

SARAWAK CABLE BERHAD

(Interim Judicial Manager appointed)

[Registration No.: 199801000274 (456400-V)]

ANNUAL REPORT

2024

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Vision

To be the most innovative, reliable and leading power cable manufacturer in the region, now and into the future.

Mission

- Delivering world-class quality products;
- Be dynamic towards market's demand and industry's know how;
- Creating sustainable value for our stakeholders, and the communities in which we operate.

Values

Integrity
Trust
Teamwork
Innovation
Performance
Customers/Clients
Focus
Caring



NOTICE: The affairs, business and property of the Company are being managed by the Interim Judicial Manager appointed by the High Court of Malaya. The Interim Judicial Manager contracts and acts as an agent of the Company and disclaims any personal liability under any contract entered into by the Company which has been adopted by the Interim Judicial Manager and any contract entered into by the Interim Judicial Manager on behalf of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Directors Introduction

Dear Shareholders,

During the period under review in this report (1 June 2023 to 30 November 2024), Sarawak Cable Berhad (“SCB” or “the Company”) has faced significant challenges, caused by historical events, which put the future of the Company in the balance. The Board of Directors of the Company (“the Board”) is committed, however, to finding ways to secure the future of the Company and to place it on a path to recovery.

We would like to take this opportunity to thank the remaining staff of the Company and its remaining subsidiaries for their dedication and loyal customers and suppliers for their continued support at this difficult time.

Financial Review

The period from 1 June 2023 to 30 November 2024 has been the most challenging that the Company has faced since inception. At the time of writing neither the Company nor any of its surviving subsidiaries (see below) are engaged in any meaningful business. The continued future of the Company is wholly dependent on a successful restructuring of the Company’s debts and in reaching an agreement with certain financial institutions that would bring production capacity back under the Company’s umbrella.

At this point it should be noted that on 30.09.2022, SCB triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(d) of Practice Note 17 (“PN17”) of the Bursa Malaysia Main Market Listing Requirements when the then external auditors, Messrs. Ernst & Young PLT, expressed a disclaimer of opinion in the Company’s audited financial statements for the 17-month financial period ended 31.05.2022 which were announced on 30.09.2022. As a result, on 30.09.2022, SCB fell into a PN17 issuer.

SCB under an earlier board of directors but under the Chairmanship of Dato Sri Mahmud Abu Bekir Taib, sought to restructure its own debts and that of its then group of companies. On 26.09.2022, SCB and six of its subsidiaries, namely (i) Universal Cable (M) Berhad (“UCMB”); (ii) Leader Cable Industry Berhad (“LCIB”); (iii) Universal Cable (Sarawak) Sdn Bhd (“UCSSB”); (iv) Sarwaja Timur Sdn Bhd (“STSB”); (v) Trenergy Infrastructure Sdn Bhd (“TISB”) and (vi) Aerial Power Lines Sdn Bhd (“APLSB”), applied to the High Court of Sabah & Sarawak at Kuching, Sarawak for an Order to convene a court-convened meeting with their respective creditors pursuant to section 366(1) of the Companies Act 2016 (“CA 2016”) for the purpose of sanctioning a proposed scheme of arrangement (“Convening Order”), and for a restraining order pursuant to section 368(1) of the CA 2016 (“Restraining Order”).

SCB was able to obtain both the Restraining Order and Convening Order on 29.09.2022 which were subsequently extended several times until 26.09.2023 on which date SCB convened a Court Convened Meeting at which proposed scheme of arrangement (“the Scheme”) was presented. The Scheme was rejected by the majority of creditors and on 09.10.2023 OCBC (Malaysia) filed winding action against both LCIB and UCMB which action was followed by the appointment of Messrs. Deloitte Restructuring Services (“Deloitte”) as the Interim Liquidators of LCIB and UCMB.

After the failure of the Scheme and the appointment of Deloitte, SCB sought assistance from external parties to negotiate and restructure the Company’s debts to several financial institutions.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

The search for an external partner resulted on 05.12.2023 in an agreement between the Company and Serendib Capital Limited (“Serendib”) as a White Knight to restructure the debts of what was then the SCB Group (“the Agreement”). Following entry of Serendib, application was made to adjourn the hearing on the winding up of LCIB and UCMB which was granted with a date set for the hearing for 15.03.2024. As of the end of the Company’s 30.11.2023 reporting quarter, amounts due to banks were RM 394 million and other creditors were RM 124 million.

The Agreement between Serendib and SCB was formalized and signed on 29.12.2023. Under the Agreement, in order to take control of the restructuring negotiations with banks, Serendib was entitled to appoint three directors to the board of SCB. Dr Takeo Hirata was appointed as a non-executive director of the Board on 06.12.2023, Mr Rafat A. Rizvi and Mr Mazhar Latif as non-executive and executive directors, respectively, on 29.12.2023.

Serendib commenced negotiations with SCB’s creditor banks both at the Company level and with the lenders to LCIB and UCMB and, as these progressed, application was made to the High Court for an adjournment of the hearing to determine the winding up of LCIB and UCMB. This was granted and a final date of 15.05.2024 was set. At the same time, an application was made and granted by Bursa Malaysia (“Bursa”) for an extension of time (“EOT”) for SCB to submit a rehabilitation plan for the Company to emerge from PN-17 status. Bursa approved the EOT with a new deadline of 30.09.2024.

In late March 2024, following extensive discussions, a proposed restructuring plan was put forward to the bank creditors of SCB and LCIB & UCMB respectively and, despite indications to the contrary, it was rejected. Whilst negotiations continued, no agreement was reached and on 15.05.2024, the High Court approved the winding up of LCIB and UCMB.

This resulted in a significant loss to the Company and was reflected in the quarterly results for the period ending 31.05.24 when a loss of RM 318 million was announced. This also left the Company without an operating business which places its continued status as a listed company at significant risk. Another significant issue which arose from the loss of LCIB and UCMB was the potential crystallization of amounts due under corporate guarantees (“CGs”) provided by SCB to banks which had advanced funds to LCIB and UCMB and, as LCIB and UCMB can no longer be consolidated as part of the SCB Group, the very large intercompany balances (“the ICB”) due from SCB to LCIB and UCMB. As of 31.05.2024 the total value CGs was RM 321 million and the ICB total RM 278 million.

On 16.07.2024 Russell Boyd, who was the Chief Executive Officer of the Company resigned. Then, on 03.05.2024 Dato Sri Fong Joo Chung Fong followed on 23.07.2024 by Redzuan bin Rauf and Yek Siew Liong and on 06.08.2024 Datuk Kevin How Kow resigned as directors of the Company. Following these departures, on 28.10.2024 Dato Sri Mahmud Abu Bekir Taib was redesignated from Chairman to a non-independent non-executive director.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Serendib has continued to reach an agreed restructuring of SCB's debts and to reach agreement with Deloitte regarding LCIB and UCMB. On 06.09.2024 Deloitte announced the sale of assets of UCMB for RM 85 million and that it was seeking expressions of interest ("EOI") for LCIB either as a going concern or just its assets. Importantly, since LCIB was placed into liquidation its business activity has dropped very significantly. On 27.09.2024 SCB appointed Malacca Securities Sdn Bhd ("Malacca") as an advisor to the Company and on 17.12.2024 a revised offer was made to the creditor banks of SCB and to Deloitte, under the EOI, for a restructuring of LCIB's debts. Separately on 30.09.2024 a further EOT was sought from and granted by Bursa with a new deadline for a submission of a rehabilitation plan of 31.03.2025. On 02.01.2025, Malacca was informed by Deloitte that it was not willing to accept the amount which was being offered to LCIB creditor banks and had accepted a higher offer from a third party which it was recommending to the creditor banks of LCIB.

In mid-February 2024, several weeks after Deloitte had advised Malacca that it had accepted and agreed the sale of LCIB to a third party, the Company learned that no SPA had been signed. As a result, on 19.03.2025 a Final Offer was made by Malacca directly to the creditor banks of LCIB. At the time of writing Malacca has not received a response from neither Deloitte nor the LCIB creditor banks. Malacca is confident that it has an agreement in principle with the SCB creditor banks. The purpose of pursuing LCIB is to ensure that SCB has an operating business and therefore a viable rehabilitation plan through which it can exit PN-17 status and maintain its listing on the Bursa.

At the time of writing the Company has no meaningful business and its status as a listed company is also in doubt. The significantly slimmed down group is reporting a loss of RM 344 million to 30.11.2024 and, as the auditors have noted, there are concerns about the Company as a going concern. It must be noted, however, that if the Final Offer is accepted then the Company will be well positioned to reassume its position as the leading manufacturer of electricity cables in Malaysia.

GROUP CORPORATE STRUCTURE

SARAWAK CABLE BERHAD

- 100% Universal Cable (Sarawak) Sdn Bhd
- 100% Sarwaja Timur Sdn Bhd
- 100% Aerial Power Lines Sdn Bhd

CORPORATE INFORMATION

Board Of Directors

Dato Sri Mahmud Abu Bekir Taib (Non-Independent Non-Executive Chairman) (Redesignated as Non-Independent Non-Executive Director 28 October 2024)

Kiew Jin Huey (Independent Non-Executive Director) (Appointed on 29 August 2024)

Hamzah bin Mahmood (Independent Non-Executive Director) (Appointed on 6 August 2024)

Mazhar ul Latif (Non-Independent Executive Director) (Appointed on 29 December 2023)

Rafat Ali Rizvi (Non-Independent Non-Executive Director) (Appointed on 29 December 2023)

Takeo Hirata (Non-Independent Non-Executive Director) (Appointed on 6 December 2023)

Datuk Kevin How Kow (Non-Independent Non-Executive Director) (Resigned on 6 August 2024)

Yek Siew Liong (Non-Independent Non-Executive Director) (Resigned on 23 July 2024)

Redzuan bin Rauf (Independent Non-Executive Director) (Resigned on 23 July 2024)

Dato Sri Fong Joo Chung (Non-Independent Non-Executive Deputy Chairman) (Resigned on 3 May 2024)

Erman bin Radin (Non-Independent Non-Executive Director) (Resigned as on 18 January 2024)

Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Haji Mohd Nor (Independent Non-Executive Director) (Resigned on 14 December 2023)

Ninam Shah Bin Dato' Kadar Shah (Independent Non-Executive Director) (Resigned on 14 December 2023)

Alwizah Al-Yafii binti Ahmad Kamal (Independent Non-Executive Director) (Resigned on 6 December 2023)

Datuk Rozimi Bin Remeli (Independent Non-Executive Director) (Resigned on 1 September 2023)

Audit Committee

Hamzah Bin Mahmood (Chairman)

(Appointed as member on 14 August 2024, redesignated as Chairman on 29 August 2024)

Kiew Jin Huey (Appointed as member on 29 August 2024)

Rafat Ali Rizvi (Appointed as member on 14 August 2024)

Datuk Kevin How Kow (Ceased to hold office as member on 6 August 2024)

Redzuan bin Rauf (Resigned as Chairman on 23 July 2024)

Ninam Shah Bin Dato' Kadar Shah (Ceased to hold office as member on 14 December 2023)

Remuneration Committee

Rafat Ali Rizvi (Chairman)

(Appointed as member on 14 August 2024, redesignated as Chairman on 29 August 2024)

Kiew Jin Huey (Appointed as member on 29 August 2024)

Hamzah Bin Mahmood (Appointed as member on 14 August 2024)

Yek Siew Liong (Ceased to hold office as member on 23 July 2024)

Redzuan bin Rauf (Ceased to hold office as member on 23 July 2024)

Dato Sri Fong Joo Chung (Resigned as Chairman on 3 May 2024)

CORPORATE INFORMATION (continued)

Nomination Committee

Hamzah Bin Mahmood (Chairman)

(Appointed as member on 14 August 2024, redesignated as Chairman on 29 August 2024)

Kiew Jin Huey *(Appointed as member on 29 August 2024)*

Rafat Ali Rizvi *(Appointed as member on 14 August 2024)*

Redzuan bin Rauf *(Ceased to hold office as member on 23 July 2024)*

Dato Sri Fong Joo Chung *(Resigned as Chairman on 3 May 2024)*

Ninam Shah bin Dato' Kadar Shah *(Ceased to hold office as member on 14 December 2023)*

Risk Management Committee

Mr. Rafat Ali Rizvi (Chairman)

(Appointed as member on 14 August 2024, redesignated as Chairman on 29 August 2024)

Kiew Jin Huey *(Appointed as member on 29 August 2024)*

Hamzah Bin Mahmood *(Appointed as member on 14 August 2024)*

Datuk Kevin How Know *(Ceased to hold office as member on 6 August 2024)*

Redzuan bin Rauf *(Ceased to hold office as member on 23 July 2024)*

Laksamana Tan Sri Dato' Setia Mohd Anwar bin Haji Mohd Nor *(Resigned as Chairman on 14 December 2023)*

Group Management Team

Mazhar Ul Latif *(Executive Director)*

Abdul Nasser Bin Abdul Rahman *(Subsidiaries' Chief Operating Officer)*

Interim Judicial Manager

Lim Sin Han of Messrs Sin Han & Co.

(Appointed on 9 July 2024)

Company Secretaries

Lim Shook Nyee

MAICSA 7007640/SSM Practicing Certificate No. 201908003593

(Appointed on 22 August 2024)

Chew Mai Ling

MAICSA 7019175/SSM Practicing Certificate No. 201908003178

(Appointed on 21 May 2024, Resigned on 22 August 2024)

Cynthia Gloria Louis

MAICSA 7008306/SSM Practicing Certificate No. 201908003061

(Appointed on 21 May 2024, Resigned on 22 August 2024)

Tai Yit Chan

MAICSA 7009143/SSM PC NO. 202008001023)

(Appointed on 15 September 2015, Resigned on 21 May 2024)

Voon Jan Mooi

MAICSA 7021367/SSM PC NO. 202008001906)

(Appointed on 15 September 2015, Resigned on 31 December 2023)

Teoh Wen Jinq

MIA 25770/SSM Practicing Certificate No. 202208000251

(Appointed on 15 September 2015, Resigned on 11 August 2023)

CORPORATE INFORMATION (continued)

Share Registrar

Tricor Investor & Listing House Services Sdn Bhd (Registration No. 197101000970 (11324-H))

Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur
Malaysia

Tel: +603-3783 9299 Fax: +603-2783 9222

Email: is.enquiry@vistra.com

(With effective from 20 Jun 2024)

Registered Office

Ho Hup Tower – Aurora Place, 2-07-01-Level 7,
Plaza Bukit Jalil, No. 1, Persiaran Jalil 1,
Bandar Bukit Jalil, 57000 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur,
Malaysia

Tel: +603-9779 1700 Fax: +603-9779 1701

Email: osem@quadrantbiz.co

Auditors

Baker Tilly Monteiro Heng PLT (AF 0117)
Baker Tilly Tower, Level 10, Tower 1, Avenue 5
Bangsar South City, 59200 Kuala Lumpur
Tel: 603-2297 1000 Fax: 603-2282 9980

Principal Bankers

AmBank Berhad
AmIslamic Bank Berhad
Bangkok Bank Berhad
Bank of China Berhad
Bank Muamalat Malaysia Berhad
CIMB Bank Berhad
Export-Import Bank of Malaysia Berhad
Hong Leong Bank Berhad
Hong Leong Islamic Bank Berhad
Malayan Banking Berhad
Maybank Islamic Berhad
OCBC Al-Amin Bank Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad

Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name: SCABLE
Stock Code: 5170

General enquiries

e-mail: enquiries@sarawakcable.com

PROFILE OF DIRECTORS

Dato Sri Mahmud Abu Bekir Taib

Non-Independent Non-Executive

Malaysian, aged 59, male, was appointed to the Board of Sarawak Cable Berhad as Non-Independent Non-Executive Chairman on 9 September 2009 and was redesignated as a Non-Independent Non-Executive Director on 28 October 2024

Having pursued his tertiary education in USA and Canada, he started his career as the founding member and Director of SSSB Management Services Sdn Bhd (formerly known as Sarawak Securities Sdn Bhd), Sarawak's first stock-broking company, which is now merged with K&N Kenanga Holdings Berhad. During his tenure, he acquired extensive experience in the stock-broking and corporate sectors.

He is currently the Deputy Group Chairman of Cahya Mata Sarawak Berhad ("CMSB") and a shareholder of CMSB. He serves on the Nomination and Remuneration Committee and chairs the Digital Transformation Committee.

He does not have any family relationship with any Director and/or major shareholder of the Company and no conflict of interest, including interest in any competing business with the Group. He has not been convicted of any offence within the past five (5) years and he has not been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

During the financial period ended 30 November 2024, he has attended eleven (11) of the twelve (12) Board meetings held.

Dr. Takeo Hirata

Non-Independent Non-Executive Director

British, aged 62, male was appointed to the Board of Sarawak Cable Berhad as Non- Independent Executive Director on 6 December 2023.

Professor Takeo Hirata is recognised as one the pioneers of the Japanese professional sports. He has had a notable career in government service as a diplomat responsible for international energy policy.

He established the professional football league in Japan, the J-League in 1991 and became Secretary General in 2002. He played a leading role in Japan's co-hosting of the FIFA 2002 World Cup. Since 2006, in recognition of his role in the development of the Japanese Professional Football, he has held the position of Honorary Vice Chairman of the Japan Football Association. As well as his role with the Japan Football Association, Dr Hirata was Secretary General, Tokyo Headquarters for the 2020 Olympics, and remains a Director of the Japan Professional Table Tennis, Japan Tennis Association and the Tokyo Marathon.

Dr Hirata is President, of the Research Institute for Strategy of Natural Resources Waseda University and has written several books on the subject. Dr Hirata is a Professor at the Graduate School of Sports Management, Waseda University. President, Japan Society of Sports Industry.

He holds a Ph.D. in Engineering from the University of Tokyo and a MA in Public Administration from the John F. Kennedy School of Government, Harvard University.

PROFILE OF DIRECTORS (continued)

Dr. Takeo Hirata

Non-Independent Non-Executive Director (continued)

He does not have any family relationship with any Director and/or major shareholder of the Company and no conflict of interest, including interest in any competing business with the Group. He has not been convicted of any offence within the past five (5) years and he has not been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

During the financial period ended 30 November 2024, he has attended seven (7) Board meetings of the eight (8) Board meetings held since his appointment.

Mazhar ul Latif

Non-Independent Executive Director

British, aged 71, male was appointed to the Board of Sarawak Cable Berhad as Non- Independent Executive Director on 29 December 2023.

Mazhar is a qualified UK chartered accountant with over 40 years of international experience in banking and finance.

He spent 18 years with Citigroup in various senior roles in the EMEA Region (Europe, Middle East, Africa and Pakistan) starting with 10 years with Citibank affiliate Saudi American Bank in Riyadh, six years of which he was the Chief Financial Officer. He was involved with a domestic bank merger into SAMBA. Mazhar then worked in the Central Eastern Europe, Middle East, South Asia and Africa (CEEMEA) Group's Regional Financial Control function based in London, overseeing the finance functions in the Middle East, Pakistan and India. He then joined Citigroup's proprietary European, Middle East and Africa (EMEA) Region M&A function in London where he was the Senior M&A transactor covering all aspects of the M&A business, from strategy and origination to completion (both acquisitions and divestitures). He managed and worked on acquisitions and divestitures in number of countries in EMEA.

Since leaving Citigroup, Mazhar has been working as a consultant providing finance, M&A and restructuring related services to banks and other clients in the EMEA and Asia-Pacific regions.

He does not have any family relationship with any Director and/or major shareholder of the Company and no conflict of interest, including interest in any competing business with the Group. He has not been convicted of any offence within the past five (5) years and he has not been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

During the financial period ended 30 November 2024, he has attended all the seven (7) Board meetings held since his appointment.

PROFILE OF DIRECTORS (continued)

Rafat Ali Rizvi

Non-Independent Non-Executive Director

British, aged 62, male was appointed to the Board of Sarawak Cable Berhad as Non- Independent Executive Director on 29 December 2023.

Rafat Rizvi has had a distinguished career as an investment banker and investor. He has spent most of his professional career in investment banking working around the world. Beginning in the late 1990's, Mr. Rizvi invested significantly and strategically in the South Asian financial services sector. In 2003 he led the team that restructured Union Bank of Colombo Limited and exited its investment via an IPO on the Colombo Stock Exchange in 2012 for a value 25x the initial investment. In 2006 Mr Rizvi restructured Lanka Bangla Finance and listed it on the Dhaka Stock Exchange. In 2009. The listing created substantial value for pre-IPO investors of a 50x return on their initial investment.

In his time in Singapore Mr. Rizvi raised over US\$3 billion for a number of debt and credit funds and corporations. In 2000, Mr. Rizvi founded an asset management business that grew to manage over US\$ 3 billion by the time he sold the management company in 2011.

In 2012 he was responsible for the majority of the investment and finance required to facilitate the acquisition of the assets of Glasgow Rangers Football Club from administration. The assets were repackaged and listed on the Alternative Investment Market (AIM) of the London Stock Exchange in December 2012 at 9x the acquisition value. He followed this up in 2013 when he led the investor group that acquired the St Lucia Zouks franchise at the launching of the Caribbean Premier League, which has become the leading cricket tournament in North America. Rafat has held multiple board positions.

He does not have any family relationship with any Director and/or major shareholder of the Company and no conflict of interest, including interest in any competing business with the Group. He has not been convicted of any offence within the past five (5) years and he has not been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

During the financial period ended 30 November 2024, he has attended all the seven (7) Board meetings held since his appointment.

Hamzah bin Mahmood

Independent Non-Executive Director

Malaysian, aged 62, male was appointed to the Board of Sarawak Cable Berhad as Independent Executive Director on 6 August 2024.

Hamzah started his career in banking with HSBC Malaysia and joined HSBC London from 1988 to 1989. He was seconded to Saudi British Bank (a subsidiary of HSBC Bank) in Riyadh until 1994 when he returned to HSBC Group, London.

He was appointed as Chief Executive Officer of Maybank Securities Sdn Bhd and Head of the Securities Group in 2001. He then joined Halifax Capital Berhad as Executive Director from 2005 until 2008. He has vast experience in the financial sector, including in the fields of treasury, trading and securities.

PROFILE OF DIRECTORS (continued)

Hamzah bin Mahmood

Independent Non-Executive Director (continued)

Hamzah was the Commissioner of PT Mitra Keluarga Karyasehat Tbk. from May 2016 to June 2018 and as an advisor from June 2018 to present. He is currently the Principal and Managing Director of Dynamic Capital Holdings Sdn Bhd.

He sits on the board of HeiTech Padu Berhad as an Independent Non-Executive Director. He is the Chairman of the ESOS Committee and a member of the Audit Committee.

He holds a BSc in Mathematics from the Illinois state University, USA and a Master in Business Administration (Finance) from the North Texas State university, USA.

He does not have any family relationship with any Director and/or major shareholder of the Company and no conflict of interest, including interest in any competing business with the Group. He has not been convicted of any offence within the past five (5) years and he has not been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

During the financial period ended 30 November 2024, he has attended all the meetings held since his appointment.

Kiew Jin Huey

Independent Non-Executive Director

Malaysian, aged 53, female was appointed to the Board of Sarawak Cable Berhad as Independent Executive Director on 29 August 2024.

Ms Kiew graduated from University Putra Malaysia with a Degree in Accountancy (Honours) in 1995 and presently a Chartered Accountant, member of the Malaysian Institute of Accountant (MIA).

She embarked on her professional journey in 1995 with the prestigious international accounting firm, Price Waterhouse/ PricewaterhouseCoopers (PwC) in Kuala Lumpur and qualified as a Certified Public Accountant (CPA) with The Malaysian Institute of Certified Public Accountants (MICPA). She continued her career with DiGi, public listed companies engaged in telecommunication services in the main board of Bursa Malaysia and left as a Finance Manager in 2003. She is currently an Executive director in K.H. Chong & Co PLT.

She has wide experience in the audit profession for clients range from Public Listed Companies to small and medium size companies including specialized industry like Oil and Gas.

She is involved in business advisory services including obtaining Multimedia Super Corridor status, taxation and training. She has experience in commercial sector in financial reporting, taxation and information technology finance system implementation, processes and controls.

She does not have any family relationship with any Director and/or major shareholder of the Company and no conflict of interest, including interest in any competing business with the Group. She has not been convicted of any offence within the past five (5) years and she has not been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

During the financial period ended 30 November 2024, she has attended all the meetings held since her appointment.

KEY MANAGEMENT PROFILE

Mazhar Ul Latif

(Executive Director)

Mazhar is a UK qualified chartered accountant with over 40 years of international experience in banking and finance.

He spent 18 years with Citigroup in various senior roles in the EMEA Region (Europe, Middle East, Africa and Pakistan) starting with 10 years with Citibank affiliate Saudi American Bank in Riyadh, six years of which he was the Chief Financial Officer. He was involved with a domestic bank merger into SAMBA. Mazhar then worked in the Central Eastern Europe, Middle East, South Asia and Africa (CEEMEA) Group's Regional Financial Control function based in London, overseeing the finance functions in the Middle East, Pakistan and India. He then joined Citigroup's proprietary European, Middle East and Africa (EMEA) Region M&A function in London where he was the Senior M&A transactor covering all aspects of the M&A business, from strategy and origination to completion (both acquisitions and divestitures). He managed and worked on acquisitions and divestitures in number of countries in EMEA.

Since leaving Citigroup, Mazhar has been working as a consultant providing finance, M&A and restructuring related services to banks and other clients in the EMEA and Asia-Pacific regions.

He does not hold directorship in any public company and listed issuer.

He does not have any family relationship with any Director and/or major shareholder of the Company and no conflict of interest, including interest in any competing business with the Group. He has not been convicted of any offence within the past five (5) years and he has not been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year under review.

Abdul Nasser Bin Abdul Rahman

(Subsidiaries' Chief Operating Officer)

Haji Abdul Nasser Bin Haji Abdul Rahman holds a Bachelor of Business Administration (BBA) with a major in Finance and a minor in General Business from Western Michigan University and 15 years of experience in the banking industry.

As the Chief Operating Officer at Sarwaja Timur Sdn Bhd and Universal Cable (Sarawak) Sdn Bhd, he plays a pivotal role in overseeing and optimizing day-to-day operations, ensuring organizational efficiency, and driving business growth through the development and implementation of operational strategies.

He brings a wealth of knowledge and leadership to the board, having previously held key positions at IES Energy Marine Sdn Bhd, Inn Green Sdn Bhd, and as Managing Director of Puncak Bumi Utama Sdn Bhd.

In addition, he is actively involved in NGO activities, including fundraising for various social and welfare programs. He was awarded the "Pingat Khidmat Cemerlang Masyarakat" (P.M.C.) by YTM Paduka Sri Tuanku Yang Di-Pertuan Besar Negeri Sembilan in 1997 and the "Pingat Kebesaran Bintang dan Pingat Kehormatan Negeri Pulau Pinang" by T.Y.T. the Governor of Penang in 2012.

SUSTAINABILITY REPORT

ABOUT THIS REPORT

The Board of Directors (“BOD”) and Management understand the importance of carrying out our business sustainably and responsibly, managing material economic, environmental, social and governance (“EESG”) impacts to enhance business resilience and performance of the Group. This report describes our Group’s ongoing commitment in integrating sustainable practices into our business activities and strategies. It was prepared in accordance with the Main Market Listing Requirements and Sustainability Reporting Guide (3rd Edition) issued by Bursa Malaysia Securities Berhad (“Bursa”) and covers our Group’s sustainability performance for the financial period ended 30 November 2024.

SUSTAINABILITY REPORTING (SR) SCOPE

This report covers our core business which was the manufacturing and supply of power cables and wires prior to the liquidation of the two (2) subsidiary units i.e., Leader Cable Industry Berhad and Universal Cable (M) Berhad in May 2024, which still accounted for 84% of our total revenue as at 30 November 2024.

Nevertheless, beginning this financial period, the business segment involving sales of galvanised products and steel structures will become the main emphasis of our sustainability disclosure.

The Group’s manufacturing plants for steel structures and galvanized products are located in the State of Sarawak, with the following manpower strength distributions:

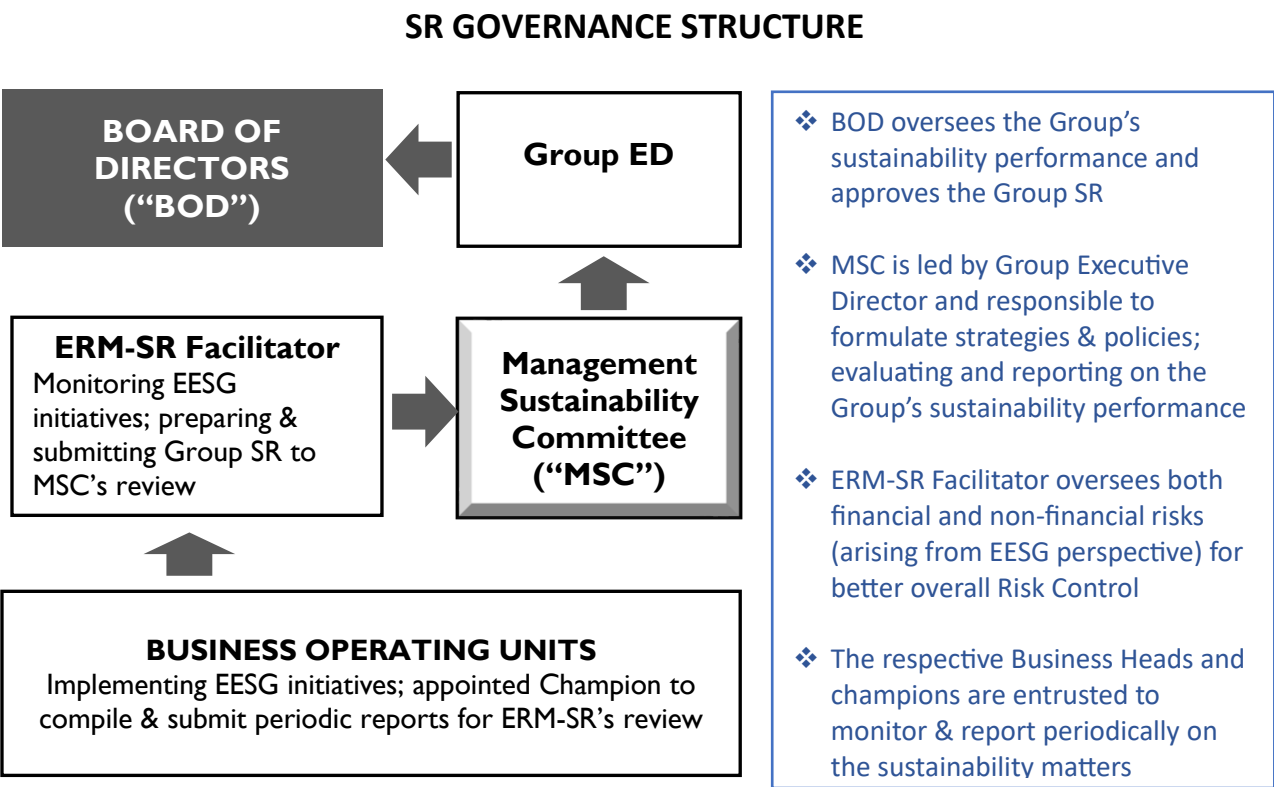
No.	Department	Workers strength
1	Production	68
2	Maintenance	4
3	Inventory & Logistic	15
4	QC	3
5	Engineering	2
6	Safety & Health	1
	Total	93

SUSTAINABILITY REPORT (continued)

GOVERNANCE STRUCTURE

Due to the latest changes in our Group structure following changes in Senior Management and liquidation of subsidiaries, the composition of the Management Sustainability Committee is yet to be finalized. While the BOD is still setting the tone from the top in overseeing the Group’s overall sustainability management and performance, the role of the Management Sustainability Committee (“MSC”) will be further defined and enhanced possibly through incorporating of EESG initiatives into our future restructuring program to rehabilitate the financial position and performance of the Group.

The overall Governance Structure is depicted below:



SUSTAINABILITY REPORT (continued)

STAKEHOLDER ENGAGEMENT

We viewed our Group's on-going stakeholder engagement activities as important to our long-term business success. In engaging our stakeholders, we can better understand how our business activities impact EESG, to identify sustainability risks and opportunities for the Group. Therefore, we are continuously identifying our relevant stakeholders and assessing their specific needs and expectations in order to have a meaningful engagement with them. This will eventually allow us to enhance our relationship with our employees, customers, financiers, the relevant authorities and all other parties who advocate, sponsor and act as agents of change for our organization.

KEY STAKEHOLDERS	ENGAGEMENT METHODS	MATERIAL SUSTAINABILITY MATTERS (internal & external)	
		Economic, Environmental, Social & Governance (EESG)	Operational Focus
Key Clients & Customers	<ul style="list-style-type: none"> Dialogues with clients Products survey & FAT Customer Satisfaction Survey Exhibitions to promote image 	<ul style="list-style-type: none"> Boosting business & economy (GDP); Eco-friendly & safer products; consumer rights 	<ul style="list-style-type: none"> Dynamic to market trends & needs; Quality products & after sales service
Financiers / Bankers	<ul style="list-style-type: none"> Dialogue on existing facilities Periodic review on credibility Corporate dinner & Forums 	<ul style="list-style-type: none"> Financial stability; Environmental initiatives (E-banking) CSR activities 	<ul style="list-style-type: none"> Financial covenant compliance Maintain good relationship
Regulatory Authorities; Government Agencies	<ul style="list-style-type: none"> Meetings & correspondences on compliance matters Seminar on regulation updates Factory audit by relevant authorities 	<ul style="list-style-type: none"> Opportunity & monetary loss for non-compliance Environmental standards compliance CSR & industry forums 	<ul style="list-style-type: none"> Bumiputera status requirements Bursa compliances Valid licenses & certifications
Employees	<ul style="list-style-type: none"> Periodic meetings; Family Day & Annual Dinner Employee survey & In-house training, health talks; Union staff Agreement review 	<ul style="list-style-type: none"> Jobs creation, skilled labour development; Go green & 3R program; OHSAS Human rights, welfare & training 	<ul style="list-style-type: none"> Effective outputs Healthy culture; Safe environment
Major Suppliers & Vendors &	<ul style="list-style-type: none"> Dialogue on quality & pricing Annual dinner & sponsorship Evaluation & factory visit New material / R&D dialogues 	<ul style="list-style-type: none"> Procurement practices; Recyclable, eco-friendly materials; CSR activities 	<ul style="list-style-type: none"> Materials quality and costs; Effective practices; Alternative or new material sources
Shareholders & Investors	<ul style="list-style-type: none"> Annual General Meeting (AGM) Financial Announcement Investor Relations activity Annual Reports 	<ul style="list-style-type: none"> Financial stability, stable capital market; Environmental initiatives (paperless) CSR activities 	<ul style="list-style-type: none"> Group loss recovery & financial stability; Restoring market confidence
Local Communities	<ul style="list-style-type: none"> Through CSR programs In-house zero-cost CSR 	<ul style="list-style-type: none"> Environmental protection initiatives CSR & quality life 	<ul style="list-style-type: none"> Fund-raising CSR Promote healthier lifestyle
Strategic partners	<ul style="list-style-type: none"> Dialogues on strategic alliance; Meetings on contract & pricing 	<ul style="list-style-type: none"> Financial stability Environmental & CSR initiatives 	<ul style="list-style-type: none"> Synergistic effects to maximize output; Improved contractual terms

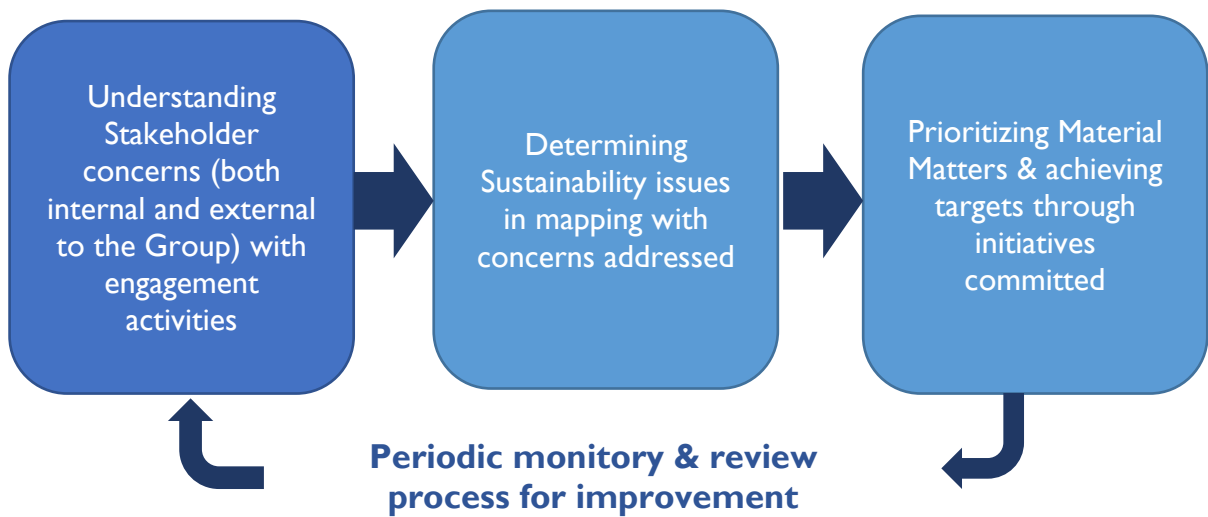
SUSTAINABILITY REPORT (continued)

MATERIALITY ASSESSMENT

The Group’s materiality assessment process which took its roots in 2018, aimed at identifying important matters from both internal and external perspectives, and decides on which one to act on and to report. This is crucial as the Group’s ability to achieve its vision and strategy could well be dependent on the type of information provided by the assessment.

The materiality assessment process will be evaluated annually for more accurate mapping of concerns addressed with key material matters identified to realize long-term business values from the sustainable practices engrained within the Group. Over time, the Group’s determination of material sustainability matters must also be aligned with factors such as changes in its risk appetite, business model and strategy, regulatory landscape and industry trend.

The materiality assessment process is summarised as follows:



SUSTAINABILITY REPORT (continued)

DETERMINATION OF MATERIAL MATTERS

The Material Matters (“MM”) for our manufacturing units, which are tabulated below, were determined based on the following 2 principles:-

- (i) Whether it reflects our Group’s significant EESG impacts; and
- (ii) Whether it substantively influences the assessment and decisions on our Group’s stakeholders.

We have during the Financial Period Ended 2024, performed a limited review (including stakeholder engagement and materiality assessment), where the MM under the scopes of EESG for the Group remained unchanged despite a major shift in our revenue-generating activities following the liquidation of the cable manufacturing subsidiaries in mid-May 2024. The Key MM, which are unchanged are as tabulated below:

KEY MATERIAL MATTERS		Anticipated Impacts on The Group	
		Financial	EESG Perspective
1	Effective Risk Control System	<ul style="list-style-type: none"> ▪ Loss recovery & financial stability ▪ Organic growth in business 	<ul style="list-style-type: none"> ▪ Economic contributions/GDP ▪ Jobs creation
2	Legal & Regulatory Compliance	<ul style="list-style-type: none"> ▪ Less fraud with ethical business conduct ▪ Minimizes losses for non-compliance ▪ Increases business opportunity 	<ul style="list-style-type: none"> ▪ Economic contribution ▪ Upholding national standards
3	Effective Procurement & Quality products	<ul style="list-style-type: none"> ▪ Cost reduction to stay competitive ▪ Quality materials for reliable products ▪ Reputational & branding effect 	<ul style="list-style-type: none"> ▪ Sustainable supply chain /GDP ▪ Reduces depletion of resources with recyclable materials ▪ Healthier living conditions
4	Water & Energy efficiency; Waste Minimization	<ul style="list-style-type: none"> ▪ Reduces production & operation cost ▪ Paperless – oriented practices ▪ Cultivates 3R conscious at workplace 	<ul style="list-style-type: none"> ▪ Environmental protection ▪ Less depletion of resources ▪ Promotes digital economy
5	Environmental Management (ISO compliance)	<ul style="list-style-type: none"> ▪ Maintain high standards ▪ Minimize losses from non-compliance ▪ Healthier, safer & greener workplace 	<ul style="list-style-type: none"> ▪ Environmental protection ▪ Better living condition for community
6	Safety & Health (OHSAS compliance)	<ul style="list-style-type: none"> ▪ Keeping employees safe and healthy ▪ minimizes time loss injuries ▪ Boosts morale, performance & outputs 	<ul style="list-style-type: none"> ▪ Social compliance ▪ Human capital development ▪ Improves employment rate
7	Impactful CSR	<ul style="list-style-type: none"> ▪ Minimize grievances from community ▪ Positive corporate image & reputation 	<ul style="list-style-type: none"> ▪ Contributions to community ▪ Promotes healthier living

SUSTAINABILITY REPORT (continued)

SUSTAINABILITY MATTERS MANAGEMENT

OUR GROUP'S 2024 EESG INITIATIVES

GOVERNANCE

Good governance remained the top priority for the Group, and the Group understands and takes full cognizance of operating its business responsibly whilst pursuing business growth.

Effective Risk Control System

Understanding the importance of risk management, the Group continues to implement its Enterprise Risk Management (“ERM”) diligently, in which Management follows a set of established methodology when performing the ERM (also formalized in the ERM Framework). Arising from this ERM, Management identifies risks faced by the Group, divided into different risk priorities for different risk treatments. Apart from addressing the risks identified through risk treatment plans, if required, these identified risks will also be used as a basis for the Internal Audit Department to establish the Internal Audit Plan (i.e. risk-based internal audit).

Refer to the Annual Report for the Statement on Risk Management & Internal Control for further details.

Legal & Regulatory Compliance

Being a manufacturer and supplier of industrial products, and also a Main Market Listed Issuer, the Group is mandated to comply with various regulatory requirements, including the Industrial Co-ordination Act 1975, Occupational Safety and Health Act 1994, Main Market Listing Requirements, and Companies Act 2016.

The Group places high importance in ensuring compliance with the relevant regulatory requirements, and have entrusted the relevant Heads of Departments to ensure compliance. Furthermore, non-compliances, if any, will be reflected in the performance appraisal of the relevant personnel, and appropriate actions will be taken.

To ensure that we conduct business with the highest level of integrity, the Group has established the Anti-Bribery and Corruption (“ABC”) policy which aligned with sub-section (5) of section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Act 694) (“MACC Act 2009”), as stated in the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (“Amendment Act 2018”). This is to provide guidance to all employees in an effort to uphold the Group’s zero tolerance position on any forms of bribery and corruption. Further to the above, the ABC policy is also extended to our Group’s business associates or third parties, which includes vendors, contractors, financial institutions, sub-contractors, consultants, agents, and representatives, among others. To effectively communicate this policy and also the company’s stance on anti-bribery and corruption to our employees and third-parties, we have distributed a memorandum to our employees and third-parties and required them to provide the declaration of their understanding and compliance with the SCB’s Anti-Bribery and Corruption Policy, Whistle Blowing Policy, Code of Conduct, and Conflict of Interest Policy.

SUSTAINABILITY REPORT (continued)

Legal & Regulatory Compliance (continued)

In line with the Malaysian Anti-Corruption Commission Act 2009 (“MACCA”) and the Guidelines of Adequate Procedures issued by the Prime Minister’s Office, we have also developed and implemented a comprehensive set of measures to combat bribery and corruption based on the level of risk associated with the nature and complexity of our business.

The Group’s Whistle Blowing Policy is built on the foundation of a high standard of integrity and accountability in the conduct of its businesses and operations. All business affairs will be carried out in an ethical, responsible and transparent manner. With this in mind, a transparent and accountable communication channel was established for employees and other stakeholders to communicate their concerns of any potential malpractices or malpractices that have taken place, in an effective and secured manner. A whistle-blower will be accorded with protection under the Policy, and that no action shall be taken against any individual reporting such malpractices, as long as it is made in good faith and in the best interests of the Group. The Whistle Blowing Policy was last updated on 19 September 2022 and is available on our corporate website at <https://www.sarawakcable.com/>.

Although we have yet to formally assess our present operation in Kuching, we can take comfort in the fact that there have been no substantiated cases of malpractices amounting to fraud and bribery being reported either by our Internal Audit, External Audit or members of the public (through our Whistle-blowing channel) throughout the Group in the past four (4) financial periods.

SUSTAINABILITY REPORT (continued)

ECONOMIC

Prior to the liquidation of our two (2) West Malaysia cable manufacturing arms, Tenaga Nasional Bhd's RM21 billion investment in its Grid of the Future program from 2022 to 2024 was expected to be one of the impetus for the Group to further consolidate its position as the leading industry player in Malaysia and Southeast Asia. The ever increasing demand for power cables to cater for power supply projects and the related infrastructure development all throughout the country will also enable the Group to seize opportunities for growth. Nevertheless, following the loss of control over the two (2) subsidiaries, which happened to be among the biggest power cable manufacturers in the country, the expected economic benefits from this prospect was only partially realized.

The loss of business in the Peninsular market and those from sales of power cables and conductors in Sabah and Sarawak did not dampen our spirit. Instead, we turned our focus on Sarawak Government's major initiatives in recent months such as the development of its first hydrogen plant, dubbed H2biscus project and also the ongoing Kuching Urban Transportation System (KUTS) projects, the ongoing Pan Borneo and Coastal Road Network and latest the upcoming two mega infrastructure projects – a new international airport and deep-sea port in Kuching to fulfil its vision to become a regional aviation and sea hubs. Some RM100bil are expected to be invested over the next five to ten years to fund the new international airport and the deep-sea port and our Group, with our expertise in the manufacturing and supply of steel structures, guard rails, street lighting, electrical poles, transmission tower and galvanised steel bridge is expected to be the frontrunner for these massive projects' procurement needs.

Similarly, the collaboration with our major client, Sarawak Energy Berhad through the signing of a Memorandum of Understanding (MOU) in 2020 aimed at encouraging knowledge sharing and fostering innovation is still ongoing and we can still count on this major Client to support our business in the East Malaysia market.

Effective Procurement, Local Suppliers' Support & Delivery of Quality Products

To ensure financial sustainability and viability of the company, we are constantly monitoring the cost of materials used in our production plants.

We have come a long way in ensuring that our relationship with our suppliers is built on trust and mutual understanding that will benefit all parties in the long run. Our procurement units are actively sourcing for new and alternative materials which will enable us to keep our production cost low and in turn allows us to supply our cables and conductors at reasonable price.

We evaluated all vendors thoroughly, with criteria ranging from competitive pricing, timely delivery to the ability to meet regulatory requirements. Timely delivery of the required raw materials will ensure that our production lines are able to deliver the goods to the market and customers on time. This is especially critical for contractors working on tight schedules to meet construction deadlines and avoiding delays and penalties during project implementation. Ultimately, our strict selection process will provide economic benefits to reliable and responsible vendors, suppliers and service providers whose presence in this country and globally is an impetus for employment opportunities and national income.

SUSTAINABILITY REPORT (continued)

Most importantly, it is our practice to prioritize local suppliers in our procurement plan/ program where over 60% of our raw materials requirement are sourced locally.

To ensure the Group delivers quality products to our customers, we practice the following:

- Policies and procedures were established to provide guidance to our employees, to ensure products are made in accordance with established standards and specifications, as well as the terms of contractual agreements entered into, if any;
- The Group and its products are accredited/ certified with the internationally recognized standards, including MS ISO 9001:2015 Quality Management System, ISO 45001:2018 Occupational Health & Safety Management Systems, ISO 14001:2015 Environmental Management System, KEMA – Netherlands, CESI – Italy, TUV SUB (PSB TEST) – Singapore, ABS – USA, KINECTRICS, Lloyd's Register – UK;
- The Group is registered and qualified under various licensing bodies including Construction Industry Development Board (CIDB), MOF (Ministry of Finance, and Ministry of International Trade & Industry Malaysia (MITI);
- The Group's Quality Assurance and Quality Control Department performs close monitoring of the design and fabrication process to ensure products are of high quality and complied with standards and specifications

We view every customer's complaint seriously, big or small. Every complaint is recorded in the Customer Complaint Form which will trigger immediate investigation by the relevant departments. A conclusive finding will determine whether non-compliant or defective products will be recalled or replaced and whether compensation is fully justified. In any case, every complainant will be informed about the investigation outcome within 7 working days. The investigation process usually involves checking of manufacturing, delivery and installation processes, scrutiny of relevant records, and detailed examination/ inspection of the rejected goods in order to determine the root cause. Once a root cause is identified, the appropriate corrective action plan shall be determined and executed. Finally, the corrective action taken shall be verified and the customer shall be contacted to ensure that the issues have been satisfactorily resolved and closed.

It is common for our Sales Department to receive invalid complaints from our customers which are basically complaints of damages that took place due to their own improper handlings of the goods delivered to them. However, for a few of the valid complaints that we received, it is mostly made up of issues such as inaccurate length, thickness and cosmetic issues which our technical teams quickly resolved to the satisfaction of our customers.

In addition to resolving customer complaint, we have been implementing the necessary measures to monitor and measure customer satisfaction through the Customer Feedback Form and regular sales visit.

SUSTAINABILITY REPORT (continued)

New Business Opportunities

The increasingly competitive global and domestic markets, rapid changes in technologies, consumer preference, and environmental concerns pushing for green technology are making it necessary for our Group to constantly diversify and add new items to its existing product lines.

The market opportunity for our existing steel poles, guard rails, and galvanizing services is still very promising, especially in a state with growing infrastructure and construction needs. These potential new opportunities are tabled below:

	Driving Force	Business Opportunities
1	Infrastructure development	With increasing investments in infrastructure projects, there is a high demand for steel poles and guard rails for the transportation networks
2	Urbanization	Rapid urbanization leads to the construction of new buildings, roads, and public spaces, creating a need for steel poles for street lighting, guard rails for safety, and galvanizing services to protect against corrosion.
3	Safety regulation	Safety regulations and standards for public infrastructure projects drive the demand for high-quality guard rails and galvanized steel products.
4	Renewable Energy projects	The growth of renewable energy projects, such as wind farms and solar power plants, requires steel poles for supporting structures and transmission lines.
5	Telecommunication industry	Expansion of telecommunication networks necessitates steel poles for mounting antennas and other equipment
6	Construction industry	The construction industry's continuous need for durable and corrosion-resistant materials ensures steady demand for galvanizing services.
7	Government initiatives	Government initiatives aimed at improving infrastructure and public safety further boost the market opportunity

Street Lighting Pole & Electrical Pole



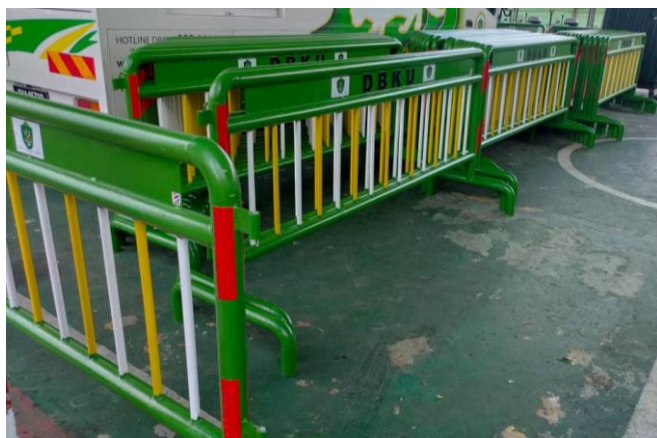
SUSTAINABILITY REPORT (continued)



Galvanizing Service



Custom Fabrication



SUSTAINABILITY REPORT (continued)



Environmental Management

Our plant in Sejingkat, Kuching maintains a stringent compliance with the regulations of the Malaysian Department of Environment (“DOE”) which includes compliance to the DOE’s applicable regulations such as the Environmental Quality (Clean Air) (Amendment) Regulations, Environmental Quality (Scheduled Wastes) (Amendment) Regulations and Environmental Quality (Industrial Effluent) Regulations. There were very minimal non-compliances recorded and issues raised by the DOE have been promptly resolved with minimum implication. Recently, we have also started to monitor and manage gas release via chimney at our Sejingkat factory.

As a responsible corporate citizen, we are constantly aware of the concept of Green Growth promoted by the Organization for Economic Co-operation and Development (“OECD”). We believe that through greater adoption of Green Growth technologies and practices, it can enhance our plants’ efficiency in the use of raw materials, reducing waste and energy consumption, unlocking opportunities for innovation and value creation, and allocating resources to the highest value use.

Process-wise, our manufacturing plants are leveraging on its years of experience and innovation to achieve production efficiency through optimization of machine loading according to monthly order, effective manpower planning, and strict Quality Control process from raw materials selection until finishing stage to minimize rejection rate.

Our plants set scrap limit for all main raw materials and implement strict monitoring of scheduled waste, raw material scrap and metal scrap. The usage of raw materials is being closely monitored on weekly and monthly basis and proper justifications are sought in the event of additional quantities required. In managing scheduled waste, we ensure proper disposal of the scheduled waste consisting of zinc ash and dross, waste oil and HCL Acid via a third party.

Our recyclable scraps are periodically sold to the highest bidder and this will ensure that the materials are being fully optimized even when it is no longer needed by our own production plants. When buying non-durable items, with minimum stock in mind, we strictly adopt buffer top-up list to avoid over-stocking or shortage or wastage of the items.

In recent years, the factory has also started to reuse waste materials and offcut materials to produce other products such as base plate and spigot which not only contribute to a slight bottom line improvement, but also reduce our resource consumption, especially raw materials.

SUSTAINABILITY REPORT (continued)

Water & Energy Efficiency

The manufacturing and cleaning processes in our factory require a significant amount of water on daily basis. Due to the considerable size of our plants and number of employees, the amount of water consumed, if not controlled would have resulted in not only huge expenses, but could contribute to unnecessary wastages. To reduce water usage for the Group, we have implemented the following initiatives:

- regular detection of water drips and leakages, where faulty pipes or taps are immediately replaced; and
- use of collected rain water for flux tank and water rinsing tank.

We have also started to replace halogen lights with LED lightings for our office and factory.

OUR PEOPLE &

We take pride in our endless commitment in ensuring that all employees are provided with a comprehensive medical benefit from outpatient medication to hospitalization and specialist treatment. We continue to be accommodating to our employees requiring medical leave, maternity/ paternity leaves, and all employees are given adequate fully paid rest days and time away from work in the form of annual leave. We complied fully with the Malaysian Labour laws and regulations. We practiced a non-discriminatory recruitment process although due to the physical strength required to carry out the manufacturing process, our manufacturing workforce are largely made up of male employees

Training & Skill Development

We recognize the importance of retaining talents and enhancing competency level in tackling business challenges ahead. The last three (3) years have seen a gradual increase in external training and also participation by our employees, as tabulated below:

Training indicators	FYE 2020	FPE 2022	FYE 2023	FPE 2024
No. of training courses	53	39	39	41
No. of employee participated	273	284	481	435
Training hours	2,576.5	3,823	3,300	4,364

Safety & Health

The Group's Occupational Health and Safety Policy is formulated with the aim to provide a safe and healthy environment for all employees, visitors, customers and our other business partners. We constantly monitor the relevant requirements to ensure full compliance to the Standard. Our employees, particularly our manufacturing workforce are subjected to the annual health screening and medical surveillance to minimize the potential harmful effect that their working environment and daily activities can have on their health.

Our in-house safety officers regularly conduct health and safety awareness campaigns and training sessions, such as fire-fighting, fire drill and internal safety audit. This is to promote greater sense of responsibility, better understanding of safety procedure in the event of fire or other incidences, and to prevent accidents at the workplace.

SUSTAINABILITY REPORT (continued)

The followings were some of the safety-related trainings conducted/ attended during the period under review:

- First Aid Refresher
- Chemical Handling and Storage Training
- Occupational Safety and Health Awareness Hearing Conservation Programme Training
- Seminar Organisasi Keselamatan Kebakaran (OKK) Jabatan Bomba dan Penyelamat Malaysia Negeri Sarawak 2024
- The 9th Seminar on Occupational Safety & Health, Kuching, Sarawak
- Recent updates on Risk Assessment Requirement: HIRAR 2.0

The attendance of employees in relation to the safety related training for the past four (4) financial periods (i.e. FYE 2020, FPE 2022, FYE 2023 and FPE 2024) are as follows:

	FYE 2020	FPE 2022	FYE 2023	FPE 2024
% of attendance	72	70	81	80

Most of the safety-related trainings were attended by the production workers, machine technicians and maintenance workers whose job scopes require that they are constantly aware of safety procedures and environmental conservation, while non-technical employees are constantly encouraged to be hands-on in fire safety and basic occupational safety at their workplace. For those who are unable to attend any safety-related trainings, we do have reminders in the form of emails and notices from the Safety & Health Committee or the Human Resources & Admin Department for all employees of the need to follow safety procedures in performing their tasks.

Good awareness and greater emphasis on health and safety within our organization ensures smoother operation and positive image as major accidents and health incidences may cause interruption in production, negative publicity and even penalties by the relevant government agencies.

There was no incidence of work-related fatalities recorded throughout the Group during the FYP under review.

Going Green at Workplace

The 'Going Green at Workplace' initiatives through the in-house gardening and landscaping initiatives by our employees to create a green environment within our office and factory compound is now in its fifth year. Not only will this create a healthy environment at our workplace, the effort is actually our small contribution in helping to combat global warming and surface run off, both of which are major environmental concerns of our modern world.

Our "3R" Campaign at workplace has also been on-going since its inception 5 years ago. Through constant reminders and imprint of 3R signage, our recycling practices are turning into a habit as our staff voluntarily and diligently collect recyclable waste (mainly papers, plastic, aluminium tins & cans) not only within our workplace but also from their home to fill up the 3R bins provided. Although the proceeds raised from selling the recyclable items were relatively small in amount, its effect to the environment is significant as those items made its way into recycling centres and eventually turned into other usable products.

SUSTAINABILITY REPORT (continued)



COMMUNITY &

Here at SCABLE, we firmly believe that community development is part and parcel of our daily business. Our CSR teams comprising of our volunteering employees are committed in promoting “green” culture, building socially valuable relationships and enriching the general community services while upholding our CSR motto “With Love, We Care”. While there has been no significant monetary contribution carried out during the period, our CSR team has always been on the lookout for some meaningful community services for our employees to participate, notably beach cleaning and probably tree planting initiatives organized by local councils.



WITH LOVE, WE CARE

Conclusion

At Sarawak Cable, we aim to build and maintain a sustainable business, investing resources and efforts to continuously manage key sustainability matters (i.e. EESG) to the best of our ability. The Board, assisted by our capable Management team will continue to provide leadership to steer the Group to achieving sustainable growth and create value to our stakeholders via our established processes for managing business sustainability. Our sustainability journey is one that will see us evolving from a regular commercial entity into a responsible corporate citizen leveraging on the wealth of our experience and greater awareness of how our business impact the economy, environment and society.

SUSTAINABILITY REPORT (continued)

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	0.00
Executive	Percentage	0.00
Non-executive/Technical Staff	Percentage	0.00
General Workers	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	0.00
Management Above 50	Percentage	4.50
Executive Under 30	Percentage	0.00
Executive Between 30-50	Percentage	10.81
Executive Above 50	Percentage	4.50
Non-executive/Technical Staff Under 30	Percentage	6.31
Non-executive/Technical Staff Between 30-50	Percentage	30.63
Non-executive/Technical Staff Above 50	Percentage	22.52
General Workers Under 30	Percentage	8.11
General Workers Between 30-50	Percentage	11.71
General Workers Above 50	Percentage	0.90
Gender Group by Employee Category		
Management Male	Percentage	6.35
Management Female	Percentage	14.09
Executive Male	Percentage	12.70
Executive Female	Percentage	8.60
Non-executive/Technical Staff Male	Percentage	40.86
Non-executive/Technical Staff Female	Percentage	2.71
General Workers Male	Percentage	14.46
General Workers Female	Percentage	0.45
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.00
Female	Percentage	20.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	10,245,606.24
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	159
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	328
Executive	Hours	917
Non-executive/Technical Staff	Hours	2,246
General Workers	Hours	873
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00

Internal assurance External assurance No assurance (*)Restated

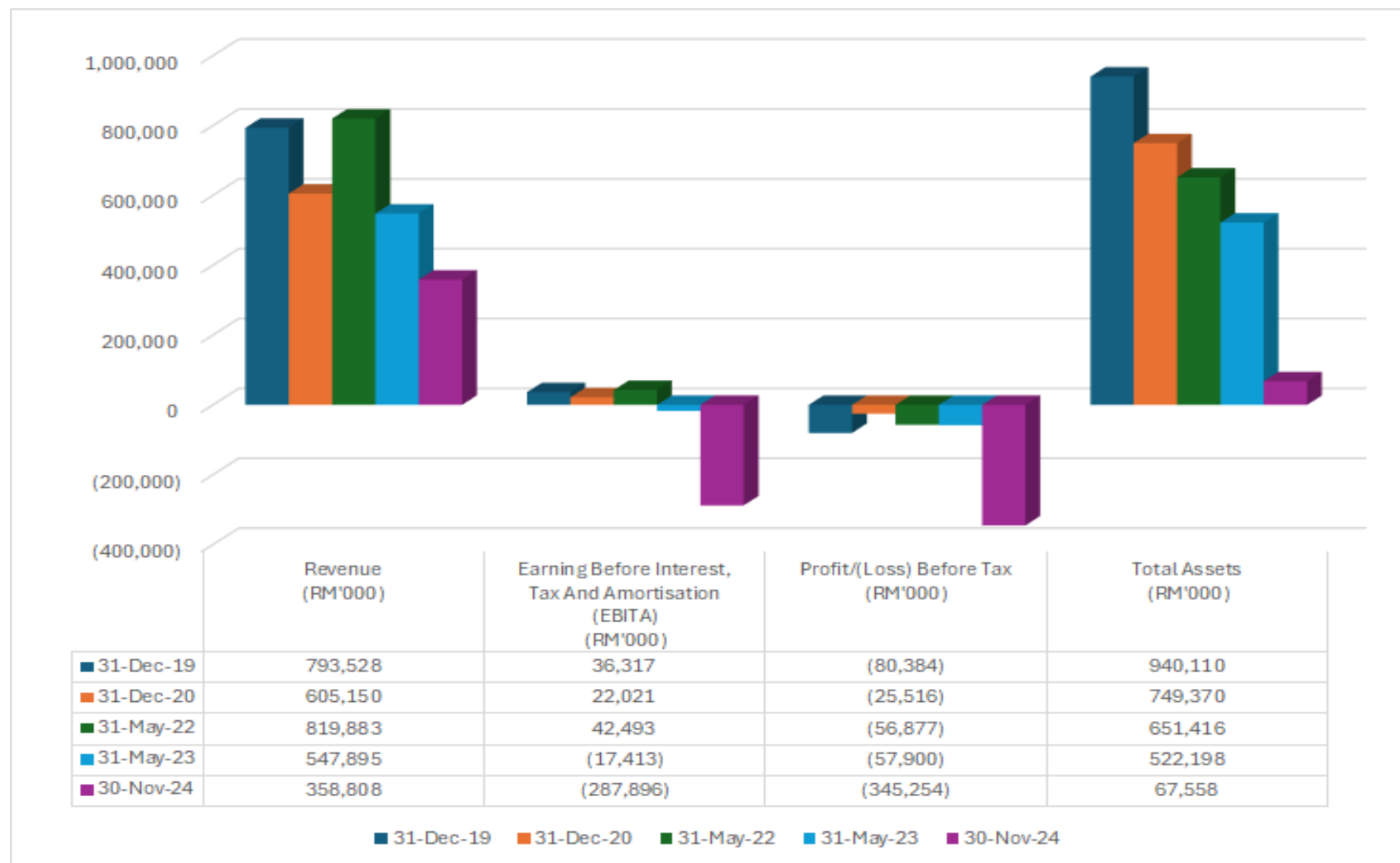
SUSTAINABILITY REPORT (continued)

Indicator	Measurement Unit	2024
Bursa C6(c) Total number of employee turnover by employee category		
Non-Executive	Number	19
Executive	Number	12
Middle Management	Number	5
Top Management	Number	2
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	66.25
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	54.020000

Internal assurance External assurance No assurance

(*)Restated

FINANCIAL REVIEW



AUDIT COMMITTEE REPORT

This Report has been reviewed by the Audit Committee (“AC”) and approved by the Board for inclusion in this Annual Report.

The AC assists our Board in fulfilling its responsibilities with respect to its oversight responsibilities. The AC is committed to its role in ensuring the integrity of the Group’s financial reporting process and the system of internal control, external and internal audit processes and such other matters that may be specifically delegated to the AC by our Board.

The AC is guided by written Terms of Reference which deal with the AC’s authorities and duties. The terms of reference of the AC are made available on the Company’s website at:

https://www.sarawakcable.com/files/ugd/045dbe_b54248f8dbf146d6bc020d10d41b1098.pdf

Composition

The AC comprises the following members for the Financial Period Ended (FPE) 2024 and up to the date of this annual report:

A. Current members of the AC are:

- Rafat Ali Rizvi – Appointed to the Board as a Non-Independent Non-Executive Director on 29 December 2023 and subsequently to the AC as a member on 14 August 2024;
- Hamzah bin Mahmood – Appointed to the Board as an Independent Non-Executive Director on 6 August 2024 and subsequently to the AC as a Member on 14 August 2024. Hamzah was also redesignated to the Chairman of the AC on 29 August 2024; and
- Kiew Jin Huey – Appointed to the Board as an Independent Non-Executive Director and subsequently to the AC as a member on 29 August 2024.

B. Previous members of the AC were:

- Redzuan bin Rauf – Encik Redzuan was redesignated to the Chairman of the AC on 20 July 2023 and was also an Independent Non-Executive Director of the Company. He has on 23 July 2024 ceased to be the Chairman (and Member) of the AC following his resignation as an Independent Non-Executive Director on 23 July 2024;
- Datuk Kevin How Kow – Appointed as a Member of the AC on 20 July 2023 and ceased to be a Member of the AC following his resignation as a Non-Independent Non-Executive Director on 6 August 2024;
- Datuk Rozimi bin Remeli – Member of the AC until 31 August 2023 and ceased to be a Member of the AC following his resignation as an Independent Non-Executive Director on 1 September 2023;
- Ninam Shah bin Dato' Kadar Shah – Appointed as a Member of the AC on 5 September 2023 and ceased to be a Member of the AC following his resignation as an Independent Non-Executive Director on 14 December 2023;

The composition of the AC complies with the MMLR of Bursa Securities and the Terms of Reference as follows:

- Composed of not fewer than three (3) members with vacancies filled within three (3) months;
- All the AC members are Non-Executive Directors, with a majority of them being Independent Directors and none of them are alternate Directors; and
- At least one (1) of the AC member is a member of the Malaysian Institute of Accountants.

AUDIT COMMITTEE REPORT (continued)

Meetings in FPE 2024

The AC members and the attendance of each member at the AC meetings during the FPE 2024 are set out below:

Name of Director	Meetings attended
Hamzah bin Mahmood	1/1
Rafat Ali Rizvi	1/1
Kiew Jin Huey	1/1
Redzuan bin Rauf	5/5
Datuk Rozimi bin Remeli	1/1
Datuk Kevin How Kow	5/5
Ninam Shah bin Dato' Kadar Shah	3/3

The AC held two (2) meetings with the external auditors on 5 September 2023 and 28 March 2025 without the presence of Management. This session allowed the AC and the external auditors to focus on areas that might not have been specifically addressed as part of the audit and where the external auditors could provide additional and confidential comments to the AC. The matters discussed were the results of the audit, extent of cooperation provided by the Company, quality of the financial management and reporting, and any other observations that they might have during the annual audit.

In order for the AC to discharge its work effectively, the AC engages on a continuous basis with the Management and external auditors, in order to keep abreast of matters and issues affecting our Group. Furthermore, Senior Management personnel and Internal Audit Department, including other Board members and employees may attend the AC meetings upon invitation of the AC to facilitate discussion of matters on the agenda, where required. Representatives of the external auditors attend the scheduled meetings to table their annual audit plan and the final audited financial statements.

The Nomination Committee has performed a review on the terms of office and the performance of the AC, including that of each individual AC members. The Board, with the concurrence of the Nomination Committee has determined that the AC and its members have carried out their duties in accordance with their terms of reference.

Summary of works of the AC during the FPE 2024

The Chairman of the AC reports to the Board at each Board meeting on the activities carried out by the AC in the discharge of its duties and responsibilities. The major works undertaken by the AC during the FPE 2024 were as follows:

I. Financial reporting

- Reviewed with the appropriate officers of the Group, all the quarterly unaudited financial results of the Group, focusing on significant matters, and ensured the disclosures were in compliance with regulatory requirements such as the Malaysian Financial Reporting Standards and MMLR, before recommending the same to the Board for approval to release the quarterly financial results to Bursa Securities.
- Reviewed the consolidated annual audited financial statements of the Company and the Group, together with the external auditors, before recommending the same to the Board for approval. Reviewed the impact of changes in accounting policies and adoption of new accounting standards, together with significant matters highlighted in the financial statements.

AUDIT COMMITTEE REPORT (continued)

2. External and Internal Audit

- Reviewed the external auditors' Audit Plan for the Group, which outlined amongst others, the strategy, responsibilities, approach and the scope of work for the FPE 2024 and the external auditors' fees.
- Discussed and reviewed with the external auditors, the results of their examination and their reports in relation to the audit and accounting issues arising from the audit. The AC advised the Management to work with the external auditors in closing the gaps noted during the statutory audit.
- Discussed and reviewed the overall adequacy and effectiveness of the system of internal controls.
- Considered the suitability and independence of the external auditors by assessing, among others, the adequacy of their technical expertise, experience, skills, independence and objectivity. The AC was satisfied that the external auditors, Baker Tilly Monterio Heng PLT ("Baker Tilly") appointed on 21 November 2023, were able to meet the audit requirements and statutory obligation of the Company and also their professional independence and objectivity as external auditors of the Company. Following the assessment, the AC has recommended the re-appointment of Baker Tilly as external auditors of the Company during the AC Meeting on 28 March 2025. The Board accepted the AC's recommendation for Baker Tilly's re-appointment as the external auditors at the forthcoming Annual General Meeting ("AGM").
- Reviewed the audit services and non-audit services provided by the external auditors and the fees paid/ payable for the respective types of services, and concluded that the auditors remained independent and, together with the Board, are satisfied with the services and performance of Baker Tilly. The fees for the FPE 2024 are:

Fees	Company (RM)	Group (RM)
Audit services	197,000	482,000
Non-audit services	112,207	112,207

The non-audit services are mainly for the services related to the Proposed Appointment as the Scheme Advisor/ Manager.

- Discussed with the external auditors, the assistance and cooperation given by the Group's and Company's officers.
- Reviewed and approved the Annual Internal Audit Plan to ensure adequacy of resources, competencies and coverage of auditable entities with significant and high risks.
- Up until February 2024, reviewed the scope and results of internal audits addressing internal controls over operations, financial, compliance and information technology processes relating to the Group based on the approved Annual Internal Audit Plan.
- Up until February 2024, discussed and reviewed the major findings, areas requiring improvements and significant internal audit matters raised by internal auditors and Management's response.
- Reviewed adequacy of resources, the performance, competence and effectiveness of the internal audit function.

AUDIT COMMITTEE REPORT (continued)

- Due to the substantially scaled down operations of the Group following the liquidation of Universal Cable (M) Berhad and Leader Cable Industry Berhad, no subsequent internal audit activities were carried out after February 2024. As a mitigation measure, a new subsidiaries' Chief Operating Officer was appointed in September 2024 to oversee the operations of the remaining subsidiaries that have limited activities and implemented some internal control measures such as proper approval of purchase orders and payments to the suppliers/ service providers.

3. Recurrent Related Party Transactions

Reviewed the recurrent related party transactions ("RRPT") of the Group on a quarterly basis, with assistance by the Internal Audit function, to ensure that the transactions entered into by the Group were within the shareholders' mandate, in relation to the nature and value limits of the transactions, including arm's length terms and in compliance with the MMLR.

However, following the liquidation of Leader Cable Industry Berhad and Universal Cable (M) Berhad in May 2024, there was no material RRPT conducted.

4. Other Matters

Reviewed the status and changes in material litigation, law and regulations, compliance with loan covenants and regulatory updates on the Group's businesses.

Internal Audit ("IA") Function

The Group has established an in-house independent internal audit function which reports directly to the AC. The primary responsibility of the IA function is to provide independent and objective assessment of the adequacy and effectiveness of the risk management, internal control and governance processes established by Management and/or the Board within the Group. The internal audit function adopts a risk-based audit methodology, which is aligned with the risks of the Group to ensure that the relevant controls addressing those risks are reviewed on a timely basis. The IA function is guided by The Institute of Internal Auditors' mandatory guidelines including the Definition of Internal Auditing, the Core Principles, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing.

The IA function reports directly to the AC, and is responsible for ensuring the IA function achieves its objective in carrying out a systematic approach to evaluate, and where applicable recommend improvement on, the effectiveness and adequacy of the governance, risk and controls of the Group. The effectiveness of the IA function is assessed by the AC.

Summary of the work of the Internal Audit function during the FPE 2024, up to February 2024, are as follows:

- Formulated and agreed with the AC on the risk-based audit plan, strategy and scope of work.
- Reviewed compliance with established policies, procedures and relevant rules and regulations.
- Reviewed and tested the adequacy and operating effectiveness of controls associated with critical processes and IT system, including:
 - Inventory and raw materials management system;
 - Production activities, plant and maintenance and cost saving areas;
 - Construction project management;
 - Administrative expenditures' verification

AUDIT COMMITTEE REPORT (continued)

- Revisit of areas of audit to verify whether corrective actions have been accomplished.
- Reported internal audit findings and made recommendations to improve the internal control and risk management system.
- Reviewed the RRPT of the Group to ensure that they were undertaken on normal commercial terms of the Group and on terms which were within the shareholders' mandate, in relation to the nature and value limits of the transactions, including arm's length terms and in compliance with the MMLR and the Group's policies and procedures.

The total costs incurred for the internal audit function for the FPE 2024 amounted to approximately RM90,000.

This Statement is dated 28 March 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of SCABLE presents this statement to provide an overview of the Company's application of the Principles set out in the Malaysian Code on Corporate Governance ("MCCG") for the financial period under review and up to the date of this Statement.

The Board recognises the importance of implementing high standards of corporate governance in the Company for the purposes of safeguarding the interest of its stakeholders and the assets of the Group, comprising the Company and all its subsidiaries. In adopting corporate governance practices, the Board is mindful in considering the five pillars of transparency, accountability, ethical culture, sustainability and financial performance.

As such, the Board seeks to embed in the Group a culture that is aimed at delivering balance between conformance requirements with the need to deliver long-term strategic imperatives through performance, without compromising on personal or corporate ethics and integrity.

Following the introduction of the new Malaysian Code on Corporate Governance ("MCCG") by the Securities Commission on 28 April 2021, the Board is cognizant of the growing level of expectation for proper corporate governance and is poised to take the necessary steps to strengthen and ensure such level of governance is adopted throughout the Group.

The details on how the Company has applied each Practice as set out in the MCCG are disclosed in the Corporate Governance Report, which is available for viewing on the Company's website at <https://sarawakcable.com/>.

Principle A: Board Leadership and Effectiveness

1. Board Responsibilities

The Company is led by a Board which is responsible for the overall business direction of the Group. The Board provides stewardship to the Company, and oversees the conduct of the business affairs of the Group's business operations and performance in achieving long-term values to shareholders as well as other stakeholders of the Group.

The Company has established a Board Charter, the objective of which is to serve as a source of reference and primary guide to the Board and Senior Management as it sets out the role, functions, composition, operation and processes of the Board and seeks to ensure that all Board members are aware of their duties and responsibilities. To enable the Board to function effectively with proper accountability, the Board Charter has delineated clear functions reserved for the Board.

The Board Charter is available on the Company's website at:

https://www.sarawakcable.com/files/ugd/045dbe_e0cad053cc2e40bba7857d8960265ead.pdf

To assist in the discharge of its stewardship role, the Board has delegated and conferred some of its authorities and powers to its Committees. The demarcation of roles and responsibilities of the Board of Directors, Board Committees, Chairman and Group Managing Director, are summarised as follows:

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

Board Responsible for the overall business direction of and oversees the conduct of the business affairs			
Board Chairman Responsible for leadership of the Board, by ensuring effective conduct of the Board and effective communication with shareholders and stakeholders			
Audit Committee (“AC”)	Nomination Committee (“NC”)	Remuneration Committee (“RC”)	Risk Management Committee (“RMC”)
Oversees matters relating to financial reporting, external audit, internal audit, related party transactions and conflict of interest situations, as well as the establishment of an effective and sound framework of internal control	Oversees matters pertaining to the structure, size and composition of the Board and Board Committees, including identifying and nominating candidates to fill Board/Board Committee vacancies, annual evaluation of board-level effectiveness, and succession planning	Establishes and reviews the Directors’ remuneration package to align to the long-term objectives and business strategy of the Group, as well as to recommend the remuneration for Senior Management	Ensure there is a sound framework and policy for risk management and internal control, understand the principal risks of the Group’s business and setting the risk appetite of the Group
Group Chief Executive Officer/ Group Executive Director Responsible in ensuring the efficiency and effectiveness of the operation for the Group, implementing the policies, strategies and decisions adopted by the Board and highlighting material and relevant matters to the attention of the Board in an accurate and timely manner			

The positions of the Chairman and the Group Managing Director/ Chief Executive Officer are held by different individuals, namely, Dato Sri Mahmud Abu Bekir Taib (Board Chairman until 28 October 2024) and Mr Russell Walter Boyd as Group Chief Executive Officer (CEO) effective from 26 April 2023 until 16 July 2024. The Group CEO role is later taken over by the Executive Director, Mr Mazhar Ul Latif upon Mr Russell’s resignation. Moreover, the Chairman was a Non-Independent Non-Executive Director, providing a clear distinction and separation of the two roles above, maintaining a balance of power and authority to the Board’s dynamics, and ensuring no one individual has unfettered decision-making powers.

Furthermore, to promote check and balance as well as objective review by the Board on deliberations from the Board Committees, our Board Chairman is not a member of any of our Board Committees.

Whilst Dato Sri Mahmud Abu Bekir Taib was the Chairman until 28 October 2024 he focused on providing overall leadership to the Board, the Independent AC Chairman, namely Mr. Redzuan bin Rauf (effective 20 July 2023 until 22 July 2024) and Hamzah bin Mahmood (effective 29 August 2024), provides check and balance by leading the AC to independently scrutinise financial matters, related party transactions and system of internal controls.

The NC is chaired by an Independent Non- Executive Director, Mr Hamzah bin Mahmood (effective 29 August 2024) who took over the role from the Non-Independent Non-Executive Director Dato Sri Fong Joo Chung. Mr Hamzah bin Mahmood has demonstrated to the Board his capability to lead the NC to effectively carry out the annual assessment of the Board, Board Committees and Directors as well as identifying areas requiring improvement.

Meanwhile, Mr Rafat Ali Rizvi (Non-Independent Non-Executive Director) who succeeded Dato Sri Fong Joo Chung as Chairman of the Remuneration Committee effective 29 August 2024 reviews and recommends remuneration packages for Directors and Senior Management making sure it aligned with the long-term objectives and business strategy of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

Mr Rafat Ali Rizvi also chaired the RMC, a position he took over from Datuk Rozimi bin Remeli (who chaired the RMC until 1 September 2023) and Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Haji Mohd Nor (who chaired the RMC until 13 December 2023). The RMC ensures sound risk management and internal control frameworks and practices within the Group.

To assist the Board on sustainability management, the Board has established the Management Sustainability Committee, led by the Group Chief Executive Officer, and subsequently the Group Executive Director, responsible in formulating sustainability strategies and policies, and evaluating and reporting on the Group's sustainability performance.

The Board is committed to conducting its business in accordance with the highest standards of business ethics and complying with the laws, rules and regulations. The Board is guided by the Directors' Code of Ethics in discharging its oversight role. The Company has also put in place a Code of Conduct for its employees and a Code of Ethics for its Company Secretary, to ensure an ethical culture and high standards of behaviour permeate all levels of the Group.

To fortify the Group's governance framework, a Whistle-Blowing Policy has been formalised and a Whistle-Blowing Channel set up to enable internal and external stakeholders of the Group to raise concerns in confidentiality. Further details on the Whistle-Blowing Policy and relevant channels are accessible via:

https://www.sarawakcable.com/files/ugd/b19a3f_0b663b7bad24481d88feb7a5ac1ba42c.pdf

The Board members have unrestricted access to the qualified and competent Company Secretary who provides advisory services to the Board, particularly on CG issues and compliance with the relevant policies and procedures, laws and regulatory requirements, in addition to the administrative matters.

Details of the attendance of the Directors in office during the FPE 2024 under review are as follows:

Directors	Meetings attended
Dato Sri Mahmud Abu Bekir Taib	11/12
Takeo Hirata (appointed on 6 December 2023)	7/8
Rafat Ali Rizvi (appointed on 29 December 2023)	7/7
Mazhar Ul Latif (appointed on 29 December 2023)	7/7
Hamzah bin Hamzah (appointed on 6 August 2024)	2/2
Kiew Jin Huey (appointed on 29 August 2024)	1/1
Dato Sri Fong Joo Chung (resigned on 3 May 2024)	8/9
Yek Siew Liong (resigned on 23 July 2024)	7/9
Datuk Kevin How Kow (resigned on 6 August 2024)	10/10
Erman bin Radin (resigned on 18 January 2024)	5/6
Redzuan bin Rauf (resigned on 23 July 2024)	8/9
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Haji Mohd Nor (resigned on 14 December 2023)	3/4
Alwizah Al-Yafi binti Ahmad Kamal (resigned on 6 December 2023)	4/4
Ninam Shah Bin dato' Kadar Shah (appointed on 14 July 2023 and resigned on 14 December 2024)	4/4
Datuk Rozimi bin Remeli (resigned on 1 September 2023)	1/1

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The Board acknowledges the importance of continuous education and training programmes for its members to enable effective discharge of its responsibilities and to be apprised on the changes to regulatory requirements and the impact such regulatory requirements have on the Group. The Group's Company Secretaries would often circulate the relevant guidelines on statutory and regulatory requirements from time to time to and for the Board's reference.

Via the assessment on the Board, Board Committees and individual Directors facilitated by the NC, the Board has assessed the training needs of each Director. The trainings attended by the Directors included briefings, seminars, workshops and conferences conducted by the relevant regulatory authorities and professional bodies during the financial period are as follows:

Mazhar Ul Latif
• Bursa Malaysia Mandatory Accreditation Programme (MAP)
Mr. Takeo Hirata
• Bursa Malaysia Mandatory Accreditation Programme (MAP)
Rafat Ali rizvi
• Bursa Malaysia Mandatory Accreditation Programme (MAP)
Hamzah Bin Mahmood
• HeiTech Padu Berhad Navigating the AI Landscape for the C-Suite
Miss Kiew Jin Huey (Appointed on 29 August 2024)
• Mandatory Accreditation Programme Part I By Bursa Malaysia
• ISSB: Applying the IFRS Sustainability Disclosure Standards By Bursa Malaysia in collaboration with United Nations Sustainable Stock Exchanges Initiative

** Dato Sri Mahmud Abu Bekir Taib information currently not available.*

2. Board Composition

There were nine (9) members on the Board, comprising five (5) Non-Independent Non-Executive Directors and four (4) Independent Non-Executive Directors as at 1 June 2023, and six (6) members comprising of an Executive Director, three (3) Non-Independent Non-Executive Directors and two (2) Independent Non-Executive Directors as at 30 November 2024.

The independence element of the Board composition complies with Bursa Securities MMLR, which requires at least one-third of Board members to be Independent Directors. Whilst the Board has less than half of its members being Independent Directors, the rest of the Non-Independent Non-Executive Directors are not associated with any of the major shareholder(s). This provides a wider spread in terms of the interest these Directors represent. Collectively as a Board, the interest of shareholders, including minority shareholders, who are represented by the two (2) Independent Directors, are represented fairly.

The Independent Directors provide the necessary checks and balances in the Board's exercise of their functions by facilitating an independent evaluation of the Board's decisions and decision-making process. The presence of the Independent Directors is essential in providing unbiased and impartial opinions, judgments and advice to ensure that the interests of the Group, shareholders and other stakeholders are well represented. The Independent Directors therefore play a key role in corporate accountability. The presence of a majority Non-Executive Directors, fairly representing a wide spectrum of shareholders' interest, also provides strong objectivity to the Board, and minimises the risk of 'group-think' in Board deliberations.

The assessment of the independence of each of its Independent Directors is undertaken annually according to the criteria as prescribed by the MCCG and the MMLR of Bursa Securities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

As recommended by the MCCG, the tenure of directorship of not more than nine (9) years forms also part of the assessment criteria for the independence of a director, where specific tenures of directors are duly reviewed and confirmed for suitability by the NC and Board. The two (2) Independent Directors exceeded nine (9) years, namely Datuk Kevin How Kow and Mr. Erman bin Radin, have been redesignated as Non-Independent Non-Executive Directors prior to their eventual resignation in 2024 and 2025 respectively. There were no Independent Directors serving beyond nine (9) years.

The Board recognizes that diverse professional backgrounds, skills and extensive experience and knowledge are key in contributing to the successful direction of the Group. The current Board members possess a fair range of experience in the areas of finance, business, information technology, general management and strategy.

The Board has formalised a Board Diversity Policy to promote diversity on the Board. In searching for suitably qualified candidates for the Company, emphasis is placed on the ability of the candidate, who shall have the relevant skills and knowledge pertaining to the energy and transmission industry. That said, when searching for a suitably qualified candidate to serve as a Board member, the Board has been relying on the Company's vast reach of network within the industry. This also enables the Company to be able to reach out to industry recognised and well-regarded candidates who are experienced and skilled to contribute to the Board. Nevertheless, the Board acknowledges the value brought by utilising independent sources in identifying suitable qualified candidates and is currently in the process of establishing a process to include considerations of utilising independent sources, in addition to the Board's current process, in seeking for suitably qualified candidates.

NC's Terms of Reference are made available on the Company's website at:

https://www.sarawakcable.com/files/ugd/eaf890_276280c2edd5487ea2314dc9fe14ba3c.pdf

A summary of key activities undertaken by the NC in discharging of its duties during the financial period under review is set out below:

- Reviewed the mix of skills, integrity, time commitment, competencies, experience, contribution and other qualities required of the Board;
- Assessed the performance and effectiveness of the Board and Board Committees;
- Reviewed the composition of the Board and Board Committees and assessed the independence of the Independent Directors;
- Considered the process and methodology and outcome of the assessment of the Board, Board Committee and Directors training needs; and
- Assessed the directors who are due for retirement and re-appointment.

Remuneration

The Board has in place a Directors Remuneration Policy which contains the guiding principles for determining the remuneration for Directors, including Executive and Non-Executive Directors. In determining Executive Directors' remuneration, it aims to link rewards to corporate and individual performance, taking into consideration scope of responsibilities, contribution and making comparison with market rate for similar position in comparable companies. In the case of Non-Executive Directors, the level of remuneration reflects the experience, expertise and level of responsibilities undertaken by the particular Non-Executive Director concerned.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The remuneration of Independent Directors comprises fees, meeting allowances and other benefits. The Board ensures that the remuneration for Independent Directors do not conflict with their obligation to bring objectivity and independent judgement on matters discussed at Board meetings. The respective Directors are required to abstain from deliberation and voting on their own remuneration at Board Meetings.

The aggregate remuneration of Directors received or to be received from the Company and on Group basis for the financial period ended 30 November 2024 is as follows:

Directors	Fee	Allowance	Salary	Bonus	Benefits -in-kind	Other emoluments	Total
In RM	Group						
Executive Director							
Mazhar Ul Latif	11,534	-	550,000	-	-	66,000	627,534
Non-Executive Director							
Dato Sri Mahmud Abu Bekir Taib	347,945	12,000	-	-	-	-	359,945
Mr. Rafat Ali Rizvi (Appointed on 29 December 2023)	112,767	8,150	-	-	-	-	120,917
Mr. Takeo Hirata (Appointed on 6 December 2023)	93,425	5,600	-	-	-	-	99,025
Hamzah bin Mahmood (Appointed on 6 August 2024)	53,140	3,100	-	-	-	-	56,240
Ms Kiew Jin Huey (Appointed on 29 August 2024)	38,636	2,600	-	-	-	-	41,236
Datuk Kevin How Kow (Resigned on 6 August 2024)	133,501	14,000	-	-	-	-	147,501
Yek Siew Liong (Resigned on 23 July 2024)	165,260	7,100	-	-	-	-	172,360
Redzuan bin Rauf (Resigned on 23 July 2024)	153,693	13,900	-	-	-	-	167,593
Dato Sri Fong Joo Chung (Resigned on 3 May 2024)	189,244	8,150	-	-	-	-	197,394
Erman bin Radin (Resigned on 18 January 2024)	72,475	5,000	-	-	-	-	77,475
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Haji Mohd Nor (Resigned on 14 December 2023)	55,868	3,400	-	-	-	-	59,268
Ninam Shah Bin Dato' Kadar Shah (Resigned on 14 December 2023)	46,800	6,600	-	-	-	-	53,400
Alwizah Al-Yafii binti Ahmad Kamal (Resigned on 6 December 2023)	51,507	4,200	-	-	-	-	55,707
Datuk Rozimi Bin Remeli (Resigned on 1 September 2023)	30,992	2,100	-	-	-	-	33,092

Directors	Fee	Allowance	Salary	Bonus	Benefits -in-kind	Other emoluments	Total
In RM	Company						
Executive Director							
Mazhar Ul Latif	-	-	550,000	-	-	66,000	616,000
Non-Executive Director							
Dato Sri Mahmud Abu Bekir Taib	347,945	12,000	-	-	-	-	359,945
Mr. Rafat Ali Rizvi (Appointed on 29 December 2023)	101,233	8,150	-	-	-	-	109,383
Mr. Takeo Hirata (Appointed on 6 December 2023)	93,425	5,600	-	-	-	-	99,025
Hamzah bin Mahmood (Appointed on 6 August 2024)	43,518	3,100	-	-	-	-	46,618
Ms Kiew Jin Huey (Appointed on 29 August 2024)	31,419	2,600	-	-	-	-	34,019
Datuk Kevin How Kow (Resigned on 6 August 2024)	133,501	14,000	-	-	-	-	147,501
Yek Siew Liong (Resigned on 23 July 2024)	119,101	7,100	-	-	-	-	126,201
Redzuan bin Rauf (Resigned on 23 July 2024)	153,693	13,900	-	-	-	-	167,593
Dato Sri Fong Joo Chung (Resigned on 3 May 2024)	139,416	8,150	-	-	-	-	147,566
Erman bin Radin (Resigned on 18 January 2024)	63,288	5,000	-	-	-	-	68,288
Laksamana Tan Sri Dato' Setia Mohd Anwar Bin Haji Mohd Nor (Resigned on 14 December 2023)	55,868	3,400	-	-	-	-	59,268
Ninam Shah Bin Dato' Kadar Shah (Resigned on 14 December 2023)	46,800	6,600	-	-	-	-	53,400
Alwizah Al-Yafii binti Ahmad Kamal (Resigned on 6 December 2023)	51,507	4,200	-	-	-	-	55,707
Datuk Rozimi Bin Remeli (Resigned on 1 September 2023)	30,992	2,100	-	-	-	-	33,092

**The remuneration paid to the Executive Director were in respect of his employment with the Company/ Group.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

The Board is of the view that disclosing the detailed remuneration packages of its top 4 Senior Management on a named basis would pose security issues to the Group, for example vulnerability of these personnel being poached by competitor companies as well as potential disgruntlement amongst the personnel concerned when they note how much their fellow colleagues are drawing, notwithstanding that the disclosure is in bands of RM50,000 each.

As an Alternative, the Board believes that disclosure of its top 4 Senior Management's compensation and benefits packages received from the Group for the financial period under review in bands of RM50,000 on an unnamed basis would provide pertinent insights to shareholders on whether such personnel, being top 4 Senior Management of the Group, are being remunerated responsibly and fairly with a view of attracting, motivating and retaining talents. Accordingly, the remuneration of the top 4 Senior Management in bands of RM50,000 received from the Group for the financial period under review on an unnamed basis, is set out below:

Salaries, Bonuses, Defined Contribution Plan and Benefit-in-kind	No. of Senior Management of the Group
RM1 – RM50,000	1
RM600,001 – RM650,001	2
RM650,001 – RM700,000	1

Principle B: Effective Audit and Risk Management

1. Audit Committee

The Board has established an AC which is tasked to oversee matters relating to financial reporting, auditing, and internal controls.

The requirements for the AC to consist of at least three (3) members, all of whom shall be Non-Executive with majority being Independent Directors and the requirement for the AC Chairman to be an Independent Director were articulated in the AC's terms of reference and are fully complied with as at 30 November 2024.

The AC brings to the Board an independent and objective committee that safeguards the integrity of the Company's financial reporting, which includes ensuring the independence and quality of audit activities which are key to providing necessary assurance to the AC in forming its basis for recommendation to the Board.

The AC adopted the policy which requires a former partner of the external audit firm to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC and such policy was incorporated in the terms of reference of the AC.

In the annual assessment on the suitability, objectivity and independence of the external auditors, the AC is guided by the factors as prescribed under Paragraph 15.21 of the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (continued)

2. Risk Management and Internal Control Framework

The Board has overall responsibility for maintaining a sound system of risk management and internal control of the Group that provides reasonable assurance of effective and efficient business operations, compliance with laws and regulations as well as internal procedures and guidelines.

The Board has delegated risk management matters to a Board level RMC. Through the RMC, the Board oversees the risk management matters of the Group, which include identifying, managing, monitoring, treating and mitigating significant risk across the Group. The RMC assists the Board in fulfilling its responsibilities in setting the framework for risk governance and risk management, by providing necessary guidance and direction to Senior Management in their implementation. On the other hand, the adequacy and effectiveness of the internal control framework which supports the risk management framework are reviewed by the AC, via the deployment of an independent internal audit function.

In determining the effectiveness and adequacy of the Group's systems of risk management and internal controls, the Board considers the works of the RMC and AC, which include obtaining assurance from the Group Executive Director.

For the financial period under review, the Board is satisfied with the performance of the RMC and AC and their respective Chairmen in discharging their responsibilities, based on the results of the Board Committees effectiveness evaluation facilitated by the NC.

Further information on the Group's risk management and internal control framework, as well as activities carried out for the financial period under review and reporting processes, are made available on the Statement of Risk Management and Internal Control of the Annual Report.

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

1. Engagement with Stakeholders

The Board recognizes the importance of being transparent and accountable to the Company's stakeholders and acknowledges the continuous communication between the Company and stakeholders would facilitate mutual understanding of each other's objectives and expectations. As such, the Board consistently ensures the supply of clear, comprehensive and timely information to their stakeholders via various disclosures and announcements including quarterly and annual financial results which provides investors with up-to-date financial information of the Group. All these announcements and other information about the Company are available on the Company's website which shareholders, investors and public may access.

In addition, the Directors also ensure that engagement with shareholders occurs at least once a year during the AGM to better understand their needs and obtain their feedback.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(continued)*

2. Conduct of General Meetings

The AGM is the principal forum for shareholder dialogue, allows shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. During the financial period under review, notice of the AGM was given 42 days before the meeting, to provide shareholders sufficient time to read and understand the Annual Report, resolutions to be tabled and make the required attendance and voting arrangements. SCB endeavours to provide at least 28 days' notice to the shareholders before the upcoming AGM.

The latest AGM (25th) held on 21 November 2023, SCB was attended by eight (8) Directors (two were unable to attend) and Company Secretary, and the Shareholders were provided with the opportunity to ask questions during the AGM. All the questions asked by the Shareholders were attended to accordingly.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Introduction

This Statement on Risk Management and Internal Control, prepared in accordance with the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad (Bursa Malaysia) is intended to provide information about the adequacy and effectiveness of the Group's risk management system and internal control during the financial period ended 30 November 2024.

Responsibility of the Board

On 9 July 2024, the High Court of Malaya at Kuala Lumpur under Originating Summon No. WA-28JM-21-07/2024 had appointed Lim Sin Han of Messrs. Sin Han & Co. PLT as the Interim Judicial Manager ("IJM") of Sarawak Cable Berhad (Interim Judicial Manager Appointed) ("the Company" or "SCB") pending the disposal of the judicial management application. Pursuant thereto, the affairs, business and property of the Company are managed by the IJM. Nonetheless, by virtue of the powers of the judicial manager under Section 414(3)(a) and the Ninth Schedule of the Companies Act 2016, the IJM had authorized the Board to, among others, be and continue being responsible for establishing and maintaining a sound risk management and internal control system within the Company and its subsidiaries ("the Group").

The Board reviews the adequacy and effectiveness of the system by evaluating key preventive and corrective measures to support the achievement of the Group's business objectives. Board members' roles are monumental in creating and protecting value for the Group and this is achieved by encouraging innovation, providing support system and promoting improvement in operational and financial performance. The Board's risk oversight function is advocated by the Risk Management Committee (RMC) while the Audit Committee (AC) provides independent appraisal of the adequacy of the Group's internal control system. These Board Committees periodically informs the Board of the key decisions and deliberations of matters delegated to them respectively.

Due to the inherent limitation in the risk management and internal control framework which was designed to manage, rather than eliminate risks completely, only reasonable, rather than absolute assurance is given with respect to material financial misstatement, losses, or fraud.

Risk Management System

The Board considers risk management as an important element in formulating the Group's business strategy and in implementing the ensuing plan to achieve its business objectives. The Group's risk management policy and framework is designed to broadly resemble the recommendations issued by the internationally recognized Committee of Sponsoring Organizations of the Treadway Commission ("COSO") Enterprise Risk Management ("ERM") Framework. Nevertheless, the components have been further simplified as shown in Chart 1 below for ease of implementation. The most important aspect of the system is its practicality and responsiveness to changes in the business environment to ensure sustainable benefits to the Group.

The ERM function is properly defined in the Terms of Reference and ERM Framework which is summarized in Chart 2 below. The heads of department whose roles are to identify, assess and monitor the risks that affect the company's operations regularly discuss the risks situation and exposure with heads of companies and heads of operations for endorsement of the necessary risk response and remedial action plans. The activities of the subsidiary company's ERM are coordinated by the appointed champions who will submit their respective risk reports to the head office periodically for review. The Risk Manager at head office reviews independently the risks that may affect each individual company or project and reports to the RMC the major and significant risks which have been identified, the mitigation plans that are in place and subsequently imparts any additional recommendations issued by the RMC to the Management. Together with the risk champions, he monitors the significant risks identified and ensures remedial actions thereof, are carried out by the respective risk owners.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

(continued)

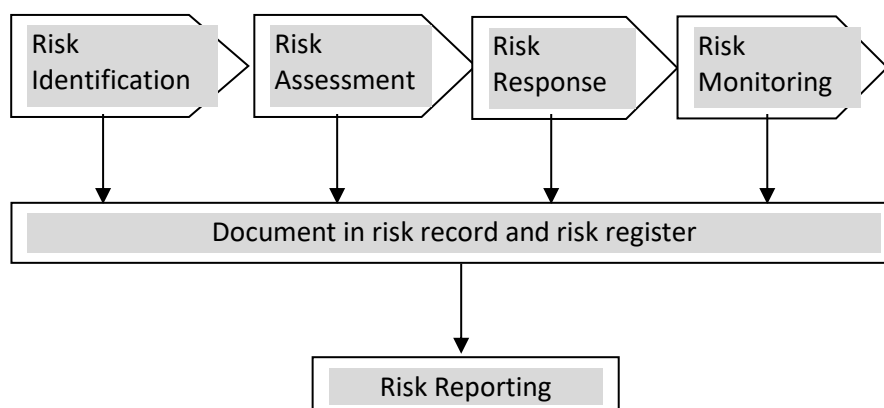


Chart 1: Group's ERM Framework

The Group's Risk Structure and ERM Framework are mapped out below:

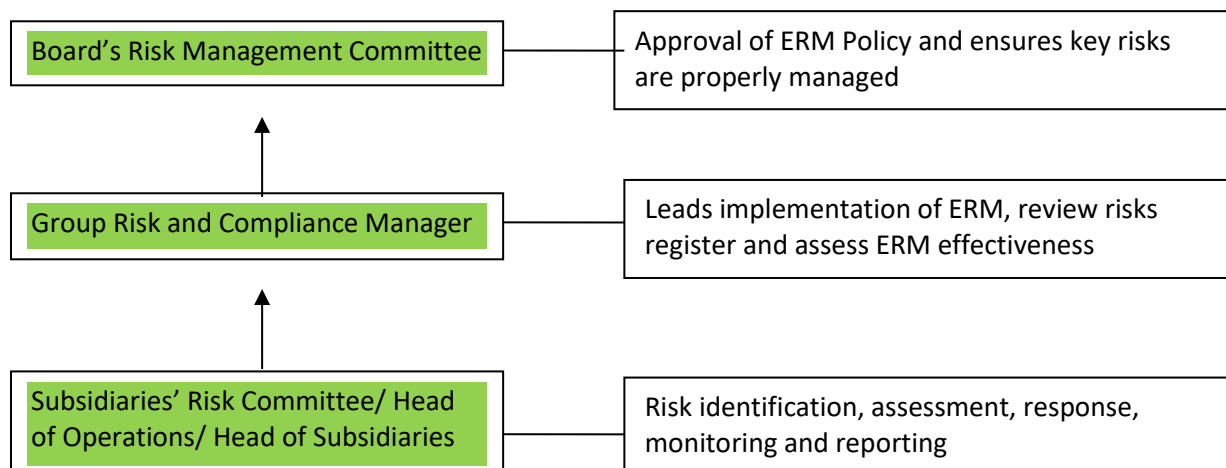


Chart 2: Group's Risk Structure

The current emphasis in risk management and internal control of the Group is very much directed towards improvement of its business and financial results in an effort to appropriately and urgently address its PN17 status. This is done through regular management meeting, weekly/ monthly briefing, and issuance of internal memorandum to improve control and processes.

Internal Control Processes

The Group's internal control system consists of the policies, procedures and processes, which enables it to operate effectively and efficiently, provide relevant internal and external reporting guidelines and ensure compliance with the applicable laws and regulations.

The Audit Committee and the Internal Audit Department are actively enhancing control environment and promoting good corporate governance practices throughout the Group through quarterly audit reviews and assessments.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

(continued)

Audit Committee

The main responsibilities of the Audit Committee involve overseeing, monitoring and assessing the internal and external audit functions, thus providing an independent appraisal of the Group's internal control processes and procedures.

The Audit Committee approved the annual Internal Audit Plan to be carried out by the Internal Audit Department and ensures that critical audit issues highlighted by both the internal and external auditors are appropriately considered and satisfactorily resolved by Management. Out of the four (4) Internal Audit Plans to be carried out for the period, three (3) were successfully completed and presented to the Audit Committee for their deliberation and recommendation.

Through the 3rd quarter of the period, the Audit Committee was able to present to the Board issues or matters deemed significant in enhancing internal control processes throughout the Group.

Internal Audit

Up until the third quarter of the period, the Internal Audit Department reported directly to the Audit Committee and was independent of the activities it audited. This enabled it to provide an independent, objective assurance and consulting activity designed to add value and improve the Group's operations. The Internal Audit Department evaluated and where necessary, assisted in enhancing the effectiveness of the corporate governance processes, risk management and internal control framework.

For the first three (3) quarters of the period, the results of the internal audit work carried out based on the approved internal audit plan and other reviews were presented to the Audit Committee for their deliberation and further action. The risk-based audit plan was prepared through collective inputs from top Management, separate assessment of risks provided by the Risk Department, and in some cases matters highlighted by external parties such as external auditors.

Internal auditors performed follow up audit on issues previously highlighted to the Management and Audit Committee to ascertain whether satisfactory actions were carried out by the Management. The Internal Audit Department also revisited the same areas of concern, particularly the high-risk activities, on a yearly basis to ensure that there are proper controls in place and that the Management is constantly taking the necessary steps to minimize financial losses and other adverse implications to the Group and its stakeholders.

The Internal Audit Department also reviewed the related party transactions and conflict of interests' situation that may arise within the Group in accordance with Bursa Malaysia's Listing Requirements. The review was undertaken to ensure compliance in term of disclosure obligations for recurrent transactions, seeking of a Mandate from the shareholders in respect of recurrent transactions, and to determine whether the transactions are in the ordinary course of business and are on terms not more favorable to the related party than those generally available to the public.

There was also an investigative audit or special review carried out following a request from the members of the Board to determine whether fraud, financial irregularities, abuse of power, error in judgement or misappropriation of assets or resources have taken place.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

(continued)

Following the departure of the Internal Audit Executive in early August 2024, there was no internal audit activities undertaken throughout the Group for the remainder of the quarters until 30 November 2024. The newly appointed AC members were aware of the applicable Listing Requirements, but owing to the substantially scaled down operation of the Group following the liquidation of Universal Cable (M) Berhad and Leader Cable Industry Berhad, no subsequent internal audit activities were carried out. As a mitigation measure, a new subsidiaries' Chief Operating Officer was appointed in September 2024 to oversee the operations of the remaining subsidiaries that have limited activities and implemented some internal control measures such as proper approval of payment to the suppliers/ service providers.

Control Environment and Key Processes

The organization structure is established at individual company and Group levels, with the main objective of defining the lines of responsibility, reporting hierarchy and limits of authority of the management team and other members of the organization. It also provides for a documented and auditable trail of accountability. Key functions established at individual company levels vary slightly but commonly consist of the Sales and Marketing, Finance, Human Resource and Administration, Procurement, Inventory and Logistics, Information Communication Technology, Production and Project Department.

In line with this, a consolidated delegated authority limit (DAL) was distributed in February 2024, to be retrospectively implemented from May 2023. It was established with an objective to standardize the approving process throughout the Group and to empower the Management to ensure that a system of internal controls, and check and balances are incorporated therein. The DAL is established to set out authority limits for capital expenditure, acquisition of goods and services, operating expenses, investment decision, sales activities, finance/ treasury, human resource matters and other activities in the ordinary course of business.

Other key areas/ elements of the Group's risk management and internal control system include the following:

- (a) Active discharge of duties and responsibilities by other Board Committees such as the Nomination Committee and Remuneration Committee.
- (b) The establishment of Board Charter, Code of Conduct, Whistle Blowing Policy, Conflict of Interest Policy and Directors' Remuneration Policy, among others.
- (c) Continued implementation of ISO 9001:2015 Quality Management System within the Group with the objective of enhancing coordination and direction of the Group's activities to meet its customer and regulatory requirements and at the same time improve its effectiveness and efficiency.
- (d) Regular management meetings for each business unit/ subsidiaries to review operational performance, to discuss financial achievement/ status, and determine solutions for issues raised by individual departments/ units.
- (e) Close monitoring of collection by the Group's Credit Control Committee to ensure that revenues are promptly collected and appropriate actions are taken to recover overdue amounts from problematic customers.
- (f) Adherence to internal policies and guidelines such as Employees' Handbook and Health & Safety Manual for the Group.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

(continued)

- (g) The Group's Human Resource and Administration Department constantly analyzes human resource requirements in terms of sufficiency, quality and succession planning. The recruitment and remuneration system requires that all employees are subject to strict recruitment processes, appraisal procedures and career path determination. Training requirements are identified and planned on annual basis based on individual needs, departmental recommendations and certification bodies' requirements.
- (h) The Finance and Accounts Department monitors the monthly closing deadlines, executes transaction recording, processing and reporting, performs regular variance analysis, and complies with acceptable financial reporting standards. On quarterly basis, the department will ensure a comprehensive and timely financial performance reporting to the Board for their information, deliberation, approval and other necessary actions.
- (i) **Production Planning**
Sales, Procurement, Inventory/ Logistic and Production Department meet regularly to determine raw material requirements, timing of arrival of raw materials, volume of production and the estimated date of completion and delivery of orders. Coordination of inputs among the various departments ensures that materials are procured timely at competitive price, goods and services are delivered according to schedule, quality control is in place during the processing and delivery of customers' orders, and the Group's bottom line is constantly safeguarded.
- (j) **Sustainability Management**
Sustainability reporting enables the Group to be more transparent about the risks and opportunities it faced. The Group's sustainability management also involves processes streamlining, costs reduction and efficiency improvement. Efforts are also being made to benchmark and assess sustainability performance with respect to laws, norms, codes, and voluntary initiatives.
- (k) **Anti-Bribery and Corruption Policy**
The Board of Directors of Sarawak Cable Berhad (Interim Judicial Manager Appointed) and its Group of Companies practice a zero tolerance against all forms of bribery and corruption. Among other things, members of the organization are committed to dealing with business associates and government officials in a fair, transparent and ethical manner; prohibit receiving, giving or promising of facilitation payments; while adopting "No Gifts Policy" and prohibit offering or accepting of hospitality, subject to certain limited exceptions.
- (l) **Quality Control**
All of the manufacturing plants under the Group adopt a stringent quality control procedure to ensure that the products meet the necessary requirements, non-conformances and defects are minimized, and customer's satisfaction from using the product is guaranteed. This is achieved through increasing calibration frequency of testing facilities, improvement of the plants and machineries Preventive Maintenance Plan, regular review of raw materials testing methods, and ensures specifications of materials and customer requirements are clearly specified.
- (m) **Cost-cutting and Cost-saving Initiatives**
Cost cutting in the form of reduced/ carefully planned overtime, temporary freezing of new recruitment for factory manpower, multi-skilling of production workforce to reduce headcount, strategic sourcing, careful planning of material purchase and customers' orders processing are among the initiatives currently being promoted at the manufacturing plants. Separately, to reduce administrative expenses, memorandums have been issued to control travelling expenses and other claims, and to offer flexible work arrangements in the form of extended unpaid leaves and reduced work days in a week.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

(continued)

Review of the Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* ("AAPG 3") issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the period ended 30 November 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects: has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the external auditors was made solely for, and directed solely to the Board in connection with their compliance with the listing requirements of Bursa Securities and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the board of directors in respect of any aspect of this report.

Conclusion

The Board is of the view that based on the information and assurance given by the Executive Director and the subsidiaries' Chief Operating Officer, the Group's risk management and internal control system is operating adequately and effectively. During the period under review, the Board is not aware of any material weaknesses in risk management and internal control resulting in significant losses. Management will continue to review the adequacy and the integrity of the Group's risk management and internal control system.

This statement is made in accordance with a resolution of the Board dated 28 March 2025.

ADDITIONAL COMPLIANCE INFORMATION

1. Directors Responsibility Statement

The Directors are responsible for ensuring that the financial statements of the Group and the Company are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016, so as to give a true and fair view of the state of affairs of the Group and the Company as at 30 November 2024.

The Directors consider that, in preparing the financial statements for the financial period ended 30 November 2024 as contained in this Annual Report, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy of the financial position of the Group and of the Company at all time to ensure that the financial statements comply with the provisions of the Companies Act 2016.

The Directors are responsible for taking steps as are reasonably available to them to safeguard the assets of the Group and the Company to prevent and detect fraud as well as other irregularities.

2. Audit and Non-Audit Fees

The amount of audit and non-audit fees incurred for the services rendered by the External Auditors of the Company and its affiliated firms to the Group and the Company for the financial period ended 30 November 2024 were as follows:-

	Group (RM)	Company (RM)
Audit Fee	482,000	197,000
Non-Audit Fee	112,207	112,207

Note: The non-audit fees incurred are mainly for services related to the appointment of an affiliated firm as the Corporate Finance advisor for negotiations with the Group's bank creditors.

3. Material contracts involving Directors and Major Shareholders' Interests

Other than those disclosed in the Circular to Shareholders in relation to the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature to be issued at a later date, there were no material contracts entered into by the Group involving Directors and major shareholders' interest during the financial period ended 30 November 2024.

4. Utilisation of proceeds

During the financial period, no proceeds were raised by the Company for any corporate proposal.

ADDITIONAL COMPLIANCE INFORMATION (continued)

5. Employees' Share Option Scheme

On 8 July 2022, the shareholders of the Company had approved the establishment of an Employees' Share Option Scheme ("ESOS") of not exceeding 15% of the total number of the Company's ordinary shares (excluding treasury shares, if any) for eligible directors and employees of the Company and its subsidiaries.

The ESOS was implemented on 20 July 2022. No option has been granted by the Company as at 30 November 2024 or 31 May 2023.

6. Recurrent Related Party Transactions of Revenue or Trading Nature

The Company had at the AGM held on 21 November 2023, obtained renewed and new shareholders' mandate for the Group to enter into recurrent related party transactions of a revenue of trading nature ("Shareholders' Mandate") which is necessary for its day-to-day operations. The Shareholders' Mandate shall expire at the conclusion of the forthcoming AGM and is subject to renewal by the shareholders at the said meeting.

The aggregate value of transactions conducted pursuant to the Shareholders' Mandate shall be disclosed under the Circular to Shareholders on the proposed renewal of the said mandate at a later date.

ANALYSIS OF SHAREHOLDINGS

As At 17 March 2025

Issued and fully paid-up share capital : 398,985,000 of Ordinary Shares
 Class of shares : Ordinary shares
 Voting rights : One (1) Voting Right per Ordinary Share

Analysis By Size Of Shareholdings

Size Of Shareholdings	No. Of Shareholders	%	No. Of Shares	%
Less than 100	73	1.38	2,467	0.00
100 to 1,000	522	9.89	288,080	0.07
1,001 to 10,000	2,263	42.89	13,319,518	3.34
10,001 to 100,000	2,040	38.67	73,884,243	18.52
100,001 to less than 5% of issued shares	375	7.11	184,745,800	46.30
5% and above of issued shares	3	0.06	126,744,892	31.77
Total	5,276	100.00	398,985,000	100.00

Substantial Shareholders As Per The Register Of Substantial Shareholders

No	Name	Direct No. Of Shares Held	%	Indirect No. Of Shares Held	%
1.	Petra Transit Systems Sdn. Bhd. ("PTSSB")	⁽¹⁾ 63,410,000	15.89		
2.	Dato Sri Mahmud Abu Bekir Taib	48,264,896	12.10	⁽²⁾ 26,082,000	6.54
3.	Sarawak Energy Berhad	52,397,996	13.13	-	-
4.	Central Paragon Sdn. Bhd.	26,082,000	6.54	-	-
5.	Yek Siew Liong	5,855,000	1.47	⁽³⁾ 31,682,000	7.94
6.	UF Jaya Sdn. Bhd	5,600,000	1.40	⁽⁴⁾ 26,082,000	6.54
7.	State Financial Secretary, Sarawak	-	-	⁽⁵⁾ 52,397,996	13.13
8.	Delegateam Sdn. Bhd.	-	-	⁽⁵⁾ 52,397,996	13.13
9.	Baodi Development Sdn. Bhd.	-	-	⁽⁶⁾ 31,682,000	7.94
10.	Yek Min Ek Sdn. Bhd.	-	-	⁽⁷⁾ 31,682,000	7.94

Notes:-

- (1) Based on the latest Register of Depositors as at 17 March 2025, PTSSB holds 12,754,000 ordinary shares, representing 3.20% of the total issued shares of the Company. However, the Company has not received any notice of cessation as a substantial shareholder from PTSSB.
- (2) Deemed interested by virtue of his interest in Central Paragon Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.
- (3) Deemed interested by virtue of his interest in Central Paragon Sdn. Bhd. and UF Jaya Sdn. Bhd. via Yek Min Ek Sdn. Bhd. and Baodi Development Sdn. Bhd. respectively pursuant to Section 8(4) of the Companies Act 2016.
- (4) Deemed interested by virtue of its interest in Central Paragon Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.
- (5) Deemed interested by virtue of its interests in Sarawak Energy Berhad pursuant to Section 8(4) of the Companies Act 2016.
- (6) Deemed interested by virtue of its interests in Central Paragon Sdn. Bhd. via UF Jaya Sdn. Bhd. and UF Jaya Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.
- (7) Deemed interested by virtue of its interests in Central Paragon Sdn. Bhd. and UF Jaya Sdn. Bhd. via Baodi Development Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS

As At 17 March 2025 (continued)

Directors' Shareholdings As Per The Register Of Directors' Shareholdings

No	Name	Direct No. Of Shares Held	%	Indirect No. Of Shares Held	%
1.	Dato Sri Mahmud Abu Bekir Taib	48,264,896	12.10	⁽¹⁾ 26,082,000	6.54
2.	Mazhar UL Latif	-	-	-	-
3.	Rafat Ali Rizvi	-	-	-	-
4.	Takeo Hirata	-	-	-	-
5.	Hamzah Bin Mahmood	-	-	-	-
6.	Kiew Jin Huey	-	-	-	-

Notes:-

- (1) Deemed interested by virtue of his interest in Central Paragon Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

List Of Thirty (30) Largest Shareholders

As At 17 March 2025

No.	Name of Shareholders	No. of Shares	(%)
1.	SARAWAK ENERGY BERHAD	52,397,996	13.132
2.	MAHMUD ABU BEKIR TAIB	48,264,896	12.096
3.	CENTRAL PARAGON SDN. BHD.	26,082,000	6.537
4.	PETRA TRANSIT SYSTEMS SDN BHD	12,754,000	3.196
5.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY SOON HWA (E-TSA)	8,000,000	2.005
6.	PINTARISMA SDN BHD	6,068,300	1.520
7.	UF JAYA SDN BHD	5,600,000	1.403
8.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR YEK SIEW LIONG (PB)	4,550,000	1.140
9.	KIU SIU LEY	4,132,500	1.035
10.	KIU SIU LEY	4,002,600	1.003
11.	MAYBANK NOMINEES (TEMPATAN) SDN BHD ADAM SHAH BIN ABDUL MAJID	3,480,000	0.872
12.	MOK POH YIN	3,350,000	0.839
13.	LEONG MEI KUEN	3,300,000	0.827
14.	TEH LAY HOON	3,000,000	0.751
15.	LOW SOEW WENG	2,850,000	0.714
16.	ZACHARY GNOW WAI JOON	2,675,000	0.670
17.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG KHIAM KUI	2,221,600	0.556
18.	MUHAMMAD ZAKI BIN AB RAHMAN	2,183,700	0.547
19.	AYAZ AHMAD BIN MOHAMED SALLEH KHAN	2,043,800	0.512
20.	BOO CHEN BENG	2,000,000	0.501
21.	MOHD AZMI BIN MAHBUB	1,940,800	0.486
22.	TIONG TECK MEE	1,816,540	0.455
23.	NORHAYATI BINTI AB RAHMAN	1,759,700	0.441

ANALYSIS OF SHAREHOLDINGS

As At 17 March 2025 (continued)

List Of Thirty (30) Largest Shareholders

As At 17 March 2025 (continued)

No.	Name of Shareholders	No. of Shares	(%)
24.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BOO CHEN BENG (REM188)	1,724,600	0.432
25.	NUR FARAH DALILA BINTI AHMAD NAZRI	1,697,000	0.425
26.	MAYBANK NOMINEES (TEMPATAN) SDN BHD YONG CHIN SUAN	1,500,000	0.375
27.	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE KIN SUN	1,438,700	0.360
28.	TEN THYE KIAN	1,393,300	0.349
29.	YAP YOONG LIM	1,357,200	0.340
30.	YEK SIEW LIONG	1,305,000	0.327
		214,889,232	53.858

LIST OF PROPERTIES

As At 30 November 2024

Item No.	Name of Company	Location	Description	Tenure	Land/Built-up area (sq. ft.)	Age of Building (years)	Net Book Value (RM'000)	Date of Acquisition
1	Sarwaja Timur Sdn Bhd	Lot 342, Block 8, Muara Tebas Land District, Jalan Kampung Sejingkat, Off Jalan Bako, 93050 Kuching, Sarawak.	Three (3) storey administrative block, a galvanising plant, a fabrication plant, a warehouse and a guard house	Leasehold interest 60 years expiring on 6 November 2049	779,953/265,001	29	2,407	1 January 1999
2	Universal Cable (Sarawak) Berhad	Lot 767, Block 8, Muara Tebas Land District, Demak Laut Industrial Estate, Phase III, 93050 Kuching, Sarawak	Three (3) adjoining units of single storey factory, three (3) storey administrative block, a single storey product warehouse, a raw material warehouse and a guard house	Leasehold interest 60 years expiring on 2 November 2063	261,348/121,766	16	1,345	3 November 2003