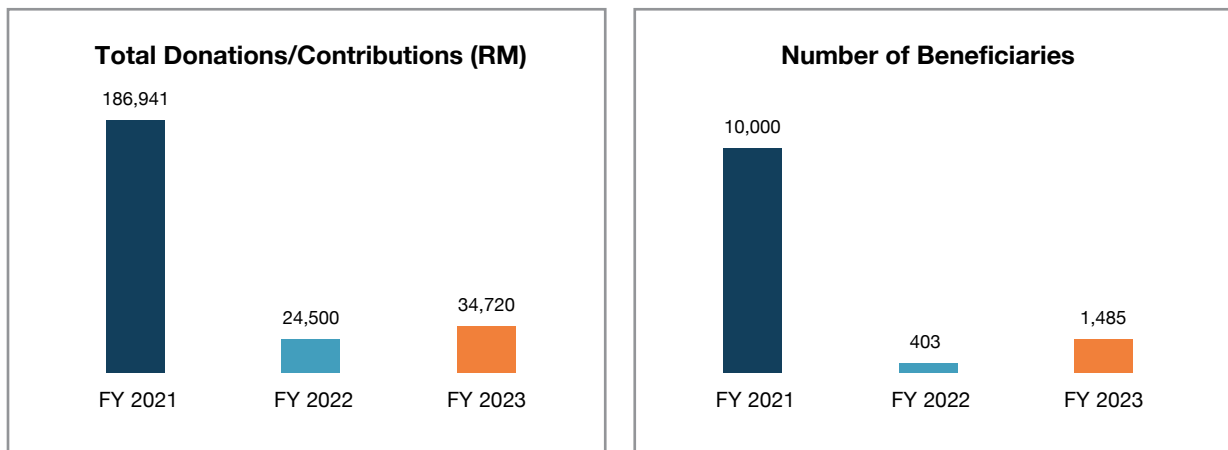
Community and Social Development (cont'd)

Our Approach (cont'd)



Our Performance

In FY 2023, T7 Global dedicated RM34,720 to empowering 1,485 individuals through community investment initiatives.



ABOUT THIS SUSTAINABILITY REPORT

Community and Social Development (cont'd)

Our Performance (cont'd)

List of Community Programs in FY 2023

Date: 03.03.2023



Beneficiary

Kuala Lumpur Traffic Police Station

Description

Contributed of 1,000 (RM18,950) safety cones to the Investigation Department & Traffic Enforcement Kuala Lumpur for their use in their increasingly challenging daily assignments in the capital city.

Date: 03.03.2023



Beneficiary

District Police Headquarters ("IPD") Wangsa Maju

Description

Contributed of RM2,000 to celebrate the transfer and retirement of police officers and civil servants from the Wangsa Maju IPD in conjunction with Police Day.

Date: 06.08.2023



Beneficiary

National Blood Centre

Description

Donated 50 blood packets through a blood donation drive in collaboration with the National Blood Centre.

Date: 12.07.2023



Beneficiary

Royal Artillery Regiment

Description

Contributed RM3,000 towards the celebration of the Royal Artillery Regiment's anniversary.

Date: 20.07.2023



Beneficiary

Batu Gajah District Police Station, Perak

Description

Sponsored jerseys (RM770) for the Police Chief's Cup Netball Championship 2023 in the Batu Gajah District, Perak.

Date: 28.09.2023



Beneficiary

Life Line Association Malaysia ("LLAM")

Description

Provided a sponsorship of RM10,000 for the implementation of 24-hour helpline counselling by Life Line Association Malaysia.

ABOUT THIS SUSTAINABILITY REPORT

ADVANCING FORWARDS AND UPWARDS

T7 Global strives to build a sustainable, resilient and equitable future, as well as addressing the challenge of climate change through focused ESG initiatives. Safety, environmental responsibility and ethical practices remain the cornerstones of our operations across oil and gas servicing, construction and aerospace. Utilising our diverse expertise, we deliver innovative solutions that meet the evolving needs of our stakeholders and contribute to a greener tomorrow.

PERFORMANCE DATA TABLE

Governance and Responsible Business

Indicator	Unit	FY 2021	FY 2022	FY 2023
Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Senior Management	%	100	100	100
• Management	%	100	100	100
• Executive	%	100	100	100
• Non-Executive	%	100	100	100
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	100	100	100
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Data Privacy and Cybersecurity				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	0

Environment

Indicator	Unit	FY 2021	FY 2022	FY 2023
Energy Management				
Bursa C4(a) Total energy consumption	MWh	320	431	423
Bursa C4(a) Total energy consumption	GJ	1,153	1,552	1,522
Emissions				
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	48.87	69.46	52.89
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	96.08	118.24	161.55
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (business travel and employee commuting)	tCO ₂ e	–	–	437.62

ABOUT THIS SUSTAINABILITY REPORT

PERFORMANCE DATA TABLE (CONT'D)

Environment (cont'd)

Indicator	Unit	FY 2021	FY 2022	FY 2023
Waste Management				
Bursa C10(a) Total waste generated	tonnes	–	16.44	116.21
Bursa C10(a)(i) Total waste diverted from disposal	tonnes	–	–	–
Bursa C10(a)(ii) Total waste directed to disposal	tonnes	–	–	–
Water				
Bursa C9(a) Total volume of water used	Megalitres	0.16	0.22	0.25

Social

Indicator	Unit	FY 2021	FY 2022	FY 2023
Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time injury rate (“LTIR”)	Rate	0.00	0.09	0.31
Bursa C5(c) Number of employees trained on health and safety standards	Number	–	72	2,431
Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	%	92	78	74
Labour Practices and Standards				
Bursa C6(a) Total hours of training by employee category				
• Senior Management	Hours	41.0	145.0	92.0
• Management	Hours	103.0	325.0	292.0
• Executive	Hours	910.0	1,914.0	2,086.0
• Non-Executive	Hours	976.5	1,210.5	1,123.0
Bursa C6(b) Percentage of employees that are contractors or temporary staff				
• Permanent	%	47	55	52
• Contract	%	53	45	48
Bursa C6(c) Total number of employee turnover by employee category				
• Senior Management	Number	–	–	0
• Management	Number	–	–	11
• Executive	Number	–	–	88
• Non-Executive	Number	–	–	23

ABOUT THIS SUSTAINABILITY REPORT

PERFORMANCE DATA TABLE (CONT'D)

Social (cont'd)

Indicator	Unit	FY 2021	FY 2022	FY 2023
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
Diversity				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender group by employee category				
• Senior Management (Male)	%	2.11	1.26	1.28
• Senior Management (Female)	%	0.42	0.32	0.26
• Management (Male)	%	15.19	11.36	9.18
• Management (Female)	%	4.64	4.42	2.55
• Executive (Male)	%	38.40	34.07	37.50
• Executive (Female)	%	21.52	19.87	23.47
• Non-Executive (Male)	%	10.97	20.19	21.68
• Non-Executive (Female)	%	6.75	8.52	4.08
Age group by employee category				
<30	%	16.03	15.14	13.52
30-50	%	73.84	75.08	75.77
>50	%	10.13	9.78	10.71
Bursa C3(b) Percentage of directors by gender and age				
Male	%	85.7	87.5	87.5
Female	%	14.3	12.5	12.5
<51	%	14.3	12.5	12.5
51-60	%	14.3	12.5	0
>60	%	71.4	75.0	87.5
Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	186,941	24,500	34,720
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	10,000	403	1,485

ABOUT THIS SUSTAINABILITY REPORT

GRI CONTENT

GRI Standard	Disclosure Title		Page References
GRI 2: General Disclosures 2021	2-1	Organisational details	4-5
	2-2	Entities included in the organisation's sustainability reporting	5
	2-3	Reporting period, frequency and contact point	5
	2-6	Activities, value chain and other business relationships	5
	2-7	Employees	44-45
	2-9	Governance structure and composition	11
	2-11	Chair of the highest governance body	11
	2-12	Role of the highest governance body in overseeing the management of impacts	11
	2-13	Delegation of responsibility for managing impacts	11
	2-14	Role of the highest governance body in sustainability reporting	11
	2-16	Communication of critical concerns	11
	2-18	Evaluation of the performance of the highest governance body	27
	2-19	Remuneration policies	27
	2-20	Process to determine remuneration	27
	2-23	Policy commitments	10, 26-27
	2-24	Embedding policy commitments	10, 26-27
	2-26	Mechanisms for seeking advice and raising concerns	27
	2-29	Approach to stakeholder engagement	13-16
GRI 3: Material Topics 2021	3-1	Process to determine material topics	17
	3-2	List of material topics	18
	3-3	Management of material topics	Throughout
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	43
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	27
	205-2	Communication and training about anti-corruption policies and procedures	26-27
	205-3	Confirmed incidents of corruption and actions taken	27
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	34
	302-2	Energy consumption outside of the organisation	34
	302-4	Reduction of energy consumption	34
GRI 303: Water and Effluents 2018	303-5	Water consumption	39

ABOUT THIS SUSTAINABILITY REPORT

GRI CONTENT (CONT'D)

GRI Standard	Disclosure Title		Page References
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	36
	305-2	Energy indirect (Scope 2) GHG emissions	36
	305-3	Other indirect (Scope 3) GHG emissions	36
	305-5	Reduction of GHG emissions	35
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	37
	306-2	Management of significant waste-related impacts	37
	306-3	Waste generated	37-38
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	47
	410-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	46
	401-3	Parental leave	47
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	41
	403-2	Hazard identification, risk assessment, and incident investigation	41
	403-4	Worker participation, consultation, and communication on occupational health and safety	42
	403-5	Worker training on occupational health and safety	42,48
	403-6	Promotion of worker health	41-42
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	42,48
	403-9	Work-related injuries	42-43
	403-10	Work-related ill health	43
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	48
	404-2	Programmes for upgrading employee skills and transition assistance programmes	48
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	45
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	44
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	50-51
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	31

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The primary objectives of the Audit and Risk Management Committee (“**ARMC**”) are as follows:

- Assist the Board in discharging its statutory duties and responsibilities relating to internal controls, accounting and reporting practices, compliance and risk management of holding company and each of its subsidiaries.
- Monitor compliance within the Group policies to ensure the objectivity and effectiveness of the Group’s internal control measures.
- Serve as the focal point for communication between External Auditors, Internal Auditors and Management to make certain the integrity of the management and adequacy of disclosure to shareholders.
- Serve as an independent party when reviewing financial information presented by the management before distribution to shareholders and general public.
- Serve as the focal point for communication between Executive Director and/or Group Chief Financial Officer on whether the Company’s risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Company.

COMPOSITION OF THE ARMC

The members of the ARMC consist of Independent Non-Executive Directors (“**INEDs**”) and their respective meeting attendance records during the financial year ended 31 December 2023 are as follows:-

Name	Designation/Directorate	Meetings Attended
Tan Sam Eng	Chairperson INED	5/5
CP (R) Dato’ Sri Wan Ahmad Najmuddin Bin Mohd	Member INED	5/5
Admiral Tan Sri Dato’ Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	Member INED	5/5

The composition of the ARMC complies with Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) (“**Listing Requirements**”) and Practice 9.4 of the Malaysian Code on Corporate Governance whereby all three (3) ARMC members are Independent Non-Executive Directors. None of the Independent Directors are alternate directors.

Ms. Tan Sam Eng, the Chairperson of the ARMC, is a member of the Malaysian Institute of Accountants (MIA), a Fellow Member of the Association of Chartered Certified Accountants (ACCA), and she is also a member of the Chartered Tax Institute of Malaysia (CTIM). In this respect, the Company complies with Paragraph 15.09(1)(c) of the Listing Requirements and in compliance with Practice 9.1 of the Malaysian Code on Corporate Governance, that the Chairperson of the ARMC is not the Chairman of the Board.

The latest Terms of Reference of the ARMC was revised on 22 November 2023, which had expanded the role of ARMC to review the conflict-of-interest situations. A copy of it is accessible on the Company’s website at www.t7global.com.my.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF WORKS DURING THE FINANCIAL YEAR

During the financial year ended 31 December 2023, the summary of works undertaken by the ARMC was as follows:-

- Reviewed the Group's compliance with the Listing Requirements and the applicable approved accounting standards issued by Malaysian Accounting Standards Board ("MASB").
- Reviewed the quarterly unaudited financial statements and its explanatory notes thereon and thereafter recommended the same to the Board of Directors for approval.
- Reviewed the ARMC Report and Statement on Risk Management and Internal Control prior to their inclusion in the Annual Report.
- Reviewed and approved the annual audit plan on the internal audit, including the scope of work for the financial year.
- Reviewed the annual report and the audited financial statements of the Group prior to submission to the Board of Directors for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the Companies Act 2016 and the applicable approved accounting standards issued by the MASB.
- Reviewed and approved the revised Terms of Reference of ARMC.
- Reviewed the external auditor's scope of work and their audit plan.
- Reviewed with the external auditors the results of their audit, the audit report and internal control and recommendations in respect of improvements in internal control procedures noted in the course of their audit.
- Met with the External Auditors without the presence of the Management and Executive Directors.
- Reviewed the internal audit report prepared by the outsourced internal auditors.
- Reviewed the related party transactions that may arise within the Group including any transaction, procedure or course of conduct that raises the questions of management's integrity and conflict of interest areas in relation to related party transactions framework, sales of products and provision of services, procurement and expenses as well as finance functions.

INTERNAL AUDIT FUNCTION

The Group has engaged an internal audit professional firm, i.e. OAC Consulting Sdn. Bhd. during the year to perform the internal audit function of the Group. The internal audit firm reports directly to the ARMC and administratively to the Group Chief Financial Officer. The works of the internal audit firm are guided by the Code of Conduct that provides its independence in evaluating and reporting on adequacy, integrity and effectiveness of the overall internal control system, risk management and corporate governance in the Group using a systematic and disciplined approach. The summary of works of internal audit includes the following:-

- Review the existence of processes to monitor the effectiveness and efficiency of operations and the achievement of the objectives of T7 Global;
- Review the efficiency and effectiveness of the internal control system for safeguarding of assets and providing consistent and accurate financial and operational data;
- Promote risk awareness and the value and nature of an effective internal control system;
- Review compliance with T7 Global's policies, procedures, and regulations; and if such policies, procedures and regulations are inadequate, the outsourced internal auditors will make the necessary recommendations to ensure proper policies are in place;
- Assist in accomplishing its objectives by adopting a systematic and disciplined audit approach to evaluating and improving the governance process within T7 Global's operations;
- Challenge and provide alternatives to accepted practices; and
- Add value and improve operational activities.

Other initiatives undertaken by the internal audit professional firm in the financial year ended 31 December 2023 include the review of risk management policies in key subsidiaries and operational review of project management within the Group. The corresponding reports of the audit reviews performed were presented to the ARMC and forwarded to the Management for attention and corrective actions. The Management is responsible for ensuring that the recommended corrective actions are taken within the required timeframe. The cost incurred in relation to the internal audit function during the year was RM25,000/-.

During the year, various Management and reporting meetings were held to ensure that the internal audit policies are implemented and communicated effectively throughout all divisions within the Group.

This ARMC Report is made in accordance with a resolution passed by the Directors at the Board of Directors' Meeting held on 4 April 2024.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“**the Board**”) is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2023 (“**Statement**”). This Statement is prepared pursuant to Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”)’s Main Market Listing Requirements (“**Listing Requirements**”).

The Board is also guided by the latest “Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers” issued by the Task Force on Internal Control with the support and endorsement of the Bursa Malaysia Securities and Part II of Principle B, Intended Outcome 10.0, Practices 10.1 and 10.2 read together with Guidance 10.1 and 10.2 as set out in the Malaysian Code on Corporate Governance (“**the Code**”) - Risk Management and Internal Control Framework.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system from time to time in response to the changes to the business environment or regulatory guidelines.

The Board ensures that the system manages the Group’s key areas of risk within an acceptable risk profile to increase the likelihood that the Group’s policies and business objectives will be achieved. The Board continually reviews the system to ensure that the risk management and internal control system provides a reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

BOARD RESPONSIBILITIES

The Board is responsible for the Group’s internal control and risk management system to safeguard shareholders’ investment and the Group’s assets as well as reviewing the adequacy and effectiveness of the said system.

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

In view of the limitations inherent in any system of risk management and internal control, these systems are designed to manage, rather than eliminate, the risk of failure to achieve the Group’s business and corporate objectives. These systems can therefore only provide reasonable, but not absolute assurance, against material misstatement or loss.

RISK MANAGEMENT GOVERNANCE

Risk management is regarded by the Board to be an integral part of the business operations. The Board maintains an on-going commitment to enhance the Group’s control environment and processes. The key risks relating to the Group’s operations and strategic and business plans are addressed at Management’s meetings. Significant risks identified by the Management are to be brought to the attention of the Board at their scheduled meetings.

The abovementioned practices/initiatives put in place by the Board serve as the on-going practice used to identify, evaluate and manage significant risks during the financial year under review. The Board continuously evaluates the Group’s corporate governance and internal control systems in order to improve the effectiveness and efficiency of the risk management function and the internal control systems of the Group.

The Group Risk Management Framework which sets out the fundamental principles on risk governance is to drive the development of risk management practices and tools which enable the identification, measurement and continuous monitoring of all applicable risks of the Group including the identification of emerging risks.

The Board established a governance structure that is designed to govern the Group’s business activities to be: consistent with the Group’s overall business objectives and risk appetite conducted within clearly defined lines of responsibility, authority limits, and accountability aligned to risk management and control responsibilities subjected to adequate risk management and internal controls.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

SYSTEM OF INTERNAL CONTROL AND COMPLIANCE PROCESS

The Group maintains a system of internal control that serves to safeguard its assets, identify and manage risk, ensure compliance with statutory and regulatory requirements, and to ensure operational results are closely monitored and substantial variances are promptly explained.

Whilst the Board maintains control and direction over appropriate strategic, financial, organisational and compliance issues, it has delegated the implementation of the system of internal controls to the executive management, led by the Group Chief Executive Officer (“**CEO**”). The Group CEO, who is empowered to manage the business of the Group, has primary operational responsibility for the system of internal controls.

The Management of the Group identifies key compliance risk areas as guided by the Group Compliance Framework and conducts ongoing compliance checks. Reports on the compliance status of the entities are submitted to the Group’s Audit and Risk Management Committee (“**ARMC**”) for review. The Group Compliance Framework is established to outline the governance structure on compliance risk management functions and control responsibilities.

The ARMC of the Group reviews internal control issues identified by the respective internal auditors, the external auditors and management, and evaluate the adequacy and effectiveness of their risk management and internal control systems. They also review the internal audit functions with particular emphasis on the scope and frequency of audits and the adequacy of resources.

The Group’s risk appetite sets out the level of risk tolerance and limits to govern, manage and control the Group’s risk-taking activities. The strategic objectives, business plans, desired risk profile and capital plans are required to be aligned with the risk appetite.

The Board convenes meetings on quarterly basis in order to maintain full and effective supervision. The Group CEO, being the principal channel of communication between the Board and the Management, will lead the presentation of Board papers and provide comprehensive explanation on key issues. In arriving at any decisions based on recommendations by Management and the ARMC, a thorough deliberation and discussion by the Board is a prerequisite.

The Board recognised all risks can be controlled or eliminated by an effective system on internal control. Key features of the Group’s internal controls include:-

- An organisational structure with clearly defined lines of responsibility and relevant authority has been set up for the Group.
- The Group’s Management with the assistance of a centralised human resource function sets the policies for recruitment, training and appraisal of the employees within the Group.
- Policies and procedures which sets out the compliance standards for daily operations for the respective business units of the Group.
- The Management meets monthly to review the operational and financial performance of the businesses in the Group and its subsidiaries, and to discuss key business, operational and management issues.
- The Board of Directors receives and reviews quarterly performance reports on the Group and its subsidiaries from the Management, and discuss on significant business and risk issues.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

CODE OF ETHICS AND CONDUCT

Code of Ethics and Conduct is represented to the Board, the Management team and all employees as a reference of conduct. The policy of T7 Global Berhad complies with all governmental laws, rules, and regulations applicable to its businesses. Code of Ethics is applied when it is stricter than the local law and regulations. Code of conducts includes the following four main sections:

- **Conflicts of Interest Policy**

It is T7 Global Berhad's policy that all Directors, Management and employees are expected to avoid conflict and potential conflict between personal interests and the interests of the Group. If conflict exists, interests of the Group are priority to personal interests.

- **Asset Policy**

All Directors, Management and employees are expected to protect the assets of the Group, and use all assets efficiently in the best interests of the Group.

- **Directorships Policy**

The Group restricts the holding of directorships in non-affiliated, profit organisations by officers and employees and to prohibit the acceptance by any officer or employee of such directorships that would involve a conflict of interest with, or interfere with, the discharge of the officer's or employee's duties to the corporation.

- **Whistle-Blowing Policy and Procedures and Open-Door Communication**

The Group has a whistle-blowing policy and procedure to provide opportunity for all stakeholders including employees, shareholders and others to raise their concerns of any malpractice within the Group. The objective of the policy and procedure is to provide and facilitate a mechanism for whistle-blower to report concern about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or any abuse of power.

This will enable each case/issue can be investigated and for appropriate action to be taken to ensure that the matter is resolved effectively and within the Group wherever possible.

If an employee notices any misconduct, wrongdoings, corruption, fraud, waste and/or any abuse of power, he or she should report to immediate supervisor. Each supervisor is expected to be made available for its subordinates for this purpose and any relevant investigation should be conducted by the supervisor. If the employee is dissatisfied with the review or investigation from the supervisor, further review by the Executive Deputy Chairman and the Acting Chairman are encouraged. Investigation team will be set up to investigate the issue and take actions. Reviews should contribute to the level of management appropriate to resolve the issue. If the issue cannot be resolved, the whistle-blowers can escalate the report to the ARMC Chairperson. The ARMC will deliberate the matter reported and decide on the appropriate action.

- **Anti-Bribery and Anti-Corruption Policy and Procedures**

In addition to the existing Code of Ethics and Conduct for Directors and Whistleblowing Policy, as well as financial and non-financial controls implemented, such as segregation of incompatible functions, multiple signatories for transactions, and actions to be taken during situations of conflicts of interest, the Group has adopted an Anti-Bribery and Anti-Corruption Policy in line with the enforcement of the new provision, Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business in order to prevent acts of bribery and corruption.

The Group will perform a continuous review of its anti-bribery and anti-corruption management systems to assess the comprehensiveness of its systems, policies and procedures with a view towards enhancing them and to address any shortcomings, so as to provide assurance to the Group that its systems, policies and procedures are 'reasonable and proportionate' to the nature and size of the Group and that they meet the requirements of the Guidelines on Adequate Procedures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

CODE OF ETHICS AND CONDUCT (CONT'D)

Code of Ethics and Conduct is represented to the Board, the Management team and all employees as a reference of conduct. The policy of T7 Global Berhad complies with all governmental laws, rules, and regulations applicable to its businesses. Code of Ethics is applied when it is stricter than the local law and regulations. Code of conducts includes the following four main sections (cont'd):

- **Anti-Bribery and Anti-Corruption Policy and Procedures (cont'd)**

In adherence to this Policy, the Group has adopted a zero-tolerance approach to all forms of corruption and bribery. The Group is committed to conduct its business with the highest level of integrity and ethics and to comply with applicable laws, rules and regulations on anti-bribery and anti-corruption.

The Group practices an open-door policy and encourages employees to share their concerns and suggestions using the reporting channels stated in the Whistleblowing Policy.

RELATED PARTY TRANSACTIONS POLICY

In addition to the above, the Group has implemented Related Party Transactions Policy to further enhance its corporate governance. The policy is designed to ensure the related party transactions are carried out in the ordinary course of business, are made at arm's length and on normal commercial terms which are not more favourable to the related party or parties than those generally available to the public and are not on terms that are detrimental to the minority shareholders of T7 Global Berhad.

The above policies are available for reference on the Group's website at www.t7global.com.my.

Review of Statement by the External Auditors

Pursuant to Paragraph 15.23 of the Bursa Malaysia Securities's Listing Requirements, the External Auditors have conducted a limited assurance engagement on this Statement for inclusion in the Annual Report for the financial year ended 31 December 2023. Their assurance engagement was performed pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management in accordance with ISAE 3000 (Revised 2015) and Internal Control issued by Malaysian Institute of Accountants.

Based on their procedures performed, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respect, in accordance with disclosure required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers as set out, nor it is factually inaccurate. AAPG 3 does not require the External Auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk and control system.

Conclusion

For the financial year under review, there were no significant internal control deficiencies or material weakness resulting in material losses or contingencies requiring disclosure in the Annual Report.

The Board is of the view that the existing risk management and internal control systems of the Group is adequate to safeguard shareholders' investment and the Group's assets.

However, the Board recognizes the fact that the Group's system of risk management and internal control practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board is committed to continuously strengthen the Group's system of internal control and risk management framework.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of T7 Global Berhad (“**T7 Global**”) recognizes and is committed in upholding a high benchmark of corporate governance and ensuring controls, systems and processes are well sustained for the Group. The Board will continuously evaluate the status of the Group’s corporate governance practices and procedures with a view to adopt and implement the practices of the Malaysian Code on Corporate Governance wherever applicable in the best interests of the stakeholders of the Group.

The Board takes note of the updates on the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia with effect from 28 April 2021 (“**MCCG 2021**”). MCCG 2021 introduces new practices and additional guidance to strengthen the corporate governance culture of public listed companies.

The Board is pleased to present the following Corporate Governance Overview Statement (“**CG Statement**”) that describe the extent of how the Group has applied and complied the three (3) principles which are set out in the MCCG 2021 throughout the financial year under review:-

- (a) Principle A: Board leadership and effectiveness;
- (b) Principle B: Effective audit and risk management; and
- (c) Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

This CG Statement should also be read together with the Corporate Governance Report of the Company which is available on the Company’s corporate website at www.t7global.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Composition

As at the date of notice of Twentieth Annual General Meeting (“**AGM**”), T7 Global has eight (8) Directors – the Acting Executive Chairman, the Executive Deputy Chairman, an Executive Director and five (5) Independent Non-Executive Directors. The Board composition is in compliance with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) (“**Listing Requirements**”) which states that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors and Practice 5.2 of MCCG 2021 to have at least half of the Board comprising independent directors.

All the Directors act in the best interest of the Group and believe that the current Board composition fairly reflects the interests of its shareholders to provide effective leadership, strategic direction and necessary governance to the Group. These Directors collectively have skills and experiences from different fields of business, in terms of commercial, financial, technical, corporate and legal for the effective management of the Group’s businesses. The Directors’ profiles are set out in the Directors’ Profile section of this Annual Report.

The Group has also formalised a set of ethical standards through a code of conduct, which is subject to periodical review, to ensure Directors practice ethical, business-like and lawful conduct, including proper use of authority and appropriate decorum when acting as the Board.

The Board conducted assessments on the independence of the Independent Directors and is satisfied that the Independent Directors have met the independence criteria stated in the Listing Requirements. Five (5) out of eight (8) Board members are Independent Directors.

All Board members fulfil the requirements to serve as Directors in no more than five (5) public listed companies to ensure sufficient time has been devoted to carry out their responsibilities.

The Board believes that the length of tenure of Independent Directors on the Board does not interfere with their objective and independent judgement or their ability to act in the best interest of the Company. However, the Board is mindful of the latest amendments in Listing Requirements on the tenure limit of Independent Directors and the recommendation in the MCCG 2021 to ensure effectiveness of Independent Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Composition (cont'd)

The Board comprises Board members with different gender, background, skill sets and experiences in various industries, which enable T7 Global to make a difference. A brief summary of the key skills and experience held by each Director is as follows:

Name	Title	Key Skills and Experience
Tan Sri Datuk Seri Dr. Nik Norzul Thani Bin N. Hassan Thani	Acting Executive Chairman	More than 30 years in the legal industry.
Tan Sri Datuk Seri Tan Kean Soon, J.P.	Executive Deputy Chairman	More than 30 years of oil and gas industry experience, leading various projects within upstream and downstream sector.
Tan Sam Eng	Independent Non-Executive Director	More than 30 years of auditing, taxation, corporate finance and advisory experiences.
Tan Kay Vin	Executive Director	More than 10 years of experience in the Finance and Aerospace industry.
Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	Independent Non-Executive Director	Served the Royal Malaysian Navy and Malaysian Armed Forces for more than 40 years. 16 th Chief of Royal Malaysian Navy.
CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	Independent Non-Executive Director	Advocate and Solicitor High Court of Malaya. Served the Royal Malaysia Police Force for more than 40 years and retired in March 2019 as Commissioner of Police with last position held as Director of Criminal Investigation Department.
Tan Sri Dato' Sri Koh Kin Lip, J.P.	Independent Non-Executive Director	More than 30 years of property and oil palm plantation industry experience.
Datuk Seri Rahim Bin Ismail	Independent Non-Executive Director	More than 30 years of oil and gas industry experience.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Roles and Responsibilities of the Board

The Board of T7 Global meets at least five times a year. Circular resolutions will be passed for resolving additional matters.

The Chairman ensures smooth and effective functioning within the Board. The Executive Directors are responsible for overseeing the day-to-day operations and affairs of the Group. The Non-Executive Directors, both independent and non-independent, are responsible in providing insights, unbiased and independent views, advice and judgement towards the Board and bring impartiality to Board deliberations and decision making. The Non-Executive Directors play a vital check and balance role by challenging and scrutinising the Management's proposals and making recommendations in an objective manner to the decision-making process at the Board level.

The Company is in compliance with Practice 1.4 of the MCCG 2021 which states that the Chairman of the Board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee and the Board took note on Guidance 1.4 of the MCCG 2021 whereby it states that the Chairman of the Board should not be involved in the Board Committees to ensure there is check and balance as well as objective review by the Board.

The Board is fully aware of its responsibilities and has adopted key roles in strategising the direction of the Group and has assumed the following duties in demonstrating the following fiduciary and leadership roles:-

- Overseeing and monitoring the conduct of business, financial performance and any major capital-intensive investments of the Group;
- Reviewing and implementing appropriate budgets and strategic business plans of the Group, monitoring compliance with applicable financial reporting standards and integrity and adequacy of all financial information disclosure;
- Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures to effectively monitor and manage risks;
- Reviewing the adequacy and integrity of the internal control and management information systems of the Group; and
- Developing a corporate code of conduct within the Group to address any conflicts of interest relating to the stakeholders of the Group, and establishing and overseeing the development and implementation of the corporate communication policies with shareholders, stakeholders and the public.

Functions of the Board and Delegation to Management

During the financial year ended 31 December 2023, the Independent Directors provided valuable opinion on T7 Global's matters such as strategy, performance and key performance indicators of management team, resource management, risk management, code of conducts and ethics and other matters. Day-to-day operation and management are delegated by Acting Executive Chairman and Executive Deputy Chairman.

The Board regularly controls and reviews its delegation and authority level to Acting Executive Chairman and Executive Deputy Chairman. In order to prevent any abuse of authority, strict procedures of authority and different levels of independence review are followed. Procedures of authority are clearly set up and all operational decisions are made after review.

Board Leadership and Responsibility in Discharging Fiduciary and Leadership Functions

The Board is the ultimate authority of T7 Global, which is responsible for authorising and reviewing all long-term and short-term business and strategic plans unless the matter requires shareholders' approval. Specific goals set up with key performance indicators for management to implement those plans. Along with Independent Director's extensive experiences and expertise in various fields of business and industries, the management strives to achieve goals so as to protect minority shareholder's rights. Management reviews all matters reserved for the committees comprised solely of Independent Directors and the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Qualified and Competent Company Secretaries

In compliance with Practice 1.5 of the MCGG 2021, the Board is supported by experienced and competent Company Secretaries in discharging its duties and responsibilities. The Board receives regular advice, updates and notifications from the Company Secretaries to ensure compliance with applicable laws, regulations and corporate governance matters. The Company Secretaries attend and ensure that all Board and Board Committee meetings are properly convened, and all deliberations and decisions are properly minuted and kept. They are also responsible for ensuring that Board's policies and procedures are followed, and the applicable statutory and regulatory requirements are observed.

Review of Board Charter

Review of Board Charter is conducted when there is a need arises to ensure the Board remains consistent with the Board's objectives and responsibilities and any new regulations that may have an impact on the discharge of the Board's responsibilities, more important, aligning with T7 Global's business strategy.

The Board had on 6 April 2022 reviewed and approved the revised Board Charter of the Company.

The last review of Board Charter was conducted on 6 April 2022. The revised Board Charter of the Company is available for reference on the Company's website at www.t7global.com.my.

Code of Ethics and Conduct

The Company established appropriate standards of business conduct and ethical behavior to govern the exercise of the duties and responsibilities as Directors of the Company to uphold good corporate integrity.

The Code of Ethics and Conduct sets out the general principles and standards of business conduct and ethical behavior for the Directors and employees of the Group in the performance and exercise of their responsibilities or when representing the Group and includes the expectation of professionalism and trustworthiness from the Directors and employees of the Group.

The Board had on 29 June 2020 reviewed and approved the revised code of ethics and conduct of the Company.

Whistleblowing Policy and Procedures

The Board had on 29 June 2020 adopted a revised Whistleblowing Policy and Procedure to facilitate the whistleblower to report or disclose through established channels about any violations or wrongdoings they may observe in the Group without fear of retaliation and should they act in good faith when reporting such concerns.

A copy of the Whistleblowing Policy and Procedure is available for viewing on the Company's website at www.t7global.com.my.

Anti-Bribery and Anti-Corruption Policy

The Board has approved the Anti-Bribery and Anti-Corruption Policy and Procedures, which sets out the Group's overall position to prevent bribery and corruption practices in relation to its business activities in all forms and matters that might confront the Group in its day-to-day operations.

Related Party Transactions Policy

The Board had on 27 February 2023 adopted the Related Party Transactions Policy to strengthen the Group's corporate governance framework.

A copy of the said policy is available for viewing on the Company's website at www.t7global.com.my.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Sustainability, Strategies, Priorities and Target

For best practices to sustainability governance, the Board is accountable for sustainability strategy and has empowered senior management for sustainability performance management.

T7 Global has placed great importance to carry out activities with high ethical standards to promote responsible practices among its stakeholders i.e. employees, shareholders/investors, business partners, customers and suppliers in order to achieve a sustainable development in the market place.

Opportunities and risks are assessed by the Audit and Risk Management Committee (“**ARMC**”) at the beginning of the projects. The ARMC scrutinise any possible risk which may be encountered by the Group, followed by risk control and mitigation strategies.

Corporate Disclosure Policies and Procedures

The Board has, based on the recommendation of the MCCG 2021, adopted a Corporate Disclosure Policies and Procedures to ensure accurate, clear, timely and complete disclosure of material information necessary for informed investing and take reasonable steps to ensure that all who invest in the Group’s securities enjoy equal access to such information to avoid an individual or selective disclosure. The said policy will be reviewed and improved from time to time.

The said policy applies to all Directors, Management, officers and employees of the Group. The policy shall be assessed, reviewed and updated annually by the corporate finance department, in accordance with the needs of T7 Global and as and when there are regulation changes that may have an impact on the Board in discharging their responsibilities. Any change and/or updates to the policy shall be recommended to the Board for approval.

The Corporate Disclosure Policies and Procedures of the Company is available for reference on the Company’s website at www.t7global.com.my.

SUPPLY OF INFORMATION

The Board recognizes that the decision-making process is highly dependent on the quality of information furnished. As such, the Board members have full and unrestricted access to all information concerning the Group’s affairs. Prior to the Board or Board Committee meetings, all the Board members are provided with the agenda and Board papers containing information relevant to the business of the meeting to enable them to obtain further explanations, where necessary, in order to be properly briefed before the meeting. The Board papers including information on major financial, operational and corporate matters of the Group. The Board members also have access to the advice and services of the Company Secretaries, Senior Management and independent professional advisers including the external auditors.

Along with good governance practices and to enhance transparency and accountability, the Board has established and put in place the following policies and procedures which are made available at the website of the Group. These include the following:-

- Code of Ethics and Conduct
- Shareholders’ Right relating to General Meeting
- Whistleblowing Policy and Procedures
- Anti-Bribery and Anti-Corruption Policy
- Related Party Transactions Policy

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

SUPPLY OF INFORMATION (cont'd)

Board Diversity

The Board recognizes that Board diversity is an essential element contributing to the sustainable development of the Group and it does not discriminate on the basis of ethnicity, age, gender, nationality, political affiliation, religious affiliation, marital status, education background or physical ability. The target on the composition in terms of gender of its Board members or members of Key Senior Management is at least 30% female. The Board endeavours to assist the development of a pipeline of high-calibre candidates by encouraging a diverse age range of senior individuals to take on additional responsibilities and roles to gain valuable board experience as well as appoint at least one person from an ethnic minority background to the Board or Key Senior Management to encourage ethnic diversity and conform to industry best practices.

The Group had on 6 April 2022 reviewed and adopted the Policy on Gender Diversity. A copy of the said Policy is available for viewing on the Company's website at www.t7global.com.my.

The Group values woman's contribution to the economy and promotes talented women to Management and leadership positions in operations. To date, there is a female Director within the Board, namely Ms. Tan Sam Eng who was appointed to the Board since 23 March 2015.

The Nomination Committee ("NC") shall oversee the procedures in addition to the Board recruitment, Board performance evaluation and succession planning processes. We shall always aim to provide a suitable working environment that is free from harassment and discrimination to attract and retain women participation in the Board, and also to have diversity in ethnicity and age on board as well as workforce.

As at the date of this Annual Report, the diversity in the race/ethnicity of the existing Directors is as follows:-

	Race/Ethnicity				Gender		
	Malay	Chinese	Indian	Total	Male	Female	Total
Number of Directors	4	4	0	8	7	1	8

The existing Directors' age distribution falling within the respective age group is as follows:

Age Group (Years)	<51	51 - 60	>60	Total
Number of Directors	1	1	6	8

Workforce Diversity

The Group is committed to a diverse and inclusive culture which is essential to the Group's future growth. The Group's gender and race/ethnicity diversity are made up of the following:-

Race/Ethnicity			
Malay	Chinese	Indian	Others
78%	14%	5%	3%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

SUPPLY OF INFORMATION (CONT'D)

Workforce Diversity (cont'd)

The Group's workforce diversity in terms of age is made up of the following:-

Age Group (Years Old)			
21-30	31-40	41-50	Above 50
17%	45%	26%	12%

Male	Female
72%	28%

Board Meetings

The attendance record of individual Directors at the Board meetings for the financial year ended 31 December 2023 is as follows:

Name	Attendance
Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani	6/6
Tan Sri Datuk Seri Tan Kean Soon, J.P.	6/6
Tan Sam Eng	6/6
Tan Kay Vin	6/6
Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	6/6
CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	6/6
Tan Sri Dato' Sri Koh Kin Lip, J.P.	6/6
Datuk Seri Rahim Bin Ismail	5/6

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors. This, amongst others, is evidenced by the attendance record of the Directors at Board meetings.

DIRECTOR'S TRAINING

All Directors of the Company have completed the Mandatory Accreditation Programme ("MAP") Part I as prescribed by Bursa Malaysia Securities. The Directors will ensure they complete MAP Part II which focuses substantively on sustainability within the prescribed timeframe. The Group does not have a formal training program for new Director but they receive briefings and updates on the Group's businesses, operations, risk management, internal control, finance and relevant legislation, rules and regulations. The briefings and updates aim at communication to the newly appointed Directors, the Group's vision and mission, its philosophy and nature of the business, current issues within the Group, the corporate strategy and the expectation of the Group concerning input of the Director.

The Directors are encouraged to attend various external and internal professional courses, briefings and seminars relevant to the Group to keep themselves abreast with latest development in the industry, regulatory updates or changes and to enhance their skills and knowledge.

The Board acknowledges that the Directors through varied experiences and qualifications provided the desired contribution and support to the functions of the Board. Directors' training is an on-going process as Directors recognise the need to continually develop and refresh their knowledge and skills, and to update themselves on market development.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

DIRECTOR'S TRAINING (CONT'D)

Additionally, the Directors are also updated on a continuing basis on new and/or revised requirements to the Listing Requirements as and when the same were advised by Bursa Malaysia Securities. The Directors will continue to undergo other relevant training programs, conferences and seminars that may further enhance their skills and knowledge. The individual Directors are to evaluate and determine relevant programs, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions towards the Group.

During the financial year under review, the training record of the individual Directors are as follows:-

No.	Name	Title	Courses
1	Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani	Acting Executive Chairman	<ul style="list-style-type: none"> • “Bursa Malaysia Mandatory Accreditation Programme (MAP II: Leading for Impact)” • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis
2	Tan Sri Datuk Seri Tan Kean Soon, J.P.	Executive Deputy Chairman	<ul style="list-style-type: none"> • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis
3	Tan Sam Eng	Independent Non-Executive Director	<ul style="list-style-type: none"> • MIA - An Overview of MPERS • CTIM - Essential Tax Updates in 2023 • CTIM - 2024 Budget Seminar • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis
4	Tan Kay Vin	Executive Director	<ul style="list-style-type: none"> • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis
5	Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	Independent Non-Executive Director	<ul style="list-style-type: none"> • Corporate Liability On Section 17A Of Malaysian Anit-Corruption Commission Act 2009 , Integrity And Governance Unit, Group Compliance Affin Bank Berhad • Affin Conference Series (Malaysia 2023 : A New Investment Chapter) – Affin Group • Advocacy Session For Directors And CEOs Of Main Market Listed Issuers – Bursa Malaysia • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis
6	CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	Independent Non-Executive Director	<ul style="list-style-type: none"> • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis
7	Tan Sri Dato' Sri Koh Kin Lip, J.P.	Independent Non-Executive Director	<ul style="list-style-type: none"> • IFRS S1 and S2 : Beyond Compliance • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis
8	Datuk Seri Rahim Bin Ismail	Independent Non-Executive Director	<ul style="list-style-type: none"> • Sustainability Training - Net Zero, TCFD Analysis, Climate Change Scenario Analysis



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMMITTEE

The Board has established different Board committees to assist the Board in discharging its duties. These committees are as follows:-

Audit and Risk Management Committee ("ARMC")

The composition of the ARMC, its function and a summary of its activities are set out in the ARMC Report of this Annual Report.

The Board had on 22 November 2023 reviewed and approved the revised Terms of Reference of the ARMC, which had expanded the role of ARMC to review the conflict-of-interest situations.

The revised terms of reference of the ARMC is available for reference on the Company's website at www.t7global.com.my.

Nomination Committee ("NC")

The Board recognizes the importance in having a Board with appropriate mix of skills, competencies and expertise, as well as the fundamental to how policies and strategies are shaped and contribute to the quality of decision making.

Therefore, the formal procedures for terms of reference were set up by NC as follows:-

- Nomination, selection, election and succession policies for members of the Board and Board Committees have been set up to align with T7 Global's overall corporate strategy;
- Extensive assessment is conducted for new Director candidates, which includes reference check, skills set and interviews
- Review annually the overall composition of the Board in terms of size and skills, balance between Executive Directors and Non-Executive Directors, effectiveness of the Board, independence and mix of other core competencies required for the Group; and
- Overseeing Board induction and training programs.

The NC meets at least once in each financial year and additional meetings may be arranged at any time when necessary.

The composition of the Board has been reviewed by the NC and the NC is of the view that the current Board composition is appropriate and effective, taking into account the nature and scope of the Group's operations. The Board is satisfied that the current Board composition fairly reflects the interests of the minority shareholders in the Group and provides the appropriate balance and size to govern the Group effectively. The Board comprises persons who as a group provide the relevant core competencies and mix of skills in the areas of oil and gas, financial, legal and business to meet the Group's requirements. The Directors' objective judgement on corporate affairs and collective experience and knowledge are invaluable to the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMMITTEE (CONT'D)

Nomination Committee ("NC") (cont'd)

The composition of the NC of the Company and the details of attendance of meetings during the financial year under review are as follows:-

Name	Designation/Directorate	Attendance*
Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	Chairman Independent Non-Executive Director	1/1
CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	Member Independent Non-Executive Director	1/1

* During the financial year ended 31 December 2023, there was one (1) NC Meeting held on 27 February 2023.

The summary of activities carried out by the NC during the financial year are as follows:

- Reviewed and assessed the suitability of candidate for appointment as Director;
- Reviewed the current composition of the Board, mix of skills, experience, gender diversity and other qualities of the Board;
- Reviewed the assessment of the effectiveness of the Board as a whole, the Board Committees, the contribution and performance of each individual Directors and the term of office and effectiveness of the ARMC as a whole;
- Reviewed and recommended to the Board on the re-election of Directors retiring at the AGM;
- Reviewed the meetings attendance of the Board and members of the Board Committees and the sufficiency of time commitment of the Directors in discharging their roles and responsibilities in the Company;
- Reviewed the training programs attended by the Board and the training needs of the Directors for the financial year ending 31 December 2023;
- Reviewed the length of service of each Independent Non-Executive Director pursuant to Practice 4.2 of the Code and to assess the independence of the Independent Non-Executive Directors; and
- Reviewed and recommended to the Board on the retention of Independent Director who has served the Company for more than nine years.

The Board had on 6 April 2022 reviewed and approved the revised Terms of Reference of the NC.

The revised terms of reference of the NC is available for reference on the Company's website at www.t7global.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMMITTEE (CONT'D)

Remuneration Committee ("RC")

The Board has established a remuneration policy and procedure to facilitate the RC to review, consider and recommend to the Board the levels and elements of remuneration of Directors with executive functions and the Senior Management. The Board as a whole recommends to shareholders the allowances of the Non-Executive Directors and the Executive Chairman after considering the recommendation of the RC.

The RC meets at least once a year in each financial year and additional meetings may be called any time when necessary.

The composition of the RC of the Company and the details of attendance of meetings during the financial year under review are as follows:-

Name	Designation/Directorate	Attendance
CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	Chairman Independent Non-Executive Director	1/1
Tan Sam Eng	Member Independent Non-Executive Director	1/1

The remuneration packages of the Executive Directors are approved by the Board. The Directors' remuneration scheme is structured to attract, retain and motivate them in order to achieve sustainable growth and business success.

The Board reviews the remuneration of the Executive Directors annually subject to their respective service contracts whereby the respective EDs are not allowed to involve in the discussion or contribute to any decision making on their own remuneration package.

The Board believes that appropriate and competitive remuneration is important to attract, retain and motivate Directors of the necessary calibre, expertise and experience to lead the Group. In line with this philosophy, remuneration for the Executive Directors is aligned to individual and corporate performance. For Non-Executive Directors, the fees are set based on the responsibilities shouldered by the respective Directors. Individual Directors do not participate in determining their own remuneration package.

The remuneration of Executive Directors is made up of basic salaries, monetary incentives and fringe benefits; and is linked to the achievement of corporate performance targets. Salaries for Executive Directors consist of both fixed (i.e. base salary) and variable (performance-based incentive) remuneration components. The remuneration levels of Executive Directors are structured to enable the Company to attract and retain the most qualified Executive Directors. The Company may provide competitive benefits to Executive Directors, such as a fully expensed car or cash alternative in lieu of car, company driver, fuel expenses, private medical insurance and life insurance. Allowances relating to business expenses (i.e. entertainment and travel) incurred are reimbursed such that no additional compensation is given to the Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMMITTEE (CONT'D)

Remuneration Committee ("RC") (cont'd)

The remuneration of Non-Executive Directors is made up of Directors' fees, meeting allowances and other benefits. The level of remuneration for Non-Executive Directors shall reflect the experience and level of responsibilities undertaken by the Non-Executive Director concerned. The remuneration of a Non-Executive Director shall and is not based on commission, percentage of profits, or turnover. Non-Executive Directors are not entitled to receive performance-based bonuses nor participate in short-term and/or long-term incentive plans. The remuneration of Non-Executive Directors is reviewed by the RC and the Board annually.

The Board had on 6 April 2022 adopted the revised Directors and Senior Management's Remuneration Policy.

A copy of the said Policy together with the terms of reference of RC are available for viewing on the Company's website at www.t7global.com.my.

The details of the remuneration of Directors during the financial year ended 31 December 2023 are as follows:-

Company

	Directors' Fees (RM)	Salaries (RM)	Allowance (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)	Total (RM)
Independent Non-Executive Director						
Tan SE	57,000	-	-	-	-	57,000
TSK	56,000	-	-	-	-	56,000
DSW	56,000	-	-	-	-	56,000
TSR	51,000	-	-	-	-	51,000
DSR	43,500	-	-	-	-	43,500
Subtotal	263,500	-	-	-	-	263,500
Executive Director						
TS NIK	-	-	-	-	-	-
TS Tan	-	-	-	-	-	-
Tan KV	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Total	263,500	-	-	-	-	263,500

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMMITTEE (CONT'D)

Remuneration Committee ("RC") (cont'd)

Group

	Directors' Fees (RM)	Salaries (RM)	Allowance (RM)	Benefits-in-kind (RM)	Other Emoluments (RM)	Total (RM)
Independent Non-Executive Director						
Tan SE	57,000	-	-	-	-	57,000
TSK	56,000	-	-	-	-	56,000
DSW	56,000	-	-	-	-	56,000
TSR	51,000	-	-	-	-	51,000
DSR	43,500	-	-	-	-	43,500
Subtotal	263,500	-	-	-	-	263,500
Executive Director						
TS NIK	420,000	-	-	-	-	420,000
TS Tan	-	1,140,000	-	-	351,174	1,491,174
Tan KV	-	504,000	-	-	312,934	816,934
Subtotal	420,000	1,644,000	-	-	664,108	2,728,108
Total	683,500	1,644,000	-	-	664,108	2,991,608

Notes:

- Tan SE : Tan Sam Eng
 TSK : Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)
 DSW : Dato' Sri Wan Ahmad Najmuddin Bin Mohd
 DSR : Datuk Seri Rahim Bin Ismail
 TSR : Tan Sri Dato' Sri Koh Kin Lip, J.P.
 TS Nik : Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani
 TS Tan : Tan Sri Datuk Seri Tan Kean Soon, J.P.
 Tan KV : Tan Kay Vin

Share Issuance Scheme Committee ("SISC")

The SISC shall be vested with such powers and duties as are conferred upon it by the Board including the following powers:-

- To administer the Share Issuance Scheme ("**SIS**") and to grant share options in accordance to the By-Laws;
- To recommend to the Board to establish, amend, and revoke By-Laws, rules and regulations to facilitate the implementation of the SIS;
- To construct and interpret the provisions hereof in the best interest of the Group; and
- Generally, to exercise such powers and perform such acts as are deemed necessary or expedient to promote the best interest of the Group.

The SISC members are as follows:-

Name	Designation
Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani	Member Acting Executive Chairman
Tan Sri Datuk Seri Tan Kean Soon, J.P.	Member Executive Deputy Chairman

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit and Risk Management Committee

The ARMC assists the Board in reviewing and scrutinising the information in terms of the appropriateness, accuracy and completeness of disclosure and in ensuring that the Group's financial statements comply with applicable financial reporting standards. The ARMC reviews and monitors the accuracy and integrity of the Group's quarterly and annual financial statements and submits these statements to the Board for approval and release within the stipulated time frame.

Assessment of External Auditors

In line with Practice 9.3 of the MCCG, the ARMC has assessed the suitability, objectivity and independence of the External Auditors. The assessment is conducted on yearly basis by the ARMC, using the prescribed External Auditors' Evaluation Form, with emphasis of evaluation based on the competence, adequacy of experience and resources, quality of the audit performances, independence and objectivity of the External Auditors, reasonableness of audit fees and comparison of audit and non-audit fees.

The Company's External Auditors are invited to attend the ARMC meetings when deemed necessary. The External Auditors are to meet with the AC without the presence of the Management at least twice during the financial year.

The ARMC, as part of its review, has obtained assurance from the External Auditors confirming that they have in place policies on rotation for partners of an audit engagement to ensure objectivity, independence and integrity of the audit and declared their independence throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Annually, the ARMC also reviews the appointment, performance and remuneration of the External Auditors including audit and non-audit services, to ensure that the independence and objectivity of the External Auditors are not compromised, before recommending them to the shareholders for re-appointment in the AGM.

The ARMC was satisfied with the performance, suitability and independence of the External Auditors of the Company based on the quality of services and sufficiency of resources they provided to the Group, in terms of the firm and the professional employees assigned to the audit.

Risk Management and Internal Control Framework

The Board acknowledges that risk management is an integral part of good management practices. Risk is inherent in all business activities. It is not the Group's objective to eliminate risk totally, but to review, prioritise and manage risks involved in all the Group's activities and to balance between the cost of managing and treating risks, and the anticipated benefits that will be derived.

The risk management and internal control functions were assumed and overseen by the ARMC of the Company. The Management is responsible for implementing Board approved policies and procedures on risk management by identifying and evaluating risks, and monitoring the risks vis-a-vis achievement of business objectives within the risk appetite parameters.

The Board has established an internal audit function which is currently outsourced to a professional firm. Functionally, the Internal Auditors report to the ARMC directly and they are responsible for conducting reviews and appraisals of the effectiveness of the governance, internal controls and processes within the Group.

Further details of the Group's state of risk management and internal control systems are reported in the Statement on Risk Management and Internal Control set out in this Annual Report.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

RELATIONSHIP WITH SHAREHOLDERS

T7 Global values every shareholder. The Board acknowledges it is a need to establish high quality, ongoing dialogue and communication with shareholders and maintain trust. Therefore, the shareholder communication policy was created to serve as a guide and management of shareholder's requirements.

Information is disseminated through the following channels:-

- Annual Report;
- Circulars/Statement to shareholders;
- Various disclosures and announcement to Bursa Securities; and
- Company's website at www.t7global.com.my.

Access to Information

In addition, shareholders and investors can have a channel of communication with the Group Corporate Finance to direct any queries and provide feedback to the Group.

Email : corpcomm@t7global.com.my

The stakeholders may obtain up-to-date information about T7 Global Berhad by assessing the website, <http://www.t7global.com.my> or by accessing Bursa Malaysia Securities website <http://www.bursamalaysia.com>. Information required by the shareholders such as financial results, board charter, code of ethics and conduct, and so on can be found from the corporate's website. The shareholders are informed of their rights to demand for poll prior to the commencement of each general meeting.

Conduct of General Meetings

The main forum of dialogue with shareholders of the Company is the Company's AGM. The AGM represents the primary platform for interactions between shareholders, Directors and Senior Management of the Company. The Company provides information in the Notice of AGM, which are sent to shareholders at least 28 days prior to the AGM, on the details of general meeting, resolutions to be tabled for approval and shareholders' entitlement to attend general meeting, and their right to appoint proxy(ies) to encourage shareholders' participation at general meeting.

All Directors, Senior Management and the External Auditors will attend the general meetings. During the general meetings, shareholders who attend the general meetings are encouraged and given sufficient opportunity as well as time by the Board to raise questions pertaining to the Annual Report, resolutions being proposed and the business of the Company or the Group in general prior to seeking approval from members and proxies on the resolutions. All Directors and the chair of every Board Committees, as well as Senior Management, where appropriate, will provide feedbacks, answers and clarifications to the questions raised from the shareholders during the general meetings.

As part of the safety measures and applying the recommended practice in MCCG 2021, the Company will continue to conduct virtual general meetings through live streaming and using Remote Participation and Voting Facilities to enhance the quality of engagement with its shareholders and facilitate further participation by shareholders at the forthcoming AGM. The shareholders who attend the AGM via Remote Participation could also submit their questions during the Meetings for the Board to respond.

In line with Paragraph 8.29A of the Listing Requirements on the requirement for poll voting for any resolution set out in the notice of general meetings, at the Nineteenth AGM held last year, poll voting was used to facilitate the voting process for resolutions tabled. An independent scrutineer was also appointed to scrutinise the polling process.

KEY FOCUS AREAS AND FUTURE PRIORITIES

The Board has identified the following key focus areas and future priorities of the Company for corporate governance, moving forward:-

- to align the Group's business activities towards the achievement of its vision and objectives;
- to continue on improving on its efficiencies across all business divisions and exploring new business opportunities to grow the Company;
- to work towards promoting greater standards of corporate governance and instill a risk and governance awareness culture through the organisation; and
- to intensify the Group's efforts in the areas such as, but not limited to, risk management, anti-bribery and anti-corruption compliance and Environmental, Social and Governance (ESG).

This Corporate Governance Statement and Corporate Governance Report are made in accordance with a resolution passed by the Directors at the Board of Directors' Meeting held on 4 April 2024.

STATEMENT ON DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

KEY FOCUS AREAS AND FUTURE PRIORITIES (CONT'D)

The Directors are responsible for ensuring that the annual financial statements of the Group and of the Company are drawn up in accordance with the applicable approved Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The annual financial statements are prepared with reasonable accuracy from the accounting records of the Group and Company so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and their financial performance and cash flows for the financial year ended.

In the preparation of the annual financial statements, the Directors have also:-

- Adopted the appropriate and relevant accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent; and
- Assessed the Group's and the Company's ability to continue as going concern, and confirmed that the annual financial statements are prepared using the going concern basis of accounting.

The Directors are also responsible for:-

- Ensuring that the Group and the Company keep proper accounting and other records to enable the explanation of transactions and preparation of financial statements; and
- Taking the necessary steps to ensure appropriate systems and internal controls are in place to safeguard the assets of the Group and of the Company, as well as to prevent and detect fraud and any other irregularities.

The Directors confirmed that they have complied with the above requirements for the annual financial statements for the financial year ended 31 December 2023.

This statement on Directors' responsibility for preparing the financial statements is made in accordance with a resolution passed by the Directors at the Board of Directors' Meeting held on 4 April 2024.

ADDITIONAL COMPLIANCE INFORMATION

a) Audit and Non-Audit Services

For the financial year ended 31 December 2023, Grant Thornton Malaysia PLT, the external auditors have rendered certain audit and non-audit services to the Company and the Group, a breakdown of which is listed as below for information:-

	Company (RM)	Group (RM)
Audit services rendered		
Statutory audit in respect of the financial year ended 31 December 2023	70,000	490,000
Non-audit services rendered		
Review of the Statement on Risk Management and Internal Control for Annual Report 2023	10,000	10,000
Total	80,000	500,000

b) Material Contracts

There was no material contract entered into by the Group involving the interests of the Directors, Chief Executive who is not a Director or major shareholders, either still subsisting at the end of the financial year ended 31 December 2023 or, if not then subsisting, entered into since the end of the previous financial year.

c) Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT")

The information on RRPT for the financial year under review are as follows:-

Transacting Company within T7 Global Group	Transacting Party	Nature of Transaction	Interested Related Parties (Note)	Aggregate Value of the Transactions conducted pursuant to the shareholder mandate during the FYE 2023 (RM)
Tanjung Offshore Services Sdn Bhd ("TOS")	Crystal ZVS Sdn. Bhd.	Renting of office space of 5,274 square feet at Lot C-L 16-01, 02, 03 and 3A, KL Trillion. No. 338 Jalan Tun Razak 50400 Kuala Lumpur from Crystal ZVS for a period of 3 years with rental payable on a monthly basis	TKS ^(a) Tan Kay Vin ^(b) Crystal ZVS ^(f)	531,612
TOS	Blue Ocean Sdn. Bhd.	Renting of office space of 6,567 square feet at Lots C-L16-05, 06, 07 and 08 at KL Trillion, No. 338, Jalan Tun Razak 50400 Kuala Lumpur and from Blue Ocean for a period of 3 years with rental payable on a monthly basis	TKS ^(a) Puan Sri Shirley Law Siong Hiong ^(c) Tan Kay Zhuin ^(e) Blue Ocean ^(g)	661,958
TOS	CP Energy & Services Sdn. Bhd. ("CP Energy")	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil, rental paid to CP Energy	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	11,560,364
T7 Gastec Sdn. Bhd.	CP Energy	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil. T7G to provide engineered products, design and fabrication works for processing packages to CP Energy.	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	NIL

ADDITIONAL COMPLIANCE INFORMATION

c) Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPT”) (cont’d)

Transacting Company within T7 Global Group	Transacting Party	Nature of Transaction	Interested Related Parties (Note)	Aggregate Value of the Transactions conducted pursuant to the shareholder mandate during the FYE 2023 (RM)
T7 Wenmax Sdn. Bhd.	CP Energy	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	274,362
T7 Marine Sdn. Bhd.	CP Energy	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	NIL
T7 Services Sdn. Bhd.	CP Energy	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil. T7S to provide project management, procurement and engineering work to CP Energy.	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	NIL
T7 Kemuncak Sdn. Bhd.	CP Energy	Providing services (including but not limited to oil and gas), selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	NIL
T7 Aero Sdn. Bhd.	CP Energy	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	NIL
T7 AeroTech Sdn. Bhd.	CP Energy	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	NIL
T7 Subsea	Connerstone Offshore Pte. Ltd. (“COPL”)	Purchasing from COPL of engineering design and consultancy services.	Philip Sim Wai Han ^(h)	4,216,543
T7 Solutions Thailand	CP Energy	Selling to and purchasing from CP Energy of industrial equipment, machineries, spare parts and lubricants oil.	TKS ^(a) Tan Kay Vin ^(b) Puan Sri Shirley Law Siong Hiong ^(c) CP Energy ^(d)	NIL

ADDITIONAL COMPLIANCE INFORMATION

c) Recurrent Related Party Transactions of a Revenue or Trading Nature (“RRPT”) (cont’d)

Nature of relationship

- (a) TKS, a Director and Major Shareholder of T7 Global, the spouse of Puan Sri Shirley Law Siong Hiong and parent of Tan Kay Vin and Tan Kay Zhuin, is a director and shareholder of CP Energy and Crystal ZVS.
- (b) Tan Kay Vin, a son of TKS, is a Director of T7 Global as well as a director and shareholder of CP Energy and Crystal ZVS.
- (c) Puan Sri Shirley Law Siong Hiong, the spouse of TKS and parent of Tan Kay Vin and Tan Kay Zhuin, as well as a Substantial Shareholder of T7 Global, is a director and shareholder of CP Energy and Blue Ocean.
- (d) CP Energy, a company connected to TKS by virtue of him, his spouse and Tan Kay Vin’s interests in CP Energy, pursuant to Section 8 of the Act.
- (e) Tan Kay Zhuin, son of TKS and Puan Sri Shirley Law Siong Hiong and elder brother of Tan Kay Vin, is a director and shareholder of Blue Ocean.
- (f) Crystal ZVS, a company connected to TKS by virtue of his and Tan Kay Vin’s interest in Crystal ZVS, pursuant to Section 8 of the Act.
- (g) Blue Ocean, a company connected to TKS by virtue of his spouse and Tan Kay Zhuin’s interest in Blue Ocean, pursuant to Section 8 of the Act.
- (h) Philip Sim Wai Han, is a Shareholder and Director of both T7 Subsea and COPL.

d) Utilisation of Proceeds Raised from Corporate Proposals

There were no proceeds raised from corporate proposals during the financial year ended 31 December 2023.

e) Employees’ Share Option Scheme (“ESOS”) Options

At the Extraordinary General Meeting held on 22 December 2016, the Company’s shareholders approved the establishment of ESOS options for the eligible Directors and employees of the Group. The ESOS shall be in force for a period of ten (10) years commencing from 28 March 2017 and will expire on 27 March 2027.

During the financial year ended 31 December 2023, none of the ESOS options was granted to the eligible Directors and employees of the Group.

In accordance with the Company’s By-Laws of the ESOS, not more than 50 per centum (50%) of the Company’s ordinary shares available under the ESOS shall be allocated, in aggregate, to Directors and senior management of the Group.

Percentage of options and shares granted to Directors and senior management under the ESOS is set out below:

Description	Directors and Senior Management	
	During the financial year	Since commencement up to 31 December 2023
ESOS	–	–

A large, abstract watercolor graphic in shades of grey and white, resembling a map or a splash of paint, serves as the background for the page. It is centered and covers most of the page area.

FINANCIAL STATEMENT

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are described in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

FINANCIAL RESULTS

	Group	Company
	RM	RM
Profit after tax for the financial year	32,488,451	17,414,217
Attributable to:-		
Owners of the Company	33,232,411	17,414,217
Non-controlling interests	(743,960)	-
	<u>32,488,451</u>	<u>17,414,217</u>

RESERVES AND PROVISIONS

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

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

The Directors do not recommend any final dividend payment for the current financial year.

DIRECTORS' REPORT

DIRECTORS

The name of the Directors of the Company and its subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are:-

Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani*
 Tan Sri Datuk Seri Tan Kean Soon, J.P.*
 Tan Sam Eng
 Tan Kay Vin*
 Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)
 CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd
 Tan Sri Dato' Sri Koh Kin Lip, J.P.
 Datuk Seri Rahim Bin Ismail

* Directors of the Company and certain of its subsidiaries.

In accordance with Clause 123 of the Company's Constitution, Tan Sri Dato' Sri Koh Kin Lip, J.P., Tan Sam Eng and Tan Kay Vin will retire from the Board by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

The Directors of the subsidiaries since the beginning of the financial year to the date of this report, not including those Directors listed above are:-

Ariyathach Vangsiriphajara
 Dato' Yong Chong Long
 Julaluck Thapanathamchai
 Law Siong Hiong
 Mohd Akram Bin Che Hamat
 Muhamad Azarudin Bin Abdullah
 Noor Haniza Binti Zainuddin
 Nor Afida Binti Zairafie
 Norazilawati Binti Ahmad
 Nurul Syifaq Binti Malek
 Ong Fee Peng
 Rimayana binti Ibrahim
 Shamsina Binti Mustapur
 Sim Wai Han
 See Chan @ Chan Seng Fwee
 Tan GuoFu
 Tan Kay Shen
 Tan Kay Zhuin
 Tan Kean Seng
 Zhang Zhong Qing
 Ybhg. Jeneral Tan Sri Dato' Sri Abdul Aziz Bin Zainul (B)
 Ahmad Ridzuan Bin Khamis (Appointed on 16 February 2023)
 Dini Qistina Binti Shazali (Appointed on 16 February 2023)
 Shahrul Asri Bin Ahmad (Appointed on 11 May 2023)
 Sahrul Bin Robani (Appointed on 23 August 2023)
 Nurul Huzaiy Binti Hasni (Appointed on 16 February 2023 and Resigned on 23 August 2023)



DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at the financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows:-

	Number of ordinary shares			At 31.12.2023
	At 1.1.2023	Bought	Sold	
Interests in the Company				
<u>Direct interests</u>				
Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani	1,000,000	–	–	1,000,000
Tan Sri Datuk Seri Tan Kean Soon, J.P.	83,066,250	–	(9,769,000)	73,297,250
Tan Kay Vin	13,770,300	3,256,333	–	17,026,633
Admiral Tan Sri Dato' Seri Panglima Ahmad Kamarulzaman Bin Hj Ahmad Badaruddin (R)	1,305,500	–	–	1,305,500
CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	2,772,000	–	–	2,772,000
Tan Sri Dato' Sri Koh Kin Lip, J.P.	17,244,524	–	–	17,244,524
Tan Sam Eng	600,000	–	–	600,000
<u>Deemed interests</u>				
Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani*	55,140,600	18,300,000	–	73,440,600
Tan Sri Datuk Seri Tan Kean Soon, J.P.#	63,908,500	6,512,667	–	70,421,167
Tan Sam Eng#	300,000	–	(300,000)	–

* Deemed interest by virtue of his shareholdings in Abyssina Resources (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

Deemed interest by virtue of shares held by his/her spouse and children pursuant to Section 59(11)(c) of the Companies Act 2016.

Except as disclosed, none of the other Directors in office at the end of the financial year held any interest in shares of the Company or its any related corporations during the financial year.

ISSUE OF SHARES AND DEBENTURES

On 21 July 2023, the Company issued 2,000,000 ordinary shares for a total cash consideration of RM780,000 for working capital purposes.

There was no issuance of debentures during the financial year.

DIRECTORS' REPORT

DIRECTORS' EMOLUMENTS AND BENEFITS

During the financial year, the emoluments and other benefits received and receivables by the Directors of the Company and its subsidiaries are as follows:-

	Incurred by the Company RM	Incurred by the subsidiaries RM	Total RM
Salaries and other emoluments	–	3,404,308	3,404,308
Defined contribution plans	–	780,862	780,862
Directors' fees	263,500	420,000	683,500
	263,500	4,605,170	4,868,670

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

TREASURY SHARES

There were no repurchase or resale of treasury shares during the financial year.

As at 31 December 2023, the Group and the Company held 17,348,800 treasury shares out of the total 759,054,856 issued ordinary shares. Further relevant details are disclosed in Note 16 to the financial statements.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

At an Extraordinary General Meeting held on 22 December 2016, the Company's shareholders approved the establishment of ESOS for the eligible Directors and employees of the Group. The ESOS shall be in force for a period of ten (10) years commencing from 28 March 2017 and will expire on 27 March 2027.

The salient features of the ESOS are disclosed in Note 30 to the financial statements. However, the ESOS has not been granted since 22 December 2016.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains Directors' and Officers' liabilities insurance for the purpose of Section 289 of the Companies Act 2016 in Malaysia, throughout the financial year which provides appropriate insurance coverage for the Directors and Officers of the Company and its subsidiaries. The amount of indemnity coverage and insurance premium paid during the financial year amounted to RM30,000,000 and RM59,800 respectively.

In addition, the Group has taken a Keyman policy on the life of a Director of the subsidiary, with the total amount of premium paid in financial year ended 2020 amounting to RM1,636,511. The policy was taken up pursuant to the terms of the banking facilities granted to a subsidiary and the policy is assigned to the said bank as security. The policy provides a guaranteed refund with cash value of RM1,469,411 at the end of the term of five (5) years, maturing on 22 November 2025 and unless there are claims outstanding with the said bank, all proceeds at maturity shall be paid and attributable to the subsidiary.



DIRECTORS' REPORT

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and satisfied themselves that there were no bad debts to be written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

- (a) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

- (a) any charge on assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:-

- (a) 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 substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (b) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.



STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 107 to 177 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and their cash flows for the financial year then ended.

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

.....
TAN SRI DATUK SERI TAN KEAN SOON, J.P.

.....
**TAN SRI DATUK SERI DR. NIK NORZRUL
THANI BIN NIK HASSAN THANI**

Kuala Lumpur
18 April 2024

STATUTORY DECLARATION

I, Ong Fee Peng, being the Officer primarily responsible for the financial management of T7 Global Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 107 to 177 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
18 April 2024)

.....
ONG FEE PENG
(MIA NO.: CA 25668)

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF T7 GLOBAL BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of T7 Global Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies information, as set out on pages 107 to 177.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Impairment Losses on Trade Receivables and Contract Assets

The Risk

Referring to Notes 13 and 14 to the financial statements. We focused on this area because the Group has material amounts of trade receivables that are past due but not impaired and contract assets. Management judgement is required in determining the completeness of the provision for the trade receivables and contract assets and assessing their adequacy through considering the expected recoverability.

Our Response

We have reviewed the ageing of trade receivables in comparison to previous years, testing the integrity of ageing by calculating the due date for a sample of invoices and reviewing the level of bad debts written off in the current year against the prior years. Besides, we have reviewed the ageing of the contract assets in comparison to previous years and reviewed the reversal of contract assets in the current year and prior years. We had also assessed the reasonableness of assumptions and judgements made by the management regarding the expected credit losses rates through examination of subsequent collections and subsequent billings.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T7 GLOBAL BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (cont'd)

Inventories - Valuation Net

The Risk

Referring to Note 12 to the financial statements. The Group holds a significant amount of inventories which are subject to a risk that the inventories become slow-moving or obsolete, such that they could not be sold or only be sold for selling prices that are less than the carrying value. There is inherent subjectivity and estimation required in determining the accuracy of inventory obsolescence provision and in making an assessment of its adequacy due to risks such as inventories prices not valid and inventories not stated at the lower of cost and net realisable value.

Our Response

For inventories, we tested the methodology for calculating the provisions, challenged the appropriateness and consistency of judgements and assumptions, and considered the nature and suitability of historic data used in estimating the provisions. In doing so, we obtained understanding on the ageing profile of inventories, the process for identifying specific problem inventories and historic loss rates.

Revenue Recognition

The Risk

Referring to Note 23 to the financial statements. There are significant accounting judgements involved including determining the stage of completion, the timing of revenue recognition and the calculation under the percentage of completion method made by management in applying the Group's revenue recognition policy to long term contract entered into by the Group. The nature of these judgements may result in them being susceptible to management override.

Contract revenue should include the amount agreed in the initial contract, plus revenue from alternations in the original contract work, plus claims and incentive payments that are expected to be collected and that can be measured reliably.

Our Response

We performed a range of audit procedures which include obtaining a sample of contracts or letter of awards, reviewing for change orders or variation orders, reviewing estimated profit and costs to complete and enquiring of key personnel regarding adjustments for job costing and potential contract losses. We also performed testing procedures over routine sales transactions.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As at the date of our report, except for the Directors' Report, the remaining other information has not been made available to us for our reading and accordingly we are unable to report in this regard.

However, if after reading the other information when available and we conclude there is a material misstatement therein, we will communicate same to the Directors of the Company.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF T7 GLOBAL BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Responsibilities of the Directors for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group in order 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 T7 GLOBAL BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

We communicated 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 identified during our audit.

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

From the matters communicated with the Directors, we determined those matters that were of most significant in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We described 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.

Report on other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

Other Matters

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

.....
GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

.....
LIM CHOOI LING
(NO: 03537/11/2024(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
18 April 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	912,777,536	711,909,215	–	–
Right-of-use assets	4	53,665,145	34,161,662	–	–
Investment properties	5	16,200,000	16,200,000	–	–
Intangible assets	6	–	–	–	–
Investment in subsidiaries	7	–	–	197,112,566	182,033,814
Other investments	8	1,038,336	1,107,294	834,111	864,169
Other receivables	9	1,526,428	1,471,965	–	–
Amount due from subsidiaries	7	–	–	96,513,508	92,507,462
Cash and bank balances, deposits and placements	10	9,193,353	4,116,254	–	–
Deferred tax assets	11	–	4,764,900	–	–
Total non-current assets		994,400,798	773,731,290	294,460,185	275,405,445
Current assets					
Inventories	12	210,554,108	111,748,491	–	–
Trade receivables	13	67,080,501	81,516,619	–	–
Other receivables	9	4,608,322	10,568,068	–	–
Contract assets	14	9,608,062	16,560,229	–	–
Amount due from subsidiaries	7	–	–	8,483,186	1,593,200
Tax recoverable		2,319,712	5,710,017	–	–
Cash and bank balances, deposits and placements	10	146,463,305	33,046,603	534,107	392,746
Total current assets		440,634,010	259,150,027	9,017,293	1,985,946
TOTAL ASSETS		1,435,034,808	1,032,881,317	303,477,478	277,391,391

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	15	250,729,521	249,949,521	250,729,521	249,949,521
Treasury shares	16	(9,699,396)	(9,699,396)	(9,699,396)	(9,699,396)
Reserves	17	24,353,696	24,356,513	57,047,983	57,047,983
Retained earnings/(Accumulated losses)		61,223,070	27,990,668	(2,693,607)	(20,107,824)
		326,606,891	292,597,306	295,384,501	277,190,284
Non-controlling interests		(1,352,324)	(612,341)	-	-
Total equity		325,254,567	291,984,965	295,384,501	277,190,284
LIABILITIES					
Non-current liabilities					
Lease liabilities	18	24,335,001	11,705,859	-	-
Borrowings	19	486,927,162	389,750,060	-	-
Government grants	20	4,038,917	4,287,466	-	-
Deferred tax liabilities	11	3,543,585	853,585	-	-
Total non-current liabilities		518,844,665	406,596,970	-	-
Current liabilities					
Trade payables	21	63,647,264	43,445,449	-	-
Other payables	22	80,302,514	36,248,156	338,645	182,574
Contract liabilities	14	5,041,315	5,400	-	-
Amount due to a subsidiary	7	-	-	7,695,000	1
Lease liabilities	18	6,964,412	4,359,855	-	-
Borrowings	19	429,112,431	248,419,692	-	-
Government grants	20	248,548	248,548	-	-
Tax payable		5,619,092	1,572,282	59,332	18,532
Total current liabilities		590,935,576	334,299,382	8,092,977	201,107
Total liabilities		1,109,780,241	740,896,352	8,092,977	201,107
TOTAL EQUITY AND LIABILITIES		1,435,034,808	1,032,881,317	303,477,478	277,391,391

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM	RM	RM	RM
Revenue	23	581,867,016	362,970,032	1,207,406	1,207,406
Cost of sales		(414,859,055)	(272,214,839)	–	–
Gross profit		167,007,961	90,755,193	1,207,406	1,207,406
Other income		6,029,207	8,694,278	46,432	92,231
Operating expenses		(93,117,612)	(51,704,304)	(1,687,043)	(1,302,588)
Net gain on impairment of non-financial assets		–	–	15,078,752	32,854,653
Net gain/(loss) on impairment loss on financial assets		776,881	(5,367,742)	(583,944)	(18,048,619)
Operating profit		80,696,437	42,377,425	14,061,603	14,803,083
Finance income	24	924,344	851,214	4,613,910	4,110,874
Finance costs	25	(26,868,583)	(9,530,328)	–	–
Profit before tax	26	54,752,198	33,698,311	18,675,513	18,913,957
Tax expense	27	(22,263,747)	(13,459,344)	(1,261,296)	(1,158,362)
Profit for the financial year		32,488,451	20,238,967	17,414,217	17,755,595
Other comprehensive, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Net changes in fair value of equity investments designated at fair value through other comprehensive income		–	973	–	–
Revaluation reserve		–	5,856,507	–	–
Items that are or may be reclassified subsequently to profit or loss					
Exchange differences on translating of foreign operations		1,156	(880)	–	–
Other comprehensive income for the financial year, net of tax		1,156	5,856,600	–	–
Total comprehensive income for the financial year		32,489,607	26,095,567	17,414,217	17,755,595



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Note	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit for the financial year attributable to:				
Owners of the Company	33,232,411	20,352,636	17,414,217	17,755,595
Non-controlling interests	(743,960)	(113,669)	-	-
	<u>32,488,451</u>	<u>20,238,967</u>	<u>17,414,217</u>	<u>17,755,595</u>
Total comprehensive income attributable to:				
Owners of the Company	33,229,594	26,207,623	17,414,217	17,755,595
Non-controlling interests	(739,987)	(112,056)	-	-
	<u>32,489,607</u>	<u>26,095,567</u>	<u>17,414,217</u>	<u>17,755,595</u>
Earnings per share attributable to owners of the Company:-				
Earnings per share				
- Basic/Diluted (sen)	28	<u>4.38</u>	<u>2.75</u>	

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Attributable to Owners of the Company				Distributable				Total equity RM	
	Share capital RM	Treasury shares RM	Capital reserve RM	Revaluation reserve RM	Fair value reserve RM	Foreign currency translation reserve RM	Retained earnings RM	Total RM		Non-controlling interest RM
At 1 January 2022	249,949,521	(9,699,396)	18,296,517	191,059	47,985	(6,067)	7,533,483	266,313,102	(453,704)	265,859,398
Transactions with owners:-										
Disposal of non-controlling interest	-	-	-	-	-	-	76,581	76,581	(46,581)	30,000
Profit/(Loss) for the financial year	-	-	-	-	-	-	20,352,636	20,352,636	(113,669)	20,238,967
Other comprehensive income/(loss) for the financial year	-	-	-	5,856,507	973	(2,493)	-	5,854,987	1,613	5,856,600
Total comprehensive income/(loss) for the financial year	-	-	-	5,856,507	973	(2,493)	20,352,636	26,207,623	(112,056)	26,095,567
Transfer of fair value through other comprehensive income reserve to retained earnings	-	-	-	-	(27,968)	-	27,968	-	-	-
At 31 December 2022	249,949,521	(9,699,396)	18,296,517	6,047,566	20,990	(8,560)	27,990,668	292,597,306	(612,341)	291,984,965

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group (cont'd)	Attributable to Owners of the Company									
	Non-distributable					Distributable				
	Share capital RM	Treasury shares RM	Capital reserve RM	Revaluation reserve RM	Fair value reserve RM	Foreign currency translation reserve RM	Retained earnings RM	Total RM	Non-controlling interest RM	Total equity RM
At 31 December 2022	249,949,521	(9,699,396)	18,296,517	6,047,566	20,990	(8,560)	27,990,668	292,597,306	(612,341)	291,984,965
Transactions with owners:-										
Issuance of share	780,000						-	780,000		780,000
Acquired of non-controlling interest							(9)	(9)	4	(5)
Total transactions with owners	780,000						(9)	779,991	4	779,995
Profit/(Loss) for the financial year							33,232,411	33,232,411	(743,960)	32,488,451
Other comprehensive (loss)/income for the financial year						(2,817)	-	(2,817)	3,973	1,156
Total comprehensive (loss)/income for the financial year						(2,817)	33,232,411	33,229,594	(739,987)	32,489,607
At 31 December 2023	250,729,521	(9,699,396)	18,296,517	6,047,566	20,990	(11,377)	61,223,070	326,606,891	(1,352,324)	325,254,567

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Company	Attributable to Owners of the Company				Distributable		Total equity RM
	Share capital RM	Treasury shares RM	Capital reserve RM	Fair value reserve RM	Accumulated losses RM		
At 1 January 2022	249,949,521	(9,699,396)	57,026,993	20,990	(37,863,419)		259,434,689
Total comprehensive income for the financial year	-	-	-	-	17,755,595		17,755,595
At 31 December 2022	249,949,521	(9,699,396)	57,026,993	20,990	(20,107,824)		277,190,284
Transactions with owners:-							
Issuance of ordinary shares	780,000	-	-	-	-		780,000
Total comprehensive income for the financial year	-	-	-	-	17,414,217		17,414,217
At 31 December 2023	250,729,521	(9,699,396)	57,026,993	20,990	(2,693,607)		295,384,501

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



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
OPERATING ACTIVITIES					
Profit before tax		54,752,198	33,698,311	18,675,513	18,913,957
Adjustments for:					
Amortisation of government grants		(248,549)	(248,548)	-	-
Depreciation of property, plant and equipment		16,472,458	5,329,354	-	-
Depreciation of right-of-use assets		5,075,833	2,755,563	-	-
Dividend income		(7,406)	(7,406)	(7,406)	(7,406)
Fair value gain on investment properties		-	(1,749,227)	-	-
Gain on disposal of property, plant and equipment		(23,999)	-	-	-
Gain on disposal of right-of-use assets		(129,476)	-	-	-
Impairment loss on:					
- Investment in subsidiaries		-	-	3,138,864	3,104,041
Impairment loss on ECLs:					
- Trade receivables		1,011,743	7,689,279	-	-
- Other receivables		30,000	750,000	-	750,000
- Amount due from subsidiaries		-	-	583,944	17,298,619
Interest expenses		26,868,583	9,530,328	-	-
Interest income		(924,344)	(851,214)	(4,613,910)	(4,110,874)
Net fair value loss/(gain) on other investments		68,958	102,170	30,058	(82,605)
Net unrealised gain on foreign exchange		(871,062)	(962,933)	-	-
Reversal of impairment loss on investment in subsidiaries		-	-	(18,217,616)	(35,958,694)
Reversal of ECLs:					
- Trade receivables		(1,818,624)	(3,071,537)	-	-
Operating profit/(loss) before changes in working capital		100,256,313	52,964,140	(410,553)	(92,962)
Changes in working capital:-					
Inventories		(98,793,550)	(44,220,549)	-	-
Receivables		21,814,133	32,085,573	-	500
Payables		61,226,696	(22,294,174)	156,071	(12,550)
Contract assets/(liabilities)		11,988,082	30,661,552	-	-
Cash generated from/(used in) operations		96,491,674	49,196,542	(254,482)	(105,012)
Tax paid		(7,371,732)	(5,035,698)	(1,220,496)	(1,336,990)
Net cash from/(used in) operating activities		89,119,942	44,160,844	(1,474,978)	(1,442,002)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
INVESTING ACTIVITIES					
Addition of property, plant and equipment		(207,840,318)	(281,982,793)	–	–
Addition of right-of-use assets	A	(740,499)	(138,769)	–	–
(Acquisition)/Disposal of non-controlling interests		(5)	30,000	–	–
Dividend received		7,406	7,406	7,406	7,406
Interest received		869,881	798,694	4,613,910	4,110,874
Proceeds from disposal of other investment		–	37,319	–	–
Proceeds from disposal of property, plant and equipment		24,000	–	–	–
Proceeds from disposal of right-of-use assets		135,000	–	–	–
Advances to subsidiaries		–	–	(11,479,976)	(3,441,424)
Net cash (used in)/from investing activities		(207,544,535)	(281,248,143)	(6,858,660)	676,856
FINANCING ACTIVITIES					
Advance from subsidiaries		–	–	7,694,999	–
Drawdown of bankers' acceptances		66,263,030	32,832,058	–	–
Drawdown of invoice financing		365,833,626	257,928,576	–	–
Drawdown of lease liabilities		1,229,491	–	–	–
Drawdown of promissory note		3,750,637	–	–	–
Drawdown of revolving credit		36,178,988	37,900,000	–	–
Drawdown of term loans		82,199,393	86,970,837	–	–
Drawdown of trust receipts		2,560,965	16,197,192	–	–
Fixed deposits pledged as security		6,094,044	17,939,901	–	–
Issuance of shares		780,000	–	780,000	–
Interest paid		(34,221,878)	(22,540,170)	–	–
Collateral account pledged as security		(8,294,550)	(805,450)	–	–
Repayment of lease liabilities		(8,745,601)	(3,079,015)	–	–
Repayment of bankers' acceptances		(35,616,126)	(36,131,166)	–	–
Repayment of fixed loans		(5,615,587)	(5,375,777)	–	–
Repayment of invoice financing		(173,320,916)	(127,548,896)	–	–
Repayment of revolving credit		(34,100,003)	(25,300,000)	–	–
Repayment of trust receipts		–	(29,131,715)	–	–
Repayment of term loans		(22,610,100)	(1,856,160)	–	–
Net cash from financing activities		242,365,413	198,000,215	8,474,999	–



STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH AND CASH EQUIVALENTS					
Net changes		123,940,820	(39,087,084)	141,361	(765,146)
Brought forward		2,113,064	41,185,003	392,746	1,157,892
Effects on exchange rate changes on cash and cash equivalents		35,741	15,145	–	–
Carried forward	10	126,089,625	2,113,064	534,107	392,746

NOTE TO STATEMENTS OF CASH FLOWS

A. PURCHASE OF RIGHT-OF-USE ASSETS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Total purchase of right-of-use assets	22,675,320	11,710,664	–	–
Less: Financed by lease liabilities	(21,934,821)	(11,340,895)	–	–
Less: Financed by other payable	–	(231,000)	–	–
	740,499	138,769	–	–

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	1 January			Lease modification	Unrealised foreign exchange	31 December 2023
	2023 RM	Drawdown RM	Repayment RM			
Lease liabilities	16,065,714	23,164,312	(8,745,601)	814,988	–	31,299,413
Bankers' acceptances	13,313,231	66,263,030	(35,616,126)	–	29,200	43,989,335
Fixed loans	8,911,545	–	(5,615,587)	–	–	3,295,958
Invoice financing	186,427,171	365,833,626	(173,320,916)	–	–	378,939,881
Promissory note	–	3,750,637	–	–	–	3,750,637
Revolving credit	27,300,000	36,178,988	(34,100,003)	–	–	29,378,985
Term loans	370,897,030	82,199,393	(22,610,100)	–	–	430,486,323
Trust receipts	16,197,192	2,560,965	–	–	–	18,758,157

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONT'D)

Group (cont'd)	1 January		Repayment	Lease modification	Unrealised foreign exchange	31 December	
	2022	Drawdown					2022
	RM	RM					RM
Lease liabilities	7,803,834	11,340,895	(3,079,015)	–	–	16,065,714	
Bankers' acceptances	16,696,918	32,832,058	(36,131,166)	–	(84,579)	13,313,231	
Fixed loans	14,287,322	–	(5,375,777)	–	–	8,911,545	
Invoice financing	56,879,734	257,928,576	(127,548,896)	–	(832,243)	186,427,171	
Revolving credit	14,700,000	37,900,000	(25,300,000)	–	–	27,300,000	
Term loans	285,782,353	86,970,837	(1,856,160)	–	–	370,897,030	
Trust receipts	29,131,715	16,197,192	(29,131,715)	–	–	16,197,192	

Company	1 January		Repayment	31 December	
	2023	Drawdown			2023
	RM	RM			RM
Amount due to a subsidiary	1	7,694,999	–	7,695,000	

Company	1 January		Repayment	31 December	
	2022	Drawdown			2022
	RM	RM			RM
Amount due to a subsidiary	1	–	–	1	

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



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The registered office and the principal place of business of the Company are located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur and C-16-01, Level 16, KL Trillion Corporate Tower, 338 Jalan Tun Razak, 50400 Kuala Lumpur respectively.

The Company is principally engaged in investment holding. The principal activities of its subsidiaries are described in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 18 April 2024.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements of the Group and the Company are prepared under historical cost convention.

As at 31 December 2023, the Group recorded net current liabilities of RM150,301,566. The preparation of the financial statements on a going concern basis is dependent on the ability of the Group to generate sufficient cash flows from their operations, utilisation of available credit facilities and obtaining continuous financial support from their bankers to finance their operations, and achieving profitable operations. The Group remains positive that it will be able to generate sufficient cash flows from its operations from its existing projects and new projects being secured by the subsidiaries to increase the working capital of the Group. In view of the foregoing, the Directors consider that it is appropriate to prepare the financial statements on a going concern basis and the Group will be able to meet their liabilities as and when they fall due.

Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or additional amounts of liabilities that may be necessary if the Group is unable to continue as a going concern.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is 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 and its measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming the market participants act in their economic best interest.

A fair value measurement of a non-financial asset 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.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.2 Basis of Measurement (cont'd)

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

The Group and the Company have established control framework in respect of measurement of fair values of financial instruments. The Board of Directors has overall responsibility for overseeing all significant fair value measurements. The Board of Directors regularly reviews significant unobservable inputs and valuation adjustments.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs

2.4.1 Adoption of New Standards/Amendments/Improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2023.

Initial application of the new standards/amendments/improvements to MFRSs did not have material impact on the financial statements of the Group and of the Company except for:-

Amendments to MFRS 101 - Presentation of Financial Statements - Disclosure of Accounting Policies

The amendments change the requirements in MFRS 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant" with "material". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.4 MFRSs (cont'd)

2.4.1 Adoption of New Standards/Amendments/Improvements to MFRSs (cont'd)

Amendments to MFRS 101 - Presentation of Financial Statements - Disclosure of Accounting Policies (cont'd)

The supporting paragraphs in MFRS 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Malaysian Accounting Standards Board has also developed guidance and examples to explain and demonstrate the application of the “four-step materiality process” described in MFRS Practice Statement 2.

The amendments have an impact on the Group’s and the Company’s disclosures of accounting policies but not on the measurement, recognition or presentation of any items in the Group’s and the Company’s financial statements.

2.4.2 Standards Issued but Not Yet Effective

The amended standards 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 amended standards, if applicable, when they become effective.

Effective for financial period beginning on or after 1 January 2024:-

Amendments to MFRS 16	Leases - Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements - Non-current Liabilities with Covenants
Amendments to MFRS 101	Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
Amendments to MFRS 107 and MFRS 7	Statement of Cash Flows and Financial Instruments - Disclosures - Supplier Finance Arrangements

Effective for financial period beginning on or after 1 January 2025:-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
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Amendments to MFRSs - effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 128*	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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* Not applicable to the Group and the Company.

The initial application of the above applicable standards and amendments are not expected to have material financial impact to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management and will seldom equal the estimated results.

2.5.1 Estimation Uncertainty

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

2.5.1.1 Useful Lives of Depreciable Assets

The management assess that the useful lives represent the expected utility of the assets to the Group. The management estimates the useful lives of the property, plant and equipment and right-of-use assets to be within 3 to 99 years and reviews the useful lives of the depreciable assets at the end of each reporting year. Actual results, however, may vary due to change in the expected level of usage and technological developments which resulting the adjustment to the Group's assets.

2.5.1.2 Amortisation of Intangible Assets

The development costs of gas generators are amortised on a straight-line basis over their useful lives of 15 years. The Group assesses annually the useful lives of the intangible assets and if the expectation differs from the original estimate, such difference will impact the amortisation expenses in the period in which such estimate had been charged.

2.5.1.3 Impairment of Non-financial Assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management make assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

2.5.1.4 Provision for Expected Credit Losses ("ECLs") of Trade Receivables and Contract Assets

The Group and the Company use a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type and rating).

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every quarterly reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant Accounting Estimates and Judgements (cont'd)

2.5.1 Estimation Uncertainty (cont'd)

2.5.1.4 Provision for Expected Credit Losses ("ECLs") of Trade Receivables and Contract Assets (cont'd)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

2.5.1.5 Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The realisation of these inventories may be affected by market-driven changes that may occur in the future.

2.5.1.6 Income Taxes

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters result is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.5.1.7 Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unused tax credits to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant Accounting Estimates and Judgements (cont'd)

2.5.1 Estimation Uncertainty (cont'd)

2.5.1.8 Fair Value Valuation of Investment Properties

The Group measures its investment properties at fair value with any change in fair value being recognised in profit or loss. Significant judgement is required in the determination of fair value which may be derived based on different valuation methods. In making the judgement, the Group evaluates based on past experience and reliance on the work of specialists. The Group engages independent valuation specialists to determine the fair values.

2.5.2 Significant Management Judgements

The following are significant management judgements made in applying the accounting policies of the Group and of the Company that have the most significant effect on the financial statements.

2.5.2.1 Revenue from Contracts with Customers

Revenue is recognised when or as the control of the asset is transferred to our customers and, depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time. If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress, based on the physical proportion of contract work-to-date certified by the Group and the customers.

Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction and installation based on actual costs incurred to-date over the estimated total construction and installation costs. The total estimated costs are based on approved budgets, which require assessments and judgments to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgments, management relies on past experience and the work of specialists. A change in the estimates will directly affect the revenue to be recognised.

2.5.2.2 Deferred Tax Assets

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 5 to the financial statements, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant Accounting Estimates and Judgements (cont'd)

2.5.2 Significant Management Judgements (cont'd)

2.5.2.3 Classification Between Investment Properties and Owner-occupied Properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. The Group accounts for the portions separately if the portions could be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

2.5.2.4 Significant Control Over a Subsidiary

Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Interest in T7 Solutions Services (Thailand) Co., Ltd. ("T7SST")

Although T7 Gastec Sdn. Bhd. ("T7 Gastec") a wholly-owned subsidiary of the Company own less than half of the ownership interest and less than half of the voting power in T7SST, the Directors have determined that the T7 Gastec controls over T7SST. T7 Gastec controls T7SST by virtue of an agreement with other investors and having majority board representation in T7SST. Consequently, the Group consolidates its investment in the entity.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (cont'd)	Freehold	Furniture	Workshop	Office	Motor	Equipment	Plant and	Capital work-	Mobile	Total
	land and	and fittings	tools	equipment	vehicles		machinery	in-progress	offshore	
	RM	RM	RM	RM	RM	RM	RM	RM	unit	RM
Accumulated depreciation										
At 1 January 2022	1,805,031	1,379,069	93,983	8,778,396	514,288	12,904,783	42,227,011	-	-	70,589,143
Charge for the financial year	301,098	83,377	47,563	729,578	22,051	950,184	2,884,592	-	-	5,329,354
Transfer to investment properties	(1,178,709)	-	-	-	-	-	-	-	-	(1,178,709)
Foreign exchange difference	-	-	-	1	-	-	-	-	-	1
At 31 December 2022	927,420	1,462,446	141,546	9,507,975	536,339	13,854,967	45,111,603	-	-	74,739,789
Charge for the financial year	2,44,651	98,105	47,562	606,237	5,894	114,222	4,174,566	-	10,898,227	16,472,458
Disposals	-	-	-	-	(47,999)	-	-	-	-	(47,999)
Transfer (to)/from right-of-use assets	-	-	-	(58,637)	583,948	-	371,710	-	-	897,021
Foreign exchange difference	-	-	-	33,678	-	-	-	-	-	33,678
At 31 December 2023	1,172,071	1,560,551	189,108	10,089,253	1,078,182	13,969,189	49,657,869	-	10,898,227	92,094,947
Net carrying amount										
At 31 December 2023	17,949,052	238,329	48,705	1,409,153	2,773	531,168	61,890,553	295,638,806	534,013,123	912,777,536
At 31 December 2022	18,193,703	288,960	96,267	2,031,480	8,667	615,835	24,148,658	665,232,825	-	711,909,215

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group's cost and carrying amounts of the freehold land is not segregated from the buildings as required details are not available and unreasonable expenses would be incurred.

3.1 Equipment subject to operating lease

The Group lease some of its gas generators to third parties. All the leases are cancellable within 3 to 6 months prior written notice or payment of 3 to 6 months fee in lieu of notice.

3.2 Assets charged to secure banking facilities

The net carrying amount of assets pledged as securities for banking facilities are:-

	Group	
	2023	2022
	RM	RM
Freehold land and buildings	17,949,052	18,193,703
Mobile offshore production unit	534,013,123	-
Capital work-in-progress	-	478,308,461
	551,962,175	496,502,164

The strata titles of freehold buildings with carrying amount of RM8,287,475 (2022: RM8,467,637) are yet to be issued by relevant authorities.

All property, plant and equipment are subsequently stated at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life. All property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Freehold buildings	2%
Furniture and fittings	10% - 20%
Renovation	10%
Workshop tools	20%
Office equipment	10% - 33 1/3%
Motor vehicles	20%
Equipment	10% - 20%
Plant and machinery	10% - 33 1/3%
Mobile offshore production unit	4%

Freehold land is not depreciated but is subject to impairment test if there is indication of impairment.

Capital work-in-progress consists of mobile offshore production unit under construction/installation for intended use as production facilities. The amount is stated at cost and includes capitalisation of interest incurred on borrowings related to property, plant and equipment under construction/installation until the property, plant and equipment are ready for their intended use. Assets under construction are not depreciated until they are completed and ready for their intended use.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

4. RIGHT-OF-USE ASSETS

The Group has leases for leasehold land and buildings, equipment, plant and machinery, motor vehicles and office equipment that run between 5 to 99 years.

The Group also have leases of premises, machinery and equipment with lease terms of 12 months or less. The Group apply the 'short-term lease' and 'lease of low-value assets' recognition exemption for these leases.

Set out are the carrying amounts of right-of-use assets recognised and the movements during the financial year:-

Group	Leasehold land and buildings RM	Plant and machinery RM	Motor vehicles RM	Office equipment RM	Total RM
Cost					
At 1 January 2022	17,298,836	5,789,677	5,255,642	789,337	29,133,492
Additions	–	10,000,000	1,450,866	259,798	11,710,664
At 31 December 2022	17,298,836	15,789,677	6,706,508	1,049,135	40,844,156
Additions	–	20,326,454	1,765,766	583,100	22,675,320
Disposals	–	–	(584,892)	–	(584,892)
Lease modification	–	850,422	–	–	850,422
Transfer (to)/from property, plant and equipment	–	460,800	(583,949)	320,660	197,511
At 31 December 2023	17,298,836	37,427,353	7,303,433	1,952,895	63,982,517
Accumulated depreciation					
At 1 January 2022	694,081	1,136,219	1,970,001	126,630	3,926,931
Charge for the financial year	315,554	1,045,992	1,090,826	303,191	2,755,563
At 31 December 2022	1,009,635	2,182,211	3,060,827	429,821	6,682,494
Charge for the financial year	318,351	2,971,437	1,300,901	485,144	5,075,833
Disposals	–	–	(579,368)	–	(579,368)
Lease modification	–	35,434	–	–	35,434
Transfer (to)/from property, plant and equipment	–	(371,710)	(583,948)	58,637	(897,021)
At 31 December 2023	1,327,986	4,817,372	3,198,412	973,602	10,317,372
Net carrying amount					
At 31 December 2023	15,970,850	32,609,981	4,105,021	979,293	53,665,145
At 31 December 2022	16,289,201	13,607,466	3,645,681	619,314	34,161,662

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

4. RIGHT-OF-USE ASSETS (CONT'D)

As a lessee

- (a) The above office equipment, motor vehicles, plant and machinery are under finance lease arrangement.
- (b) The Group's cost and carrying amounts of the leasehold land is not segregated from the buildings as required details are not available and unreasonable expenses would be incurred.
- (c) The net carrying amount of leasehold land and buildings of the Group amounting to RM15,970,850 (2022: RM16,289,201) have been pledged as securities for banking facilities.

The following are the amounts recognised in the profit or loss:-

	Group	
	2023	2022
	RM	RM
Depreciation of right-of-use assets	5,075,833	2,755,563
Interest expense on lease liabilities	1,509,910	526,269
Expense relating to short-term leases	1,471,138	1,629,256
Expense relating to low-value leases	720	12,000
Total amount recognised in profit or loss	8,057,601	4,923,088

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Leasehold land and buildings	Over remaining lease term
Plant and machinery	14%
Motor vehicles	20%
Office equipment	10%

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

As a lessor

The Group has entered into operating lease on the equipment. The lease is cancellable with 3 months prior written notice or payment of 3 to 6 months fee in lieu of notice.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

5. INVESTMENT PROPERTIES

Group	Leasehold land and buildings RM	Freehold land and building RM	Total RM
Fair value:-			
At 1 January 2022	5,800,773	1,150,000	6,950,773
Transfer from property, plant and equipment	–	7,500,000	7,500,000
Fair value adjustment	399,227	1,350,000	1,749,227
At 31 December 2022/31 December 2023	6,200,000	10,000,000	16,200,000

The Group's fair value amounts of the freehold land and leasehold land is not segregated from the buildings as required details are not available and unreasonable expenses would be incurred.

Income and expenses recognised in profit or loss

	Group	
	2023	2022
	RM	RM
Rental income from investment properties	49,400	97,600
Direct operating expenses:		
- Income generating investment property	8,068	11,864
- Non-income generating investment properties	6,191	6,191

The operating lease payments to be received are as follows:-

	Group	
	2023	2022
	RM	RM
Within 1 year	63,600	14,400
Between 2 to 5 years	20,000	3,600
	83,600	18,000

Fair value basis of investment properties

The fair value represents the amount at which the properties could be exchanged on an open market basis between a knowledgeable willing buyer and a knowledgeable willing seller on an arm's length basis at the reporting date.

The fair values of the Group's investment properties have been arrived at on the basis of valuations carried out by a firm of independent professional valuers on 31 December 2023 who have appropriate professional qualification and recent experience in the relevant location and assets being valued. The fair values of the investment properties were determined using the Comparison Method.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

5. INVESTMENT PROPERTIES (CONT'D)

Fair value basis of investment properties (cont'd)

Level 2 fair value

Fair value measurement of the investment properties were categorised as follows:-

	Group	
	2023	2022
	RM	RM
Recurring fair value measurement:-		
Leasehold land and buildings	6,200,000	6,200,000
Freehold land and building	10,000,000	10,000,000

Level 2 fair values of land and buildings have been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square feet of comparable properties.

6. INTANGIBLE ASSETS

Group	Development costs RM	Patent RM	Goodwill on consolidation RM	Total RM
Cost				
At 1 January 2022/31 December 2022/ 31 December 2023	4,099,075	15,055	395,934	4,510,064
Accumulated amortisation				
At 1 January 2022/31 December 2022/ 31 December 2023	2,849,133	14,235	-	2,863,368
Accumulated impairment				
At 1 January 2022/31 December 2022/ 31 December 2023	1,249,942	820	395,934	1,646,696
Net carrying amount				
At 31 December 2023	-	-	-	-
At 31 December 2022	-	-	-	-

The development costs incurred in developing gas generator is amortised on a straight-line basis over their useful lives of 15 years.

The patent is amortised on straight-line basis over their useful life for 10 years.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

6. INTANGIBLE ASSETS (CONT'D)

Impairment loss review of development costs, patent and goodwill on consolidation

Impairment loss on intangible assets of the Group had been recognised due to recoverable amounts of intangible assets was lower than the carrying amount.

Goodwill acquired in a business combination is allocated, at acquisition date, to the cash-generating unit ("CGU") that is expected to benefit from the business combination.

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

Key assumptions made in determining the value-in-use are as follows:

- Cash flows were projected based on actual operating results and the five years business plan;
- The discount rate applied to the cash flows projections are derived from the weighted average cost of capital of the Group plus a reasonable risk premium; and
- The size of operation will remain at least or not lower than the current results.

The key assumptions used for determining the value in use, which are determined based on management's past experience and expectation of the future development, are as follows:-

	Group	
	2023	2022
	%	%
Projected growth rate	-	-
Discount rate	-	-

The projected cash flows from use are derived from the most recent financial budgets approved by management.

With regards to the assessments, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying values of these units to differ materially from their recoverable amounts except for the changes in prevailing operating environment which is not ascertainable.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the profit or loss in the period in which it incurred.

The useful life of intangible assets is assessed to be either finite or indefinite. Intangible assets with finite life are amortised on straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by charging the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful life are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at cash-generating unit level. Such intangibles are not amortised.

The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

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7. SUBSIDIARIES

Investment in subsidiaries

	Company	
	2023	2022
	RM	RM
Unquoted shares, at cost	210,669,611	210,669,611
Less: Accumulated impairment losses	(13,557,045)	(28,635,797)
	197,112,566	182,033,814

Investment in subsidiaries that are impaired

Investment in subsidiaries are impaired at reporting date when the fair value less cost to sales of the subsidiary is lower than cost of investment. The movement of accumulated impairment losses during the financial year is as follows:-

	Company	
	2023	2022
	RM	RM
Brought forward	28,635,797	61,490,450
Charge for the financial year	3,138,864	3,104,041
Reversal	(18,217,616)	(35,958,694)
Carried forward	13,557,045	28,635,797

In prior financial year, a subsidiary's recoverable amount was determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by the management covering a three-year period. The discount rates applied to the cash flow projections 9% based on the weighted average cost of capital of the Company.

Details of the Company's subsidiaries are as follows:-

	Effective Interest		Principal Place of Business	Principal Activities
	2023	2022		
	%	%		
<i>Held by the Company:</i>				
Tanjung Offshore Services Sdn. Bhd.	100	100	Malaysia	Integrated service provider to the oil and gas and related industries.
T7 Gastec Sdn. Bhd.	100	100	Malaysia	Manufacturing and trading of all types of machinery, equipment and generators used for welding, cutting, cooking and other commercial applications.
T7 Marine Sdn. Bhd.	100	100	Malaysia	Repair and maintenance of vessels' monitoring system, owning and leasing offshore vessels to local and international oil industry.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

7. SUBSIDIARIES (CONT'D)

Investment in subsidiaries (cont'd)

Details of the Company's subsidiaries are as follows (cont'd):-

	Effective Interest		Principal Place of Business	Principal Activities
	2023	2022		
	%	%		
<i>Held by the Company (cont'd):</i>				
T7 Solutions Sdn. Bhd.	100	100	Malaysia	To manufacture and to market of waste heat recovery units for the offshore oil and gas industry.
T7 Property Sdn. Bhd.	100	100	Malaysia	Development of building projects for own operation, for renting of space in these buildings and construction.
T7 Aero Sdn. Bhd.	100	100	Malaysia	Precision engineering, manufacturing and trading of products, equipment and machines of all kinds relating to aircraft aerospace and investment holding.
T7 Services Australia Pty. Ltd.^	100	100	Australia	Dormant.
T7 CSI Integrated Sdn. Bhd.	100	100	Malaysia	Supply, design, configure, intergrate, test, install and commission distributed control systems, programmable logic controllers, supervisory control and data acquisitions, safety shutdown systems, fire gas systems, fire addressable systems, liquid and gas analyser systems, control valves, instrumentation and electrical heat tracing systems and to train and supply manpower for after sales services.
T7 AeroTech Sdn. Bhd.	99.99	99.99	Malaysia	Manufacturing aerospace components and assemblies.
T7 Energy Sdn. Bhd.	100	100	Malaysia	Engineering services and other business support service activities N.E.C..
T7 Resources Sdn. Bhd.	100	100	Malaysia	Mineral trading.
T7 Kemuncak Sdn. Bhd.	70	70	Malaysia	Property, construction and investment holding.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

7. SUBSIDIARIES (CONT'D)

Investment in subsidiaries (cont'd)

Details of the Company's subsidiaries are as follows (cont'd):-

	Effective Interest		Principal Place of Business	Principal Activities
	2023	2022		
	%	%		
<i>Held by Tanjung Offshore Services Sdn. Bhd.:</i>				
T7 Services Sdn. Bhd.	100	100	Malaysia	Provision for engineering and professional manpower services to the oil and gas and related industries.
T7 Newenergy Sdn. Bhd.	100	100	Malaysia	Project management services to the engineering and energy industries.
T7 Intelligent Resources Sdn. Bhd.	100	100	Malaysia	Supplying manpower for the oil and gas industry and petrochemicals industry exclusively in Malaysia territory.
T7 Solutions Services (S) Pte. Ltd.^	100	100	Singapore	Wholesale of general hardware and wholesale trade.
T7 Shirley Co., Ltd.*^	99.99	-	Thailand	Dormant.
T7 Services (Thai) Co., Ltd.*^	99.99	-	Thailand	Dormant.
<i>Held by T7 Gastec Sdn. Bhd.:</i>				
Universal Gas Generators (M) Sdn. Bhd.	100	100	Malaysia	Engaged in the business of selling and letting gas generators.
T7 Wenmax Sdn. Bhd.	100	100	Malaysia	Engaged in the business as supplier of industrial equipment, machineries, spare parts, lubricants oil and provide installation services.
T7 Solutions Services (Thailand) Co., Ltd.*	45	45	Thailand	Manufacture and to market of waste heat recovery unit.
<i>Held by T7 Marine Sdn. Bhd.:</i>				
T7 Subsea Sdn. Bhd.	55	55	Malaysia	Underwater services in the oil and gas industry involving remote operated vehicle and diving services.

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****7. SUBSIDIARIES (CONT'D)****Investment in subsidiaries (cont'd)**

Details of the Company's subsidiaries are as follows (cont'd):-

	Effective Interest		Principal Place of Business	Principal Activities
	2023	2022		
	%	%		
Held by T7 Aero Sdn. Bhd.:				
T7 AeroTech Sdn. Bhd.	0.01	0.01	Malaysia	Manufacturing aerospace components and assemblies.
PN Network T7 Sdn. Bhd.	70	70	Malaysia	Repair and maintenance of other equipment.
Held by T7 Solutions Sdn. Bhd.:				
T7 Generations Sdn. Bhd.	92.5	92.5	Malaysia	Sale of articles of clothing, articles of fur, clothing, accessories, footwear and other retail sale of new goods in specialised stores not elsewhere classified.
TCM Innovations Sdn. Bhd.	100	100	Malaysia	Provision of information communication technology system security, other information technology service activities, research and development on information communication technology.
Held by T7 Kemuncak Sdn. Bhd.:				
T7 China Construction Third Engineering Sdn. Bhd.	51	51	Malaysia	Provision of construction and civil engineering services.
Held by T7 Intelligent Resources Sdn. Bhd.:				
Agensi Pekerjaan T7 Intelligent Resources Sdn. Bhd.	100	100	Malaysia	To carry on the business as private employment agency to recruit and place worker to another employer.
Held by T7 Energy Sdn. Bhd.:				
T7 Enya Sdn. Bhd.^	100	–	Malaysia	Dormant.
T7 ZVS 1 Sdn. Bhd.^	100	–	Malaysia	Dormant.

* The financial statements of these companies are not audited by Grant Thornton Malaysia PLT.

^ No statutory audit was required as at the reporting date as the subsidiaries were remained dormant during the financial year. The Directors have consolidated the results of these subsidiaries based on their management financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

7. SUBSIDIARIES (CONT'D)

2023

Acquisition of subsidiaries

On 13 March 2023, a wholly-owned subsidiary of the Company, Tanjung Offshore Services Sdn. Bhd. had incorporated T7 Shirley Co., Ltd. with an issued and paid-up capital of Thai Baht 20,000 (equivalent to RM3,500) comprising of 20,000 ordinary shares.

On 13 March 2023, a wholly-owned subsidiary of the Company, Tanjung Offshore Services Sdn. Bhd. had incorporated T7 Services (Thai) Co., Ltd. with an issued and paid-up capital of Thai Baht 20,000 (equivalent to RM3,500) comprising of 20,000 ordinary shares.

On 27 July 2023, a wholly-owned subsidiary of the Company, T7 Energy Sdn. Bhd. had incorporated T7 Enya Sdn. Bhd., a wholly-owned subsidiary of the company, with an issued of RM1 comprising of 1 ordinary share.

On 27 July 2023, a wholly-owned subsidiary of the Company, T7 Energy Sdn. Bhd. had incorporated T7 ZVS 1 Sdn. Bhd., a wholly-owned subsidiary of the company, with an issued of RM1 comprising of 1 ordinary share.

Acquisition of non-controlling interest

On 2 November 2023, a wholly-owned subsidiary of the Company, T7 Aero Sdn. Bhd., had acquired 4 ordinary shares representing 0.01% equity interest in T7 AeroTech Sdn. Bhd. for a total cash consideration of RM5. After acquisition, T7 AeroTech Sdn. Bhd. become a wholly-owned subsidiary of the Group.

The following summarises the effect of changes in the equity in T7 AeroTech Sdn. Bhd. that are attributable to owners of the Company.

	RM
Equity interest at 1 January 2023	(8,309,840)
Effect of decrease in Company's ownership interest	(9)
Share of comprehensive loss	(3,638,106)
Equity interest at 31 December 2023	<u>(11,947,955)</u>

2022

Acquisition/Disposal of non-controlling interest

On 30 March 2022, a wholly-owned subsidiary of the T7 Aero Sdn. Bhd., PN Network T7 Sdn. Bhd. issued 97,500 new ordinary shares which was acquired by T7 Aero Sdn. Bhd. for a cash consideration of RM97,500. Subsequently on 7 June 2022, T7 Aero Sdn. Bhd. disposed 30,000 ordinary shares representing 30% equity interest in PN Network T7 Sdn. Bhd. for a sales consideration of RM30,000.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

7. SUBSIDIARIES (CONT'D)

Non-controlling interest in subsidiaries

	Other individually immaterial subsidiaries
2023	
Percentage of ownership interest and voting interest (%)	0.01 - 55
Carrying amount of non-controlling interest (RM)	(1,352,324)
Loss allocated to non-controlling interest (RM)	(743,960)
Total comprehensive loss allocated to non-controlling interest (RM)	(739,987)
2022	
Percentage of ownership interest and voting interest (%)	7.5 - 55
Carrying amount of non-controlling interest (RM)	(612,341)
Profit allocated to non-controlling interest (RM)	(113,669)
Total comprehensive income allocated to non-controlling interest (RM)	(112,056)

Amount due from/(to) subsidiaries

	Company	
	2023	2022
	RM	RM
Amount due from subsidiaries		
Non-current	98,366,363	93,776,373
Less: Allowance for ECLs	(1,852,855)	(1,268,911)
	96,513,508	92,507,462
Current	44,353,031	37,463,045
Less: Allowance for ECLs	(35,869,845)	(35,869,845)
	8,483,186	1,593,200
	104,996,694	94,100,662
Amount due to a subsidiary	(7,695,000)	(1)

The amount due from/(to) subsidiaries are non-trade related, unsecured, non-interest bearing and repayable on demand, except for RM96,513,508 (2022: RM92,507,462) amount due from subsidiaries subject to interest rate at 5.26% (2022: 4.04%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

7. SUBSIDIARIES (CONT'D)

Amount due from/(to) subsidiaries (cont'd)

The movements in the allowance for ECLs in respect of amount due from subsidiaries during the financial year were as follows:-

	Company	
	2023	2022
	RM	RM
Brought forward	37,138,756	19,840,137
Charge for the financial year	583,944	17,298,619
Carried forward	<u>37,722,700</u>	<u>37,138,756</u>

The impairment loss was recognised to adjust the carrying amount of amount due from subsidiaries due to recoverable amount is lower than the carrying amount.

8. OTHER INVESTMENTS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-current				
Quoted shares in Malaysia				
At fair value:-				
Financial assets at fair value through profit and loss	1,038,336	1,107,294	834,111	864,169

9. OTHER RECEIVABLES

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-current				
Non-trade receivables (Note 9.1)	1,526,428	1,471,965	-	-
Current				
Non-trade receivables	2,055,535	2,127,528	750,000	750,000
Deposits	2,002,885	6,291,796	-	-
Prepayments	2,209,701	3,779,938	-	-
Advances	7,600	6,205	-	-
	<u>6,275,721</u>	<u>12,205,467</u>	<u>750,000</u>	<u>750,000</u>
Less: Allowance for ECLs	(1,667,399)	(1,637,399)	(750,000)	(750,000)
	<u>4,608,322</u>	<u>10,568,068</u>	<u>-</u>	<u>-</u>
	<u>6,134,750</u>	<u>12,040,033</u>	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****9. OTHER RECEIVABLES (CONT'D)**

Included in other receivables is as follow:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Rental deposits to companies in which certain Directors have interests	261,862	261,862	–	–
Amount due from non-controlling interests	165,645	195,660	–	–

The amount due from companies in which certain Directors have interest and non-controlling interests are non-trade related, unsecured, non-interest bearing and receivable on demand.

Other receivables that are impaired

All impaired other receivables are individually determined. The reconciliation of the allowance for ECLs is as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Brought forward	1,637,399	4,265,719	750,000	3,378,320
Charge for the financial year	30,000	750,000	–	750,000
Written off	–	(3,378,320)	–	(3,378,320)
Carried forward	1,667,399	1,637,399	750,000	750,000

9.1 The carrying amount of non-current of non-trade receivable is as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-current				
Gross non-trade receivable				
- later than 1 year but not later than 5 years	1,636,511	1,636,511	–	–
Fair value adjustment calculated based on cash flows discounted using weighted average effective interest rate	(110,083)	(164,546)	–	–
Present value of non-trade receivable	1,526,428	1,471,965	–	–

The reconciliation of movements to fair value adjustment for the non-trade receivable is as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Brought forward	(164,546)	(217,066)	–	–
Unwinding interest on non-trade receivable carried at amortised cost	54,463	52,520	–	–
Carried forward	(110,083)	(164,546)	–	–

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

10. CASH AND BANK BALANCES, DEPOSITS AND PLACEMENTS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-current				
Deposits with licensed banks	9,193,353	4,116,254	–	–
Current				
Cash and bank balances	129,135,934	15,425,918	534,107	392,746
Deposits with licensed banks	17,327,371	17,620,685	–	–
	146,463,305	33,046,603	534,107	392,746
	155,656,658	37,162,857	534,107	392,746
Presented in statements of financial position	155,656,658	37,162,857	534,107	392,746
Less: Deposits with licensed banks	(13,026,716)	(19,120,760)	–	–
Less: Collateral account	(9,100,000)	(805,450)	–	–
Less: Bank overdrafts	(7,440,317)	(15,123,583)	–	–
Presented in statements of cash flows	126,089,625	2,113,064	534,107	392,746

Included in deposits with licensed banks of the Group with carrying amount of RM13,026,716 (2022: RM19,120,760) have been pledged to banks for banking facilities granted to the subsidiaries.

Included in deposits with licensed banks of the Group with carrying amount of RM9,100,000 (2022: RM805,450) is held as collateral account to obtain banking facilities and hence, are not available for general use.

The deposits with licensed banks of the Group amounted to RM17,420,724 (2022: RM17,711,939) bear interest rate ranging from 1.30% to 5.02% (2022: 1.30% to 3.05%) per annum and matured within a year.

11. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2023	2022
	RM	RM
Brought forward	3,911,315	12,665,568
Recognised in profit or loss	(7,454,900)	(8,754,253)
Carried forward	(3,543,585)	3,911,315
Presented after appropriate offsetting as follows:-		
Deferred tax assets	–	4,764,900
Deferred tax liabilities	(3,543,585)	(853,585)
	(3,543,585)	3,911,315

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components and movement of deferred tax assets and liabilities are as follows:-

Deferred tax assets

	Property, plant and equipment	Right-of-use assets	Investment properties	Unabsorbed capital allowances	Unutilised tax losses	Unrealised foreign exchange	Allowance for impairment	Total
	RM	RM	RM	RM	RM	RM	RM	RM
Group								
At 1 January 2022	(252,000)	39,000	(5,000)	4,878,000	7,460,000	-	843,000	12,963,000
Recognised in profit or loss	252,000	(39,000)	5,000	(4,175,100)	(3,800,000)	-	(441,000)	(8,198,100)
At 31 December 2022	-	-	-	702,900	3,660,000	-	402,000	4,764,900
Recognised in profit or loss	-	-	-	(702,900)	(3,660,000)	-	(402,000)	(4,764,900)
At 31 December 2023	-	-	-	-	-	-	-	-

Deferred tax liabilities

	Property, plant and equipment	Right-of-use assets	Investment properties	Unabsorbed capital allowances	Unutilised tax losses	Unrealised foreign exchange	Allowance for impairment	Total
	RM	RM	RM	RM	RM	RM	RM	RM
Group								
At 1 January 2022	(1,294,937)	(25,060)	(190,000)	6,599	1,171,000	34,966	-	(297,432)
Recognised in profit or loss	(2,999,212)	128,060	(558,000)	267,006	1,295,000	(34,966)	1,345,959	(556,153)
At 31 December 2022	(4,294,149)	103,000	(748,000)	273,605	2,466,000	-	1,345,959	(853,585)
Recognised in profit or loss	(44,958,559)	308,000	(37,600)	43,432,215	(1,667,697)	-	233,641	(2,690,000)
At 31 December 2023	(49,252,708)	411,000	(785,600)	43,705,820	798,303	-	1,579,600	(3,543,585)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

11. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

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

	Group	
	2023	2022
	RM	RM
Property, plant and equipment	19	19
Investment properties	727,760	–
Unabsorbed capital allowances	2,424,841	6,722,046
Unutilised tax losses	55,666,801	24,384,135
Allowance for impairment	6,280,894	6,222,572
Others	89,888	51,010
	65,190,203	37,379,782

The expiry of the unutilised tax losses is as follows:-

<u>Year of assessment</u>	Group	
	2023	2022
	RM	RM
2028	26,114,823	10,819,034
2029	3,137,563	271,861
2030	10,925,941	6,997,843
2031	1,430,329	1,430,329
2032	4,865,068	4,865,068
2033	9,193,077	–
	55,666,801	24,384,135

12. INVENTORIES

	Group	
	2023	2022
	RM	RM
Trading goods	6,951,822	7,380,367
Work-in-progress	203,602,286	104,368,124
	210,554,108	111,748,491
Recognised in profit or loss:-		
Inventories recognised as cost of sales	403,707,251	225,279,482

Inventories are stated at the lower of cost and net realisable value adequate specific write down has been made by the Directors for deteriorated, obsolete and slow-moving inventories. The cost of inventories is calculated using the weighted average method.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

13. TRADE RECEIVABLES

	Group	
	2023	2022
	RM	RM
Trade receivables	76,892,990	91,873,747
Retention sum	3,652,092	3,914,334
	80,545,082	95,788,081
Less: Allowance for ECLs	(13,464,581)	(14,271,462)
	67,080,501	81,516,619

Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition. Interest is charged on overdue accounts at 1.50% (2022: 1.50%) per month.

The credit term granted by the Group to trade receivables range from 7 to 90 days (2022: 7 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Included in the trade receivables are as follows:-

	Group	
	2023	2022
	RM	RM
Amount due from a company in which certain Directors have interest	262,242	5,533,827

The movements in the allowance for ECLs in respect of trade receivables during the financial year were as follows:-

Group	Individually impaired	Collectively impaired	Total
	RM	RM	
At 1 January 2022	5,536,639	4,117,113	9,653,752
Charge for the financial year	6,495,829	1,193,450	7,689,279
Reversal of ECLs	(649,669)	(2,421,868)	(3,071,537)
Written off	(32)	-	(32)
At 31 December 2022	11,382,767	2,888,695	14,271,462
Charge for the financial year	656,802	354,941	1,011,743
Reversal of ECLs	(150,954)	(1,667,670)	(1,818,624)
At 31 December 2023	11,888,615	1,575,966	13,464,581

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

14. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2023	2022
	RM	RM
Contract assets		
Accrued billings	9,608,062	16,560,229
Contract liabilities		
Deferred income	–	(5,400)
Deposits received	(5,041,315)	–
	(5,041,315)	(5,400)

Contract assets

The contract assets primarily relate to the Group's rights to consideration for work completed on supply on manpower services but not yet billed at the reporting date. Typically, the amount will be billed within 30 to 90 days (2022: 30 days to 90 days) and payment is expected within 30 to 60 days (2022: 30 to 60 days).

Deferred income

Deferred income represents the advance billing issued to customer for rental of equipment.

Deposits received

Deposits received relate to deposits made by customers for the construction projects which is partially performed or have yet to perform by the Group as at the reporting date. The Group applies the practical expedient in MFRS 15 on not disclosing the aggregate amount of the revenue expected to be recognised in the future as the performance obligation is part of a contract that has an original expected duration of less than one year.

15. SHARE CAPITAL

	Group and Company		Group and Company	
	Number of ordinary shares		Amount	
	2023	2022	2023	2022
	Unit	Unit	RM	RM
<u>Issued and fully paid with no par value:-</u>				
At 1 January	757,054,856	757,054,856	249,949,521	249,949,521
Issuance of shares	2,000,000	–	780,000	–
At 31 December	759,054,856	757,054,856	250,729,521	249,949,521

At the end of the reporting date, 17,348,800 (2022: 17,348,800) unit of ordinary shares are held by the Company as treasury shares (Note 16 to the financial statements), and number of outstanding ordinary shares issued and fully paid (excluding treasury shares) is 741,706,056 (2022: 739,706,056) units.

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. In respect of the Company's treasury shares that are held by the Company, all rights are suspended until those shares are reissued.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

16. TREASURY SHARES

There were no repurchase or resale of treasury shares during the financial year.

At the end of the reporting date, the Group and the Company held 759,054,856 (2022: 757,054,856) of the Company's shares and number of ordinary shares after setting off against treasury shares is 741,706,056 (2022: 739,706,056).

17. RESERVES

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-distributable:-				
Fair value reserve	20,990	20,990	20,990	20,990
Revaluation reserve	6,047,566	6,047,566	-	-
Capital reserve	18,296,517	18,296,517	57,026,993	57,026,993
Foreign currency translation reserve	(11,377)	(8,560)	-	-
	<u>24,353,696</u>	<u>24,356,513</u>	<u>57,047,983</u>	<u>57,047,983</u>

Fair value reserve

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

Revaluation reserve

Revaluation reserve arising from revaluation of properties are not available for distribution as dividends.

Capital reserve

The capital reserve included all the changes in the Group's ownership interest in a subsidiary that do not result in a loss of control and capital reduction.

Foreign currency translation reserve

The foreign currency translation reserve arose from the exchange differences on the translation of foreign operations.

18. LEASE LIABILITIES

	Group	
	2023	2022
	RM	RM
Represented by:-		
Non-current	24,335,001	11,705,859
Current	6,964,412	4,359,855
	<u>31,299,413</u>	<u>16,065,714</u>

The maturity analysis of lease liabilities is disclosed in Note 33 to the financial statements.

The Group's total cash outflows for leases amounting to RM11,727,369 (2022: RM5,246,540).

The effective interest rates of the lease liabilities are ranging from 2.93% to 13.46% (2022: 2.93% to 7.96%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

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19. BORROWINGS

	Group	
	2023	2022
	RM	RM
Non-current		
Secured:-		
Term loans	335,676,632	349,871,284
Unsecured:-		
Fixed loans	–	3,143,975
Term loans	26,163,642	658,162
Invoice financing	125,086,888	32,759,307
Trust receipts	–	3,317,332
	486,927,162	389,750,060
Current		
Secured:-		
Term loans	61,155,817	20,055,330
Unsecured:-		
Bankers' acceptances	43,989,335	13,313,231
Fixed loans	3,295,958	5,767,570
Invoice financing	253,852,993	153,667,864
Revolving credit	29,378,985	27,300,000
Term loans	7,490,232	312,254
Bank overdrafts	7,440,317	15,123,583
Promissory note	3,750,637	–
Trust receipts	18,758,157	12,879,860
	429,112,431	248,419,692
	916,039,593	638,169,752

The above borrowings are secured by means of the followings:-

- i) A legal charge over the Group's certain property, plant and equipment;
- ii) A legal charge over the Group's leasehold land and buildings;
- iii) A legal charge over the capital work-in-progress of the Group;
- iv) Against assignment of insurance policy of a Director of its subsidiary and a subsidiary;
- v) Against assignment of contract payment/proceeds of subsidiaries;
- vi) Against future income of a subsidiary;
- vii) Against letter of undertaking of the Company;
- viii) Certain deposits with licensed banks of subsidiaries;
- ix) Charge over shares of a subsidiary;
- x) Corporate guarantee by a subsidiary; and
- xi) Corporate guarantee by the Company.

The borrowings bear interest rates ranging from 1.87% to 7.92% (2022: 1.90% to 7.57%) per annum.

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****20. GOVERNMENT GRANTS**

	Group	
	2023	2022
	RM	RM
At cost		
At 1 January/31 December	6,524,040	6,524,040
Accumulated amortisation		
At 1 January	1,988,026	1,739,478
Charge for the financial year	248,549	248,548
At 31 December	2,236,575	1,988,026
Net carrying amount	4,287,465	4,536,014
Non-current		
Amortised after the next 12 months	4,038,917	4,287,466
Current		
Amortised within the next 12 months	248,548	248,548
	4,287,465	4,536,014

The government grant received is in respect of the purchase of an asset and training expenses incurred under the scheme of Malaysia Investment Development Authority (“MIDA”) by the government principal agency for promotion of the Metal Surface Treatment for Aerospace in Malaysia.

Government grants are recognised at fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grant are carries in the statements of financial position and allocated to profit or loss over the expected useful lives of 20 years of the related plant and machinery or over the period of the operating expenditure to which the grants are intended to compensate.

21. TRADE PAYABLES

	Group	
	2023	2022
	RM	RM
Trade payables	60,463,002	42,988,503
Retention sum	3,184,262	456,946
	63,647,264	43,445,449

The normal trade credit terms granted to the Group range from 30 to 90 days (2022: 30 to 90 days).

Included in trade payables is as follows:-

	Group	
	2023	2022
	RM	RM
Amount due to a company in which certain Directors have interests	4,731,115	5,370,082

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

22. OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-trade payables	23,921,471	25,159,163	285,263	122,222
Accrued expenses	50,232,576	9,756,748	53,382	60,352
Deposits received	4,814,410	586,600	–	–
Sales and service tax payable	1,334,057	745,645	–	–
	<u>80,302,514</u>	<u>36,248,156</u>	<u>338,645</u>	<u>182,574</u>

Included in other payables are as follow:-

	Group	
	2023	2022
	RM	RM
Amount due to non-controlling interest	21,237,000	21,237,000
Amount due to a company in which certain Directors have interest	<u>120,744</u>	<u>502,364</u>

In financial year 2020, the Group entered into an agreement for the acquisition of its entire equity interest in a subsidiary, T7 Wenmax Sdn. Bhd. via a management buy-out for a total consideration of RM39,200,000.

The amounts due to non-controlling interest and a company in which certain Directors have interest are non-trade related, unsecured, non-interest bearing and repayable on demand.

23. REVENUE

23.1 Disaggregated Revenue Information

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
<u>Revenue from contracts with customers:-</u>				
Rendering of services	421,915,926	205,657,782	–	–
Supply of manpower	35,630,122	49,621,158	–	–
Installation services	1,759,930	69,098,220	–	–
Sales of goods	87,985,124	38,038,965	–	–
Management fee	–	–	1,200,000	1,200,000
	<u>547,291,102</u>	<u>362,416,125</u>	<u>1,200,000</u>	<u>1,200,000</u>
<u>Other revenue:-</u>				
Dividend income	7,406	7,406	7,406	7,406
Rental income	34,568,508	546,501	–	–
	<u>34,575,914</u>	<u>553,907</u>	<u>7,406</u>	<u>7,406</u>
	<u>581,867,016</u>	<u>362,970,032</u>	<u>1,207,406</u>	<u>1,207,406</u>
<u>Timing of revenue recognition:-</u>				
At a point in time	87,985,124	38,038,965	–	–
Over time	459,305,978	324,377,160	1,200,000	1,200,000
	<u>547,291,102</u>	<u>362,416,125</u>	<u>1,200,000</u>	<u>1,200,000</u>



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

23. REVENUE (CONT'D)

23.2 Geographical Market

The Group's and the Company's revenue information based on geographical location are as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Malaysia	533,018,856	356,132,904	1,200,000	1,200,000
United Arab Emirates	4,239,256	–	–	–
Southeast Asia other than Malaysia	10,032,990	6,283,221	–	–
	<u>547,291,102</u>	<u>362,416,125</u>	<u>1,200,000</u>	<u>1,200,000</u>

23.3 Performance Obligations

Information about the Group's performance obligations are summarised below:-

Rendering of services, supply of manpower and installation services

The performance obligation is satisfied over-time and payment is generally due upon completion of installation and acceptance of the customer. In some contracts, short-term advances are required before the installation service is provided.

Contract value yet to be recognised as revenue

As at the reporting date, revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of the Group is RM1,300,704,029 (2022: RM457,146,261). The Group expected to recognise this revenue over the next 12 to 36 months.

Sales of goods

Revenue relating to sales of goods is recognised net of sales returns and discount upon the transfer of control of the goods to the customers. Revenue is not recognised to extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Management fee income

Management fees are recognised when services are rendered.

23.4 Revenue from Other Sources

Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which is in the case of quoted securities is the ex-dividend date.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

24. FINANCE INCOME

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Interest income:				
- Cash at bank	475,616	332,392	2,410	405
- Fixed deposit	394,265	466,302	-	-
- Subsidiaries	-	-	4,611,500	4,110,469
- Unwinding interest on non-trade receivable carried at amortised cost	54,463	52,520	-	-
	<u>924,344</u>	<u>851,214</u>	<u>4,613,910</u>	<u>4,110,874</u>

25. FINANCE COSTS

	Group	
	2023	2022
	RM	RM
Interest expenses:		
- Bankers' acceptances	1,045,409	488,055
- Bank guarantees	-	102,864
- Fixed loans	357,500	742,284
- Invoice financing	11,955,300	5,138,097
- Lease liabilities	1,509,910	526,269
- Letter of credit	117	86,115
- Revolving credit	2,086,260	903,741
- Trust receipts	166,064	168,831
- Term loans	9,063,635	1,047,660
- Promissory note	52,403	-
- Overdrafts	631,985	326,412
	<u>26,868,583</u>	<u>9,530,328</u>

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****26. PROFIT BEFORE TAX**

Profit before tax has been determined after charging/(crediting), amongst other, the following items:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Auditors' remuneration:-				
Grant Thornton Malaysia PLT:				
- Statutory audit	490,000	429,900	70,000	69,000
- Others	10,000	10,000	10,000	10,000
Other external auditors	10,496	9,477	-	-
Amortisation of government grants	(248,549)	(248,548)	-	-
Depreciation of property, plant and equipment	16,472,458	5,329,354	-	-
Depreciation of right-of-use assets	5,075,833	2,755,563	-	-
Directors' fees	683,500	641,750	263,500	221,750
Dividend income	(7,406)	(7,406)	(7,406)	(7,406)
Fair value gain on investment properties	-	(1,749,227)	-	-
Gain on disposal of property, plant and equipment	(23,999)	-	-	-
Gain on disposal of right-of-use assets	(129,476)	-	-	-
Impairment loss of ECLs:				
- Trade receivables	1,011,743	7,689,279	-	-
- Amount due from subsidiaries	-	-	583,944	17,298,619
- Other receivables	30,000	750,000	-	750,000
Impairment loss on:				
- Investment in subsidiaries	-	-	3,138,864	3,104,041
Net fair value loss/(gain) on other investments	68,958	102,170	30,058	(82,605)
Net realised loss/(gain) on foreign exchange	5,091,142	6,673,720	(22,026)	(9,623)
Net unrealised gain on foreign exchange	(871,062)	(962,933)	-	-
Reversal of ECLs:				
- Trade receivables	(1,818,624)	(3,071,537)	-	-
Reversal of impairment loss on:				
- Investment in subsidiaries	-	-	(18,217,616)	(35,958,694)

NOTES TO THE FINANCIAL STATEMENTS

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27. TAX EXPENSE

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Current tax				
- Current financial year	13,817,929	4,276,589	1,228,296	1,068,880
- Under provision in prior financial year	990,918	428,502	33,000	89,482
	<u>14,808,847</u>	<u>4,705,091</u>	<u>1,261,296</u>	<u>1,158,362</u>
Deferred tax				
- Current financial year	8,685,703	9,550,053	-	-
- Over recognised in prior financial year	(1,230,803)	(795,800)	-	-
	<u>7,454,900</u>	<u>8,754,253</u>	<u>-</u>	<u>-</u>
	<u>22,263,747</u>	<u>13,459,344</u>	<u>1,261,296</u>	<u>1,158,362</u>

Malaysian income tax is calculated at the statutory tax rate 24% (2022: 24%) of the estimated taxable profit for the financial year.

Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdiction.

The numerical reconciliation between the average effective tax rate and the statutory tax rate of the Group and of the Company are as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Profit before tax	54,752,198	33,698,311	18,675,513	18,913,957
Tax at Malaysian statutory tax rate of 24%	13,140,528	8,087,595	4,482,123	4,539,350
Tax effects in respect of:-				
Expenses not deductible for tax purposes	3,298,025	3,813,156	377,995	4,438,559
Income not subject to tax	(609,422)	(1,206,710)	(3,631,822)	(7,909,029)
Movement of deferred tax assets not recognised	6,674,501	2,948,601	-	-
Over recognised deferred tax in prior financial year	(1,230,803)	(795,800)	-	-
Under provision of tax expense in prior financial year	990,918	428,502	33,000	89,482
Changes in real property gain tax rate	-	184,000	-	-
	<u>22,263,747</u>	<u>13,459,344</u>	<u>1,261,296</u>	<u>1,158,362</u>

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****28. EARNINGS PER SHARE**

(a) Basic earnings per ordinary shares

Basic earnings per share are calculated by dividing profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares and including mandatorily convertible instruments held by the Company.

Profits attributable to ordinary shares

	Group	
	2023	2022
	RM	RM
Profit used for the computation of basic/diluted		
- Profit attributable to equity holders of the Company	33,232,411	20,352,636

Weighted average number of ordinary shares in issue

	Group	
	2023	2022
Weighted average number of ordinary shares after deducting treasury shares used for the computation of basic (unit)	757,948,007	739,706,056
Basic earnings per ordinary shares (sen)	4.38	2.75

(b) Diluted earnings per ordinary shares

Diluted earnings per share is the same as basic earnings per shares as there is no dilutive potential ordinary shares outstanding during the financial year.

29. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Salaries, wages and other emoluments	41,450,845	18,249,248	174,386	124,672
Defined contribution plans	5,388,781	3,715,791	-	-
	46,839,626	21,965,039	174,386	124,672

Included in the employee benefits expense is the Directors' remuneration as below:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
<u>Existing Directors of the Company</u>				
Salaries, wages and other emoluments	3,401,420	2,570,862	-	-
Defined contribution plans	407,786	612,493	-	-
	3,809,206	3,183,355	-	-

NOTES TO THE FINANCIAL STATEMENTS

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30. EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

At an Extraordinary General Meeting held on 22 December 2016, the Company's shareholders approved the establishment of ESOS for the eligible Directors and employees of the Group. The ESOS shall be in force for a period of ten (10) years commencing from 28 March 2017 and will expire on 27 March 2027.

The salient features of the ESOS are as follows:-

- (a) the maximum number of new shares of the Company which may be issued and allotted pursuant to the exercise of the share options shall not in aggregate exceed ten percent (10%) of the issued and paid-up share capital of the Company at any point of time during the duration of the ESOS.
- (b) any employee (including Executive Directors) shall be eligible to participate in the ESOS if, as at the date of offer, that person is at least eighteen (18) years of age or above and is employed full time.
- (c) not more than ten per centum (10%) (or such percentage as allowable by the relevant authorities) of the shares available under the ESOS should be allocated to any individual director or employee who, either singly or collectively through his/her associates, holds twenty per centum (20%) or more in the issued and paid-up share capital of the Company.
- (d) the option price shall be the higher of either the 5-day weighted average market price of the Company's shares at the date of offer, with a discount of not more than 10% as may be permitted by relevant authorities from time to time during the duration of the ESOS or the par value of the Company's share.
- (e) options are exercisable, in whole or in part (provided that an Option is exercised in part in respect of 100 shares or any multiple thereof) as follows:-

Maximum Percentage of Options Exercisable from Acceptance Date

Year 1	Year 2	Year 3	Year 4	Year 5
20%	40%	60%	80%	100%
Year 6	Year 7	Year 8	Year 9	Year 10
100%	100%	100%	100%	100%

- (f) the options shall not carry any voting rights at any general meeting of the Company and shall not be entitled to any dividends, rights and/or other distributions.
- (g) the new shares to be allotted and issued upon exercise of any option shall upon allotment rank pari passu in all respects with the existing shares of the Company.

The ESOS has not been granted since 22 December 2016.

NOTES TO THE FINANCIAL STATEMENTS

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31. RELATED PARTY DISCLOSURES

The Group and the Company have related party relationship with its significant investors, subsidiaries, Directors and key management personnel.

31.1 Transactions with related parties:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Rental expenses paid to companies in which certain Directors have interest	1,200,570	1,277,570	–	–
Management fee charged to a subsidiary	–	–	1,200,000	1,200,000
Interest income charged to subsidiaries	–	–	4,611,500	4,110,469
Sales to companies in which certain Directors have interest	262,242	2,955,754	–	–
Purchase from companies in which certain Directors have interest	4,305,257	4,572,595	–	–
Purchase from a company in which certain Directors have interest - capitalised in property, plant and equipment	4,729,689	916,316	–	–
Payment made on behalf from companies in which certain Directors have interest	86,052	83,481	–	–
Administrative expense charged by a company in which certain Directors have interest	–	30,278	–	–
Advance to subsidiaries	–	–	9,791,309	20,620,492
Advance from a subsidiary	–	–	7,500,000	–
Payment made on behalf to subsidiaries	–	–	–	19,289
Payment made on behalf from subsidiaries	–	–	722,007	1,735,380

The Group and the Company undertakes the above transactions on agreed terms and prices with its related parties in the normal course of business.

The outstanding balances arising from related party transactions as at the reporting date are disclosed in Notes 7, 9, 13, 21 and 22 to the financial statements.

The Directors are of the opinion that all the transactions above have been entered into the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

31. RELATED PARTY DISCLOSURES (CONT'D)

31.2 Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly and entity that provides key management personnel services to the Group and the Company.

Key management includes all the Directors of the Company and its subsidiaries and certain members of senior management of the Group and of the Company.

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Directors' fees	683,500	641,750	263,500	221,750
Salaries and other emoluments	4,422,632	3,460,862	–	–
Defined contribution plans	530,186	720,295	–	–
	5,636,318	4,822,907	263,500	221,750

32. OPERATING SEGMENTS

General information

The information reported to the Group's chief operating decision maker to make decisions about resources to be allocated and for assessing their performance is based on the nature of the activities of the Group. The Group's operating segments are as follows:-

- Products and services segment : Rendering of services, repair, maintenance and installation, sales of products and services and supply of manpower.
- Engineered packages segment : Rendering of services, repair, maintenance and installation services of engineered packages.

Measurement of reportable segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements. Transactions between reportable segments are measured on the basis that is similar to those external customers. There are no significant changes from prior financial year in the measurement methods used to determine reported segment results.

All the Group's assets are allocated to reportable segments other than assets used centrally for the Group and current and deferred tax assets. Jointly used assets are allocated on the basis of the revenues earned by individual segments.

All the Group's liabilities are allocated to reportable segments other than liabilities incurred centrally for the Group, current and deferred tax liabilities. Jointly incurred liabilities are allocated in proportion to the segment assets.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS

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32. OPERATING SEGMENTS (CONT'D)

Analysis of the Group's revenue, results, assets, liabilities and other information by operating segment are shown below:-

Group 2023	Product and services		Engineered packages		Total		Eliminations		Note	Consolidated	
	RM	RM	RM	RM	RM	RM	RM	RM		RM	RM
Revenue											
External revenue	572,673,405	9,193,611	581,867,016	-							581,867,016
Intersegment revenue	86,766,042	212,000	86,978,042	(86,978,042)					A		-
Total revenue	659,439,447	9,405,611	668,845,058	(86,978,042)							581,867,016
Results											
Segment profit/(loss)	73,580,324	(4,033,910)	69,546,414	(11,113,724)					B		58,432,690
Finance income	19,316,601	3,605	19,320,206	(18,395,862)							924,344
Finance costs	(52,424,542)	(751,677)	(53,176,219)	26,307,636							(26,868,583)
Depreciation and amortisation	(37,254,366)	(1,101,422)	(38,355,788)	17,056,046							(21,299,742)
Tax expense	(21,176,221)	(130,526)	(21,306,747)	(957,000)							(22,263,747)
Other non-cash income	1,194,608	384,377	1,578,985	-					C		1,578,985
Assets											
Segment assets	2,392,727,428	104,205,339	2,496,932,767	(1,064,217,671)					D		1,432,715,096
Additions to non-current assets other than financial instruments	230,515,638	-	230,515,638	-					E		230,515,638
Liabilities											
Segment liabilities	(657,569,827)	(62,400,464)	(719,970,291)	570,979,198					F		(148,991,093)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

32. OPERATING SEGMENTS (CONT'D)

Analysis of the Group's revenue, results, assets, liabilities and other information by operating segment are shown below (cont'd):-

Group (cont'd) 2022	Product and services	Engineered packages	Total	Eliminations	Note	Consolidated
	RM	RM	RM	RM		RM
Revenue						
External revenue	360,722,634	2,247,398	362,970,032	-		362,970,032
Intersegment revenue	5,820,503	72,412,065	78,232,568	(78,232,568)	A	-
Total revenue	366,543,137	74,659,463	441,202,600	(78,232,568)		362,970,032
Results						
Segment profit/(loss)	47,033,580	2,883,007	49,916,587	(20,998,506)	B	28,918,081
Finance income	14,706,943	93	14,707,036	(13,855,822)		851,214
Finance costs	(17,576,146)	(2,586,740)	(20,162,886)	10,632,558		(9,530,328)
Depreciation and amortisation	(5,086,631)	(2,189,533)	(7,276,164)	(560,205)		(7,836,369)
Tax expense	(13,469,426)	10,082	(13,459,344)	-		(13,459,344)
Other non-cash expenses	(2,212,643)	(545,109)	(2,757,752)	-	C	(2,757,752)
Assets						
Segment assets	1,732,296,372	75,435,760	1,807,732,132	(785,325,732)	D	1,022,406,400
Additions to non-current assets other than financial instruments	293,645,061	48,396	293,693,457	-	E	293,693,457
Liabilities						
Segment liabilities	(631,344,949)	(30,934,032)	(662,278,981)	582,579,976	F	(79,699,005)



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

32. OPERATING SEGMENTS (CONT'D)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

- A. Intersegment revenues are eliminated on consolidation.
- B. The following items are added to/(deducted from) segment profit to arrive at "profit after tax" presented in the profit or loss:-

	2023	2022
	RM	RM
Segment profit	58,432,690	28,918,081
Finance income	924,344	851,214
Finance costs	(26,868,583)	(9,530,328)
Profit after tax	<u>32,488,451</u>	<u>20,238,967</u>

- C. Other major non-cash income/(expenses) consist of the following items as presented in the respective notes to the financial statements:-

	2023	2022
	RM	RM
Impairment loss on ECLs:		
- Trade receivables	(1,011,743)	(7,689,279)
- Other receivables	(30,000)	(750,000)
Net fair value loss on other investments	(68,958)	(102,170)
Net fair value gain on investment properties	-	1,749,227
Reversal of ECLs:		
- Trade receivables	1,818,624	3,071,537
Unrealised gain on foreign exchange	871,062	962,933
	<u>1,578,985</u>	<u>(2,757,752)</u>

- D. The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	2023	2022
	RM	RM
Segment assets	1,432,715,096	1,022,406,400
Deferred tax assets	-	4,764,900
Tax recoverable	2,319,712	5,710,017
Total assets	<u>1,435,034,808</u>	<u>1,032,881,317</u>

- E. Additions to non-current assets other than financial instruments and deferred tax assets consist of:-

	2023	2022
	RM	RM
Property, plant and equipment	207,840,318	281,982,793
Right-of-use assets	22,675,320	11,710,664
	<u>230,515,638</u>	<u>293,693,457</u>

NOTES TO THE FINANCIAL STATEMENTS

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32. OPERATING SEGMENTS (CONT'D)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd):-

F. The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:-

	2023	2022
	RM	RM
Segment liabilities	(148,991,093)	(79,699,005)
Lease liabilities	(31,299,413)	(16,065,714)
Borrowings	(916,039,593)	(638,169,752)
Government grants	(4,287,465)	(4,536,014)
Tax payable	(5,619,092)	(1,572,282)
Deferred tax liabilities	(3,543,585)	(853,585)
Total liabilities	<u>(1,109,780,241)</u>	<u>(740,896,352)</u>

Geographical information

The Group's revenue and non-current assets information based on geographical location are as follows:-

	Revenue		Non-current assets	
	2023	2022	2023	2022
	RM	RM	RM	RM
Malaysia*	567,594,770	356,686,811	994,400,798	773,730,917
United Arab Emirates	4,239,256	-	-	-
Southeast Asia other than Malaysia	10,032,990	6,283,221	-	373
	<u>581,867,016</u>	<u>362,970,032</u>	<u>994,400,798</u>	<u>773,731,290</u>

* Company's home country

Non-current assets information presented above consist of the following items as presented in the statements of financial position:-

	Group	
	2023	2022
	RM	RM
Property, plant and equipment	912,777,536	711,909,215
Right-of-use assets	53,665,145	34,161,662
Investment properties	16,200,000	16,200,000
Intangible assets	-	-
Other investments	1,038,336	1,107,294
Other receivable	1,526,428	1,471,965
Cash and bank balances, deposits and placements	9,193,353	4,116,254
Deferred tax assets	-	4,764,900
	<u>994,400,798</u>	<u>773,731,290</u>

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****32. OPERATING SEGMENTS (CONT'D)**Major customers

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

Group	RM	%	Operating Segment
<u>2023</u>			
Customer A	191,877,942	33	Product and services.
Customer B	187,977,371	32	Product and services.
<hr/>			
<u>2022</u>			
Customer A	96,355,802	27	Product and services.
Customer B	43,616,680	12	Product and services.
Customer C	41,061,004	11	Product and services.
<hr/>			

33. FINANCIAL INSTRUMENTS**33.1 Category of financial instruments**

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

- (i) Fair value through other comprehensive income ("FVOCI");
- (ii) Fair value through profit or loss designated upon initial recognition ("FVTPL"); and
- (iii) Amortised cost ("AC").

Group	Carrying amount	FVOCI	FVTPL	AC
	RM	RM	RM	RM
2023				
Financial assets				
Trade receivables	67,080,501	-	-	67,080,501
Other receivables	3,925,049	-	-	3,925,049
Cash and bank balances, deposits and placements	155,656,658	-	-	155,656,658
Other investments	1,038,336	-	1,038,336	-
	<hr/>			
	227,700,544	-	1,038,336	226,662,208
<hr/>				
Financial liabilities				
Trade payables	63,647,264	-	-	63,647,264
Other payables	78,968,457	-	-	78,968,457
Borrowings	916,039,593	-	-	916,039,593
	<hr/>			
	1,058,655,314	-	-	1,058,655,314
<hr/>				

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Category of financial instruments (cont'd)

The table below provides an analysis of financial instruments categorised as follows (cont'd):-

- (i) Fair value through other comprehensive income ("FVOCI");
- (ii) Fair value through profit or loss designated upon initial recognition ("FVTPL"); and
- (iii) Amortised cost ("AC").

Group (cont'd)	Carrying amount RM	FVOCI RM	FVTPL RM	AC RM
2022				
Financial assets				
Trade receivables	81,516,619	–	–	81,516,619
Other receivables	8,260,095	–	–	8,260,095
Cash and bank balances, deposits and placements	37,162,857	–	–	37,162,857
Other investments	1,107,294	–	1,107,294	–
	128,046,865	–	1,107,294	126,939,571
Financial liabilities				
Trade payables	43,445,449	–	–	43,445,449
Other payables	35,502,511	–	–	35,502,511
Borrowings	638,169,752	–	–	638,169,752
	717,117,712	–	–	717,117,712
Company				
Company	Carrying amount RM	FVOCI RM	FVTPL RM	AC RM
2023				
Financial assets				
Amount due from subsidiaries	104,996,694	–	–	104,996,694
Cash and bank balances, deposits and placements	534,107	–	–	534,107
Other investments	834,111	–	834,111	–
	106,364,912	–	834,111	105,530,801
Financial liabilities				
Other payables	338,645	–	–	338,645
Amount due to a subsidiary	7,695,000	–	–	7,695,000
	8,033,645	–	–	8,033,645

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Category of financial instruments (cont'd)

The table below provides an analysis of financial instruments categorised as follows (cont'd):-

- (i) Fair value through other comprehensive income ("FVOCI");
- (ii) Fair value through profit or loss designated upon initial recognition ("FVTPL"); and
- (iii) Amortised cost ("AC").

Company (cont'd)	Carrying amount RM	FVOCI RM	FVTPL RM	AC RM
2022				
Financial assets				
Amount due from subsidiaries	94,100,662	-	-	94,100,662
Cash and bank balances, deposits and placements	392,746	-	-	392,746
Other investments	864,169	-	864,169	-
	<u>95,357,577</u>	<u>-</u>	<u>864,169</u>	<u>94,493,408</u>
Financial liabilities				
Other payables	182,574	-	-	182,574
Amount due to a subsidiary	1	-	-	1
	<u>182,575</u>	<u>-</u>	<u>-</u>	<u>182,575</u>

33.2 Net gains and losses arising from financial instruments

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<u>Net gains/(losses) on:-</u>				
Financial assets at FVOCI				
- recognised in other comprehensive income	-	973	-	-
Financial assets at FVTPL				
- recognised in profit or loss	(68,958)	(102,170)	(30,058)	82,605
Financial assets at AC				
- recognised in profit or loss	776,881	(5,367,742)	(583,944)	(18,048,619)

33.3 Financial risk management

The Group and the Company are mainly exposed to credit risk, liquidity risk, foreign currency risk, interest rate risk and equity price risk. The Group and the Company have formal risk management policies and guidelines, as approved by the Board of Directors, which set out its overall business strategies, its tolerance for risks and its general risk management philosophy. Such policies are monitored and undertaken by the management.

The following sections explain key risks faced by the Group and the Company and its management.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.1 Credit risk

Credit risk refers to the risk that a counterparty will default in its contractual obligations resulting in financial loss to the Group and the Company. For other financial assets, the Company adopts the policy of dealing with reputable institutions.

Following are the areas where the Group and the Company are exposed to credit risk.

Exposure to credit risk

Maximum exposure of the Group and of the Company to credit risk is represented by the carrying amount of financial assets recognised at reporting date as summarised below:-

	Group	
	2023	2022
	RM	RM
Classes of financial assets:-		
Trade receivables	67,080,501	81,516,619
Other receivables	3,925,049	8,260,095
Contract assets	9,608,062	16,560,229
Cash and bank balances, deposits and placements	155,656,658	37,162,857
	236,270,270	143,499,800
	Company	
	2023	2022
	RM	RM
Classes of financial assets:-		
Amount due from subsidiaries	104,996,694	94,100,662
Cash and bank balances, deposits and placements	534,107	392,746
	105,530,801	94,493,408

Credit risk concentration

The credit risk concentration profile by geographical on trade receivables of the Group as at the reporting date is as follows:-

	Group	
	2023	2022
	RM	RM
By country:-		
Malaysia	40,361,266	79,655,861
United Arab Emirates	1,341,996	-
Southeast Asia other than Malaysia	25,377,239	1,860,758
	67,080,501	81,516,619



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.1 Credit risk (cont'd)

Credit risk concentration (cont'd)

The Group determines concentration of credit risk by comparing the amount due from each individual customer against the total trade receivables and contract assets. The credit risk concentration profile of the Group's trade receivable and contract assets at the reporting date is as follows:-

Group	2023	2023	2022	2022
	RM	%	RM	%
<u>Trade receivables</u>				
Customer A	19,024,329	28	17,648,756	18
Customer B	15,633,029	23	14,603,164	15
Customer C	–	–	13,504,832	14
<hr/>				
<u>Contract assets</u>				
Customer A	7,248,565	75	16,457,188	99
Customer B	1,505,989	16	–	–
<hr/>				

Receivables and contract assets

Recognition and measurement of impairment loss

In managing credit risk of trade receivables and contract assets, the Group and the Company manage their debtors and take appropriate actions to recover long overdue balances. For trade receivables' and contract assets' credit term that are past due but not impaired, the Group's and the Company's debt recovery process is the Group and the Company will initiate a structured debt recovery process which is monitored via management reporting procedures.

The Group and the Company apply the simplified approach under MFRS 9 to measure expected credit losses, which uses a lifetime expected credit losses for all trade receivables and contract assets. The Group and the Company evaluate the credit losses on a case-by-case basis.

The Group and the Company assess the expected loss rates based on historical payment profiles of the trade receivables and contract assets and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the financial capability of the debtor and default or significant delay in payments. No significant changes to estimation techniques or assumptions were made during the reporting period.

At each reporting date, the Group and the Company assesses whether any of the trade receivables and contract assets are credit impaired. The gross carrying amounts of credit impaired trade receivables are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Trade receivables that are written off are still subjected to enforcement activities.

As at the reporting date, the management is of the opinion that all necessary impairment that is required has been provided for and trade receivables have not been impaired are credit worthy debtors whereby impairment is not required.

None of the Group's and the Company's financial assets are secured by collateral or other credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.1 Credit risk (cont'd)

Receivables and contract assets (cont'd)

Recognition and measurement of impairment loss (cont'd)

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables and contract assets which are grouped together as they are expected to have similar risk nature:-

Group	Gross carrying amount RM	Loss allowances RM	Net balances RM
2023			
Current (Not past due)	39,371,108	(734,348)	38,636,760
1-30 days past due	19,635,430	(259,533)	19,375,897
31-60 days past due	2,031,050	(190,300)	1,840,750
61-90 days past due	179,639	(27,201)	152,438
More than 90 days past due	7,439,240	(364,584)	7,074,656
Collectively impaired	68,656,467	(1,575,966)	67,080,501
Individually impaired			
More than 90 days past due	11,888,615	(11,888,615)	-
	11,888,615	(11,888,615)	-
Trade receivables	80,545,082	(13,464,581)	67,080,501
Trade receivables	80,545,082	(13,464,581)	67,080,501
Contract assets	9,608,062	-	9,608,062
	90,153,144	(13,464,581)	76,688,563
2022			
Current (Not past due)	56,220,053	(513,348)	55,706,705
1-30 days past due	9,055,244	(509,419)	8,545,825
31-60 days past due	2,463,272	(189,032)	2,274,240
61-90 days past due	713,122	(62,328)	650,794
More than 90 days past due	15,953,623	(1,614,568)	14,339,055
Collectively impaired	84,405,314	(2,888,695)	81,516,619
Individually impaired			
Current (Not past due)	510,405	(510,405)	-
More than 90 days past due	10,872,362	(10,872,362)	-
	11,382,767	(11,382,767)	-
Trade receivables	95,788,081	(14,271,462)	81,516,619
Trade receivables	95,788,081	(14,271,462)	81,516,619
Contract assets	16,560,229	-	16,560,229
	112,348,310	(14,271,462)	98,076,848

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.1 Credit risk (cont'd)

Other receivables

As at the reporting date, the management is of the opinion that all necessary impairment that is required has been provided for.

Intercompany balances

The Group and the Company provide advances to subsidiaries and monitors the ability of the subsidiaries to repay the advances on an individual basis.

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Generally, the Company considers loans and advances to subsidiaries to have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers the loan or advances to be credit impaired when the subsidiaries are unlikely to repay their loan or advance to the Company in full, the loan or advance is overdue for more than a year, or the subsidiaries are continuously loss making and having deficit in shareholders' funds.

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

As at the reporting date, the management is of the opinion that all necessary impairment that is required has been provided for.

Cash and bank balances, deposits and placements

The credit risk for cash and bank balances, deposits and placements are considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default.

Corporate guarantee/Financial guarantee

The Group and the Company provide unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries and customers. The maximum exposure to credit risk is disclosed in Note 33.3.2 to the financial statements as at the reporting date. The Group and the Company monitor on an ongoing basis the results and repayments made by the subsidiaries and customers. As at the end of the reporting year, there was no indication that the subsidiaries and customers would default on repayment.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.2 Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulty in meeting its obligations as and when they fall due. The Group's and the Company's exposure to liquidity risk arises particularly from payables, loans and borrowings and it maintains a level of cash and cash equivalents deemed adequate by management to ensure it has sufficient liquidity to meet its obligations as and when they fall due.

Analysis of financial instruments by remaining contractual maturities

The following financial liabilities of the Group and the Company are subjected to liquidity risk:-

Group	Carrying amount RM	Total RM	Contractual cash flows		
			On demand/ Within one year RM	2 to 5 years RM	More than 5 years RM
2023					
Non-derivative financial liabilities					
Secured					
Borrowings	396,316,435	489,464,907	81,006,964	238,609,788	169,848,155
Unsecured					
Trade payables	63,647,264	63,647,264	63,647,264	-	-
Other payables	78,968,457	78,968,457	78,968,457	-	-
Lease liabilities	31,299,413	35,623,089	9,817,816	25,719,062	86,211
Borrowings	519,723,158	523,167,445	369,637,424	153,530,021	-
	1,089,954,727	1,190,871,162	603,077,925	417,858,871	169,934,366
Performance guarantee*	44,934,195	44,934,195	44,934,195	-	-

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****33. FINANCIAL INSTRUMENTS (CONT'D)****33.3 Financial risk management (cont'd)****33.3.2 Liquidity risk (cont'd)**Analysis of financial instruments by remaining contractual maturities (cont'd)

The following financial liabilities of the Group and the Company are subjected to liquidity risk (cont'd):-

Group (cont'd)	Carrying amount RM	Total RM	Contractual cash flows		
			On demand/ Within one year RM	Current 2 to 5 years RM	Non-current More than 5 years RM
2022					
Non-derivative financial liabilities					
Secured					
Borrowings	369,926,614	473,249,815	38,582,508	154,330,032	280,337,275
Unsecured					
Trade payables	43,445,449	43,445,449	43,445,449	-	-
Other payables	35,502,511	35,502,511	35,502,511	-	-
Lease liabilities	16,065,714	18,435,003	5,296,546	13,138,457	-
Borrowings	268,243,138	268,776,105	228,744,758	40,031,347	-
	733,183,426	839,408,883	351,571,772	207,499,836	280,337,275
Performance guarantee*	32,708,651	32,708,651	32,708,651	-	-
Company					
2023					
Non-derivative financial liabilities					
Unsecured					
Other payables	338,645	338,645	338,645	-	-
Corporate guarantee*	473,592,370	473,592,370	473,592,370	-	-
Performance guarantee*	44,934,195	44,934,195	44,934,195	-	-
	518,526,565	518,526,565	518,526,565	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.2 Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

The following financial liabilities of the Group and the Company are subjected to liquidity risk (cont'd):-

Company (cont'd)	Carrying amount RM	Total RM	Contractual cash flows		
			Current On demand/ Within one year RM	Non-current 2 to 5 years RM	More than 5 years RM
2022					
Non-derivative financial liabilities					
Unsecured					
Other payables	182,574	182,574	182,574	-	-
Corporate guarantee*	251,827,500	251,827,500	251,827,500	-	-
Performance guarantee*	32,708,651	32,708,651	32,708,651	-	-
	284,536,151	284,536,151	284,536,151	-	-

* This exposure is included in liquidity risk for illustration only. No financial guarantee was called upon by the holders as at the end of the reporting period.

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the financial liabilities at the reporting date.

33.3.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

To mitigate the Group's and the Company's exposure to foreign currency risk, the Group and the Company are exposed to foreign currency risk on sales, purchases, investments and cash and cash equivalent that are denominated in a currency other than the functional currencies of Company. The currency giving rise to this risk is primarily Australian Dollar ("AUD"), Euro ("EURO"), Great Britain Pound ("GBP"), Japanese Yen ("JPY"), Singapore Dollar ("SGD"), United States Dollar ("USD") and Chinese Yuan Renminbi ("CNY").

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.3 Foreign currency risk (cont'd)

The carrying amount of the Group's and the Company's foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:-

Group	AUD RM	EURO RM	GBP RM	JPY RM	SGD RM	USD RM	CNY RM
2023							
Trade receivables	-	474,156	2,562,058	-	1,455,380	13,128,052	-
Cash and bank balances, deposits and placements	46,765	530,678	797,222	38,743	326,979	2,749,555	-
Trade payables	-	(45,231)	(213,664)	-	(854,164)	(34,544,336)	(76,429)
Other payables	-	-	-	-	-	(28,633)	-
Borrowings	-	-	(1,763,429)	(299,574)	-	(1,012,519)	-
Net exposure	46,765	959,603	1,382,187	(260,831)	928,195	(19,707,881)	(76,429)
2022							
Trade receivables	-	53,629	2,597,264	115,102	255,531	37,920,839	-
Cash and bank balances, deposits and placements	46,074	654,268	531,281	3,499	341,006	856,739	-
Trade payables	-	-	(234,966)	(783,861)	-	(2,169,459)	-
Other payables	-	-	(243,209)	-	-	-	-
Borrowings	-	-	(558,945)	(694,932)	-	(44,502,905)	(202,944)
Net exposure	46,074	707,897	2,091,425	(1,360,192)	596,537	(7,894,786)	(202,944)
Company							
2023							
Cash and bank balances, deposits and placements	46,652	-	138,351	-	74,572	78,359	-
Net exposure	46,652	-	138,351	-	74,572	78,359	-
2022							
Cash and bank balances, deposits and placements	44,402	-	123,892	-	70,283	75,313	-
Net exposure	44,402	-	123,892	-	70,283	75,313	-

Certain of the other foreign currencies are not presented as the amounts are not material.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.3 Foreign currency risk (cont'd)

Foreign currency risk sensitivity analysis

The following table illustrates the sensitivity of profit or loss with regards to the Group's and the Company's financial assets and financial liabilities and the RM/AUD exchange rate, RM/EURO exchange rate, RM/GBP exchange rate, RM/JPY exchange rate, RM/SGD exchange rate, RM/USD exchange rate and RM/CNY exchange rate assuming all other things being equal.

A +/-1% to +/-2% (2022: +/-1% to +/-2%) change in the RM/AUD, RM/EURO, RM/GBP, RM/JPY, RM/SGD, RM/USD and RM/CNY exchange rates at the reporting period is deemed possible. Both of these percentages have been determined based on average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's and the Company's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

If the RM had strengthened/weakened against the AUD, EURO, GBP, JPY, SGD, USD and CNY by 1% to 2% (2022: 1% to 2%), then the impact would be as follows:-

	Effect on equity/profit for the years/equity			
	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
<u>RM/AUD</u>				
- Strengthened 1% (2022: 2%)	(468)	(921)	(466)	(888)
- Weakened 1% (2022: 2%)	468	921	466	888
<u>RM/EURO</u>				
- Strengthened 2% (2022: 2%)	(19,192)	(14,158)	-	-
- Weakened 2% (2022: 2%)	19,192	14,158	-	-
<u>RM/GBP</u>				
- Strengthened 2% (2022: 2%)	(27,644)	(41,829)	(2,767)	(2,478)
- Weakened 2% (2022: 2%)	27,644	41,829	2,767	2,478
<u>RM/JPY</u>				
- Strengthened 1% (2022: 2%)	2,608	27,204	-	-
- Weakened 1% (2022: 2%)	(2,608)	(27,204)	-	-
<u>RM/SGD</u>				
- Strengthened 1% (2022: 1%)	(9,282)	(5,965)	(745)	(703)
- Weakened 1% (2022: 1%)	9,282	5,965	745	703
<u>RM/USD</u>				
- Strengthened 2% (2022: 2%)	394,158	157,896	(1,567)	(1,506)
- Weakened 2% (2022: 2%)	(394,158)	(157,896)	1,567	1,506
<u>RM/CNY</u>				
- Strengthened 1% (2022: 1%)	764	2,029	-	-
- Weakened 1% (2022: 1%)	(764)	(2,029)	-	-

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****33. FINANCIAL INSTRUMENTS (CONT'D)****33.3 Financial risk management (cont'd)****33.3.3 Foreign currency risk (cont'd)**Foreign currency risk sensitivity analysis (cont'd)

Exposures to foreign exchange rates vary during the financial year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's and the Company's exposure to currency risk.

33.3.4 Interest rate risk

Interest rate risk is caused by changes in market interest rate resulting in fluctuation in fair value or future cash flow of financial instruments of the Group and of the Company. The Group's and the Company's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

The Group's borrowing is at fixed interest rates. The exposure to interest rates for the Group's short-term placement is considered immaterial.

The carrying amount of the Group's and the Company's financial instruments that are exposed to interest rate risk are as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Fixed rate instruments				
<u>Financial assets</u>				
Amount due from subsidiaries	-	-	96,513,508	92,507,462
Other receivable	1,526,428	1,471,965	-	-
Deposits with licensed banks	17,420,724	17,711,939	-	-
<u>Financial liabilities</u>				
Lease liabilities	(31,299,413)	(16,065,714)	-	-
Borrowings	(478,112,953)	(252,149,139)	-	-
	<u>(490,465,214)</u>	<u>(249,030,949)</u>	<u>96,513,508</u>	<u>92,507,462</u>
Floating rate instrument				
<u>Financial liability</u>				
Borrowings	(437,926,640)	(386,020,613)	-	-

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss and 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.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Financial risk management (cont'd)

33.3.4 Interest rate risk (cont'd)

Fair value sensitivity analysis for floating rate instruments

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of +/- 25 (2022: +/- 25) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each year, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Effect on equity/profit for the years	
	(Decrease)/Increase	
	Group	
	RM	RM
2023 (+/-25bp)	(1,094,817)	1,094,817
2022 (+/-25bp)	(965,052)	965,052

Fair value measurement

The carrying amounts of financial assets and liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature or they are floating rate instruments re-priced to market interest rates on or near the reporting date.

33.3.5 Equity price risk

Equity price risk is the risk that the value of an equity instrument will fluctuate as a result of changes in market prices. The Group and the Company are exposed to equity price risk mainly through the Group's and the Company's investment in quoted shares.

If the unit prices quoted 'fair value through profit or loss' financial assets increased by 10% (2022: 10%), with all other variables held constant, the Group's and the Company's profit for the financial year and equity financial assets reserves at the end of the reporting period would increase approximately by RM103,833 and RM83,411 (2022: RM110,729 and RM86,417) respectively.

If the unit prices for quoted 'fair value through profit or loss' financial assets decreased by 10%, with all other variables being held constant, it would have the equal but opposite effect on the amounts shown above.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and liabilities of the Group and of the Company at the reporting date approximately their fair values due to their short-term nature, insignificant impact of discounting or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2023****34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)**

The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. For finance leases that market rate on interest is determined by reference to similar lease agreements. The interest rates used to discount estimated cash flows, when applicable are as follows:-

	Group	
	2023	2022
	%	%
Fixed deposits	1.30 - 5.02	1.30 - 3.05
Other receivable	3.70	3.70
Lease liabilities	2.93 - 13.46	2.93 - 7.96
Borrowings	1.87 - 7.92	1.90 - 7.57

34.1 Fair value hierarchy**Fair value measurement of financial instruments**

The following table summarises the method used in determining the fair value of financial assets on a recurring basis as at 31 December 2023 and 31 December 2022:-

	Group		Fair value hierarchy	Valuation techniques and key inputs
	Fair value as at			
	2023 RM	2022 RM		
Quoted investment - FVTPL	1,038,336	1,107,294	Level 1	Quoted bid prices in an active market.

	Company		Fair value hierarchy	Valuation techniques and key inputs
	Fair value as at			
	2023 RM	2022 RM		
Quoted investment - FVTPL	834,111	864,169	Level 1	Quoted bid prices in an active market.

There were no transfers between Level in 2023 and 2022.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

35. CAPITAL MANAGEMENT

The primary objective of the management of the Group's and of the Company's capital structure is to optimise the balance between debts and equity to achieve a low cost of capital and maximise the return to stakeholders.

The capital structure of the Group and of the Company consists of debts (comprising lease liabilities and borrowings) and equity (comprising issued ordinary shares, retained earning/accumulated losses and other reserves). The Group and the Company monitor their capital using a gearing ratio, based on total borrowings divided by total capital. The Directors review the capital structure on a quarterly basis, and consider the cost of capital and the risks associated with each class of capital. During the current financial year, no significant changes were made in the objectives, policies or processes for managing capital.

The gearing ratio at the end of the reporting period was as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Lease liabilities (Note 18)	31,299,413	16,065,714	-	-
Borrowings (Note 19)	916,039,593	638,169,752	-	-
	947,339,006	654,235,466	-	-
Equity attributable to owners of the Company	326,606,891	292,597,306	295,384,501	277,190,284
Gearing ratio (times)	2.90	2.24	-	-

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40,000,000. The Company has complied with this requirement.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of T7 Global Berhad (“**T7 Global**” or “**the Company**”) will be conducted on a virtual basis at the broadcast venue at T7 Global’s Boardroom, C-16-01, Level 16, KL Trillion Corporate Tower, 338 Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan (“**Broadcast Venue**”) via Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“**Tricor**”) via TIIH Online website at <https://tiih.online> on Thursday, 27 June 2024 at 10:30 a.m. for the following purposes:-

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and the Auditors thereon. *(Please refer to Explanatory Note 1)*
2. To approve the payment of Directors’ fees of RM225,000/- for the period from 28 June 2024 to the Twenty-First Annual General Meeting of the Company in year 2025. *(Ordinary Resolution 1)*
3. To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM178,000/- for the period from 28 June 2024 to the Twenty-First Annual General Meeting of the Company in year 2025 pursuant to Section 230(1)(b) of the Companies Act 2016. *(Ordinary Resolution 2)*
4. To re-elect the following Directors who are retiring in accordance with Clause 123 of the Company’s Constitution and being eligible, have offered themselves for re-election:-
 - (i) YBhg. Tan Sri Dato’ Sri Koh Kin Lip, J. P. *(Ordinary Resolution 3)*
 - (ii) Mr. Tan Kay Vin *(Ordinary Resolution 4)*
 - (iii) Ms. Tan Sam Eng *(Ordinary Resolution 5)*
5. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. *(Ordinary Resolution 6)*

Special Business

To consider and if thought fit, with or without any modification, to pass the following as Ordinary Resolutions:-

6. **ORDINARY RESOLUTION NO. 1**
- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 *(Ordinary Resolution 7)*

“**THAT** subject always to the Companies Act 2016, the Constitution of the Company and the approvals from the relevant governmental and/or regulatory authorities, the Directors of the Company be and are hereby authorised and empowered pursuant to the Companies Act 2016, to issue and allot shares of the Company, at any time, at such price, to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company (excluding Treasury Shares) for the time being as stipulated under Paragraph 6.03(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

THAT in connection with the above, pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 58 of the Company’s Constitution, that approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to this mandate;

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company;

AND THAT the Directors of the Company, whether solely or jointly, be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Main Market of Bursa Malaysia Securities Berhad; **AND** be hereby authorised to do all such acts and things including executing all relevant documents as he/they may consider expedient or necessary to complete and give full effect to the abovesaid mandate.”

NOTICE OF ANNUAL GENERAL MEETING

7. ORDINARY RESOLUTION NO. 2

- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

(Ordinary Resolution 8)

“THAT, subject always to the Companies Act 2016 (**“the Act”**), the Company’s Constitution and the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements, approval be and is hereby given to the Company and its subsidiaries to enter into all transactions involving the interests of Directors, major shareholders or persons connected with Directors and/or major shareholders of the Group (**“Related Parties”**) as described in the Circular/ Statement to Shareholders dated 30 April 2024 (**“Recurrent RPTs”**) provided that such transactions are:-

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the day-to-day operations;
- (iii) carried out in the ordinary course of business and on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (iv) are not to the detriment of the minority shareholders,

“RRPT Mandate”).

AND THAT such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed; or
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held pursuant to Section 340 of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by shareholders in a general meeting; or

whichever is earlier; and the aggregate value of the Recurrent RPTs be disclosed in the annual report of the Company.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give full effect to the RRPT Mandate.”

8. ORDINARY RESOLUTION NO. 3

- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES (“PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY)

(Ordinary Resolution 9)

“THAT, subject always to the Companies Act 2016 (**“the Act”**), the provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**“Bursa Malaysia Securities”**) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities, upon such terms and conditions as the Directors in their discretion deem fit and expedient in the best interest of the Company, provided that:-

- (i) the aggregate number of ordinary shares to be purchased and/or held by the Company shall not exceed ten percent (10%) of the total number of issued shares of the Company as at the point of purchase(s); and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s); and



NOTICE OF ANNUAL GENERAL MEETING

That upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares so purchased in their absolute discretion in the following manner:-

- (i) cancel all the shares so purchased; and/or
- (ii) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Malaysia Securities; and/or
- (iii) retain part thereof as treasury shares and cancel the remainder; and/or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Malaysia Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this Resolution shall commence immediately upon the passing of this Resolution and shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following this AGM at which such resolution was passed, at which time the authority will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

AND FURTHER THAT the Directors of the Company be authorised to do all acts, deeds and things and to take all such steps as they may deem fit, appropriate, expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities and to take all such steps, and do all such acts and things as they may deem fit and expedient in the interest of the Company.”

9. **ORDINARY RESOLUTION NO. 4
- RETENTION OF MS. TAN SAM ENG AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

*(Ordinary
Resolution 10)*

“**THAT** Ms. Tan Sam Eng who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years since 23 March 2015, be and is hereby retained as an Independent Non-Executive Director of the Company until the next Annual General Meeting in year 2025.”

10. To transact any other ordinary business of which due notice has been given.

By Order of the Board

**CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)
TAN LOO EE (SSM PC NO. 201908002686) (MAICSA 7063694)**

Company Secretaries

30 April 2024

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes: -

1. Item 1 of the Agenda - Audited Financial Statements for the financial year ended 31 December 2023

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. Items 2 and 3 of the Agenda - Directors' Fees and Benefits

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees of the Directors, and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at the general meeting.

The proposed Ordinary Resolution 1, if approved, will authorise the payment of Directors' fees to the Non-Executive Directors ("NEDs") of the Company for the period from 28 June 2024 to the Twenty-First Annual General Meeting ("AGM") of the Company in year 2025 and to be payable on a monthly basis in arrears after each month of completed service of the Directors. This Resolution is to facilitate payment of Directors' fees on current financial year basis.

The proposed Ordinary Resolution 2, if approved, will authorise the payment of Directors' benefits to the NEDs by the Company. The benefits payable to the NED for the period from 28 June 2024 to the Twenty-First AGM of the Company in year 2025 are derived from the estimated meeting allowance based on the number of scheduled meetings and unscheduled meetings (when necessary) for the Board and Board Committees, and number of NEDs involved in the meetings.

In the event that the Directors' fees and benefits payable proposed are insufficient due to enlarged Board size, approval will be sought at the next AGM for additional Directors' fees and benefits to meet the shortfall.

3. Item 4 of the Agenda – Re-election of Directors

The Nomination Committee has considered the performance and contribution of each of the retiring Directors and has also assessed the independence of the Independent Non-Executive Directors seeking re-election. The retiring Directors have completed the Directors' Declarations of Fit and Proper and they are found to be fit and proper for re-election as Directors.

Based on the results of the Board Evaluation conducted for the financial year ended 31 December 2023, the performance of each of the retiring Directors was found to be satisfactory. The retiring Independent Non-Executive Directors have also fulfilled the independence criteria set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Board has endorsed the Nomination Committee's recommendation to seek shareholders' approval for the re-election of the retiring Directors. The retiring Directors had abstained from deliberations and decisions on their re-election at the Nomination Committee and Board meetings.

The details and profiles of the Directors who are standing for re-election at the Twentieth Annual General Meeting are provided in the Company's Annual Report 2023.

4. Item 5 of the Agenda – Re-appointment of Auditors

The Audit and Risk Management Committee and the Board had, on 4 April 2024, considered the re-appointment of Grant Thornton Malaysia PLT as Auditors of the Company. The Audit and Risk Management Committee and the Board collectively agreed and are satisfied that Grant Thornton Malaysia PLT meets the relevant criteria prescribed by Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.



NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes (cont'd):-

5. Item 6 of the Agenda - Authority to Issue Shares Pursuant to the Companies Act 2016 in Malaysia

The Company wishes to renew the mandate on the authority to issue and allot shares pursuant to the Companies Act 2016 in Malaysia at the Twentieth AGM of the Company (hereinafter referred to as the “**General Mandate**”).

The Company had been granted a general mandate by its shareholders at the Nineteenth AGM of the Company held on 21 June 2023 (hereinafter referred to as the “**Previous Mandate**”). As at the date of this Notice, no new shares in the Company were issued pursuant to the Previous Mandate.

The proposed resolution, if passed, will provide flexibility to the Directors of the Company to undertake any possible fund raising activities, including but not limited to placement of shares, for the purpose of funding Company’s future investment projects, working capital, acquisitions and/or such other purposes as the Directors may deem fit, without having to convene a general meeting, provided that the aggregate number of the shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company (excluding Treasury Shares). This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

Pursuant to Section 85(1) of the Companies Act 2016 be read together with Clause 58 of the Company’s Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

The proposed Ordinary Resolution 7, if passed, will exclude your pre-emptive rights to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Ordinary Resolution.

6. Item 7 of the Agenda – Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 8, if passed, will provide a renewed mandate for the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature which are necessary for the Group’s day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This mandate shall lapse at the conclusion of the next AGM unless authority for the renewal is obtained from the shareholders of the Company at a general meeting.

Please refer to the Circular/Statement to Shareholders dated 30 April 2024 for further information.

7. Item 8 of the Agenda - Proposed Renewal of Share Buy-Back Authority

The proposed Ordinary Resolution 9, if passed, would empower the Directors of the Company to purchase the Company’s ordinary shares of up to ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the Company’s retained profits based on the latest audited financial statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s).

Please refer to the Circular/Statement to Shareholders dated 30 April 2024 for further information.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes (cont'd):-

8. Item 9 of the Agenda - Retention of Independent Non-Executive Director

The proposed Ordinary Resolution 10 is to seek approval from the shareholders for Ms. Tan Sam Eng to continue in office as an Independent Non-Executive Director of the Company. Ms. Tan Sam Eng was appointed as an Independent Non-Executive Director of the Company on 23 March 2015. Therefore, she has served the Board in that capacity for a cumulative term of more than nine (9) years.

The Board, through the NC, recommends that approval of the shareholders be sought through a two-tier voting process as described in Practice 5.3 of the Malaysian Code on Corporate Governance to retain Ms. Tan Sam Eng as an Independent Non-Executive Director, based on the following justifications:

- she fulfils the criteria under the definition of Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities and thus, she would be able to bring an element of objectivity to the Board;
- she has been with the Company for many years and are familiar with the Company's business operations, Group's activities and corporate history;
- she has a vast and diverse range of experiences and therefore, she would be able to provide constructive opinions and exercise independent judgement and act in the best interests of the Company and shareholders;
- she has devoted sufficient time and attention to her professional obligations for informed and balanced decision making;
- she has shown great integrity and independence, and had not entered into any related party transactions with the Group; and
- she has continued to exercise her due care during her tenure as Independent Director of the Company and carried out her professional duties in the best interests of the Company and shareholders.

Notes :-

1. The AGM of the Company will be held as virtual meeting via live streaming and online remote voting using the Remote Participation and Voting Facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("**Tricor**") through its website at <https://tjih.online>. Please follow the procedures as set out in the Administrative Guide which is available at the Company's website www.t7global.com.my/20thAGM.
2. Members and/or proxy(ies) and/or corporate representative(s) and/or attorneys are to attend, speak (including posing questions to the Board of Directors via real time submission of typed texts) and vote (collectively, "**participate**") remotely at the AGM via the RPV facilities provided by Tricor at <https://tjih.online>.
3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 June 2024 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
4. A member who is entitled to participate and vote at the AGM via RPV is entitled to appoint more than one (1) proxy to participate and vote in his stead. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
5. A proxy may but does not need to be a member of the Company. Notwithstanding this, a member entitled to participate and vote at the AGM is entitled to appoint any person as his proxy to participate and vote instead of the member at the AGM. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the AGM shall have the same rights as the member to speak at the AGM.
6. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of an officer or attorney duly authorised.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.



NOTICE OF ANNUAL GENERAL MEETING

Notes (cont'd):-

8. A member who has appointed a proxy or attorney or authorised representative to participate and vote at the AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in the Administrative Details for the AGM.

9. The appointment of a proxy may be made by electronic means or in a hard copy form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

(i) By electronic form

The form of proxy can be electronically lodged with the Share Registrar of the Company via TIIH Online website at <https://tiih.online> (applicable to individual members only). Kindly refer to the Administrative Details on the procedures for electronic lodgement of form of proxy via TIIH Online.

(ii) In hard copy form

In the case of an appointment made in hard copy form, the form of proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

10. Please ensure ALL the particulars as required in the form of proxy are completed, signed and dated accordingly.

11. Last date and time for lodging the form of proxy is **Tuesday, 25 June 2024 at 10:30 a.m.**

12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

13. A corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan. The certificate of appointment should be executed in the following manner:

- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

ADMINISTRATIVE DETAILS FOR THE ANNUAL GENERAL MEETING

As part of the safety measures, the Board of Directors of T7 Global Berhad (“T7 Global” or the “Company”) (“Board”) has decided that the annual general meeting of the Company (“AGM” or “Meeting”) shall be conducted on a virtual basis through live streaming whilst the online remote voting will be via Remote Participation and Voting (“RPV”) as set out below:-

Date	Time	Meeting Platform
Thursday, 27 June 2024	10:30 a.m.	TIIH Online website at https://tiih.online (Domain registration number with MYNIC: D1A282781)

Both facilities are available on Tricor Investor & Issuing House Services Sdn Bhd’s (“Tricor”) TIIH Online website at <https://tiih.online>. This is in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 16 July 2021, that listed issuers are encouraged to continue leveraging technology in conducting general meetings beyond Movement Control Order.

The venue of the AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No shareholders/proxy(ies) from the public will be physically present at the main venue.

REMOTE PARTICIPATION AND VOTING

Members are to participate (including posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM using RPV provided by Tricor via its TIIH Online website at <https://tiih.online>.

Members who appoint proxies to participate via RPV in the AGM must ensure that the duly executed forms of proxy are deposited in a hard copy form or by electronic means to Tricor no later than Tuesday, 25 June 2024 at 10:30 a.m.

A member who has appointed a proxy or representative to participate at this AGM via RPV must request his/ her proxy to register himself/herself for RPV at TIIH Online website at <https://tiih.online>.

As the AGM is a Virtual Meeting, members who are unable to participate in the Meeting may appoint the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the proxy form.

PROCEDURES TO REMOTE PARTICIPATION AND VOTING VIA RPV FACILITIES

Please read and follow the procedures below to engage in remote participation through live streaming and online remote voting at the AGM using the RPV facilities:

Procedures	Action
Before the AGM	
1. Register as a user with TIIH Online	<ul style="list-style-type: none"> Using your computer, access the website at https://tiih.online. Register as a user under the “e-Services”, select the “Sign Up” button and followed by “Create Account by Individual Holder”. Refer to the tutorial guide posted on the homepage for assistance. Registration as a user will be approved within one (1) working day and you will be notified via e-mail. If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.



ADMINISTRATIVE DETAILS FOR THE ANNUAL GENERAL MEETING

PROCEDURES TO REMOTE PARTICIPATION AND VOTING VIA RPV FACILITIES (CONT'D)

Procedures	Action
Before the AGM	
2. Submit your request to attend AGM remotely	<ul style="list-style-type: none"> Registration is open from 30 April 2024 until the day of the AGM on Thursday, 27 June 2024. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the AGM to ascertain their eligibility to participate the AGM using the RPV. Login with your user ID and password and select the corporate event: (Registration) T7 GLOBAL BERHAD 20th AGM. Read and agree to the Terms & Conditions and confirm the Declaration. Select "Register for Remote Participation and Voting". Review your registration and proceed to register. System will send an e-mail to notify that your registration for remote participation is received and will be verified. After verification of your registration against the Record of Depositors as at 20 June 2024, the system will send you an e-mail on or after 25 June 2024 to approve or reject your registration for remote participation. <p><i>(Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV).</i></p>
ON THE DAY OF THE AGM	
3. Login to TIIH Online	Login with your user ID and password for remote participation at the AGM at any time from 9:30 a.m. i.e. 1 hour before the commencement of the AGM on Thursday, 27 June 2024 at 10:30 a.m.
4. Participate through Live Streaming	<ul style="list-style-type: none"> Select the corporate event: "(LIVE STREAM MEETING) T7 GLOBAL BERHAD 20th AGM" to engage in the proceedings of the AGM remotely. If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will endeavor to respond to questions submitted by remote participants during the AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.
5. Online Remote Voting	<ul style="list-style-type: none"> Voting session commences from 10:30 a.m. on 27 June 2024 until a time when the Chairman announces the completion of the voting session of the AGM. Select the corporate event: "(REMOTE VOTING) T7 GLOBAL BERHAD 20th AGM". Read and agree to the Terms & Conditions and confirm the Declaration. Select the CDS account that represents your shareholdings. Indicate your votes for the resolutions that are tabled for voting. Confirm and submit your votes.
6. End of remote participation	Upon the announcement by the Chairman on the closure of the AGM, the live session will end.

ADMINISTRATIVE DETAILS FOR THE ANNUAL GENERAL MEETING

Note to users of the RPV:

- We will make available to you the rights to join the live streamed meeting and to vote remotely once your application to join the meeting is approved. Your login to TIH Online on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to tih.online@my.tricorglobal.com for assistance.

NO DOOR GIFT/FOOD VOUCHER

There will be no distribution of door gifts or food vouchers for the AGM since the meeting is being conducted on a virtual basis.

We would like to thank our members for your kind co-operation and understanding in these challenging times.

RECORD OF DEPOSITORS

The date of Record of Depositors for the AGM is 20 June 2024. As such, only members whose name appears in the Record of Depositors of T7 Global as at 20 June 2024 shall be entitled to participate in the AGM.

POLL VOTING

- The Voting at the AGM will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The Company has appointed Tricor as Poll Administrator to conduct the poll by way of electronic voting and Scrutineer Solutions Sdn Bhd as Scrutineers to verify the poll results.
- Shareholders can proceed to vote on the resolutions at any time from the commencement of the AGM at 10:30 a.m. but before the end of the voting session which will be announced by the Chairman of the Meeting. Kindly refer to item(s) of the above procedures for RPV for guidance on how to vote remotely from TIH Online website at <https://tih.online>.
- Upon completion of the voting session for the AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

- Only members whose names appear on the Record of Depositors as at 20 June 2024 shall be eligible to participate at the AGM or appoint a proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.
- In view that the AGM will be conducted on a virtual basis, a member can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Form of Proxy.
- If you wish to participate in the AGM yourself, please do not submit any Form of Proxy for the AGM. You will not be allowed to participate in the AGM together with a proxy appointed by you.
- Accordingly, proxy forms and/or documents relating to the appointment of proxy/corporate representative/attorney for the AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner not later than **Tuesday, 25 June 2024 at 10.30 a.m.:**

- (i) In Hard copy:

By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur;

ADMINISTRATIVE DETAILS FOR THE ANNUAL GENERAL MEETING

ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY (CONT'D)

(ii) By Electronic form:

All shareholders can have the option to submit proxy forms electronically via TIIH Online and the steps to submit are summarised below:

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, please access the website at https://tiih.online. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance. If you are already a user with TIIH Online, you are not required to register again.
Proceed with submission of form of proxy	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. Select the corporate event: T7 GLOBAL BERHAD 20th AGM - “Submission of Proxy Form”. Read and agree to the Terms and Conditions and confirm the Declaration. Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. Review and confirm your proxy(s) appointment. Print the form of proxy for your record.
ii. Steps for corporate or institutional shareholders	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Access TIIH Online at https://tiih.online Under e-Services, the authorised or nominated representative of the corporate or institutional shareholder selects the “Sign Up” button and followed by “Create Account by Representative of Corporate Holder”. Complete the registration form and upload the required documents. Registration will be verified, and you will be notified by email within one (1) to two (2) working days. Proceed to activate your account with the temporary password given in the email and re-set your own password. <p><i>Note: The representative of a corporate or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.</i></p>
Proceed with submission of form of proxy	<ul style="list-style-type: none"> Login to TIIH Online at https://tiih.online Select the corporate exercise name: “T7 GLOBAL BERHAD 20th AGM: Submission of Proxy Form” Agree to the Terms & Conditions and Declaration. Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein. Prepare the file for the appointment of proxies by inserting the required data. Submit the proxy appointment file. Login to TIIH Online, select corporate exercise name: “T7 GLOBAL BERHAD 20th AGM: Submission of Proxy Form”. Proceed to upload the duly completed proxy appointment file. Select “Submit” to complete your submission. Print the confirmation report of your submission for your record.

ADMINISTRATIVE DETAILS FOR THE ANNUAL GENERAL MEETING

PRE-MEETING SUBMISSION OF QUESTIONS TO THE BOARD OF DIRECTORS

In order to enhance the efficiency of the proceedings of the AGM, shareholders may in advance, before the AGM, submit questions to the Board of Directors via Tricor's TIIH Online website at <https://tiih.online>, by selecting "e-Services" to login, post your questions and submit it electronically no later than 25 June 2024. The Board of Directors will endeavour to address the questions received at the AGM.

RECORDING OR PHOTOGRAPHY

Strictly **NO** unauthorised recording or photography of the proceedings of the AGM is allowed.

ANNUAL REPORT

- The Annual Report is available on the Company's website at www.t7global.com.my/19thAGM and Bursa Malaysia's website at www.bursamalaysia.com under Company's announcements.
- You may request for a printed copy of the Annual Report at <https://tiih.online> by selecting "Request for Annual Report" under the "Investor Services".
- Kindly consider the environment before you decide to request for the printed copy of the Annual Report. The environmental concerns like global warming, deforestation, climate change and many more affects every human, animal and nation on this planet.

T7 Global Berhad would like to thank all its shareholders for their kind co-operation and understanding in these challenging times.

ENQUIRY

If you have any enquiries on the above, please contact our Share Registrar during office hours on Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.
General Line : +603-2783 9299
Fax Number : +603-2783 9222
Email : is.enquiry@my.tricorglobal.com



ANALYSIS OF SHAREHOLDINGS

AS AT 1 APRIL 2024

SHARE CAPITAL

Total number of issues shares (inclusive of treasury shares)	: 759,055,076
Class of Shares	: Ordinary Share
Voting rights	: One vote per ordinary share
Treasury Shares held as at 1 April 2024	: 17,348,800

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
1 to 99	427	8.387	5,484	0.000
100 to 1,000	783	15.380	384,853	0.051
1,001 to 10,000	2,234	43.881	12,646,579	1.705
10,001 to 100,000	1,306	25.653	44,278,586	5.969
100,001 to 37,085,312 (*)	339	6.658	556,793,524	75.069
37,085,313 and above (**)	2	0.039	127,597,250	17.203
Total	5,091	100.000	741,706,276	100.000

Remark: * - Less than 5% of issued shares
 ** - 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS AS AT 1 APRIL 2024 (as per Register of Directors' Shareholdings)

The respective shareholdings of the Directors of T7 Global Berhad based on the Register of Directors' Shareholdings are as follows:

No.	Name	No. of Ordinary Shares held			
		Direct	%	Indirect	%
1.	Tan Sri Datuk Seri Tan Kean Soon, J. P.	73,297,250	9.882	70,421,167 ^(a)	9.494
2.	Tan Kay Vin	17,026,633	2.296	–	–
3.	Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani	1,000,000	0.135	73,440,600 ^(b)	9.902
4.	Tan Sam Eng	600,000	0.081	–	–
5.	Tan Sri Dato' Sri Koh Kin Lip, JP	17,244,524	2.325	–	–
6.	Admiral Tan Sri Dato' Seri Panglima Ahmad Kamazulzaman Bin Hj Ahmad Badaruddin (R)	1,155,500	0.156	–	–
7.	CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	2,772,000	0.374	–	–
8.	Datuk Seri Rahim Bin Ismail	–	–	–	–

Remarks:-

- (a) Deemed interest by virtue of his spouse and sons' shareholdings in the Company pursuant to Section 59(1)(c) of the Companies Act 2016.
- (b) Deemed interest by virtue of his interest in Abyssina Resources (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS AS AT 30 MARCH 2023

SHAREHOLDING OF CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OF THE COMPANY AS AT 1 APRIL 2024

The shareholding of the Group Chief Executive Officer of T7 Global Berhad is as follows:

No.	Name	No. of Ordinary Shares held			
		Direct	%	Indirect	%
1.	Tan Kay Zhuin	17,037,334	2.297	–	–

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT 1 APRIL 2024 (as per Register of Substantial Shareholders)

The list of substantial shareholders of T7 Global Berhad and its shareholdings based on the Register of Substantial Shareholders of the Company are as follows:

No.	Name	No. of Ordinary Shares held			
		Direct	%	Indirect	%
1.	Tan Sri Datuk Seri Tan Kean Soon, J. P.	73,297,250	9.882	* 70,421,167	9.494
2.	Puan Sri Shirley Law Siong Hiong	37,773,800	5.093	–	–
3.	Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin N. Hassan Thani	1,000,000	0.135	**73,440,600	9.902
4.	Abyssina Resources (M) Sdn. Bhd.	73,440,600	9.902	–	–

Remarks:-

* Deemed interest by virtue of his spouse and sons' shareholdings in the Company pursuant to Section 59(11)(c) of the Companies Act 2016.

** Deemed interest by virtue of his interest in Abyssina Resources (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	% of Issued Share Capital
1	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR TAN SRI DATUK SERI TAN KEAN SOON, J.P.	73,297,250	9.882
2	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR ABYSSINA RESOURCES (M) SDN. BHD.	54,300,000	7.320
3	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB COMMERCE TRUSTEE BERHAD - KENANGA GROWTH FUND	36,326,900	4.897
4	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR PUAN SRI SHIRLEY LAW SIONG HIONG	30,063,400	4.053
5	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	21,000,000	2.831
6	MEGAXUS RESOURCES SDN. BHD.	19,600,611	2.642
7	ABYSSINA RESOURCES (M) SDN. BHD.	19,140,600	2.580
8	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR TAN KAY ZHUIN	16,764,334	2.260
9	MARINE ENERGY SDN. BHD.	15,960,500	2.151
10	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR TAN SRI DATO' SRI KOH KIN LIP, J.P.	15,244,524	2.055



ANALYSIS OF SHAREHOLDINGS AS AT 30 MARCH 2023

THIRTY LARGEST SHAREHOLDERS (CONT'D)

No.	Name	No. of Shares	% of Issued Share Capital
11	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MEF)	15,210,000	2.050
12	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR TAN KAY SHEN	15,209,033	2.050
13	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR TAN KAY VIN	14,727,633	1.985
14	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. NATIONAL TRUST FUND (IFM KAF) (446190)	12,901,000	1.739
15	HONG LEONG ASSURANCE BERHAD AS BENEFICIAL OWNER (UNITLINKED GF)	12,781,800	1.723
16	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. CN CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH FUND SERIES 2	11,950,300	1.611
17	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR TAN KIM HEUNG (MY1989)	10,000,000	1.348
18	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK TRUSTEES BERHAD FOR KENANGA SYARIAHEXTRA FUND (N14011960240)	9,824,000	1.324
19	HONG LEONG ASSURANCE BERHAD AS BENEFICIAL OWNER (UNITLINKED BCF)	9,565,600	1.289
20	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (DGF)	8,286,700	1.117
21	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR LAW SIONG HIONG (7003130)	7,710,400	1.039
22	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA GROWTH OPPORTUNITIES FUND (50154 TR01)	7,595,500	1.024
23	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR PHILLIP CAPITAL MANAGEMENT SDN. BHD. (EPF)	7,215,700	0.972
24	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR MARINE ENERGY SDN. BHD.	6,657,900	0.897
25	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MDF)	6,326,400	0.852
26	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	6,007,100	0.809
27	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR EPTA RESOURCES SDN. BHD. (MGN-ERS0001M)	5,292,400	0.713
28	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB COMMERCE TRUSTEE BERHAD - KENANGA MALAYSIAN INC FUND	5,086,700	0.685
29	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MDE)	4,745,800	0.639
30	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR WONG CHEE ONG (MARGIN A/C)	4,150,000	0.559

ANALYSIS OF SHAREHOLDINGS AS AT 30 MARCH 2023

THIRTY LARGEST SHAREHOLDERS (CONT'D)

SUMMARY

TOTAL NO. OF HOLDERS	:	30
TOTAL HOLDINGS	:	482,942,085
TOTAL PERCENTAGE (%)	:	65.112
TOTAL ISSUED SHARES AS AT 1 APRIL 2024	:	759,055,076
TREASURY SHARES AS AT 1 APRIL 2024	:	17,348,800
<hr/>		
'ADJUSTED' CAPITAL AFTER NETTING TREASURY SHARES AS AT 1 APRIL 2024		741,706,276

Remark:-

The analysis of shareholdings is based on the total number of issued shares of the Company as at 1 April 2024 after deducting 17,348,800 ordinary shares bought back by the Company and held as Treasury Shares at 1 April 2024.



ANALYSIS OF WARRANT HOLDINGS FOR WARRANT C AS AT 1 APRIL 2024

Total number of Warrants C Issued : 145,940,960

DISTRIBUTION OF WARRANT HOLDINGS

Size of Warrant Holdings	No. of Warrants C Holders	%	No. of Warrants C	%
1 to 99	579	14.650	15,607	0.010
100 to 1,000	1,396	35.323	774,093	0.530
1,001 to 10,000	1,475	37.322	5,378,728	3.685
10,001 to 100,000	382	9.665	13,093,700	8.971
100,001 to 7,297,047 (*)	119	3.011	112,019,382	76.756
7,297,048 and above (**)	1	0.025	14,659,450	10.044
Total	3,952	100.000	145,940,960	100.000

Remark: * Less than 5% of issued Warrants C
** 5% and above of issued Warrants C

DIRECTORS' WARRANT C HOLDINGS AS AT 1 APRIL 2024

(as per Register of Directors' Warrant Holdings)

The respective Warrant C holdings of the Directors of T7 Global Berhad based on the Register of Directors' Warrant Holdings are as follows:

No.	Name	No. of Warrants C held			
		Direct	%	Indirect	%
1.	Tan Sri Datuk Seri Tan Kean Soon, J. P.	15,051,450	10.313	12,671,620(a)	8.683
2.	Tan Kay Vin	2,754,060	1.887	-	-
3.	Tan Sri Datuk Seri Dr. Nik Norzrul Thani Bin Nik Hassan Thani	200,000	0.137	4,354,120(b)	2.983
4.	Tan Sam Eng	80,000	0.055	2,750,500	1.885
5.	Tan Sri Dato' Sri Koh Kin Lip, J.P.	3,448,904	2.363	-	-
6.	Admiral Tan Sri Dato' Seri Panglima Ahmad Kamazulzaman Bin Hj Ahmad Badaruddin (R)	231,100	0.158	-	-
7.	CP (R) Dato' Sri Wan Ahmad Najmuddin Bin Mohd	554,400	0.380	-	-
8.	Datuk Seri Rahim Bin Ismail	-	-	-	-

Remarks:-

- (a) Deemed interest by virtue of his spouse and sons' warrant holdings in the Company pursuant to Section 59(1)(c) of the Companies Act 2016.
- (b) Deemed interest by virtue of his interest in Abyssina Resources (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF WARRANT HOLDINGS FOR WARRANT C AS AT 1 APRIL 2024

WARRANT C HOLDING OF CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OF THE COMPANY AS AT 1 APRIL 2024

The Warrant C holding of the Group Chief Executive Officer of T7 Global Berhad is as follows:

No.	Name	No. of Warrants C held			
		Direct	%	Indirect	%
1.	Tan Kay Zhuin	2,756,200	1.889	–	–

THIRTY LARGEST WARRANT C HOLDERS

No.	Name	No. of warrants held	% of total issued warrants
1	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN SRI DATUK SERI TAN KEAN SOON, J. P.	14,659,450	10.044
2	NUSA NUSANTARA SDN. BHD.	6,245,440	4.279
3	ANUGERAH BAKTI SDN. BHD.	6,103,320	4.182
4	PTS OFFSHORE & MARINE SDN. BHD.	6,084,000	4.168
5	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR PUAN SRI SHIRLEY LAW SIONG HIONG	6,012,680	4.119
6	KVC VALVE (M) SDN. BHD.	5,780,640	3.960
7	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR EPTA RESOURCES SDN. BHD.	5,371,340	3.680
8	ZVS RESOURCES SDN. BHD.	5,023,820	3.442
9	LIM SOON GUAN	4,950,000	3.391
10	ABYSSINA RESOURCES (M) SDN. BHD.	4,354,120	2.983
11	MEGAXUS RESOURCES SDN. BHD.	3,081,122	2.111
12	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN SRI DATO' SRI KOH KIN LIP, J. P.	3,048,904	2.089
13	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ANG ENG CHUAN (MM1124)	2,750,500	1.884
14	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KAY ZHUIN	2,701,600	1.851
15	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MEF)	2,578,000	1.766
16	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR A EASY INTELLIGENCE (M) SDN. BHD.	2,436,600	1.669
17	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KAY SHEN	2,390,540	1.638
18	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KAY VIN	2,294,260	1.572
19	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KIM HEUNG (MY1989)	2,000,000	1.370
20	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LAI CHENG KUAN (8070081)	1,750,000	1.199



ANALYSIS OF WARRANT HOLDINGS FOR WARRANT C AS AT 1 APRIL 2024

THIRTY LARGEST WARRANT C HOLDERS (CONT'D)

No.	Name	No. of warrants held	% of total issued warrants
21	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (DGF)	1,670,000	1.144
22	MUHAMMAD SABQI BIN MASNAN	1,518,500	1.040
23	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR PUAN SRI SHIRLEY LAW SIONG HIONG (7003130)	1,460,000	1.000
24	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MDF)	1,288,300	0.882
25	ER SOON PUAY	1,197,260	0.820
26	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MARINE ENERGY SDN. BHD.	1,014,180	0.694
27	HSBC NOMINEES (TEMPATAN) SDN. BHD. HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MDE)	960,000	0.657
28	SOH SWEE SEE	946,000	0.648
29	MARINE ENERGY SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MARINE ENERGY SDN BHD	913,060	0.625
28	TAN TOW HOO	1,010,000	0.682
29	HSBC NOMINEES (TEMPATAN) SDN. BHD.	960,000	0.648
30	TAN SOH GEK	729,000	0.499
TOTAL		101,312,636	69.420

LIST OF PROPERTIES

Title Identification / Postal Address	Description and Existing Use	Date of Acquisition / Date of Revaluation	Approximate Age of Building/ Tenure/ Date of Expire of Lease	Land Area/ (Built-Up Area) sq.ft.	Net Book Value as at 31 December 2023 (RM)
GRN 38601 Lot No. 25929 Mukim of Setapak, District and State of Wilayah Persekutuan/ No. 8-3, Jalan Puncak Setiawangsa 4, 54200 Kuala Lumpur;	3-storey shop offices	20 June 2012 / 31 December 2020	Age of Building: 19 Years Tenure: Freehold	1,765/ (4,634)	2,500,000.00
GRN 38600 Lot No. 25930 Mukim of Setapak, District and State of Wilayah Persekutuan/ No. 10, Jalan Puncak Setiawangsa 4, 54200 Kuala Lumpur;	3-storey shop offices	26 June 2002	Age of Building: 19 Years Tenure: Freehold	1,765/ (4,634)	2,500,000.00
GRN 38599 Lot No. 25931 Mukim of Setapak, District and State of Wilayah Persekutuan/ No. 12, Jalan Puncak Setiawangsa 4, 54200 Kuala Lumpur;	3-storey shop offices	11 April 2007 / 31 December 2020	Age of Building: 19 Years Tenure: Freehold	1,765/ (4,634)	2,500,000.00
GRN 38598 Lot No. 25932 Mukim of Setapak, District and State of Wilayah Persekutuan/ No. 14, Jalan Puncak Setiawangsa 4, 54200 Kuala Lumpur;	3-storey shop offices	24 May 2007	Age of Building: 19 Years Tenure: Freehold	1,765/ (4,634)	2,500,000.00
Lot 5205-A, Kawasan Perindustrian Balakong Jaya 2, 43300 Balakong, Selangor Darul Ehsan, Malaysia	One unit of single storey detached factory annexed with 3-storey office/showroom	8 October 2016 / 31 December 2021	Age of Building: 6 Year Tenure: Freehold	45,940/ (32,738)	13,500,000.00
H.S. (D) 97483, PT29669, Mukim Sungai Buloh, Daerah Petaling, Selangor Darul Ehsan	Double storey terrace house at Tropicana Golf & Country Resort	1 June 2018 / 31 December 2021	Tenure: 99 years Leasehold Expiring: 25/10/2090	1,765/ (2,752)	1,400,000.00
Lot 29138 (Plot 8), Seksyen 20, 48200 Bandar Serendah, Daerah Hulu Selangor, Selangor	Land lot	3 November 2017 / 31 December 2021	Tenure: 99 years Leasehold Expiring: 05/06/2094	87,110	3,600,000.00
Lot 29138 (Plot 8), Seksyen 20, 48200 Bandar Serendah, Daerah Hulu Selangor, Selangor	Single storey factory and double storey Office	1 January 2019 / 31 December 2021	Tenure: 99 years Leasehold Expiring: 05/06/2094	25,833	15,400,000.00



LIST OF PROPERTIES

Title Identification / Postal Address	Description and Existing Use	Date of Acquisition / Date of Revaluation	Approximate Age of Building/ Tenure/ Date of Expire of Lease	Land Area/ (Built-Up Area) sq.ft.	Net Book Value as at 31 December 2023 (RM)
C-L7-5, 7th Floor, GRN 75607, Lot 919, Seksyen 88A (formerly known as H.S. (D) 116558, P.T. No. 246 Seksyen 88A), Bandar Kuala Lumpur, District of Kuala Lumpur, Wilayah Persekutuan	An office unit	21 February 2020 / 31 December 2021	Age of Building: 12 years Tenure: Freehold	1,184	1,776,000.00
C-L7-6, 7th Floor, GRN 75607, Lot 919, Seksyen 88A (formerly known as H.S. (D) 116558, P.T. No. 246 Seksyen 88A), Bandar Kuala Lumpur, District of Kuala Lumpur, Wilayah Persekutuan	An office unit	21 February 2020 / 31 December 2021	Age of Building: 12 years Tenure: Freehold	1,120	1,680,000.00
C-L7-7, 7th Floor, GRN 75607, Lot 919, Seksyen 88A (formerly known as H.S. (D) 116558, P.T. No. 246 Seksyen 88A), Bandar Kuala Lumpur, District of Kuala Lumpur, Wilayah Persekutuan	An office unit	21 February 2020 / 31 December 2021	Age of Building: 12 years Tenure: Freehold	1,120	1,680,000.00
C-L7-8, 7th Floor, GRN 75607, Lot 919, Seksyen 88A (formerly known as H.S. (D) 116558, P.T. No. 246 Seksyen 88A), Bandar Kuala Lumpur, District of Kuala Lumpur, Wilayah Persekutuan	An office unit	21 February 2020 / 31 December 2021	Age of Building: 12 years Tenure: Freehold	2,583	3,874,500.00
No. H.S.(D) 108189, P.T. No. 8896 (A-15) Bandar Ampang, Ulu Langat, Selangor	3-Storey Shop office	1 December 2012 / 31 December 2020	Tenure: 99 years Leasehold Expiring: 27/06/2104	1,540	2,200,000.00
PN 12753, Lot No. 60665, Mukim of Teluk Kalung, District of Kemaman, Terengganu Darul Iman / H.S. (D) 7333, PT 9290 Mukim Teluk Kalung, District of Kemaman, Terengganu	Land Lot	31 July 2021	Age of Building: 10 years Tenure: 60 years Leasehold	215,278	2,600,000.00

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T7 GLOBAL BERHAD
 [Registration No. 200401023809 (662315-U)]
 (Incorporated in Malaysia)

FORM OF PROXY

CDS account no.
No. of ordinary shares held
Mobile phone no.

*I/We (full name), _____

bearing *NRICNo./PassportNo./CompanyNo. _____

of (full address) _____

being a *member/members of T7 Global Berhad (“**the Company**”) hereby appoint _____

_____ NRIC/PassportNo. _____

(FULL NAME IN BLOCK CAPITALS)

of (full address) _____

and, _____ NRIC/PassportNo. _____

(FULL NAME IN BLOCK CAPITALS)

of (full address) _____

or failing *him/her, the *Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the Twentieth Annual General Meeting (“**AGM**”) of the Company which will be conducted on a virtual basis at the broadcast venue at T7 Global’s Boardroom, C-16-01, Level 16, KL Trillion Corporate Tower, 338 Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan (“**Broadcast Venue**”) via Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“**Tricor**”) via TIH Online website at <https://tiah.online> on Thursday, 27 June 2024 at 10:30 a.m. and at any adjournment thereof.

Please indicate with an “X” in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

Ordinary Business		For	Against
Ordinary Resolution 1	Payment of Directors’ fees.		
Ordinary Resolution 2	Payment of benefits payable to the Non-Executive Directors.		
Ordinary Resolution 3	Re-election of YBhg. Tan Sri Dato’ Sri Koh Kin Lip, J. P.		
Ordinary Resolution 4	Re-election of Mr. Tan Kay Vin.		
Ordinary Resolution 5	Re-election of Ms. Tan Sam Eng.		
Ordinary Resolution 6	Re-appointment of Grant Thornton Malaysia PLT as Auditors.		
Special Business			
Ordinary Resolution 7	Authority to issue shares.		
Ordinary Resolution 8	Proposed renewal of existing shareholders’ mandate for recurrent related party transactions of a revenue or trading nature.		
Ordinary Resolution 9	Proposed renewal of authority for the Company to purchase its own shares.		
Ordinary Resolution 10	Retention of Ms. Tan Sam Eng as an Independent Non-Executive Director.		

Signed this _____ day of _____, 2024

 * Signature(s)/Common Seal of Member(s)

* Strike out whichever not applicable

For appointment of two (2) proxies, percentage of shareholdings to be represented by the proxies		
No. of shares		Percentage
Proxy 1		
Proxy 2		
Total		100%



Notes :-

1. The AGM of the Company will be held as virtual meeting via live streaming and online remote voting using the Remote Participation and Voting Facilities (“**RPV**”) provided by Tricor Investor & Issuing House Services Sdn. Bhd. (“**Tricor**”) through its website at <https://tiih.online>. Please follow the procedures as set out in the Administrative Guide which is available at the Company’s website www.t7global.com.my/20thAGM.
2. Members and/or proxy(ies) and/or corporate representative(s) and/or attorneys are to attend, speak (including posing questions to the Board of Directors via real time submission of typed texts) and vote (collectively, “**participate**”) remotely at the AGM via the RPV facilities provided by Tricor at <https://tiih.online>.
3. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 June 2024 (General Meeting Record of Depositors) shall be eligible to attend the Meeting.
4. A member who is entitled to participate and vote at the AGM via RPV is entitled to appoint more than one (1) proxy to participate and vote in his stead. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.
5. A proxy may but does not need to be a member of the Company. Notwithstanding this, a member entitled to participate and vote at the AGM is entitled to appoint any person as his proxy to participate and vote instead of the member at the AGM. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate and vote at the AGM shall have the same rights as the member to speak at the AGM.
6. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of an officer or attorney duly authorised.
7. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
8. A member who has appointed a proxy or attorney or authorised representative to participate and vote at the AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at TIIH Online website at <https://tiih.online>. Please follow the Procedures for RPV in the Administrative Details for the AGM.
9. The appointment of a proxy may be made by electronic means or in a hard copy form in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) By electronic form
The form of proxy can be electronically lodged with the Share Registrar of the Company via TIIH Online website at <https://tiih.online> (applicable to individual members only). Kindly refer to the Administrative Details on the procedures for electronic lodgement of form of proxy via TIIH Online.
 - (ii) In hard copy form
In the case of an appointment made in hard copy form, the form of proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.
10. Please ensure ALL the particulars as required in the form of proxy are completed, signed and dated accordingly.
11. Last date and time for lodging the form of proxy is **Tuesday, 25 June 2024 at 10:30 a.m.**
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. A corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan. The certificate of appointment should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Fold this flap for sealing

Then fold here



The Share Registrar
T7 GLOBAL BERHAD
[Registration No. 200401023809 (662315-U)]

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

AFFIX
STAMP

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T7 Global Berhad

Registration No. 200401023809 (662315-U)

C-16-01, Level 16, KL Trillion
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50400 Kuala Lumpur
Malaysia

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